



Court File No. CV-17-11857-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE MR.) FRIDAY, THE 13th
)
JUSTICE HAINEY) DAY OF OCTOBER, 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")

AND IN THE MATTER OF TAKATA CORPORATION, AND THOSE OTHER
COMPANIES LISTED ON SCHEDULE "B" HERETO (the "Japanese Debtors", and
collectively with the Chapter 11 Debtors, the "Debtors")

APPLICATION OF TK HOLDINGS INC. AND TAKATA CORPORATION
UNDER SECTION 46 OF THE
COMPANIES' CREDITORS ARRANGEMENT ACT

SECOND DAY RECOGNITION ORDER

THIS MOTION, made by TK Holdings Inc. in its capacity as foreign representative (the "U.S. Foreign Representative") of the Chapter 11 Debtors, 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 Motion Record at Tab 5, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the affidavit of Keith A. Teel sworn October 5, 2017, (the “**Teel Affidavit**”) and the First Report of FTI Consulting Canada Inc., in its capacity as Information Officer (the “**Information Officer**”), each filed,

AND UPON HEARING the submissions of Canadian counsel for the U.S. Foreign Representative, counsel for the Information Officer, and any such other counsel as were present:

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

Recognition of U.S. Second Day Orders

3. **THIS COURT ORDERS** that the following orders, copies of which are attached as Schedules “C” to “X” of this Order (collectively, the “**U.S. Second Day Orders**”) of the United States Bankruptcy Court for the 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) Final 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;
- (b) Final Order to (I) Pay Prepetition Wages, Salaries, and Other Compensation and Benefits, and (II) Maintain Employee Benefit Programs and Pay Related Administrative Obligations;
- (c) Final 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; and

- (d) Final Order Authorizing the Debtors to (I) Pay Certain Prepetition Taxes and Assessments, and (II) Authorize Banks to Honor and Process Related Checks and Transfers;
- (e) Order Pursuant to 11 U.S.C. §§ 105(a), 327, 328, and 330 Authorizing the Debtor to Employ Professionals Used in the Ordinary Course of Business *Nunc Pro Tunc* to the Petition Date;
- (f) Order Pursuant to 11 U.S.C. §§ 331 and 105(a) Authorizing Debtors to Establish Procedures for Interim Compensation and Reimbursement of Expenses of Professionals;
- (g) Order Pursuant to 11 U.S.C. §§ 327(a) and 328(a), Fed. R. Bankr. P. 2014 and 2016, and Local Rules 2014-1 and 2016-1 Authorizing Debtors to Retain and Employ Weil, Gotshal & Manges LLP as Attorneys for Debtors *Nunc Pro Tunc* to the Petition Date;
- (h) Order Pursuant to 11 U.S.C. § 327, Fed. R. Bankr. P. 2014(a) and 2016, and Local Rule 2014-1 Authorizing Debtors to Employ and Retain Prime Clerk LLC as Administrative Advisor *Nunc Pro Tunc* to the Petition Date;
- (i) Order Authorizing the Debtors to Employ and Retain Richards, Layton & Finger, P.A. as Co-Counsel Pursuant to Section 327(a) of the Bankruptcy Code, Bankruptcy Rules 2014(a) and 2016 and Local Rule 2014-1, *Nunc Pro Tunc* to the Petition Date;
- (j) Order Authorizing the Employment and Retention of Covington & Burling LLP as Special Litigation, Regulatory and Corporate Counsel for the Debtors *Nunc Pro Tunc* to the Petition Date;

- (k) Order Pursuant to 11 U.S.C. §§ 327(a), 328 and 330(a), Fed. R. Bankr. P. 2014 and 2016 and Local Rules 2014-1 and 2016-1 For Authorizing Debtors to Retain and Employ and PricewaterhouseCoopers LLP as Financial Advisors to the Debtors *Nunc Pro Tunc* to the Petition Date and Waiving Certain Information Requirements of Local Rule 2016-2;
- (l) Final Order to Pay Prepetition Obligations Owed to Certain Critical Vendors;
- (m) Final 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;
- (n) Final Order to Continue Insurance and Surety Bond Programs and Pay All Obligations With Respect Thereto;
- (o) Order Pursuant to 11 U.S.C. §§ 327(a) and 328(a), Fed. R. Bankr. P. 2014 and 2016 and Del. Bankr. L.R. 2014-1 Authorizing the Retention and Employment of Lazard Freres & Co. LLC and Lazard Freres K.K. as Investment Banker to the Debtors *Nunc Pro Tunc* to the Petition Date and Waiving Certain Information Requirements of Local Rule 2016-2;
- (p) Order Pursuant to 11 U.S.C. §§ 105 and 1103 and Federal Rule of Bankruptcy Procedure 2014 Authorizing the Retention and Employment of Frankel Wyron LLP Counsel to the Future Claimants' Representative, *Nunc Pro Tunc* to July 24, 2017;
- (q) Order Pursuant to 11 U.S.C. §§ 105 and 1103 and Federal Rule of Bankruptcy Procedure 2014 Authorizing the Retention and Employment of Ashby & Geddes, P.A. as Co-Counsel to the Future Claimants' Representative, *Nunc Pro Tunc* to July 24, 2017;
- (r) Order Appointing Roger Frankel as Legal Representative for Future Personal Injury Claimants *Nunc Pro Tunc* to July 20, 2017;

- (s) Order Appointing Fee Examiner and Establishing Procedures for Consideration of Requested Fee Compensation and Reimbursement of Expenses;
- (t) Final 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);
- (u) Order Pursuant to 11 U.S.C. 105, 363 and 503 For Authority to Pay Fees and Expenses Incurred by the NHTSA Monitor, to Pay the NHTSA Civil Penalty, and to Honor Certain Related Obligations; and
- (v) Final 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.

4. **THIS COURT ORDERS AND DECLARES** that, in the event of any conflict between the terms of the U.S. Second 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 in the Supplemental Order (Foreign Main Proceeding) of this Court, dated June 28, 2017, as amended by Order dated September 1, 2017 and as may be further amended by Order from time to time) in Canada.

Information Officer

5. **THIS COURT ORDERS** that the First Report and the activities of the Information Officer described therein be and are hereby approved.

Aid and Assistance

6. **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.

7. **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.



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

OCT 16 2017

MB

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" – Japanese Debtors

1. Takata Corporation
2. Takata Kyushu Corporation
3. Takata Service Corporation

TAB C

**Schedule "C" – Final 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.

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 Nos. 15 and 105

**FINAL 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, together with the Foreign Vendors, the "*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 the 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 the Court having reviewed the Motion; and the Court having held a hearing on the Motion on June 27, 2017; and the Court having granted interim relief on the Motion on June 27, 2017 (Docket No. 105); and the Court having held a final hearing on the Motion on July 26, 2017; and all objections to the Motion having been withdrawn, resolved or overruled; and the 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 the Court and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted on a final 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 all (i) Foreign Claims, including the Customs Duties, and (ii) Lien Claims, including the Shipping and Warehousing Charges, in an amount not to exceed \$16,280,000 and \$16,280,000, respectively, in the ordinary course of business.
3. Unless necessary and appropriate to avoid an immediate shutdown of the Debtors' operations or other similar exigent circumstances as determined by the Debtors in good faith and described in the notice discussed below, in which case the Debtors shall not provide less than twelve (12) hours' written email notice to the statutory committee of unsecured creditors and the statutory committee of tort claimant creditors (collectively, the "*Committees*") appointed in these Chapter 11 Cases, the Debtors shall provide three (3) business days' written notice to the Committees prior to making any payment of a Foreign Claim or Lien Claim in excess of \$250,000 to a particular Claimant, which notice shall include (i) the name of the Claimant, (ii) the amount of the proposed payment, (iii) estimated total Claim of such Claimant and whether the Debtors are aware of a Claim that could be asserted by such Claimant under section 503(b)(9) of the Bankruptcy Code, (iv) estimated payment date, (v) purpose of such payment, including any alternative vendors the Debtors considered, (vi) whether such Claimant has an existing contract with any Debtor, (vii) whether the Debtors and such Claimant have executed an agreement regarding the payment of a Claim and go-forward trade terms and

whether the Debtors are receiving less favorable terms than the Customary Trade Terms, and (viii) the Debtor payor(s). If a Committee timely objects to the payment of a Claim in excess of \$250,000, the Debtors shall not make such payment absent further order of this Court or written consent of the applicable Committee.

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 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 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. The Debtors shall maintain a matrix summarizing (i) the name of each Claimant paid on account of its Claim, (ii) the amount paid by each Debtor payor to each Claimant on account of its Claim, (iii) the goods or services provided by such Claimant, and (iv) committed future payments to Claimants organized by each Debtor payor. This matrix shall be

provided on a bi-weekly basis, one week in arrears, to the Office of the United States Trustee for the District of Delaware and the professionals retained by the Committees; *provided, however*, that the matrix shall be considered confidential and shall be subject to the individual agreements between the Debtors and each of the Committees regarding the handling of confidential material in these Chapter 11 Cases.

11. 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.

12. 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 Chapter 11 Cases.

13. Nothing contained in this Final Order or in the Motion is intended to be or shall be construed as (i) an admission as to the nature, validity, or priority of any claim against the Debtors, (ii) a waiver of (a) the Debtors', (b) the Committees', or (c) any other 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 Final Order is not intended to be and shall not be construed as an admission to the nature, validity, or priority of any claim or a waiver of the rights of the parties in clauses (ii)(a)-(ii)(c) of this paragraph 13 to dispute such claim subsequently.

14. Notwithstanding entry of this Final 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.

15. 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 Final Order and any Adequate Protection Order, the terms of such Adequate Protection Order shall control. Entry of this Order is without prejudice to any rights or objections of either Committee with respect to any Adequate Protection Order(s), all of which are expressly preserved.

16. Notwithstanding the provisions of Bankruptcy Rule 6004(h), this Final 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 Final 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 Final Order.

Dated: July 26, 2017
Wilmington, Delaware


THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE

TAB D

Schedule "D" – Final 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**

-----x
:

In re : **Chapter 11**
:

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

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

-----x **Re: Docket No. 12, 116**

**FINAL ORDER PURSUANT TO 11 U.S.C. §§ 105(a), 363(b), AND 507,
AND FED. R. BANKR. P. 6003 AND 6004 FOR 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 on June 27, 2017; and this Court having granted interim relief on the Motion on June 27, 2017 (ECF No. 116); and this Court having held a final hearing on the Motion on July 26, 2017; and all objections to the Motion having been withdrawn, resolved or overruled; 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 on a final 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, without further order of this Court, in accordance with the Debtors' ordinary course of conduct and consistent with the Debtors' prepetition practices; *provided*, that the Debtors shall not make any payments pursuant to the PIP without further order of this Court; *provided further*, that any payments made pursuant to this Order on account of Prepetition Employee Obligations shall not, in the aggregate, exceed \$18,173,000.

3. The Debtors are authorized to pay or otherwise honor obligations that become due and owing after the Petition Date on account of the Employee Incentive Programs (other than the PIP); *provided, however*, that the Debtors shall provide the statutory committee of unsecured creditors and the statutory committee of tort claimant creditors (collectively, the "*Committees*") appointed in these Chapter 11 Cases with five (5) business days' written notice (the "*Notice Period*") prior to making any payment to an Employee under the General Retention Program or the Spot Awards Program that exceeds the estimated range of amounts to be paid to an Employee by a Debtor under such program as described in the Motion by more than twenty percent (20%) (a "*Proposed Action*"). Should either Committee object to the Proposed Action, such Committee may file an objection (an "*Objection*") to such Proposed Action within the Notice Period setting forth the basis for such Objection, which Objection shall be heard on an expedited basis. If an Objection is filed, the Debtors shall not take the Proposed Action unless and until such Objection is overruled or resolved by agreement between the Debtors and the objecting Committee. Notwithstanding the foregoing, an Employee's payout potential under an Employee Incentive Program may be increased without notice to the Committee solely as a

function of any promotion or pay increase granted to the Employee in the ordinary course of the Debtors' business.

4. 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.

5. TK Holdings Inc. is further authorized, but not directed, to maintain and continue to honor and pay, in its sole discretion, bonus payments owed to eligible employees under that certain intellectual property bonus program (the "*IP Bonus Program*"), including prepetition bonus payments under the IP Bonus Program up to \$9,250; *provided, however*, that TK Holdings Inc. shall not pay any bonus payment under the IP Bonus Program that exceeds those thresholds established by TK Holdings Inc. under the IP Bonus Program as of July 24, 2017, which thresholds were disclosed to the Committees and the United States Trustee on July 24, 2017.

6. 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.

7. 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.

8. 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.

9. 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.

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 Final Order and any Adequate Protection Order, the terms of such Adequate Protection Order shall control. Entry of this Order is without prejudice to any rights or objections of either Committee with respect to any Adequate Protection Order(s), all of which are expressly preserved.

11. Nothing contained in this Final Order or in the Motion is intended to be or shall be construed as (a) an admission as to the nature, validity, or priority of any claim against the Debtors, (b) a waiver of (i) the Debtors', (ii) the Committees', or (iii) any other 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 Final Order is not intended to be and shall not be construed as an

admission to the nature, validity, or priority of any claim or a waiver of the rights of the parties in clauses (b)(i)-(b)(iii) of this paragraph 10 to dispute such claim subsequently.


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

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

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

Dated: July 26, 2017
Wilmington, Delaware



THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE

TAB E

Schedule "E" – Final 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.

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. 6 and 113

FINAL 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 an order: (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 consider 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.

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 on June 27, 2017; and this Court having granted interim relief on the Motion on June 27, 2017 (Docket No. 113); and this Court having held a final hearing on the Motion on July 26, 2017; and all objections to the Motion having been withdrawn, resolved or overruled; 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 on a final basis, as provided herein.
2. The Proposed Adequate Assurance satisfies the requirements set forth in section 366 of the Bankruptcy Code.
3. Any Utility Company not in compliance with the below Adequate Assurance Procedures shall not be permitted to alter, refuse, or discontinue service or demand adequate assurance other than as provided in this Final Order:
 - a. 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); (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. Messina, 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.); (iii) proposed counsel to the statutory committee of unsecured creditors (the "**Creditors' Committee**"), Milbank, Tweed, Hadley & McCloy LLP, 28 Liberty Street, New York, New York 10005 (Attn: Dennis F. Dunne, Esq., Abhilash M. Raval, Esq., and Tyson M. Lomazow, Esq.); and (iv) proposed counsel to the statutory committee of tort claimant creditors (the "**Tort Claimants' Committee**" and, together with the Creditors' Committee, the "**Committees**"), Pachulski Stang Ziehl & Jones LLP, 919 North Market Street, Wilmington, DE 19801 (Attn: Laura Davis Jones, Esq.), and the Request must set forth (a) the location(s) for which Utility Services are provided, (b) the account number(s) for such location(s), (c) the outstanding balance for each account, (d) an explanation of why the Utility Company believes the Adequate Assurance Deposit is not adequate assurance of payment, and (e) a description of any deposits or other security currently held by the requesting Utility Company.

- b. If the Debtors, in their 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. Notwithstanding anything to the contrary herein, the Debtors shall provide the Committees with five (5) calendar days' written notice (the "**Notice Period**") prior to providing a requesting Utility Company with additional adequate assurance in an amount equal to, or in excess of, \$50,000 (any such modification or action, a "**Proposed Modification**"). Should either Committee object to the Proposed Modification, such Committee may file an objection (an "**Objection**") to such Proposed Modification within the Notice Period setting forth the basis for such Objection, which Objection shall be heard on an expedited basis. If an Objection is filed, the Debtors shall not make the Proposed Modification unless and until such Objection is overruled or resolved by agreement between the Debtors and the objecting Committee.

- c. If the Debtors, in their 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.
 - d. 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.
4. 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.
 5. 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.
 6. The inclusion of any entity in, as well as any omission of any entity from, the Utility Services List, as attached hereto as Exhibit 1, 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.
 7. 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 Final Order shall apply to any such Utility Company that is added to the Utility Services List; *provided, however*, that the Debtors shall file amendments or other

modifications to the Utility Services List with the Court and provide written notice to the Committees two (2) business days prior to the filing of such amendment or modification.

8. 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.

9. 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.

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

11. The Debtors shall provide counsel to the Committees (a) on a weekly basis, one week in arrears, written reports of all payments made pursuant to this Final Order and (b) reasonable and timely access to information sufficient to enable the Committees to monitor payments made, obligations satisfied, and other actions taken pursuant to this Final Order.

12. Nothing contained in this Final Order or in the Motion is intended to be or shall be construed as (a) an admission as to the nature, validity, or priority of any claim against the Debtors, (b) a waiver of the rights of (i) the Debtors', (ii) the Committees', or (iii) any other 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 Final Order is not intended to be and shall not be construed as an admission to the nature, validity, or priority of any claim or a waiver of the rights of the parties in clauses (b)(i)-(b)(iii) of this paragraph 12 to dispute such claim subsequently.

13. Notwithstanding entry of this Final 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 Final Order and any Adequate Protection Order, the terms of such Adequate Protection Order shall control. Entry of this Final Order is without prejudice to any rights or objections of either Committee with respect to any Adequate Protection Order(s), all of which are expressly preserved.

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

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

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

Dated: July 26, 2017
Wilmington, Delaware


THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE

Exhibit 1

Utility Services List

Utility Services List

| | | | |
|-------------------------------|--|-------------------------|--|
| Advanced Disposal | P.O. Box 74008047 Chicago, IL 60674-8047 | Waste | V2007647 V2010545 V2018965 V2196019 V2196546 V2018966 |
| Airespring | N/A | Telephone | 1317685 |
| AmeriGas | PO BOX 660288, DALLAS, TX ZIP : 75266-0288 | Propane Gas | 202617751 |
| APS | PO Box 2906 Phoenix AZ USA | Electricity | 4063980000 496944284 |
| Ashbert Environmental Service | 10937 Stacy Lane Corpus Christi TX US | Hazardous Waste pick up | 000486-000 |
| AT&T | N/A | Telephone | 10007466674 10007901142 10011505715 10012417852 18000058554 18000062770 80028569830 MX0814 TAKATAKSA01 VPTKHI |
| AT&T (SBC) | N/A | Telephone | 2104654128439 2483350153930 2483710024347 2483774893447 2484520308672 248R410454660 248R411100036 248R411101305 313S661584584 313S661602602 5175459535591 5863360158063 5863364095374 586R410163116 8307521172548 937R016798667 |
| AT&T All In One Services | PO BOX 105068 Atlanta GA US | Telephone | 030 376 9784 001 |

| | | | |
|--|--|-------------------------|---|
| AT&T Internet Services | N/A | Telephone | 8310000802491 8310001009083 8310005468899 8310006200903 |
| AT&T Mobility | PO BOX 6463 Carol Stream IL US | Cellular | 287021616458 287017689318 287017689344 287017689368 287017689382 287019466015 287019587972 823987426 |
| AT&T One Net | PO BOX 5094 Carol Stream IL US | Telephone | 1000-87-5336 |
| Axtel, S.A.B. de C.V. | Av. Valle Imperial # 8104 Parque Industrial Valle del Sur C.P. 77500, Baja California Mexico | Internet | 202617751 |
| CenturyLink | PO BOX 91155 Seattle WA US | Telephone | 206-222-0059 448B 206-T03-0511 573B 509-762-6456 574B |
| CenturyLink | Business Services PO Box 52187 Phoenix, AZ 85072-2187 | Telephone | 87432761 |
| CenturyLink | N/A | Telephone | 5203641271284 5208054000079 |
| CFE SUMINISTRADOR DE SERVICIOS BASICOS | Av. Paseo de la Reforma 164 Col Juarez C.P. 06600 FALSED.F. Mexico | Electricity | 79 012 6047 6 8260 18 071 0154731 8260 18 071 0014794 2071206004 369071201141 100340433 1424322 |
| City of Auburn Hills | Treasurer's Office 1827 N. Squirrel Rd Auburn Hills, MI 48326-2753 | Water/Sewer | 34400052444 43400052025 |
| City of Del Rio | 109 W. Broadway St Del Rio TX US | Water | 46-012955-00 |
| City Of Douglas | 425 10th St Douglas AZ USA | Water | 100278000 |
| City of Eagle Pass | 100 South Monroe, Eagle Pass, TX 78852 | Compactor | 001-0006000-107 |
| City of Eagle Pass | 100 South Monroe, Eagle Pass, TX 78852 | Water | PAID BY PCARD |
| City of Moses Lake | PO BOX 1579 Moses Lake WA US | Water | 50-0366.00 50-0383.00 |
| City of Piqua | 201 W Water St, Piqua, OH 45356 | Electricity/Water/Sewer | 033992-000 037409-000 |
| Clean Harbors | 1329 E. Wheeler Rd. Ste.103 Moses Lake WA US | Hazardous Waste | 04-2698999 |

| Company | Address | Service | Account Number |
|---|---|---------------------------------|--|
| Comcast | N/A | Telephone | 8529101080038178 900016590 |
| Comision Federal de Electricidad | Avenida Paseo de la Reforma #164 Mexico DF MX | Electricity | 82DB33F018200003 |
| Compania Autoabastecedora de Gas Natural de AP, SA de CV | Avenida Juan F. Brittingham #311-C Torreon Coahuila MX | Natural Gas | 408 |
| Compania de Autoabastecedora de Gas Natural de Acuna SA de CV | Ave Juan F Brittingham #311-B Torreon Coah Mex | Natural Gas | N/A |
| Consolidated Communications | N/A | Telephone | 7243520273 |
| Consolidated Disposal | PO BOX 1154 Ephrata WA US | Garbage | 710364 |
| Consumers Energy | Payment Center PO Box 740309 Cincinnati, OH 45274-0309 | Natural Gas | 1000-2362-0147 1000-2362-0477 1000-0016-4986 1000-0010-1913 1030-1685-9508 |
| CPS Energy | ATTN : TELLERS 7000 SAN PEDRO AVE ,City : SAN ANTONIO, TX ZIP :78216 | Electric | 300-0509-956 300-3590-842 |
| CPS Energy | ATTN : TELLERS 7000 SAN PEDRO AVE ,City : SAN ANTONIO, TX ZIP :78216 | Natural Gas | 300-0509-953 |
| Direct Energy Business | 1001 Liberty Avenue Pittsburgh PA US | Electricity | 1345536 1424322 |
| DIRECTV | N/A | Telephone | 058784620 |
| DTE Energy | P.O. Box 740786 Cincinnati, OH 45274- 0786 | Electricity | 9100-142-8372-5 9100-122-8785-0 9100-210-2322-1 9100-142-8383-2 9100-241-1039-7 9100-409-7722-5 9100-005-4235-7 9100-005-4248-0 |
| Ecogas de Mexico S. de R.L. | Av Tecnologico 4505 Chih. Chihuahua | Natural Gas | 011693642 |
| Ecoservicios del Norte SA de CV | Manantial No. 1494 Juarez Chihuahua | Hazardous Waste Pick up | 609 060 700 529 |
| Edenred Mexico SA de CV | Lago Rodolfo 29 Granada DF Mexico | Gasoline | 2065896 |
| Envirotech Systems | 7343 E. Marginal Way S. Seattle WA US | Hazardous Waste | TKH1000 |
| Gas licuado de Sabinas SA de CV | Carr Nacional 1055 Sabinas Hidalgo N.L. Mex | Propane Gas | N/A |
| Gas Total, S.A. de C.V. | Lib. Carlos Salinas de Gortari Km. 11.600 Col. Occidental C.P. 25616 FALSECoahuila Mexico | Propane Gas | 000486-000 |
| Gen Industrial SA de CV | Av, Churubusco #3890 Coyoacan Monterrey Nuevo Leon Mexico | Garbage/Hazardous Waste pick up | N/A |
| General Dynamics OTS | 4174 County Rd. 180 Carthage MO US | Hazardous Waste | 1147 |

| | | | |
|---|--|---------------------------------|--|
| Grant County Public Utility District | PO BOX 878 Ephrata WA US | Electric | 9685100000 0785100000 |
| Green Mountain Energy | P.O. Box 328, Houston, TX 77001-0328 | Electricity | 8 000 100 506 - 7 9 694 417 - 8 |
| Hidrogas de Agua Prieta SA de CV | Carretera a Nacozari KM 5 s/n Agua Prieta Sonora MX | Propane Gas | 14 |
| Howell Twp. Utilities | 3525 Byron Road Howell, MI 48855 | Water | 0628301033 |
| Inmobiliaria Bosques del Sur | Padre Mier # 439-A Centro Monterrey Nuevo Leon Mexico | Electricity | N/A |
| IP Matrix, SA de CV | Ave. Campos Eliseoa 9050 INT H1 Col Fracc Campos Eliseos Juarez Chihuahua Mexico | Warehouse Connection | N/A |
| iPass Inc. | N/A | Telephone | 1018087 |
| Lakeside Disposal | 2000 W Broadway Moses Lake WA US | Recycle | 996856-002 |
| M Of Arizona -Sierra Vista Hauling | PO Box 43350 Phoenix AZ USA | Waste Management | 0005-76667-45005 |
| Microsoft Azure | N/A | Telephone | TKHoldings |
| Norco | PO BOX 15299 Boise ID US | Propane | 30094 |
| NTT Communications | N/A | Telephone | 11103596 |
| Oakland County - WRC | One Public Works Dr. Bldg 95 West Waterford, MI 48328-1907 | Water/Sewer | 80761-00 80755-00 |
| OOMAPAS | Calle 6 No. 1499 Agua Prieta Sonora MX | Water | 9654-9660 |
| PASA | Blvd. Antonio L. Rodriguez 1884 Pte T1 P8 Santa Maria Monterrey NL MX | Garbage/Hazardous Waste pick up | 4580 |
| Promotora Ambiental de la Laguna SA de CV | Andes 204 Coyoacan Monterrey Nuevo Leon | Garbage | 369040500425 30153 40286 |
| PSC LLC (Stericycle) | 27727 Network P. Chicago IL US | Hazardous Waste | 64138 |
| Radio Movil Dipsa, S.A. de C.V. | Lago Zurich 245 col ampliacion granada C.P. 11529 FALSED.F. Mexico | Cellular | 16-0002022 5 042813357 092716887 |
| Radiomovil Dipsa SA de CV | Lateral Periferico de la Juventud 3204 Chih. Chihuahua | Cellular | 361080300797 369130801131 361061102810 |
| Radiomovil Dipsa, SA de CV | Boulevard Rosales No. 86 Hermosillo Sonora MX | Cellular | 20513314 |
| Red River Waste Solutions | 1020 Virginia Del Rio TX US | Garbage | 16-0002022 5 |
| Republic Services | 4542 SE Loop 410 San Antonio TX US | Garbage | A15548440 |
| San Antonio Water Systems | PO BOX 2990, SAN ANTONIO, TX ZIP # 78299-2990 | Water | 000062171-0062172-0001 |
| Semco Energy | 1411 Third Street Suite A Port Huron, MI 48060 | Natural Gas | 0345734.500 0030773.501 0030774.501 0341134.505 |

| | | | |
|--|--|--------------------|---|
| Servicio de Agua Y drenaje de Monterrey I.P.D. | Matamoros #1717 Pte Col Obispado Monterrey Nuevo Leon Mexico | Water | 4003685-01 5703438-01 5703439-01 3313366-01 |
| Servicio Excelsior SA de CV | Carr Presa la Amistad #1390 Acuna Coah Mex | Gasoline | N/A |
| Shell | Commerical OIL DEPT, 1820 E SKY HARBOR, SUITE 150, PHOENIX AZ, ZIP :85034 | Gasoline | 79 012 6047 6 |
| Simas Torreon | Blvd Independencia 308 Pte Torreon Coahuila | Water | E144807 |
| Sistema Intermunicipal de Aguas y Saneamiento de Monclova y Frontera | Blvd. Benito Juarez 418 1 y 3 Piso Col Palma C.P. 25730 FALSECoahuila Mexico | Water | 1345536 |
| Sistema Municipal de Aguas y Saneamiento de Acuna, Coahuila | Galeana # 499 Acuna Coah Mex | Water | 00011259 |
| Sistema Municipal de Aguas y Saneamiento de Torreon | Blvd Independencia 308 Pte, Col. Primero de Cobian Centro C.P. 27000 Monterrey Coahuila MX | Water | 2065896 1 |
| Southwest Gas Corporation | PO Box 9890 Las Vegas NV USA | Propane Gas | 473-0189559-022 |
| Spectrum Online Services | PO BOX 2495 Moses Lake WA US | Internet | I010 |
| Telefonos de Mexico SAB de CV | Parque Via #190, Piso 10°, Colonia Cuauhtémoc Mexico Mexico DF Mexico | Telephone | 0V28519 |
| Telefonos de Mexico, S.A de C.V. | Parque via 198 col Cuauhtemoc C.P. 06500 FALSED.F. Mexico | Telephone | 46-012955-00 0F04693 0V02680 |
| Telekom Deutschland Gmbh | N/A | Telephone | 5901030000608 |
| Tesoreria de la Federacion | N/A | Water | N/A |
| Time Warner Cable | PO Box 70872 Charlotte NC 28272-0872 | Telephone/Internet | 202-244133201-001 |
| Time Warner Cable | PO Box 460849 San Antonio TX us | Cable | 8260 18 071 0154731 8260 18 071 0174325 8260 18 071 0014794 |
| Vectren Energy Delivery | PO Box 6262, Indianapolis, IN 46206 | Natural Gas | 03-400435892-2547179 7 |
| Verizon | PO Box 4001, Acworth, GA 30101 | Telephone | 687009160-00002 |
| Verizon Wireless | N/A | Telephone | 68700916000001 68700916000003 |
| Village of Romeo | 121 W. St. Clair Romeo, MI 48065-1244 | Water/Sewer | PEYC-000111-0000-01 |
| Waste Management | PO Box 4648 Carol Stream, IL 60197-4648 | Waste | 15-71660-13008 |
| West Unified Communications Svc Inc | N/A | Telephone | 894107 |

Exhibit B

Blackline

TAB F

Schedule "F" – Final Order Authorizing the Debtors 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**

| | |
|----------------------------------|---------------------------|
| -----X | |
| In re | : Chapter 11 |
| | : : |
| TK HOLDINGS INC. <i>et al.</i> , | : Case No. 17-11375 (BLS) |
| | : : |
| Debtors. ¹ | : (Jointly Administered) |
| | : : |
| -----X | Re: Docket Nos. 7 and 112 |

FINAL 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 (the "*Motion*"),² dated June 25, 2017 (as supplemented on July 24, 2017 (Docket No. 300) (the "*Motion Supplement*")), 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 that arose prior to the Petition Date 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

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.

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 on June 27, 2017; and this Court having granted interim relief on the Motion on June 27, 2017 (Docket No. 112); and this Court having held a final hearing on the Motion on July 26, 2017; and all objections to the Motion having been withdrawn, resolved or overruled; 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 on a final 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, without limitation, the Inadvertent Withholding VAT Payment (as defined in the Motion Supplement) as well as all

Taxes and Assessments subsequently determined upon audit or otherwise to be owed for periods prior to the Petition Date; *provided* that the aggregate amount shall not exceed \$6,996,200.

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 Final Order or in the Motion is intended to be or shall be construed as (a) an admission as to the nature, validity, or priority of any claim against the Debtors, (b) a waiver of (i) the Debtors', (ii) the statutory committee of unsecured creditors' (the "*Creditors' Committee*"), (iii) the statutory committee of tort claimant creditors' (the "*Tort Claimants' Committee*" and, together with the Creditors' Committee, the "*Committees*"), or (iv) any other 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 Final Order is not intended to be and shall not be construed as an admission to the nature, validity, or priority of any claim or a waiver of the rights of the parties in clauses (b)(i)-(b)(iv) of this paragraph 5 to dispute such claim subsequently.

6. The Debtors shall maintain a matrix (the "*Tax Payment Matrix*") containing (a) the name of each Tax Administrator and Taxing Authority that receives payment on account of Taxes and Assessments, (b) the amount of each such payment, and (c) a reasonably detailed description of the nature and basis of the purported obligation paid. The

Debtors shall provide the Tax Payment Matrix on a monthly basis to (a) the Office of the United States Trustee for the District of Delaware (Attn: David L. Buchbinder), (b) Milbank, Tweed, Hadley & McCloy LLP (Attn: Dennis F. Dunne, Abhilash M. Raval, and Tyson M. Lomazow), as proposed counsel to Creditors' Committee, and (c) Pachulski Stang Ziehl & Jones LLP (Attn: Laura Davis Jones), as proposed counsel to the Tort Claimants' Committee.

7. Notwithstanding entry of this Final 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.

8. 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 Final Order and any Adequate Protection Order, the terms of such Adequate Protection Order shall control. Entry of this Final Order is without prejudice to any rights or objections of either Committee with respect to any Adequate Protection Order(s), all of which are expressly preserved.

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

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

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

Dated: July 26, 2017
Wilmington, Delaware


THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE

TAB G

Schedule "G" – Order Pursuant to 11 U.S.C. §§ 105(a), 327, 328, and 330 Authorizing the Debtor to Employ Professionals Used in the Ordinary Course of Business *Nunc Pro Tunc* to the Petition Date

See attached.

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. 168

ORDER PURSUANT TO 11 U.S.C. §§ 105(a), 327, 328, AND 330 AUTHORIZING THE DEBTOR TO EMPLOY PROFESSIONALS USED IN THE ORDINARY COURSE OF BUSINESS NUNC PRO TUNC TO THE PETITION DATE

Upon the motion, dated July 7, 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), 327, 328, and 330 of title 11 of the United States Code (the "*Bankruptcy Code*"), Rule 2014 of the Federal Rules of Bankruptcy Procedure (the "*Bankruptcy Rules*") and Rule 2014-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "*Local Rules*"), for authority to (i) establish certain procedures to retain and compensate those professionals that the Debtors employ in the ordinary course of business (each, an "*Ordinary Course Professional*" and, collectively, the "*Ordinary Course Professionals*"), effective as of the Petition Date, without the submission of separate retention applications and issuance of separate retention orders for each individual

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.

Ordinary Course Professional and (ii) compensate and reimburse such professionals without individual fee applications, 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 interest; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted as provided herein.
2. The Debtors are authorized to retain, compensate, and reimburse Ordinary Course Professionals, including, without limitation, those professionals listed on the OCP List annexed hereto as **Exhibit 1**, effective as of the Petition Date in accordance with the following approved procedures (the "***Procedures***"):
 - a. Within thirty (30) days after the later of (i) the entry of this Order and (ii) the date on which the Ordinary Course Professional commences services for the Debtors, each Ordinary Course Professional will provide the following to the Debtors' counsel: (a) a declaration (the "***OCP***

Declaration”), substantially in the form attached hereto as **Exhibit 2**, certifying that the Ordinary Course Professional does not represent or hold any interest adverse to the Debtors or their estates with respect to the matter(s) on which such professional is to be employed and (b) a completed retention questionnaire (the “**Retention Questionnaire**”), substantially in the form attached hereto as **Exhibit 3**.

- b. Upon receipt of the OCP Declaration and Retention Questionnaire, the Debtors will file the same with the Court with copy served on: (i) the Office of the United States Trustee for the District of Delaware (the “**U.S. Trustee**”), (ii) proposed counsel to the statutory committee of unsecured creditors and the statutory committee of tort claimant creditors (collectively, the “**Committees**”), and (iii) counsel to the Consenting OEMs (collectively, the “**Reviewing Parties**”).
- c. Any party in interest will have fourteen (14) days following the date of service to notify Debtors’ counsel, in writing, of any objection to the retention based on the contents of the OCP Affidavit and/or Retention Questionnaire (the “**Objection Deadline**”). If no objection is filed and served before the Objection Deadline, the retention and employment of such Ordinary Course Professional shall be deemed approved without further order of the Court.
- d. If an objection is filed by the Objection Deadline and such objection cannot be resolved within twenty-one (21) days after the Objection Deadline, the matter will be scheduled for adjudication by the Court.
- e. No Ordinary Course Professional may be paid any amount for invoiced fees and expenses until such Ordinary Course Professional has been retained in accordance with these Procedures.
- f. Once the Debtors retain an Ordinary Course Professional in accordance with these Procedures, the Debtors may pay such Ordinary Course Professional 100% of the fees and 100% of the disbursements incurred, upon the submission to, and approval by, the Debtors of an appropriate invoice setting forth in reasonable detail the nature of the services rendered and expenses actually incurred (without prejudice to the Debtors’ right to dispute any such invoices); *provided, however*, that (a) the Ordinary Course Professional’s total compensation and reimbursement will not exceed \$50,000 per month on average over any three-month period on a rolling basis (the “**Monthly Fee Cap**”) and (b) the total compensation and reimbursement for all Ordinary Course Professionals will not exceed a combined total of \$2,000,000 per month on average over any three-month period on a rolling basis (the “**Aggregate Monthly Fee Cap**”) and, together with the Monthly Fee Cap, the “**Fee Caps**”); *provided, however*, that the Fee Caps may be increased either (y) with the consent of the Committees or (z) by further order of the Court.

- g. In the event that an Ordinary Course Professional seeks more than the Monthly Fee Cap for any month during these Chapter 11 Cases, such Ordinary Course Professional will file a fee application, to be heard on notice, for the amount of its fees and expenses in excess of the Monthly Fee Cap, in accordance with sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, the *Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. 330 for Attorneys in Larger Chapter 11 Cases*, effective November 1, 2013 (the "*U.S. Trustee Guidelines*"), and all Orders of the Court.
- h. If the Debtors seek to retain an Ordinary Course Professional not already listed on Exhibit 1 hereto, the Debtors will file with the Court and serve upon the Reviewing Parties a notice listing those Ordinary Course Professionals to be added to the OCP List (the "*OCP List Supplement*"), along with the OCP Declaration and Retention Questionnaire for any professional so added to the OCP List.
- i. If no objection to the OCP List Supplement is filed with the Court and served upon the Debtors' counsel, as set forth above, so as to be actually received within fourteen (14) days after the service thereof, the list will be deemed approved by the Court in accordance with the provisions of this Motion and without the need for a hearing or further Court order. Any Ordinary Course Professionals retained pursuant to the OCP List Supplement will be paid in accordance with the terms and conditions set forth in the paragraphs above.

3. The OCP Declaration, substantially in form attached hereto as Exhibit 2, and Retention Questionnaire, substantially in the form attached hereto as Exhibit 3, are both approved.

4. If an Ordinary Course Professional held a retainer as of the Petition Date, then the Ordinary Course Professional shall disclose the amount of the retainer in the OCP Declaration. The Ordinary Course Professional may apply its prepetition retainer against any prepetition claims once its retention and employment is approved.

5. The entry of this Order and approval of the Procedures does not affect the Debtors' ability to (i) dispute any invoice submitted by an Ordinary Course Professional and

(ii) retain additional Ordinary Course Professionals from time to time as the need arises, and the Debtors reserve all of their rights with respect thereto.

6. Nothing contained in this 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 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.

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

8. 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: July 26, 2017
Wilmington, Delaware


THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE

Exhibit 1

OCP List

| Professional | Address | Description of Services |
|--|---|---|
| Acro Technologies de la Laguna | Av. Pdte. Carranza # 1554 Ote. Zona Centro C.P. Torreon Coahuila 27000 Mexico | Consultant – Microbiological Analysis and Risk Identification |
| AECOM | 12120 Shamrock Plaza, STE 10 Omaha, NE 68154 | Consultant – Environmental/Safety Compliance Assessments |
| Beacon Hill Staffing Group | 152 Bowdoin Street Boston, MA 02108 | Consultant – Document Review Services and Staffing Assistance |
| Bradley Arant Boult Cummings LLP | One Federal Place 1819 5th Avenue N Birmingham, AL 35203 | Legal Professional – Product Litigation |
| Brian O'Neil | 39 Sundew Rd Savannah, GA 31411 | Consultant – Joint Honda / Takata Audit of Inflator Test Data |
| Bryan, Gonzalez Vargas & Gonzales Baz S.C. | P.O. Box 1501 El Paso, TX 79948 | Legal Professional – Mexican General Corporate Counsel |
| BSI America | 13910 Collections Center Chicago, IL 60693 | Audit and Tax Professional – Quality and Environmental System Audits |
| BSI Group Mexico, S. de R.L. de C.V. | Paseo de la Reforma #505 Suite C Piso 41 Mexico DF 06500 Mexico | Audit and Tax Professional – Quality and Environmental System Audits |
| Butzel Long | 150 W. Jefferson Suite 900 Detroit, MI 48226 | Legal Professional – Michigan Local Counsel, Employment Matters |
| C.P. & A., S.C. | Vicente Ferrera #2180 Col. Obispado Monterrey, Nuevo Leon CP 64060 Mexico | Audit and Tax Professional – Mexican VAT Refund Preparation |
| Campbell & Campbell Consulting LLC | 5572 Arbor Bay Ct. Brighton, MI 48116 | Consultant – Joint Honda / Takata Audit of Inflator Test Data |
| Carlton Fields Jordan Burt LLP | 4221 W Boy Scout Blvd. #1000 Tampa, FL 33601-3239 | Legal Professional – MDL Litigation Local Counsel |
| Cerros Romero Jose Guadalupe | Celaya 2376 Fracc Guanajuato Saltillo, Coahuila CP 25280 Mexico | Consultant – SEDENA Permits |

| Professional | Address | Description of Services |
|---|--|---|
| Children's Hospital of Philadelphia | 3535 Market St. Philadelphia, PA 19104 | Consultant – Research and Development |
| CNG Advisors, LLC | 12082 Kinsley Pl Reston, VA 20190 | Consultant – Public Affairs |
| Comeau, Maldegen, Templeman & Indall, LLP | Coronado Building 141 Palace Avenue Santa Fe, NM 87504 | Legal Professional – New Mexico Litigation Local Counsel |
| Complete Discovery Source | 345 Park Avenue New York, NY 10154 | Consultant – Data Hosting and Document Services |
| De los Santos Bravo SC | Paseo de las Magnolias 1273-1 Resid.Tabachines Zapopan JA 45188 Mexico | Audit and Tax Professional – General |
| Dechert LLP | 2929 Arch Street Philadelphia, PA 19104 | Legal Professional – National Litigation Counsel, PHMSA Investigation |
| Dennemeyer & Associates | 6990 Columbia Gateway Drive Suite 360 Columbia, MD 21046 | Legal Professional – Intellectual Property Prosecution |
| Dickinson-Wright PLLC | 350 S. Main Street Suite 300 Ann Arbor, MI 48104 | Legal Professional – Labor and Welfare Plans Advice |
| DNV GL Business Assurance Zertifizierung und Umweltgutachter GmbH | Monoka Knopp Umwel Tgutachter GmbH Schieringshof 14 Essen 45329 Germany | Audit and Tax Professional – Quality Management System Audit |
| Dramako SC | Fernando Montes De Oca 126, Col Condesa Mexico D.F. 6140 Mexico | Legal Professional – Litigation Support |
| Dudley Topper & Feuerzeig LLP | 1000 Frederiksberg Gade P.O. Box 756 St. Thomas VI 00802 | Legal Professional – Virgin Islands Litigation Local Counsel |
| FTI Consulting Canada Inc. | 79 Wellington St W Suite 2010 Toronto, ON M5K 1G8 Canada | Consultant – Canadian Recognition Proceeding Advice |
| Goldberg Segalla | 665 Main St. Buffalo, NY 14203 | Legal Professional – Product Litigation |

| Professional | Address | Description of Services |
|---|---|--|
| Goodsill Anderson Quin & Stifel LLP | 1099 Alakea Street, 1800 ALII Place Honolulu, HI 96813 | Legal Professional – Hawaii Litigation Local Counsel |
| Gordon Rees Scully Mansukhani, LLP | 1300 I Street, NW Suite 825 Washington, DC 20005 | Legal Professional – Intellectual Property Litigation Counsel |
| Grant Thornton LLP | 33570 Treasury Center Chicago, IL 60694 | Consultant – Inflation Test Data Analysis |
| Howard And Howard | 450 W. 4th Street Royal Oak, MI 48067 | Legal Professional – General Corporate Advice |
| Incite Informatics | 37000 Grand River, Suite 310 Farmington Hills, MI 48335 | Consultant – Information Technology |
| Javier Olazabal Asociados SC | Leandro Valle 373 Col Centro 27000 Torreón Coahuila de Zaragoza Mexico | Legal Professional – Labor and Payroll Advice |
| Juridico Laboral Vargas y Asociados, S.C. | #594 Fracc Camino Real Zapopan JA 45040 Mexico | Legal Professional – Labor Contract Matters |
| Katten Temple LLP | 542 S Dearborn ST 14FL Chicago, IL 60605 | Legal Professional – Quality Assurance Panel Counsel |
| Kenneth N. Weinstein LLC | 13511 Cedar Creek Lane Silver Spring, MD 20904 | Legal Professional – NHTSA Counsel to Company |
| KPMG | Dept. 0970 PO Box 120001 Dallas, TX 75312-0970 303 East Wacker Drive Chicago, IL 60601 Dept. 0608 P.O. Box 120001 Dallas, TX 75312-0608 P.O. Box 120608 Dept. 0608 | Audit and Tax Professional – Inpat/Expat, Mexico Commuter and Japanese Program Tax Service, Various Valuation Services (company, goodwill, etc.) |

| Professional | Address | Description of Services |
|---|---|--|
| | Dallas, TX 75312-0608 303 Peachtree Street Suite 2000 Atlanta, GA 30308 | |
| Lamb & Lerch | 233 Broadway Suite 2702 New York, NY 10279 | Consultant – Reports, Reviews, and Reconciliations for Foreign Trade Zone Activities |
| Lavin, O'Neil, Cedrone & Disipio | 190 North Independence Mall West Philadelphia, PA 19106 | Legal Professional – Intellectual Property |
| LC Begin & Associates | 510 Highland Ave. Milford, MI 48381 | Legal Professional – Intellectual Property |
| Lopez Aguilar Eleuterio | Hidalgo 612 Sur Zona Centro Monclova, Coah CO 25700 Mexico | Legal Professional – Labor Litigation Counsel |
| McCarthy Tetrault LLP | 1000 de la Gauchetiere St Suite 2500 Montreal QC H3B 0A2 Canada | Legal Professional – Canadian Class Action Litigation Counsel |
| McDonald Hopkins Plc | 39533 Woodward Ave. Suite 318 Bloomfield Hills, MI 48304 | Legal Professional – Employment Matters |
| Mercer Human Resource Consulting SA | Av. Paseo de la Reforma, No. 505 Piso 11 y 12 Cuauhtemoc , Cuauhtemoc, C.P. 06500, Mexico Distrito Ferderal Mexico | Consultant – Human Resources |
| Meunier Carlin & Curfman, LLC | 817 W. Peachtree Street Suite 900 Atlanta, GA 30308 | Legal Professional – Intellectual Property |
| Michael Finkelstein & Associates | 9406 Wiloak Drive Bethesda, MD 20814 | Consultant – NHTSA Monitoring |
| Miller, Canfield, Paddock, and Stone, PLC | 150 W. Jefferson Ave Ste. 2500 Detroit, MI 48226 | Legal Professional – Federal Criminal Investigation Local Counsel |
| Pillsbury Winthrop Shaw Pittman LLP | 1200 Seventeenth Street NW Washington, D.C. 20036 | Legal Professional – Insurance Coverage Advice |
| Plante & Moran LLC | 26300 NW Highway Southfield, MI 48076 | Legal Professional – Employee Welfare Benefit Plan and Network Security Assessment |

| Professional | Address | Description of Services |
|------------------------------------|---|---|
| Plybon & Associates | Suite 101 6518 Airport Center Drive Greensboro, NC 27409-9606 | Consultant – Benefits/Actuarial Calculations |
| Ramos Vasquez & Associates | Priv. Santa Elena #184 Col. Fracc. Portales de Aragon Saltillo, Coahuila 26200 Mexico | Legal Professional – Labor Litigation Counsel |
| Sard Verbinnen & Co. | 630 Third Avenue New York, NY 10017 | Consultant – Communications and Public Relations Strategy |
| Sindicato Nacional de Trabajadores | 1228 4 Colonia Topo Chico Saltillo, Coahuila 25284 Mexico | Legal Professional – Union Matters |
| Smith Amundsen LLC | 150 N Michigan Ave, Suite 3300 Chicago, IL 60601 | Legal Professional – Product Litigation |
| Squire Patton Boggs LLP | 2550 M Street NW Washington, DC 20037 | Legal Professional – NHTSA and Congressional Issues Advice |
| Strasburger & Price, LLP | 2301 Broadway Street San Antonio, TX 78215 | Legal Professional – San Antonio Local Counsel |
| Step toe & Johnson LLP | 1330 Connecticut Ave NW Washington, DC 20036 | Legal Professional – Employee Contract Advice |
| Stikeman Elliot LLP | 5300 Commerce Court West, 199 Bay Street Toronto, Canada M5L 1B9 | Legal Professional – Canadian Class Action Litigation |
| The Craig White Group | 410 Lakeland Grosse Point, MI 48230 | Consultant – Product Development |
| The Murray Law Group | 31780 Telegraph Road #200 Bingham Farms, MI 48025 | Legal Professional – Armada, Michigan Property Matter |
| Thompson Hine LLP | 1919 M Street NW, Ste. 700 Washington, DC 20036-1600 2000 Courthouse Plaza, NE Dayton, OH 45401-8801 | Legal Professional – Regulatory and Antitrust Advice, Asset Sales |
| Towers Watson Delaware Inc. | 901 North Glebe Road Arlington, VA 22203 | Consultant – Employee Compensation Analysis |
| Tuggle Duggins P.A. | 100 N Greene St. Ste. 600 Greensboro, NC 27401 | Legal Professional – Regulatory and Corporate Advice, Asset Sales |
| Williams & Connolly LLP | 725 Twelfth Street, N.W. Washington, DC 20005 | Legal Professional – Antitrust Litigation Counsel |
| Young, Moore & Henderson, P.A. | 3101 Glenwood Ave | Legal Professional – North Carolina |

| Professional | Address | Description of Services |
|--------------------|---|--|
| | PO Box 31627 Raleigh, NC 27622 | Personal Injury Litigation Local Counsel |
| Yukevich Cavanaugh | 355 South Grand Ave 15F1 Los Angeles, CA 90071 | Legal Professional – Seat Belt Litigation Counsel |

Exhibit 2

OCP Declaration

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

DECLARATION OF _____,

ON BEHALF OF _____

I, _____, pursuant to 28 U.S.C. § 1746, hereby declare that the following is true to the best of my knowledge, information, and belief:

1. I am a _____ of _____, located at _____ (the "*Professional*").

2. TK Holdings Inc. and its affiliated debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "*Debtors*"), have requested that the Professional provide _____ services to the Debtors, and the Professional has consented to provide such services (the "*Services*").

3. The Services include, without limitation, the following:

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.

4. The Professional may have performed services in the past and may perform services in the future, in matters unrelated to these chapter 11 cases, for persons that are parties in interest in the Debtors' chapter 11 cases. As part of its customary practice, the Professional is retained in cases, proceedings, and transactions involving many different parties, some of whom may represent or be claimants, employees of the Debtors, or other parties in interest in these chapter 11 cases. The Professional does not perform services for any such person in connection with these chapter 11 cases. In addition, the Professional does not have any relationship with any such person, their attorneys, or their accountants that would be adverse to the Debtors or their estates.

5. Neither I nor any principal of or professional employed by the Professional has agreed to share or will share any portion of the compensation to be received from the Debtors with any other person other than the principals and regular employees of the Professional.

6. Neither I nor any principal of or professional employed by the Professional, insofar as I have been able to ascertain, holds or represents any interest adverse to the Debtors or their estates.

7. As of the date of the commencement of their chapter 11 cases, the Debtors owed the Professional \$_____ in respect of prepetition services rendered to the Debtors.

8. As of the date of the date of the commencement of their chapter 11 cases, the Professional held a prepetition retainer of \$_____.

9. The Professional is conducting further inquiries regarding its retention by any creditors of the Debtors, and, upon conclusion of that inquiry, or at any time during the period of its employment, if the Professional should discover any facts bearing on the matters described herein, the Professional will supplement the information contained in this declaration.

I DECLARE UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT.

Dated: _____, 2017

Name:
Title:
Professional:
Address:

Telephone:
Facsimile:

Exhibit 3

Retention Questionnaire

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

RETENTION QUESTIONNAIRE

To be completed by professionals seeking employment as "Ordinary Course Professionals" of TK Holdings Inc. and its affiliated debtors, as debtors and debtors in possession (collectively, the "Debtors").

DO NOT FILE THIS QUESTIONNAIRE WITH THE COURT.
RETURN IT FOR FILING BY THE DEBTORS TO:

Counsel for the Debtors at:
WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, New York 10153
Attn: Ronit J. Berkovich, Esq.
Nicholas J. Messana, Esq.

-and-

Co-Counsel for the Debtors at:
RICHARDS, LAYTON & FINGER, P.A.
920 N. King Street
Wilmington, Delaware 19801
Attn: Amanda R. Steele, Esq.
Brett M. Haywood, Esq.

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.

All questions **must** be answered. Please use "none," "not applicable," or "N/A," as appropriate. If more space is needed, please complete on a separate page and attach.

1. Name and address of professional:

2. Date of retention: _____

3. Type of services to be provided (accounting, legal, etc.):

4. Brief description of services to be provided:

5. Arrangements for compensation (hourly, contingent, etc.):

(a) Average hourly rate (if applicable): _____

(b) Estimated average monthly compensation based on prepetition retention (if company was employed prepetition):

6. Prepetition claims against the Debtors held by the company:

Amount of claim: \$ _____

Date claim arose: _____

Nature of claim: _____

7. Prepetition claims against the Debtors held individually by any member, associate, or employee of the company:

Name: _____

Status: _____

Amount of claim: \$ _____

Date claim arose: _____

Nature of claim: _____

8. Disclose the nature and provide a brief description of any interest adverse to the Debtors or to their estates for the matters on which the professional is to be employed:

9. Name and title of individual completing this form:

Dated: _____, 2017

TAB H

**Schedule "H" – Order Pursuant to 11 U.S.C. §§ 331 and 105(a) Authorizing Debtors to
Establish Procedures for Interim Compensation and Reimbursement of Expenses of
Professionals**

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. 170

**ORDER PURSUANT TO 11 U.S.C. §§ 331 AND 105(a) AUTHORIZING DEBTORS
TO ESTABLISH PROCEDURES FOR INTERIM COMPENSATION
AND REIMBURSEMENT OF EXPENSES OF PROFESSIONALS**

Upon the motion, dated July 7, 2017 (the "*Motion*"),² of TK Holdings Inc. and its affiliated debtors, as debtors and debtors in possession (collectively, the "*Debtors*"), pursuant to sections 331 and 105(a) of title 11 of the United States Code (the "*Bankruptcy Code*") and Rules 2014 of the Federal Rules of Bankruptcy Procedure (the "*Bankruptcy Rules*"), for authority to establish procedures for interim compensation for services rendered and reimbursement of expenses incurred by attorneys and other professionals who will be retained pursuant to sections 327 and 1103 of the Bankruptcy Code, and are required to file applications pursuant to sections 330 and 331 of the Bankruptcy Code, on terms that satisfy the requirements of Rule 2016 of the Bankruptcy Rules and Rule 2016-2 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "*Local Rules*"), all as more

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.

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. Except as otherwise provided in an order of the Court authorizing the

retention of a Retained Professional³, Retained Professionals may seek interim payment of compensation and reimbursement of expenses in accordance with the following Compensation Procedures:

Monthly Fee Statements

- a. On or after the 30th day of each calendar month, following the month for which compensation is sought, each Retained Professional seeking interim

³ Notwithstanding anything set forth in the Motion, for the avoidance of doubt, the defined term "Retained Professional" as set forth in this Order shall include any future claimants' representative and its professionals retained under sections 105(a), 327, or 1103 of the Bankruptcy Code.

allowance of its fees and expenses may file a monthly statement, which will include the relevant time entry and description and expense detail, with the Court for interim allowance of compensation for services rendered and reimbursement of expenses incurred during the preceding month (a "*Monthly Fee Statement*"). Retained Professionals may submit the first Monthly Fee Statement, covering the period from the Petition Date through July 31, 2017 (so long as no appeal of an order approving this Motion has been taken), on or after August 30, 2017.

- b. Each Retained Professional shall serve a copy of such Monthly Fee Statement on the following parties (collectively, the "*Notice Parties*"):
- (i) TK Holdings Inc., 2500 Takata Drive, Auburn Hills, Michigan 48326, Attn: Ken Bowling;
 - (ii) proposed counsel to the Debtors, Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153, Attn: Ronit J. Berkovich Esq., and Bryan R. Podzius, Esq.;
 - (iii) proposed co-counsel to the Debtors, Richard, Layton & Finger, P.A., 920 N. King Street, One Rodney Square, Wilmington, Delaware 19807, Attn: Michael J. Merchant and Amanda R. Steel;
 - (iv) counsel to the Consenting OEMs, Morris, Nichols, Arsht & Tunnell LLP, 1201 North Market Street, 16th Floor, Wilmington, Delaware 19899, Attn: Derek C. Abbott;
 - (v) the Office of the United States Trustee, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801, Attn: David Buchbinder, Esq. and Jane Leamy, Esq.; and
 - (vi) counsel to the statutory committee of unsecured creditors and the statutory committee of tort claimant creditors (collectively, the "*Committees*").
- c. Any Retained Professional that fails to file a Monthly Fee Statement for a particular month or months may subsequently submit a consolidated Monthly Fee Statement that includes a request for compensation earned or expenses incurred during previous months. All Monthly Fee Statements will comply with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and to the extent provided herein, the Guidelines established by the Office of the United States Trustee.
- d. The deadline to object to any Monthly Fee Statement is 4:00 p.m. (prevailing Eastern Time) on the 20th day (or the next business day if such day is not a business day) following the date the Monthly Fee Statement is served (the "*Objection Deadline*").

- e. To object to a Retained Professional's Monthly Fee Statement, the party must (i) file a written objection on or before the Objection Deadline and (ii) serve the objection upon the affected Retained Professional and the Notice Parties such that each party receives the objection on or before the Objection Deadline.
- f. Upon the expiration of the Objection Deadline, a Retained Professional may file a certificate of no objection (a "*CNO*") with the Court with respect to any fees and expenses not subject to objection. After a Retained Professional files a CNO, the Debtors are authorized and directed to pay the Retained Professional 80% of the fees and 100% of the expenses requested in the applicable Monthly Fee Statement that are not subject to an objection.
- g. If a portion of the fees and expenses requested in a Monthly Fee Statement is subject to an objection and the parties are unable to reach a consensual resolution, the Retained Professional may (i) request the Court approve the amounts subject to objection or (ii) forego payment of such amounts until the next hearing to consider interim or final fee applications, at which time the Court will adjudicate any unresolved objections.

Interim Fee Applications

- a. At three-month intervals or such other intervals convenient to the Court, Retained Professionals may file with the Court an application (an "*Interim Fee Application*") for interim approval and allowance of compensation and reimbursement of expenses sought by such Retained Professional in its Monthly Fee Statements, including any holdbacks, filed during the preceding interim period (the "*Interim Fee Period*"). The initial Interim Fee Period will include the period from the Petition Date through October 31, 2017.
- b. Retained Professionals will file their Interim Fee Applications on or before the 45th day, or the next business day if such day is not a business day, following the end of each Interim Fee Period.
- c. The Interim Fee Application will substantially conform to Exhibit 1 attached to this Order, and will include a brief description identifying the following:
 - (i) the Monthly Fee Statements that are the subject of the request;
 - (ii) the amount of fees and expenses requested;
 - (iii) the amount of fees and expenses paid to date or subject to an objection;

- (iv) the deadline for parties to file objections to the Interim Fee Application ("*Additional Objections*"); and
 - (v) any other information requested by the Court or required by the Bankruptcy Code, the Bankruptcy Rules, or the Local Rules.
- d. Additional Objections to any Interim Fee Application will be filed and served upon the affected Retained Professional and the Notice Parties so as to be received on or before 4:00 p.m. (prevailing Eastern Time) on the 20th day (or the next business day if such day is not a business day), following service of the applicable Interim Fee Application.
 - e. Each Retained Professional will serve, via first class mail, its Interim Fee Application and final fee application upon the Notice Parties. Each Retained Professional will serve, via first class mail, a notice of hearing on its Interim Fee Application and final fee application on all parties that have requested notice in these Chapter 11 Cases pursuant to Bankruptcy Rule 2002. No further notice is necessary.
 - f. The Debtors shall request that the Court schedule a hearing on Interim Fee Application Requests at least once every three months or at such other intervals as the Court deems appropriate. If no Objections are pending and no Additional Objections are timely filed, the Court may grant an Interim Fee Application Request without a hearing.
 - g. A pending objection to compensation or reimbursement of any Retained Professional does not disqualify a Retained Professional from future compensation or reimbursement.
 - h. Any Retained Professional that fails to file a Monthly Fee Statement or an Interim Fee Application when due or permitted will not receive further interim compensation or reimbursement until the Retained Professional submits any outstanding Monthly Fee Statements or Interim Fee Applications. There are no other penalties for failing to file a Monthly Fee Statement or Interim Fee Application.
 - i. Neither (i) the payment of, or the failure to pay, in whole or in part, any interim compensation and reimbursement to a Retained Professional nor (ii) the filing of, or failure to file an objection, will bind any party in interest or the Court with respect to the final allowance of any compensation of fees for services rendered or reimbursement of expenses incurred. All fees and expenses paid to Retained Professionals under these Compensation Procedures are subject to disgorgement until final allowance by the Court.
 - j. No Retained Professional may serve a Monthly Fee Statement or file an Interim Fee Application until the Court enters an order approving the

retention of such Professional pursuant to sections 327 or 1103 of the Bankruptcy Code.

3. In each Interim Fee Application and final fee application, all attorneys who have been or are hereafter retained pursuant to sections 327 or 1103 of the Bankruptcy Code (i) shall apply for compensation for professional services rendered and reimbursement of expenses incurred in connection with the Debtors' Chapter 11 Cases in compliance with sections 330 and 331 of the Bankruptcy Code and applicable provisions of the Bankruptcy Rules, Local Rules and any other applicable procedures and orders of the Court, and (ii) intend to make a reasonable effort to comply with the U.S. Trustee's requests for information and additional disclosures as set forth in the *Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases Effective as of November 1, 2013*.

4. Each member of each of the Committees is permitted to submit statements of expenses (excluding third-party counsel hourly and other fees of individual Committee members) in connection with service on the Committees along with supporting documentation to such Committee's counsel, which counsel shall collect and submit the member's request for reimbursement in accordance with the Compensation Procedures.

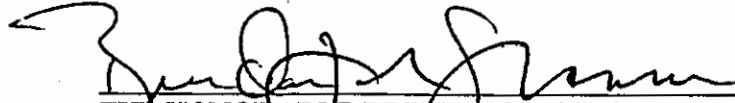
5. The amount of fees and expenses sought in any request for compensation and reimbursement of expenses shall be stated in U.S. dollars (if applicable, calculated at the prevailing exchange rate on the date of submission of the relevant fee application).

6. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

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

8. 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: July 26, 2017
Wilmington, Delaware



THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE

Exhibit 1

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

-----X
:

In re : **Chapter 11**
:

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

Debtors.⁴ : **Jointly Administered**
:

-----X

NOTICE OF FEE APPLICATION

Name of applicant: _____

Authorized to provide professional services to: _____

Date of retention: _____

Interim fee period for which compensation and reimbursement are sought: _____

Amount of compensation sought as actual, reasonable, necessary, and beneficial to the Debtors' chapter 11 estates: _____

Amount of expense reimbursement sought as actual, reasonable, necessary, and beneficial to the Debtors' chapter 11 estates: _____

This is a(n): _____ Interim Application _____ Final Application

⁴ 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.

Summary of Monthly Fee Statements for Interim Fee Period:

| Date Filed | Period Covered | Requested | | Approved | |
|------------|----------------|-----------|----------|----------|----------|
| | | Fees | Expenses | Fees | Expenses |
| | | | | | |

Summary of Any Objections to Fee Applications:

| Date of Fee Application | Date of Objection | Total Fees Subject to Objection | Total Expenses Subject to Objection |
|-------------------------|-------------------|---------------------------------|-------------------------------------|
| | | | |

PLEASE TAKE NOTICE that, pursuant to the *Order Pursuant to 11 U.S.C. §§ 331 and 105(a) Authorizing Debtors to Establish Procedures For Interim Compensation And Reimbursement of Expenses of Professionals*, dated [DATE] (the "**Interim Compensation Order**"), objections, if any, to the Interim Fee Application summarized above must be filed with the Court and served on the applicant at the address set forth below and the Notice Parties (as defined in the Interim Compensation Order) so as to be actually received on or before [DATE] at 4:00 p.m. (prevailing Eastern time). If no objections to the Interim Fee Application are timely filed and received in accordance with this Notice, the Court may enter an order granting the Interim Fee Application without a hearing.

PLEASE TAKE FURTHER NOTICE that a copy of the Interim Fee Application shall be provided upon request.

Dated: _____

[Name and Address of Applicant]

TAB I

Schedule "I" – Order Pursuant to 11 U.S.C. §§ 327(a) and 328(a), Fed. R. Bankr. P. 2014 and 2016, and Local Rules 2014-1 and 2016-1 Authorizing Debtors to Retain and Employ Weil, Gotshal & Manges LLP as Attorneys for Debtors *Nunc Pro Tunc* to the Petition Date

See attached.

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. 26 |

ORDER PURSUANT TO 11 U.S.C. §§ 327(a) AND
328(a), FED. R. BANKR. P. 2014 AND 2016, AND LOCAL
RULES 2014-1 AND 2016-1 AUTHORIZING DEBTORS TO RETAIN
AND EMPLOY WEIL, GOTSHAL & MANGES LLP AS ATTORNEYS
FOR DEBTORS NUNC PRO TUNC TO PETITION DATE

Upon the application, dated June 25, 2017 (the "*Application*")², of TK Holdings Inc. and its affiliated debtors, as debtors and debtors in possession (collectively, the "*Debtors*"), pursuant to sections 327(a) and 328(a) of title 11 of the United States Code (the "*Bankruptcy Code*"), Rules 2014 and 2016 of the Federal Rules of Bankruptcy Procedure (the "*Bankruptcy Rules*"), and Rules 2014-1 and 2016-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "*Local Rules*"), for authority to retain and employ Weil, Gotshal & Manges LLP ("*Weil*") as attorneys for the Debtors, effective as of June 25, 2017 (the "*Petition Date*"), all as more fully set forth in the Application; and upon consideration of the Bowling Declaration and the Goldstein Declaration;

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); 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.

and this Court being satisfied, based on the representations made in the Application and the Goldstein Declaration, that Weil is “disinterested” as such term is defined in section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code, and as required under section 327(a) of the Bankruptcy Code, and that Weil represents no interest adverse to the Debtors’ estates; 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 the 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 interest; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Application is granted as provided herein.
2. The Debtors are authorized, pursuant to sections 327(a) and 328(a) of the Bankruptcy Code, Bankruptcy Rules 2014 and 2016, and Local Rules 2014-1 and 2016-1, to employ and retain Weil as attorneys to the Debtors on the terms and conditions set forth in the Application and the Goldstein Declaration, *nunc pro tunc* to the Petition Date.

3. Weil is authorized to render the following professional services:
 - a. taking all necessary action to protect and preserve the Debtors' estates, including the prosecution of actions on the Debtors' behalf, the defense of any actions commenced against the Debtors, the negotiation of disputes in which the Debtors are involved, and the preparation of objections to claims filed against the Debtors' estates;
 - b. preparing on behalf of the Debtors, as debtors in possession, necessary motions, applications, answers, orders, reports, and other papers in connection with the administration of the Debtors' estates;
 - c. taking necessary actions in connection with any chapter 11 plan and related disclosure statement and all related documents, and such further actions as may be required in connection with the administration of the Debtors' estates;
 - d. taking necessary action to protect and preserve the value of the Debtors' estates, and all related matters; and
 - e. performing other necessary legal services in connection with the prosecution of these Chapter 11 Cases.

4. Weil shall be compensated in accordance with, and will file fee applications for allowance of its compensation and expenses, and shall be subject to the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and such other procedures as may be fixed by order of this Court. Weil will undertake reasonable efforts to comply with the U.S. Trustee's requests for information and additional disclosures as set forth in the *Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases Effective as of November 1, 2013*, in connection with the Application and any fee application(s) to be filed by Weil in these Chapter 11 Cases.

5. Weil shall be reimbursed for reasonable and necessary expenses.

6. Weil shall provide ten (10) business days' notice to the Debtors, the U.S. Trustee, and any statutory committee of creditors appointed in these Chapter 11 Cases before any

increase in the rates set forth in the Goldstein Declaration is implemented and shall file such notice with the Court. The U.S. Trustee, the statutory committee of unsecured creditors, and the statutory committee of tort claimant creditors retain all rights to object to any rate increase on all grounds, including the reasonableness standard set forth in section 330 of the Bankruptcy Code, and the Court retains the right to review any rate increase pursuant to section 330 of the Bankruptcy Code.

7. Notwithstanding anything to the contrary in the Application, consistent with the opinion and ruling in *In re Boomerang Tube, Inc.*, No. 15-11247 (MFW), 2016 WL 385933 (Bankr. D. Del. Jan. 29, 2016), the provisions of Weil's engagement letter regarding reimbursement of those fees and expenses incurred in connection with participating in, preparing for, or responding to any action, claim, suit, or proceeding brought by or against any third party that relates to the legal service provided thereunder and fees for defending any objection to Weil's fee applications are not approved under 11 U.S.C. § 328(a).


8. To the extent that the Goldstein Declaration, the Caudill Declaration, or the Bowling Declaration are inconsistent with this Order, the terms of this Order shall govern.

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

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

11. The 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: July 26, 2017
Wilmington, Delaware



THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE

TAB J

**Schedule "J" – Order Pursuant to 11 U.S.C. § 327, Fed. R. Bankr. P. 2014(a) and 2016, and
Local Rule 2014-1 Authorizing Debtors to Employ and Retain Prime Clerk LLC as
Administrative Advisor *Nunc Pro Tunc* to the Petition Date**

See attached.

**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. 172 |

**ORDER PURSUANT TO 11 U.S.C. §327, FED. R. BANKR. P. 2014(a)
AND 2016, AND LOCAL RULE 2014-1 AUTHORIZING DEBTORS TO
EMPLOY AND RETAIN PRIME CLERK LLC AS ADMINISTRATIVE
ADVISOR NUNC PRO TUNC TO THE PETITION DATE**

Upon the application, dated July 7, 2017 (the “*Application*”),² of TK Holdings Inc. and its affiliated debtors, as debtors and debtors in possession (collectively, the “*Debtors*”), pursuant to section 327(a) of title 11 of the United States Code (the “*Bankruptcy Code*”) and Rules 2014(a) and 2016 of the Federal Rules of Bankruptcy Procedure (the “*Bankruptcy Rules*”), and Rule 2014-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “*Local Rules*”), for authority to employ and retain Prime Clerk LLC (“*Prime Clerk*”) as administrative advisor (“*Administrative Advisor*”) *nunc pro tunc* to the Petition Date, all as more fully set forth in the Application; and upon the Waisman Declaration submitted in support of the Application; and the Court being satisfied that Prime Clerk has the capability and experience to provide the services described in the Application and that Prime Clerk does not hold an interest adverse to the Debtors or the estates

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 Application.

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. The Application is approved as set forth in this Order.
2. The Debtors are authorized to retain Prime Clerk as Administrative Advisor effective *nunc pro tunc* to the Petition Date under the terms of the Engagement Agreement, and Prime Clerk is authorized to perform the bankruptcy administration services described in the Application and set forth in the Engagement Agreement.
3. Prime Clerk is authorized to take such other action to comply with all duties set forth in the Application.
4. Prime Clerk shall apply to the Court for allowance of compensation and reimbursement of expenses incurred after the Petition Date in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules and any orders entered in these cases regarding professional compensation and reimbursement of expenses.

5. Prime Clerk shall provide ten (10) business days' notice to the Debtors, the U.S. Trustee, the statutory committee of unsecured creditors and the statutory committee of tort claimant creditors (collectively, the "*Committees*") before any increase in the rates set forth in the Engagement Letter is implemented and shall file such notice with the Court. The U.S. Trustee and the Committees retain all rights to object to any rate increase on all grounds, including the reasonableness standard set forth in section 330 of the Bankruptcy Code, and the Court retains the right to review any rate increase pursuant to section 330 of the Bankruptcy Code.

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

7. 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.

8. 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.

9. 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.

10. The limitation of liability section in paragraph 10 of the Engagement Agreement is deemed to be of no force or effect with respect to the services to be provided pursuant to this Order.

11. 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.

12. 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.

13. 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.

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

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

Dated: July 26, 2017
Wilmington, Delaware


THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE

TAB K

Schedule "K" – Order Authorizing the Debtors to Employ and Retain Richards, Layton & Finger, P.A. as Co-Counsel Pursuant to Section 327(a) of the Bankruptcy Code, Bankruptcy Rules 2014(a) and 2016 and Local Rule 2014-1, *Nunc Pro Tunc* to the Petition Date

See attached.

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. 173**

ORDER AUTHORIZING THE DEBTORS TO EMPLOY AND RETAIN RICHARDS, LAYTON & FINGER, P.A. AS CO-COUNSEL PURSUANT TO SECTION 327(a) OF THE BANKRUPTCY CODE, BANKRUPTCY RULES 2014(a) AND 2016, AND LOCAL RULE 2014-1, NUNC PRO TUNC TO THE PETITION DATE

Upon the application, dated July 7, 2017 (the "*Application*")², of TK Holdings, Inc. and its affiliated debtors, as debtors and debtors in possession (collectively, the "*Debtors*"), for an order authorizing the Debtors to retain Richards, Layton & Finger, P.A. ("*RL&F*") as bankruptcy co-counsel in their Chapter 11 Cases *nunc pro tunc* to the Petition Date, all as more fully described in the Application; and the Court having jurisdiction to consider the Application and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334; and consideration of the Application and the relief requested therein 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; and it appearing that no other or further notice need be provided; and the opportunity for a hearing having been held to consider

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 defined herein shall have the meanings ascribed to them in the Application.

the relief requested in the Application (the "*Hearing*"); and due and proper notice of the Hearing having been provided; and upon the record of the Hearing, if any, and all of the proceedings had before the Court; and upon the Collins Affidavit; and the Court having found and determined that the relief sought in the Application is in the best interests of the Debtors, their estates and creditors, and all parties in interest and that the legal and factual bases set forth in the Application establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is hereby ORDERED that:

1. The Application is granted to the extent set forth herein.
2. Pursuant to sections 327(a), 328 and 330 of the Bankruptcy Code, the Debtors are authorized to retain and employ RL&F as co-counsel to the Debtors under an evergreen retainer, in accordance with the terms and conditions set forth in the Application, effective *nunc pro tunc* to the Petition Date.
3. RL&F shall apply for compensation for professional services rendered and reimbursement of expenses incurred in connection with the Debtors' Chapter 11 Cases in compliance with the applicable provisions of the Bankruptcy Code, Bankruptcy Rules, Local Rules, and any other applicable procedures and orders of the Court. RL&F also intends to make a reasonable effort to comply with the U.S. Trustee's requests for information and additional disclosures as set forth in the *Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases Effective as of November 1, 2013*, in connection with the Application and any final fee application(s) to be filed by RL&F in these Chapter 11 Cases.
4. RL&F shall provide ten (10) business days' notice to the Debtors, the U.S. Trustee, the statutory committee of unsecured creditors and the statutory committee of tort

claimant creditors (collectively, the “Committees”) before any increase in the rates set forth in the Collins Affidavit is implemented and shall file such notice with the Court. The U.S. Trustee and the Committees retain all rights to object to any rate increase on all grounds, including the reasonableness standard set forth in section 330 of the Bankruptcy Code, and the Court retains the right to review any rate increase pursuant to section 330 of the Bankruptcy Code.

5. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

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

7. The 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: July 26, 2017
Wilmington, Delaware



THE HONORABLE BRENTAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE

TAB L

**Schedule "L" – Order Authorizing the Employment and Retention of Covington & Burling
LLP as Special Litigation, Regulatory and Corporate Counsel for the Debtors *Nunc Pro
Tunc* to the Petition Date**

See attached.

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. 174**

ORDER AUTHORIZING THE EMPLOYMENT AND RETENTION OF COVINGTON & BURLING LLP AS SPECIAL LITIGATION, REGULATORY AND CORPORATE COUNSEL FOR THE DEBTORS *NUNC PRO TUNC* TO THE PETITION DATE

Upon the application, dated July 7, 2017 (“*Application*”), of TK Holdings Inc. and its affiliated debtors, as debtors and debtors in possession (collectively, “*Debtors*”), pursuant to sections 327(e) of the Bankruptcy Code, Bankruptcy Rules 2014 and 2016, and Local Rules 2014-1 and 2016-2, for an order (“*Order*”) authorizing the Debtors to employ and retain Covington & Burling LLP (“*Covington*”) as their special litigation, regulatory and corporate counsel in the Debtors’ chapter 11 cases, effective *nunc pro tunc* to the Petition Date,² as more fully set forth in the Application; and upon due and sufficient notice of the Application having been provided under the particular circumstances, and it appearing that no other or further notice need be provided; and the Court having jurisdiction to consider the Application and the relief

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); 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 All capitalized terms used, but not otherwise defined, herein shall have the meanings ascribed to such terms in the Application.

requested therein in accordance with 28 U.S.C. §§ 157 and 1334; and consideration of the Application and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and that this Court may enter a final order consistent with Article III of the United States Constitution; and venue being proper before this Court under 28 U.S.C. §§ 1408 and 1409; and a hearing having been scheduled and, to the extent necessary, held to consider the relief requested in the Application ("*Hearing*"); and upon the Teel Declaration and the Bowling Declaration submitted in support of the Application, and all the proceedings held before the Court; and the Court having found and determined that the employment and retention of Covington is in the best interests of the Debtors, their estates and creditors, and any parties in interest; and that the legal and factual bases set forth in the Application and at the Hearing (if any was held) establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Application is granted as set forth herein.
2. The Debtors are authorized to employ and retain Covington as special litigation, regulatory and corporate counsel in these chapter 11 cases under section 327(e) of the Bankruptcy Code, effective *nunc pro tunc* to the Petition Date, in accordance with Covington's customary hourly rates and reimbursement policies in effect when services are rendered, as set forth in the Application.
3. Covington is authorized to provide the Debtors with the professional services as described in the Application. Specifically, but without limitation, Covington is authorized to represent the Debtors in all matters arising from the Airbag Litigation (as defined

in the Application) and to continue to represent the Debtors in connection with the antitrust, regulatory and corporate matters described in the Application.

4. Covington shall apply for compensation for professional services rendered and reimbursement of expenses incurred in connection with the Debtors' chapter 11 cases in compliance with sections 330 and 331 of the Bankruptcy Code and applicable provisions of the Bankruptcy Rules, the Local Rules, and any other applicable procedures and orders of this Court. Covington also shall make reasonable efforts to comply with the U.S. Trustee's requests for information and additional disclosures as set forth in the U.S. Trustee Guidelines, both in connection with the Application and the interim and final fee applications to be filed by Covington in these chapter 11 cases.

5. Covington shall provide ten (10) business days' notice to the Debtors, the U.S. Trustee, the statutory committee of unsecured creditors and the statutory committee of tort claimant creditors (collectively, the "*Committees*") before any increase in the rates set forth in the Teel Declaration is implemented and shall file such notice with the Court. The U.S. Trustee and the Committees retain all rights to object to any rate increase on all grounds, including the reasonableness standard set forth in section 330 of the Bankruptcy Code, and the Court retains the right to review any rate increase pursuant to section 330 of the Bankruptcy Code.

6. The Debtors and Covington are authorized and empowered to take all actions necessary or appropriate to implement the relief granted in this Order in accordance with the Application.

7. This Court shall retain jurisdiction over all matters arising from or related to the implementation or interpretation of this Order.

8. In the event of any inconsistency between the Application, the Teel Declaration, the Bowling Declaration, and this Order, this Order shall govern.

9. Covington shall use reasonable efforts to avoid any duplication of services provided by Weil, Gotshal & Manges LLP, Richards Layton & Finger, P.A., or any of the Debtors' other retained professionals in these chapter 11 cases.

Dated: July 26, 2017
Wilmington, Delaware



THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE

TAB M

Schedule "M" – Order Pursuant to 11 U.S.C. §§ 327(a), 328 and 330(a), Fed. R. Bankr. P. 2014 and 2016 and Local Rules 2014-1 and 2016-1 For Authorizing Debtors to Retain and Employ and PricewaterhouseCoopers LLP as Financial Advisors to the Debtors *Nunc Pro Tunc* to the Petition Date and Waiving Certain Information Requirements of Local Rule 2016-2

See attached.

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. 169

**ORDER PURSUANT TO 11 U.S.C. §§ 327(a), 328
AND 330(a), FED. R. BANKR. P. 2014 AND 2016, AND LOCAL RULES
2014-1 AND 2016-1 FOR AUTHORIZING DEBTORS TO RETAIN AND EMPLOY
PRICEWATERHOUSECOOPERS LLP AS FINANCIAL ADVISORS
TO THE DEBTORS *NUNC PRO TUNC* TO THE PETITION DATE AND WAIVING
CERTAIN INFORMATION REQUIREMENTS OF LOCAL RULE 2016-2**

Upon the application (the "*Application*") of TK Holdings Inc. and its affiliated debtors, as debtors and debtors in possession (collectively, the "*Debtors*"), pursuant to sections 327(a), 328, and 330(a) of title 11 of the United States Code (the "*Bankruptcy Code*"), Rules 2014 and 2016 of the Federal Rules of Bankruptcy Procedure (the "*Bankruptcy Rules*"), and Rules 2014-1 and 2016-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "*Local Rules*"), for authority to retain and employ PricewaterhouseCoopers LLP ("*PwC*"), as financial advisors for the Debtors, pursuant to and in accordance with the terms and conditions set forth in that certain Engagement Letter, dated February 10, 2017 (the "*Engagement Letter*"), attached to the Application as Exhibit A, *nunc pro tunc* to the Petition Date; all as more fully set forth in the Application; 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.

upon consideration of the Caudill Declaration and the Zaleski Declaration; 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 on July 26, 2017; and all objections to the Application having been withdrawn, resolved or overruled; 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 the Court being satisfied with the representations made in the Application and the Zaleski Declaration that PwC represents no interest adverse to the estates, that it is a “disinterested person” as that term is defined under section 101(14) of the Bankruptcy Code, and that its employment is necessary; 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. The Application is GRANTED as set forth herein.
2. Pursuant to sections 327(a), 328 and 330(a) of the Bankruptcy Code, the Debtors, as debtors and debtors in possession, are authorized to employ and retain PwC as financial advisors for the Debtors *nunc pro tunc* to the Petition Date, in accordance with the

Application and this Order, to perform the services described in the Application. In the event any provision of the Application or Engagement Letter conflicts with the terms of this Order, this Order shall control in all respects.

3. PwC shall be compensated in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and any orders entered in these cases governing professional compensation and reimbursement for services rendered and charges and disbursements incurred.

4. PwC's professionals are authorized and directed to provide the following in its monthly, interim and final fee applications: (a) a narrative summarizing each project category and the services rendered under each project category; (b) a summary, by project category, of services rendered to the Debtors, which identifies each professional rendering services, the number of hours expended by each professional, and the amount of compensation requested with respect to the services rendered by each professional; and (c) reasonably detailed records of time in one-tenth hour (0.1) increments, describing the services rendered by each professional and the amount of time spent on each date.

5. There shall be no limitation of liability in favor of PwC.

6. The statement on page seven of the Engagement Letter stating that PwC is not a fiduciary of the Debtors is hereby stricken and shall have no legal effect.

7. The following shall be inserted at the end of the last sentence of the section titled "Timing, Fees and Expenses" on page four through five of the Engagement Letter: "provided further, that nothing in this Engagement Letter shall create an obligation of the Company to reimburse PwC for its attorney fees or attorney expenses incurred in defending PwC's fee applications filed with the Bankruptcy Court."

8. The Indemnification Provisions set forth in the Engagement Letter are approved, subject during the pendency of these Chapter 11 Cases to the following:

- (a) subject to the provisions of subparagraphs (b) and (d) below, the Debtors are authorized to indemnify, and to provide contribution and reimbursement to, and shall indemnify, and provide contribution and reimbursement to PwC in accordance with the Engagement Letter for any claim arising from, related to, or in connection with the services provided for in the Engagement Letter;
- (b) notwithstanding subparagraph (a) above or any provisions of the Engagement Letter to the contrary, the Debtors shall have no obligation to indemnify PwC or provide contribution or reimbursement to PwC (i) for any claim or expense that is judicially determined (the determination having become final) to have arisen from PwC's bad faith, self-dealing, breach of fiduciary duty (if any), gross negligence, or willful misconduct, (ii) for a contractual dispute in which the Debtors allege the breach of PwC's contractual obligations if the Court determines that indemnification, contribution, or reimbursement would not be permissible pursuant to *In re United Artists Theatre Co., et al.*, 315 F.3d 217 (3d Cir. 2003), or (iii) for any claim or expense that is settled prior to a judicial determination as to the exclusions set forth in clauses (i) and (ii) above, but determined by this Court, after notice and a hearing pursuant to subparagraph (d) infra, to be a claim or expense for which PwC should not receive indemnity, contribution or reimbursement under the terms of the Engagement Letter, as modified by the Order;
- (c) if, during the pendency of these Chapter 11 Cases, the indemnification is held unenforceable by reason of the exclusions set forth in subparagraph (b) above (i.e., bad faith, self-dealing, breach of fiduciary duty (if any), gross negligence, willful misconduct, or for a contractual dispute in which the Debtors allege the breach of PwC's contractual obligations if the Court determines that indemnification would not be permissible pursuant to the United Artists decision) and PwC makes a claim for the payment of any amounts by the Debtors on account of the Debtors' contribution obligations, then the proviso set forth in the second sentence of the contribution provisions in the Engagement Letter shall not apply; and
- (d) if, before the earlier of (i) the entry of an order confirming a chapter 11 plan in these cases (that order having become a final order no longer subject to appeal), and (ii) the entry of an order

closing these Chapter 11 Cases, PwC believes that it is entitled to the payment of any amounts by the Debtors on account of the Debtors' indemnification, contribution and/or reimbursement obligations under the Engagement Letter, as modified by this Order, including without limitation the advancement of defense costs, PwC must file an application therefore in this Court, and the Debtors may not pay any such amounts to PwC before the entry of an order by this Court approving such payment. This subparagraph (d) is intended only to specify the period during which the Court shall have jurisdiction over any request by PwC for indemnification, contribution or reimbursement and is not a provision limiting the duration of the Debtors' obligation to indemnify.

9. In the event that the rates of compensation for the services increase from the rates disclosed for services in the Application or the Engagement Letter, PwC will provide notice of such increased rates to the Debtors, the U.S. Trustee, the statutory committee of unsecured creditors and the statutory committee of tort claimant creditors (collectively, the "*Committees*") in these Chapter 11 Cases, and file such notice with this Court, within ten business days prior to the effective date of such increases. The U.S. Trustee and the Committees retain all rights to object to any rate increase on all grounds, including the reasonableness standard set forth in section 330 of the Bankruptcy Code, and the Court retains the right to review any rate increase pursuant to section 330 of the Bankruptcy Code.

10. To the extent the Debtors request that PwC perform additional services not contemplated by the Engagement Letter or directly related to services detailed in the Engagement Letter, the Debtors shall seek further application for an order of approval by the Court for any such additional services.

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

12. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

Dated: July 26, 2017
Wilmington, Delaware



THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE

TAB N

Schedule "N" – Final Order to Pay Prepetition Obligations Owed to Certain Critical Vendors

See attached.

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 Nos. 14 and 106

**FINAL 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 the 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 the Court having reviewed the Motion; and the Court having held a hearing on the Motion on June 27, 2017; and the Court having granted interim relief on the Motion on June 27, 2017 (Docket No. 106); and the Court having held a final hearing on the Motion on August 10, 2017; and all objections to the Motion having been withdrawn, resolved or overruled; and the 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 the Court and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted on a final 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 all prepetition Critical Vendor Claims, in an amount not to exceed \$47,440,000, in the ordinary course of business, upon such terms and in the manner provided in this Final Order and the Motion.
3. Unless necessary and appropriate to avoid an immediate shutdown of the Debtors' operations or other similar exigent circumstances as determined by the Debtors in good faith and described in the notice discussed below, in which case the Debtors shall not provide

less than eighteen (18) hours' written email notice to the statutory committee of unsecured creditors and the statutory committee of tort claimant creditors (collectively, the "*Committees*") appointed in these Chapter 11 Cases, the Debtors shall provide three (3) business days' written notice to the Committees prior to making any payment of a Critical Vendor Claim in excess of \$250,000 to a particular Critical Vendor, which notice shall include (i) the name of the Critical Vendor, (ii) the amount of the proposed payment, (iii) estimated total Critical Vendor Claim of such Critical Vendor and whether the Debtors are aware of a Critical Vendor Claim that could be asserted by such Critical Vendor under section 503(b)(9) of the Bankruptcy Code, (iv) estimated payment date, (v) purpose of such payment, including any alternative vendors the Debtors considered, (vi) whether such Critical Vendor has an existing contract with any Debtor, (vii) whether the Debtors and such Critical Vendor have executed a Vendor Agreement (as defined below) and whether the Debtors are receiving less favorable terms than the Customary Trade Terms, and (viii) the Debtor payor(s). If a Committee timely objects to the payment of a Critical Vendor Claim in excess of \$250,000, the Debtors shall not make such payment absent further order of this Court or written consent of the applicable Committee.

4. 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 that are individually agreed to by the Debtors and such Critical Vendor.

5. 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.

6. 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.

7. 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.

8. 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.

9. Any Critical Vendor that accepts payment from the Debtors on account of all or a portion of a Critical Vendor Claim pursuant to this Final Order shall be deemed to agree to the terms and provisions of this Final Order.

10. The Debtors shall maintain a matrix summarizing (i) the name of each Critical Vendor paid on account of its Critical Vendor Claim, (ii) the amount paid by each Debtor payor to each Critical Vendor on account of its Critical Vendor Claim, (iii) the goods or services provided by such Critical Vendor, and (iv) committed future payments to Critical Vendors organized by each Debtor payor. This matrix shall be provided on a bi-weekly basis, one week in arrears, to the Office of the United States Trustee for the District of Delaware and the professionals retained by the Committees; *provided, however*, that the matrix shall be considered confidential and shall be subject to the individual agreements between the Debtors and each of the Committees regarding the handling of confidential material in these Chapter 11 Cases.

11. 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.

12. 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.

13. Nothing contained in this Final Order or in the Motion is intended to be or shall be construed as (i) an admission as to the nature, validity, or priority of any claim against the Debtors, (ii) a waiver of (a) the Debtors', (b) the Committees', or (c) any other 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 Final Order is not intended to be and shall not be construed as an admission to the nature, validity, or priority of any claim or a waiver of the rights of the parties in clauses (ii)(a)-(ii)(c) of this paragraph 13 to dispute such claim subsequently.

14. Notwithstanding entry of this Final 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.

15. 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 Final Order and any Adequate Protection Order, the terms of such Adequate Protection Order shall control. Entry of this Order is without prejudice to any rights or objections of either Committee with respect to any Adequate Protection Order(s), all of which are expressly preserved.

16. Notwithstanding the provisions of Bankruptcy Rule 6004(h), this Final 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 Final 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 Final Order.

Dated: August 9, 2017
Wilmington, Delaware



THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE

TAB O

Schedule "O" – Final 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.

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 Nos. 10 and 108

**FINAL 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 on June 27, 2017; and this Court having granted interim relief on the Motion on June 27, 2017 (ECF No. 108); and this Court having held a final hearing on the Motion on August 10, 2017; and all objections to the Motion having been withdrawn, resolved or overruled; 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 on a final 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; *provided, however*, that unless necessary and appropriate to avoid an immediate shutdown of the Debtors' operations or other similar exigent circumstances as determined by the Debtors in good faith and described in the notice discussed below, in which case the Debtors shall not provide less than eighteen (18) hours' written email notice to the statutory committee of unsecured creditors and the statutory committee of tort claimant creditors (collectively, the "**Committees**") appointed in these Chapter 11 Cases, the Debtors shall provide three (3) business days' written notice (the "**Notice Period**") to the Committees prior to making any disbursements on account of: (i) a Tooling Program for a specific component part that exceeds, by more than \$750,000, the amount budgeted by the Debtors for such Tooling Program as of the date of this Order; (ii) a Tooling Program for a specific component part that (a) is not contemplated by the Debtors' budget as of the date of this Order, and (b) would cost in excess of \$750,000 in the aggregate; (iii) a supplier-owned Tooling Program, the cost of which, when combined with disbursements for other supplier-owned Tooling Programs made by the Debtors after the Petition Date, would exceed the amount budgeted by the Debtors as of the date of this Order for supplier-owned Tooling Programs by more than \$1 million; (iv) a customer-owned Tooling Program, the cost of which, when combined with disbursements for other customer-owned Tooling Programs made by the Debtors after the Petition Date, would exceed the amount budgeted by the Debtors as of the date of this Order for customer-owned Tooling Programs by more than \$1.5 million; or (v) a Warranty Program that would exceed \$5 million in the aggregate (any such disbursement, a "**Tooling or Warranty Program Modification**"). Should either Committee object to the Tooling or Warranty

Program Modification, such Committee may file an objection (an "*Objection*") to such Tooling or Warranty Program Modification within the Notice Period setting forth the basis for such Objection, which Objection shall be heard on an expedited basis. If an Objection is filed, the Debtors shall not make the proposed Tooling or Warranty Program Modification unless and until such Objection is overruled or resolved by agreement between the Debtors and the objecting Committee.

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 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 Final Order or in the Motion is intended to be or shall be construed as (a) an admission as to the nature, validity, or priority of any claim against the Debtors, (b) a waiver of (i) the Debtors', (ii) the Committees', or (iii) any other 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 Final Order is not intended to be and shall not be construed as an admission to the nature, validity, or priority of any claim or a waiver of the rights of the parties in clauses (b)(i)-(b)(iii) of this paragraph 5 to dispute such claim subsequently.

6. Notwithstanding entry of this Final 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 Final Order and any Adequate Protection Order, the terms of such Adequate Protection Order shall control.

8. Notwithstanding the provisions of Bankruptcy Rule 6004(h), this Final Order shall be immediately effective and enforceable upon its entry. Entry of this Order is without prejudice to any rights or objections of either Committee with respect to any Adequate Protection Order(s), all of which are expressly preserved.

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

Dated: August 9, 2017
Wilmington, Delaware



THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE

TAB P

Schedule "P" – Final Order to Continue Insurance and Surety Bond Programs and Pay All Obligations With Respect Thereto

See attached.

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. 11 and 111 |

**FINAL 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 Stroshe-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 on June 27, 2017; and this Court having granted interim relief on the Motion on June 27, 2017 (Docket No. 111); and this Court having held a final hearing on the Motion on August 10, 2017; and all objections to the Motion having been withdrawn, resolved or overruled; 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 on a final 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 or Surety Bond Obligations.

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; *provided, however*, that the Debtors shall provide the statutory committee of unsecured creditors and the statutory committee of tort claimant creditors (collectively, the "**Committees**") appointed in these Chapter 11 Cases with five (5) calendar days' written notice (the "**Notice Period**") prior to making any modification of any Insurance Program, including the Workers' Compensation Program, and the Surety Bond Program, that could result in material increased costs or expenses to the Debtors' estates that are inconsistent with the Debtors' past practices (any such modification or action, a "**Proposed Modification**"). Should either Committee object to the Proposed Modification, such Committee may file an objection (an "**Objection**") to such Proposed Modification within the Notice Period setting forth the basis for such Objection, which Objection shall be heard on an expedited basis. If an Objection is filed, the Debtors shall not make the Proposed Modification unless and until such Objection is overruled or resolved by agreement between the Debtors and the applicable Committee.

4. The Debtors shall provide to the Committees' professionals on a monthly basis, one week in arrears, written reports of all payments made by the Debtors relating to the Insurance Programs, including the Workers' Compensation Program, and the Surety Bond Program.

5. 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.

6. 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 or Surety Bond Obligations.

7. 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.

8. Nothing contained in this Final Order or in the Motion is intended to be or shall be construed as (a) an admission as to the nature, validity, or priority of any claim against the Debtors, (b) a waiver of (i) the Debtors', (ii) the Committees', or (iii) any other 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 Final Order is not intended to be and shall not be construed as an admission to the nature, validity, or priority of any claim or a waiver of the rights of the parties in clauses (b)(i)-(b)(iii) of this paragraph 8 to dispute such claim subsequently.

9. Notwithstanding entry of this Final 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.

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 Final Order and any Adequate Protection Order, the terms of such Adequate Protection Order shall control. Entry of this Order is without prejudice to any rights or objections of either Committee with respect to any Adequate Protection Order(s), all of which are expressly preserved.

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

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

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

Dated: August 9, 2017
Wilmington, Delaware



THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE

TAB Q

Schedule "Q" – Order Pursuant to 11 U.S.C. §§ 327(a) and 328(a), Fed. R. Bankr. P. 2014 and 2016 and Del. Bankr. L.R. 2014-1 Authorizing the Retention and Employment of Lazard Freres & Co. LLC and Lazard Freres K.K. as Investment Banker to the Debtors Nunc Pro Tunc to the Petition Date and Waiving Certain Information Requirements of Local Rule 2016-2

See attached.

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) |
| | : Re: Docket Nos. 318 & 615 |
| -----X | |

ORDER PURSUANT TO 11 U.S.C. §§ 327(a) AND 328(a), FED. R. BANKR. P. 2014 AND 2016, AND DEL. BANKR. L.R. 2014-1 AUTHORIZING THE RETENTION AND EMPLOYMENT OF LAZARD FRÈRES & CO. LLC AND LAZARD FRÈRES K.K. AS INVESTMENT BANKER TO THE DEBTORS NUNC PRO TUNC TO THE PETITION DATE AND WAIVING CERTAIN INFORMATION REQUIREMENTS OF LOCAL RULE 2016-2

Upon the application (the "*Application*")² of TK Holdings Inc. and its affiliated debtors, as debtors and debtors in possession (collectively, the "*Debtors*"), pursuant to sections 327(a), 328, and 330(a) of title 11 of the United States Code (the "*Bankruptcy Code*"), Rules 2014 and 2016 of the Federal Rules of Bankruptcy Procedure (the "*Bankruptcy Rules*"), and Rules 2014-1 and 2016-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "*Local Rules*"), for authority to retain and employ and retain Lazard Frères & Co. LLC and Lazard Frères K.K. (collectively, "*Lazard*") as investment banker and financial advisor to the Debtors *nunc pro tunc* to the Petition Date on 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 defined herein shall have the meanings ascribed to them in the Application or the Engagement Letter, as applicable.

terms set forth in the engagement letter, dated as of June 26, 2017 (the "*Engagement Agreement*"), the addendum to the Engagement Agreement, dated as of August 17, 2017 attached hereto as Exhibit A (the "*Addendum*") and the related indemnification agreement (the "*Indemnification Letter*" and, together with the Engagement Agreement and the Addendum, the "*Lazard Agreement*") all as more fully set forth in the Application; and upon consideration of the Caudill Declaration and the Yearley Declaration; 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 (if any) on the Application; and all objections to the Application having been withdrawn, resolved or overruled; 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 the Court being satisfied with the representations made in the Application and the Yearley Declaration that Lazard represents no interest adverse to the estates, that it is a "disinterested person" as that term is defined under section 101(14) of the Bankruptcy Code, and that its employment is necessary; 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. The Application as modified by this Order is GRANTED as set forth herein.
2. The Debtors are authorized, pursuant to sections 327(a) and 328(a) of the Bankruptcy Code, to engage Lazard as their investment banker in their chapter 11 cases, *nunc pro tunc* to the Petition Date, for the purposes set forth in the Engagement Agreement and upon the terms of the Engagement Agreement, the Addendum and the Indemnification Letter, as modified herein.
3. All of Lazard's compensation as set forth in the Engagement Agreement and the Addendum, including, without limitation, the Monthly Fee and the Restructuring Fee, and the Indemnification Letter are approved pursuant to section 328(a) of the Bankruptcy Code; *provided, however*, that the Restructuring Fee will not be payable until such fee has been allowed by this Court.
4. For the avoidance of doubt, the allocation of fees between TKH and TKJ, as described in the Lazard Agreement, shall not limit, modify or alter the right of either of the Committees to challenge any allocation of proceeds of any sale or other Restructuring as between TKH and TKJ (other than the allocation of the Restructuring Fee as between TKH and TKJ, which has been approved by this Order), and all of such rights are expressly reserved.
5. Notwithstanding anything to the contrary contained in the Lazard Agreement, in the event the Debtors and their nondebtor affiliates do not pursue and/or consummate a global sale transaction, Lazard will, at the Debtors' request, assist the Debtors in developing and executing on an alternative sales process for some or all of the Debtors' assets.

6. Lazard shall file fee applications for monthly, interim, and final allowance of compensation and reimbursement of expenses pursuant to the procedures set forth in sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and any other applicable procedures and orders of this Court; *provided, however*, that Lazard shall be compensated and reimbursed pursuant to section 328(a) of the Bankruptcy Code and that Lazard's fees and expenses shall not be evaluated under the standard set forth in section 330 of the Bankruptcy Code.

7. Notwithstanding paragraphs 2, 3 and 6 of this Order and any provision to the contrary in the Application, the Engagement Agreement, the Addendum, or the Indemnification Letter, the U.S. Trustee shall have the right to object to Lazard's request for compensation and reimbursement based on the reasonableness standard provided in section 330 of the Bankruptcy Code, and not section 328(a) of the Bankruptcy Code. This Order and the record relating to this Court's consideration of the Application shall not prejudice the rights of the U.S. Trustee to challenge the reasonableness of Lazard's fees under section 330 of the Bankruptcy Code. Accordingly, nothing in this Order or the record relating to this Court's consideration of the Application shall constitute a finding of fact or conclusion of law binding on the U.S. Trustee with respect to the reasonableness of Lazard's fees. Further, nothing in the Engagement Agreement or the Addendum shall affect or modify the standard of review applicable to an objection by the U.S. Trustee under this paragraph.

8. In the event that, during the pendency of these cases, Lazard seeks reimbursement for any attorneys' fees and/or expenses, the invoices and supporting time records from such attorneys shall be included in Lazard's fee applications and such invoices and time records shall be in compliance with the Local Rules and shall be subject to approval of this Court

under the standards of sections 330 and 331 of the Bankruptcy Code, without regard to whether such attorney has been retained under section 327 of the Bankruptcy Code and without regard to whether such attorney's services satisfy section 330(a)(3)(C) of the Bankruptcy Code. Notwithstanding the foregoing, Lazard shall only be reimbursed for any legal fees incurred in connection with the Debtors' chapter 11 cases to the extent permitted under applicable law and the decisions of this Court.

9. The provisions set forth in the Indemnification Letter are approved subject, during the pendency of the Debtors' chapter 11 cases, to the following:

- a. subject to the provisions of subparagraphs (b) and (d) below, the Debtors are authorized to indemnify, and to provide contribution and reimbursement to, and shall indemnify, and provide contribution and reimbursement to, the Indemnified Persons (as defined in the Indemnification Letter) in accordance with the Indemnification Letter for any claim arising from, related to, or in connection with the services provided for in the Engagement Agreement (as amended by the Addendum, the Application and this Order);
- b. notwithstanding subparagraph (a) above or any provisions of the Engagement Agreement to the contrary, the Debtors shall have no obligation to indemnify Lazard or provide contribution or reimbursement to Lazard (i) for any claim or expense that is judicially determined (the determination having become final) to have arisen from Lazard's bad faith, self-dealing, breach of fiduciary duty (if any), gross negligence, or willful misconduct, (ii) for a contractual dispute in which the Debtors allege the breach of Lazard's contractual obligations if this Court determines that indemnification, contribution, or reimbursement would not be permissible pursuant to *In re United Artists Theatre Co., et al.*, 315 F.3d 217 (3d Cir. 2003), or (iii) for any claim or expense that is settled prior to a judicial determination as to the exclusions set forth in clauses (i) and (ii) above, but determined by this Court, after notice and a hearing pursuant to subparagraph (d) *infra*, to be a claim or expense for which Lazard should not receive indemnity, contribution or reimbursement under the terms of the Indemnification Letter, as modified by the Order;
- c. if, during the pendency of the Debtors' chapter 11 cases, the indemnification is held unenforceable by reason of the exclusions set forth in subparagraph (b) above (i.e., bad faith, self-dealing, breach of fiduciary duty (if any), gross negligence, willful misconduct, or for a contractual dispute in which the Debtors allege the breach of Lazard's contractual

obligations if this Court determines that indemnification would not be permissible pursuant to the *United Artists* decision) and Lazard makes a claim for the payment of any amounts by the Debtors on account of the Debtors' contribution obligations, then the proviso set forth in the second sentence of the contribution provisions in the Indemnification Letter shall not apply; and

- d. if, before the earlier of (i) the entry of an order confirming a chapter 11 plan in the Debtors' cases (that order having become a final order no longer subject to appeal), and (ii) the entry of an order closing the Debtors' chapter 11 cases, Lazard 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 Indemnification Letter, as modified by this Order, including without limitation the advancement of defense costs, Lazard must file an application therefor in this Court, and the Debtors may not pay any such amounts to Lazard before the entry of an order by this Court approving such payment. This subparagraph (d) is intended only to specify the period during which this Court shall have jurisdiction over any request by Lazard for indemnification, contribution or reimbursement and is not a provision limiting the duration of the Debtors' obligation to indemnify.

10. Notwithstanding anything to the contrary in the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, any order of this Court, or any guidelines established by the U.S. Trustee regarding submission and approval of fee applications, Lazard and its professionals shall be excused from: (a) the requirement to maintain or provide detailed time records for services rendered post-petition in accordance with Local Rule 2016-2 and (b) providing or conforming to any schedule of hourly rates. Instead, notwithstanding that Lazard does not charge for its services on an hourly basis, Lazard shall present to the Court daily descriptions of those services provided on behalf of the Debtors, set forth for each individual who provided such services, kept in half-hour (0.5) increments with a reasonably detailed description of the services provided.

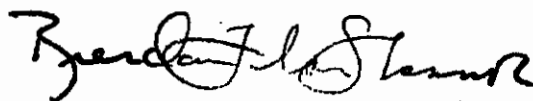
11. The second sentence of paragraph 10 of the Engagement Agreement regarding any fiduciary relationships shall have no force and effect during the Debtors' chapter 11 cases.

12. To the extent there are any conflicts between this Order and the Application, the Lazard Agreement, or the Yearley Declaration, the terms of this Order shall control.

13. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Application.

14. Notwithstanding any provisions of the Lazard Agreement to the contrary, during the pendency of the Debtors' chapter 11 cases, this Court shall retain jurisdiction with respect to all matters arising from or related to the implementation or interpretation of this Order and Lazard's retention in the Debtors' chapter 11 cases.

Dated: 8/30, 2017
Wilmington, Delaware



THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE

Exhibit A

Addendum to Engagement Agreement

Lazard Frères & Co. LLC
30 ROCKEFELLER PLAZA
NEW YORK, NY 10020
USA

Lazard Frères K.K.
SANNO PARK TOWER, 25TH
FLOOR
11-1, NAGATACHO 2-CHOME
CHIYODA-KU, TOKYO, JAPAN
100-6106

August 17, 2017

Takata Corporation
2-3-14 Higashishinagawa, Shinagawa-ku,
Tokyo, 140-0002, Japan

Attention: Mr. Shigehisa Takada
President & CEO

TK Holdings Inc.
2500 Takata Drive
Auburn Hills, MI 48326

Attention: Mr. Katsumi Mitsuhashi
President

Dear Sirs:

Reference is made to the engagement agreement (the "Engagement Letter") dated as of June 26, 2017 by and among Lazard Frères & Co. LLC and Lazard Frères K.K. (together, "Lazard"), on the one hand, and Takata Corporation ("Takata Corporation") and its controlled subsidiaries, including, without limitation, TK Holdings Inc. and its debtor affiliates¹ (collectively, "TKH") and any entity formed or used for the purposes set forth therein (collectively, including Takata Corporation and TKH, the "Company"). Capitalized terms used herein without definition shall have the meanings ascribed thereto in the Engagement Letter.

As contemplated by Section 2(b) of the Engagement Letter, Lazard, TKH and TKJ have agreed upon allocation of the Restructuring Fee between TKH and TKJ. This letter confirms the

¹ The debtor affiliates of TKH Holdings Inc. include Takata Americas, TK Finance, LLC, TK China, LLC, Takata Protection Systems Inc., Interiors in Flight Inc., TK Mexico Inc., TK Mexico LLC, TK Holdings de Mexico, S. de R.L. de C.V., Industrias Irvin de Mexico, S.A. de C.V., Takata de Mexico, S.A. de C.V. and Strosshe-Mex, S. de R.L. de C.V.

agreement of the parties that \$10,500,000 of the Restructuring Fee will be paid by TKH and \$10,500,000 of the Restructuring Fee will be paid by TKJ.

This letter further confirms the agreement of the parties that one-half of the Monthly Fees paid with respect to each month following March 1, 2018 shall be credited against the portion of the Restructuring Fee payable by TKH; provided, that such credit shall only apply to the extent that the fees payable by TKH pursuant to the Engagement Letter, as amended hereby, are approved in entirety by the Bankruptcy Court.

As contemplated by Section 3 of the Engagement Letter, the effectiveness of this letter agreement shall be subject to approval by the Bankruptcy Court and subject to authorization, if any is required, in the TKJ proceeding in Japan under the Civil Rehabilitation Law.

[signature page follows]

Except to the extent provided above, the Engagement Letter and the related Indemnification Letter remain in full force and effect. If the foregoing correctly sets forth the understanding among us, please so indicate on the enclosed signed copy of this letter in the space provided therefor and return it to us, whereupon this letter shall constitute a binding agreement among us.

Very truly yours,

LAZARD FRERES & CO. LLC

By: _____
Andrew Yearley
Managing Director

LAZARD FRERES K.K.

By: _____
Yasu Hatakeyama
President & CEO

AGREED TO AND ACCEPTED
as of the date first above written:

TAKATA CORPORATION, on behalf of itself
and its controlled subsidiaries

By: _____
Shigehisa Takada
President & CEO

TK HOLDINGS INC., on behalf of itself
and its controlled subsidiaries

By: _____
Katsumi Mitsuhashi
President

TAB R

**Schedule "R" – Order Pursuant to 11 U.S.C. §§ 105 and 1103 and Federal Rule of
Bankruptcy Procedure 2014 Authorizing the Retention and Employment of Frankel
Wyron LLP Counsel to the Future Claimants' Representative, Nunc Pro Tunc to July 24,
2017**

See attached.

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

| | | |
|---------------------------------|---|---------------------------|
| | | |
| In re: |) | Chapter 11 |
| TK HOLDINGS INC., <i>et al.</i> |) | Case No. 17-11375 (BLS) |
| Debtors. ¹ |) | (Jointly Administered) |
| |) | Related to Docket No. 296 |

**ORDER PURSUANT TO 11 U.S.C. §§ 105 AND 1103 AND FEDERAL RULE
OF BANKRUPTCY PROCEDURE 2014 AUTHORIZING THE RETENTION
AND EMPLOYMENT OF FRANKEL WYRON LLP AS COUNSEL
TO THE FUTURE CLAIMANTS' REPRESENTATIVE,
NUNC PRO TUNC TO JULY 24, 2017**

Upon consideration of the application dated July 24, 2017 (the "*Application*")² of the Future Claimants' Representative for an order authorizing the Future Claimants' Representative to retain and employ Frankel Wyron LLP as counsel *nunc pro tunc* to July 24, 2017 pursuant to sections 105(a) and 1103 of the Bankruptcy Code and Bankruptcy Rule 2014; and upon consideration of the Wyron Declaration in support thereof; and the Court being satisfied that, except as may otherwise be set forth in the Wyron Declaration, that Frankel Wyron LLP represents no interest adverse to the Future Claimants' Representative or Future Claimants with respect to matters upon which Frankel Wyron LLP is to be engaged, that Frankel Wyron LLP is a "disinterested person" as that term is defined under section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code, and that Frankel Wyron LLP's employment

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 not defined herein shall have the meanings ascribed to them in the Application.

is necessary and is in the best interests of the Future Claimants' Representative and Future Claimants; and due and adequate notice of the Application having been given; and it appearing that no further or other notice is required; and after due deliberation and sufficient cause appearing therefore, it is hereby ORDERED that:

1. The Application is hereby **GRANTED** as set forth herein.
2. In accordance with sections 105(a) and 1103 of the Bankruptcy Code, and Bankruptcy Rule 2014, the Future Claimants' Representative is hereby authorized to retain and employ the law firm of Frankel Wyron LLP as counsel on the terms set forth in the Application and the Wyron Declaration *nunc pro tunc* to July 24, 2017.
3. Frankel Wyron LLP shall be entitled to an allowance of compensation and reimbursement of expenses upon the filing and approval of interim and final applications pursuant to the Bankruptcy Code, Bankruptcy Rules, the Local Rules, and such other Orders as the Court may direct.
4. In each interim fee application and final fee application, all attorneys who have been or are hereafter retained pursuant to sections 327 or 1103 of the Bankruptcy Code (i) shall apply for compensation for professional services rendered and reimbursement of expenses incurred in connection with the Debtors' chapter 11 cases in compliance with sections 330 and 331 of the Bankruptcy Code and applicable provisions of the Bankruptcy Rules, Local Rules and any other applicable procedures and orders of the Court, and (ii) intend to make a reasonable effort to comply with the U.S. Trustee's requests for information and additional disclosures as set forth in the *Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases Effective as of November 1, 2013*.

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

Dated: August 30 2017


THE HONORABLE BRENDAN L. SHANNON
UNITED STATES BANKRUPTCY JUDGE

TAB S

**Schedule "S" – Order Pursuant to 11 U.S.C. §§ 105 and 1103 and Federal Rule of
Bankruptcy Procedure 2014 Authorizing the Retention and Employment of Ashby &
Geddes, P.A. as Co-Counsel to the Future Claimants' Representative, Nunc Pro Tunc to
July 24, 2017**

See attached.

is in the best interests of the Future Claimants' Representative and Future Claimants; and due and adequate notice of the Application having been given; and it appearing that no further or other notice is required; and after due deliberation and sufficient cause appearing therefore, it is hereby ORDERED that:

1. The Application is hereby **GRANTED** as set forth herein.
2. In accordance with sections 105(a) and 1103 of the Bankruptcy Code, and Bankruptcy Rule 2014, the Future Claimants' Representative is hereby authorized to retain and employ the law firm of Ashby & Geddes as co-counsel on the terms set forth in the Application and the Bowden Affidavit *nunc pro tunc* to July 24, 2017.
3. Ashby & Geddes shall be entitled to an allowance of compensation and reimbursement of expenses upon the filing and approval of interim and final applications pursuant to the Bankruptcy Code, Bankruptcy Rules, the Local Rules, and such other Orders as the Court may direct.
4. In each interim fee application and final fee application, all attorneys who have been or are hereafter retained pursuant to sections 327 or 1103 of the Bankruptcy Code (i) shall apply for compensation for professional services rendered and reimbursement of expenses incurred in connection with the Debtors' chapter 11 cases in compliance with sections 330 and 331 of the Bankruptcy Code and applicable provisions of the Bankruptcy Rules, Local Rules and any other applicable procedures and orders of the Court, and (ii) intend to make a reasonable effort to comply with the U.S. Trustee's requests for information and additional disclosures as set forth in the *Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases Effective as of November 1, 2013*.

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

Dated: August 30, 2017



THE HONORABLE BRENDAN L. SHANNON
UNITED STATES BANKRUPTCY JUDGE

TAB T

**Schedule "T" – Order Appointing Roger Frankel as Legal Representative for Future
Personal Injury Claimants Nunc Pro Tunc to July 20, 2017**

See attached.

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

| | | |
|---------------------------------|---|---------------------------|
| |) | Chapter 11 |
| In re: |) | |
| |) | Case No. 17-11375 (BLS) |
| TK HOLDINGS INC., <i>et al.</i> |) | |
| |) | (Jointly Administered) |
| Debtors. ¹ |) | |
| |) | Related to Docket No. 296 |

**ORDER PURSUANT TO 11 U.S.C. §§ 105 AND 1103 AND FEDERAL RULE
OF BANKRUPTCY PROCEDURE 2014 AUTHORIZING THE RETENTION
AND EMPLOYMENT OF FRANKEL WYRON LLP AS COUNSEL
TO THE FUTURE CLAIMANTS' REPRESENTATIVE,
NUNC PRO TUNC TO JULY 24, 2017**

Upon consideration of the application dated July 24, 2017 (the "*Application*")² of the Future Claimants' Representative for an order authorizing the Future Claimants' Representative to retain and employ Frankel Wyron LLP as counsel *nunc pro tunc* to July 24, 2017 pursuant to sections 105(a) and 1103 of the Bankruptcy Code and Bankruptcy Rule 2014; and upon consideration of the Wyron Declaration in support thereof; and the Court being satisfied that, except as may otherwise be set forth in the Wyron Declaration, that Frankel Wyron LLP represents no interest adverse to the Future Claimants' Representative or Future Claimants with respect to matters upon which Frankel Wyron LLP is to be engaged, that Frankel Wyron LLP is a "disinterested person" as that term is defined under section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code, and that Frankel Wyron LLP's employment

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 not defined herein shall have the meanings ascribed to them in the Application.

is necessary and is in the best interests of the Future Claimants' Representative and Future Claimants; and due and adequate notice of the Application having been given; and it appearing that no further or other notice is required; and after due deliberation and sufficient cause appearing therefore, it is hereby ORDERED that:

1. The Application is hereby **GRANTED** as set forth herein.
2. In accordance with sections 105(a) and 1103 of the Bankruptcy Code, and Bankruptcy Rule 2014, the Future Claimants' Representative is hereby authorized to retain and employ the law firm of Frankel Wyron LLP as counsel on the terms set forth in the Application and the Wyron Declaration *nunc pro tunc* to July 24, 2017.
3. Frankel Wyron LLP shall be entitled to an allowance of compensation and reimbursement of expenses upon the filing and approval of interim and final applications pursuant to the Bankruptcy Code, Bankruptcy Rules, the Local Rules, and such other Orders as the Court may direct.
4. In each interim fee application and final fee application, all attorneys who have been or are hereafter retained pursuant to sections 327 or 1103 of the Bankruptcy Code (i) shall apply for compensation for professional services rendered and reimbursement of expenses incurred in connection with the Debtors' chapter 11 cases in compliance with sections 330 and 331 of the Bankruptcy Code and applicable provisions of the Bankruptcy Rules, Local Rules and any other applicable procedures and orders of the Court, and (ii) intend to make a reasonable effort to comply with the U.S. Trustee's requests for information and additional disclosures as set forth in the *Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases Effective as of November 1, 2013*.

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

Dated: August 30 2017


THE HONORABLE BRENDAN L. SHANNON
UNITED STATES BANKRUPTCY JUDGE

TAB U

**Schedule "U" – Order Appointing Fee Examiner and Establishing Procedures for
Consideration of Requested Fee Compensation and Reimbursement of Expenses**

See attached.

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

-----X
:

In re: : Chapter 11

:

TAKATA HOLDINGS, INC., *et al.*,³ : Case No. 17-11375 (BLS)

:

Debtors. : Jointly Administered

:

-----X

**ORDER APPOINTING FEE EXAMINER AND ESTABLISHING
PROCEDURES FOR CONSIDERATION OF REQUESTED FEE
COMPENSATION AND REIMBURSEMENT OF EXPENSES**

Upon consideration of the *Order Authorizing Debtors to Establish Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [Docket No. 331] (the "Interim Compensation Order");⁴ and given that the size and complexity of the above-captioned jointly administered chapter 11 cases (the "Chapter 11 Cases") likely will result in the filing of numerous, fee applications; and it appearing that the appointment of a fee examiner is appropriate pursuant to section 105(a) of title 11 of the United States Code (the "Bankruptcy Code"), Rule 9017 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), Rule 706 of the Federal Rules of Evidence, Rule 2016-2(j) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the

³ 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.

⁴ Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Interim Compensation Order.

“Local Rules”), and the procedures of this Court, including the Fee Examiner Order; and it further appearing that (a) this Court has jurisdiction over this matter 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 as of February 29, 2012 and (b) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and the Court may enter a final order consistent with Article III of the U.S. Constitution; and the Debtors having conferred, pursuant to the Fee Examiner Order, with the Official Committee of Unsecured Creditors appointed in these Chapter 11 Cases (the “Creditors’ Committee”), the Official Committee of Unsecured Tort Claimant Creditors (the “Tort Claims Committee”) (collectively, the “Committees”) and the Office of the United States Trustee (the “U.S. Trustee”), regarding the selection of the fee examiner (the “Fee Examiner”) to be appointed in these Chapter 11 Cases and the establishment of related procedures; and upon the agreement of the Debtors, the Committees and the U.S. Trustee as to the Fee Examiner and the procedures outlined herein,

IT IS HEREBY ORDERED THAT:

1. Direct Fee Review is appointed and shall be employed as the Fee Examiner in these Chapter 11 Cases. The Fee Examiner is a disinterested person as defined under the Bankruptcy Code based upon the Declaration of W. Joseph Dryer in Support of Order Appointing Direct Fee Review LLC as Fee Examiner.
2. Unless otherwise ordered by this Court, this Order shall apply to all professionals in these Chapter 11 Cases requesting compensation and/or reimbursement of expenses for services rendered pursuant to sections 327, 330 and 331, but excluding (i) ordinary course professionals employed by the Debtors in accordance with the *Order Authorizing the Debtor to Employ Professionals Used in the Ordinary Course of Business Nunc Pro Tunc to the Petition*

Date [Docket No. 324] (the "OCP Order"),⁵ and (ii) members of the Committees, on account of such members' applications for reimbursement of expenses incurred in such capacity

3. The terms and conditions of the Interim Compensation Order shall not be modified by this Order, except that: no later than three (3) business days after the filing of each Monthly Fee Application, each Interim Fee Application, and each final fee application (a "Final Fee Application," and collectively with Monthly Fee Applications and Interim Fee Application, the "Applications," and each an "Application"), the professional filing such Application ("Applicant") shall send to the Fee Examiner by electronic mail the Application in Adobe Acrobat and the fee detail containing the time entries and the expense detail (the "Fee Detail") in a searchable electronic format (such as Ledes, Excel, Microsoft Word or WordPerfect). An Applicant need not send the Fee Examiner the Fee Detail for any Interim Fee Application or Final Fee Application if such Applicant has previously submitted all of the Fee Detail relevant to such Interim Fee Application Request or Final Fee Application to the Fee Examiner in an acceptable electronic format, whether in conjunction with the relevant Monthly Fee Application or otherwise. If any Applicant cannot reasonably convert its Fee Detail to one of the electronic formats described above, the Fee Examiner will work with such Applicant to find an appropriate electronic format.

4. All previously filed Applications and related Fee Details shall be provided to the Fee Examiner by each Retained Professional within 20 days of entry of this Order. All previously filed Applications, all future Applications, and all other documents, notices, or pleadings required to be sent to or served upon any Notice Party under the Interim Compensation

⁵ To the extent any professionals employed pursuant to the OCP Order are required to file formal fee applications with this Court pursuant to the terms of the OCP Order, the fees and expenses of such professional set forth in such formal fee application shall be reviewed by the Fee Examiner as set forth herein.

Order on and after the date hereof, shall be served upon the Fee Examiner at the following address: Direct Fee Review, LLC, 1000 North West Street, Ste. 1200, Wilmington, DE 19801; email: dfr.wjd@gmail.com.

5. Pursuant to the Interim Compensation Order, upon the expiration of the Objection Deadline, each professional shall be permitted to file a certificate of no objection with this Court after which the Debtors are authorized to pay each professional an amount equal to the 80% of the fees and 100% of the expenses requested in the Monthly Fee Application that are not subject to an objection pursuant to the procedures set forth in the Interim Compensation Order, including an informal objection or inquiry by the Fee Examiner.

6. The Fee Examiner shall:

- a. review Interim Fee Applications and Final Fee Applications filed by each Applicant in these Chapter 11 Cases, along with the Fee Detail related thereto. To the extent practicable, the Fee Examiner shall avoid duplicative review when reviewing Final Fee Applications comprised of Interim Fee Applications that have already been reviewed by the Fee Examiner;
- b. during the course of its review of an Application, consult, as it deems appropriate, with each Applicant concerning such Application;
- c. during the course of its review of an Application, review, to the extent appropriate, any relevant documents filed in these Chapter 11 Cases to be generally familiar with these Chapter 11 Cases and the dockets;⁶
- d. within twenty-one (21) days after an Applicant files an Interim Fee Application or Final Fee Application, serve an initial report (the "Initial Report") on the Applicant designed to quantify and present factual data relevant to whether the requested fees, disbursements, and expenses are in compliance with the applicable standards of sections 328, 329, 330, and 331 of the Bankruptcy Code, Rule 2016 of the Bankruptcy Rules and Local Rule

⁶ The Fee Examiner shall be deemed to have filed a request for notice of papers filed in these cases pursuant to Bankruptcy Rule 2002, and the Fee Examiner shall be served with all such papers.

2016-2, and whether the Applicant has made a reasonable effort to comply with the U.S. Trustee's requests for information and additional disclosures as set forth in the Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases Effective as of November 1, 2013 (the "U.S. Trustee Guidelines");

- e. during the period between service of the Initial Report and filing of the Final Report (as defined below), engage in written communication with each Applicant, the objective of which is to resolve matters raised in the Initial Report and endeavor to reach consensual resolution with each Applicant with respect to that Applicant's requested fees and expenses. The Fee Examiner may also use the resolution process to revise findings contained in the Initial Report. Each Applicant may provide the Fee Examiner with written supplemental information that the Applicant believes is relevant to the Initial Report;
- f. following communications between the Fee Examiner and the Applicant, and the Fee Examiner's review of any supplemental information provided by such Applicant in response to the Initial Report, conclude the informal resolution period by filing with this Court a report with respect to each Application (the "Final Report") within fourteen (14) days after the service of the Initial Report. The Final Report shall be in a format designed to quantify and present factual data relevant to whether the requested fees and expenses of each Applicant are in compliance with the applicable standards of section 330 of the Bankruptcy Code and Local Rule 2016-2, and whether the Applicant has made a reasonable effort to comply with the U.S. Trustee Guidelines. The Final Report shall also inform this Court of all proposed consensual resolutions of the fee and/or expense reimbursement request for each Applicant and the basis for such proposed consensual resolution; and
- g. serve each Final Report on counsel for the Debtors, counsel for the Committee, the U.S. Trustee, and each Applicant whose fees and expenses are addressed in the Final Report.

7. An Applicant subject to a Final Report may (i) file with this Court a response (a "Final Response") to such Final Report no later than twenty-one (21) days after the Fee Examiner's service of a Final Report and request a ruling with respect any fees and/or expenses to which an objection was made (the "Incremental Amount") at the next interim fee hearing or

the final fee hearing or, in the alternative, (ii) defer filing the Final Response and request a ruling at any subsequent fee hearing, so as to allow continuing discussions with the Fee Examiner. Any Final Response shall be served upon those parties served with the Final Report and the Fee Examiner.

8. The Fee Examiner, the Applicants, and the Debtors shall use best efforts to have the undisputed portion of Applications allowed by this Court and paid as soon as reasonably practicable, even if the Incremental Amount remains disputed and subject to the procedures set forth above.

9. An Interim Fee Application or Final Fee Application shall not be considered by this Court prior to review by the Fee Examiner and the submission to this Court of a Final Report specific to such Application, unless the Fee Examiner has expressly stated that such hearing should go forward without the Final Report being filed. If applicable, hearings on the Applications shall be scheduled by this Court in consultation with the Debtors' counsel after the filing of the applicable Final Reports by the Fee Examiner.

10. Any of the periods set forth above may be extended with the consent of the Fee Examiner, the applicable Applicant, and Debtors' counsel. Should an Applicant fail to meet one or more deadlines set forth herein for the review of an Application and, in the reasonable discretion of the Fee Examiner, the Applicant's failure to meet these deadlines does not allow sufficient time for the review process to be completed, such Application shall be heard at a subsequent hearing date. Nothing herein shall be construed or interpreted to require the filing of Final Reports on all Applications prior to any Application and the Final Report specific thereto being considered by this Court, and the delay or adjournment of consideration of an Application shall not affect the timing of hearings on the Applications of other Applicants.

11. The Fee Examiner is authorized to notice, defend, or appear in any appeal regarding an Application and to conduct and respond to discovery in connection with any Application, including making himself available for deposition and cross-examination by the Debtors, the Committee, the U.S. Trustee, and other interested parties consistent with Rule 706 of the Federal Rules of Evidence.

12. If a Retained Professional or its client provides privileged or work product information to the Fee Examiner and identifies the confidential nature of such information to the Fee Examiner, the Fee Examiner shall treat such information as confidential. The disclosure of such information to the Fee Examiner shall not be deemed to be a waiver by the disclosing party of any applicable work product, attorney client, or other privilege.

13. The fees and expenses of the Fee Examiner shall be subject to application and review pursuant to section 330 of the Bankruptcy Code, Bankruptcy Rule 2016, Local Rule 2016-2, the U.S. Trustee Guidelines, and the Interim Compensation Order, and shall be paid from the Debtors' estates as an administrative expense under section 503(b)(2) of the Bankruptcy Code. The total fees paid to the Fee Examiner for its services in accordance with this Order shall be charged at the ordinary hourly rate of the Fee Examiner for services of this nature and shall not include any contingency or success fees. The Fee Examiner's expenses shall be subject to the information detail requirements set forth in Local Rule 2016-2(e).

14. Counsel for the Debtors shall promptly serve a copy of this Order, in accordance with the Local Rules, on (i) the U.S. Trustee, (ii) counsel for the Committees, (iii) the Fee Examiner, (iv) counsel for the legal representative for future personal injury claimants and (v) each each Retained Professional, other than ordinary course professionals, employed by the

Debtors or the Committee in these Chapter 11 Cases pursuant to section 327 of the Bankruptcy Code.

15. The Debtors and the Fee Examiner are authorized to take any and all actions necessary to implement and effectuate the terms of this Order.

16. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

17. This Court shall retain jurisdiction over all matters arising from or related to the interpretation and implementation of this Order. Notwithstanding any provisions of this Order to the contrary, this Court shall retain the ultimate authority to determine whether fees and expenses requested are necessary and reasonable under section 330 of the Bankruptcy Code.

Dated: Sept 7, 2017
Wilmington, Delaware


THE HONORABLE BRENDAN L. SHANNON
UNITED STATES BANKRUPTCY JUDGE

TAB V

Schedule "V" – Final 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.

**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 | Related Docket Nos. 13, 104, 328, 444, and 653 |

FINAL 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 (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) WAIVING THE 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) waiving the requirements of section 345(b) of the Bankruptcy Code to the extent any of the Debtors' Bank Accounts are not currently in compliance with 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 on June 27, 2017; and this Court having granted interim relief on the Motion on June 27, 2017 [D.I. 104] (the "**First Interim Order**"); and this Court having held a second interim hearing on the Motion on July 26, 2017; and this Court having granted further interim relief on the Motion on July 26, 2017 [D.I. 328] (the "**Second Interim Order**"); and this Court having granted further interim relief on the Motion on August 9, 2017 [D.I. 444] (the "**Third Interim Order**"); and this Court having granted further interim relief on the Motion on August 30, 2017 [D.I. 653] (the "**Fourth Interim Order**"); and all objections to the Motion having been withdrawn, resolved or overruled; 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 on a final 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, as reflected on Exhibit D to the Motion, 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*, (i) the Debtors shall not be permitted to enter into any Intercompany Transaction (including Intercompany Loans) outside the ordinary course of business absent further order of this Court and (ii) the Debtors shall provide the statutory committee of unsecured creditors and the statutory committee of tort claimant creditors (collectively, the "*Committees*") five (5) business days prior written notice (the "*Notice Period*") and an opportunity to object to: (a) any set off of prepetition intercompany balances among the Debtors and between the Debtors and (I) any of the Non-Debtor Affiliates, (II) TKJP, (III) Takata Kyushu K.K., or (IV) Takata Service K.K. (b) intercompany investments or capital contributions; (c) gross postpetition intercompany transactions (including monthly intercompany allocations described in paragraph 35(a) of the Motion and intercompany services described in paragraph 35(b) of the Motion) among the Cash Management Entities in an aggregate monthly

amount greater than \$1.0 million other than (I) postpetition intercompany cash inflows to TKH and allocations or other transactions for the benefit of TKH and (II) any postpetition intercompany transactions resulting from automatic transfers (or “sweeps”) in accordance with the U.S. Cash Management System or the Mexican Cash Management System; (d) gross postpetition intercompany transactions (including Intercompany International Transactions described in paragraph 39 of the Motion) between the Cash Management Entities and international affiliates that are not Cash Management Entities in a quarterly amount exceeding \$2.5 million, measured on a rolling three (3) month basis as if it were tested on November 30, 2017 and on the last day of each month thereafter; and (e) allocations or payments for product liability or directors and officers insurance (which notice shall include information with respect to any variances from the prior year’s allocations or payments) (the “*Monitored Transactions*”). For the avoidance of doubt, the limitations in paragraph 2 of this Final Order shall not apply to payments or accruals for intercompany purchase and sale of goods. Should either Committee object to a Monitored Transaction, such Committee may file an objection (an “*Objection*”) to such Monitored Transaction within the Notice Period setting forth the basis for such Objection, which Objection shall be heard on an expedited basis. If an Objection is filed, the Debtors shall not perform the Monitored Transaction unless and until such Objection is overruled or resolved by agreement between the Debtors and the objecting Committee.

3. Except among Cash Management Entities, and except for the ordinary course allocation of employee costs, absent further order of this Court or written consent of both Committees, the Debtors shall not accrue or pay (i) postpetition direct or indirect costs related to recalls, including without limitation recalls of airbag inflators containing phase-stabilized ammonium nitrate (the “*PSAN Recalls*”), incurred by any Non-Debtor Affiliate (other than a

Cash Management Entity), TKJP, Takata Kyushu K.K. or Takata Service K.K. or (ii) postpetition professional fees related to recalls, including but not limited to the PSAN Recalls, incurred by any Non-Debtor Affiliate (other than a Cash Management Entity), TKJP, Takata Kyushu K.K., or Takata Service K.K.. For the avoidance of doubt, and subject to any notice required by paragraph 2 of this Final Order, the limitations in paragraph 3 of this Final Order shall not apply to ordinary course payments or accruals for the postpetition intercompany purchase and sale of goods or services requested by the Debtors, including goods or services (including Intercompany International Transactions described in paragraph 39 of the Motion) sold to the Debtors in connection with any recalls (including PSAN Recalls). All rights of the Committees with respect to any of the costs, fees, or transactions referred to in paragraph 3 of this Final Order accrued or paid prior to or after the Petition Date are expressly reserved.

4. The Debtors shall cause each of their Non-Debtor Affiliates that are Cash Management Entities to comply with the provisions of Paragraph 3 of this Order with respect to postpetition costs or professional fees related to recalls asserted by affiliates that are not Cash Management Entities against such Non-Debtor Affiliates that are Cash Management Entities.

5. Notwithstanding anything to the contrary contained herein, except among Cash Management Entities, and except for the ordinary course allocation of employee costs, any claim asserted by a Non-Debtor Affiliate of the Debtors (other than a Cash Management Entity), TKJP, Takata Kyushu K.K. or Takata Service K.K., for (i) direct or indirect costs related to recalls, including the PSAN Recalls, or (ii) professional fees related to the PSAN Recalls, in each case whether incurred prepetition or postpetition, shall not be paid or treated as an allowed claim, absent further order of this Court or written consent of both Committees. For the avoidance of doubt, and subject to any notice required by paragraph 2 of this Final Order, the limitations in

paragraph 5 of this Final Order shall not apply to ordinary course payments or accruals for the postpetition intercompany purchase and sale of goods or services requested by the Debtors, including goods or services (including Intercompany International Transactions described in paragraph 39 of the Motion) sold to the Debtors in connection with any recalls (including PSAN Recalls). All rights of the Committees with respect to any of the costs, fees, or transactions referred to in paragraph 5 of this Final Order accrued or paid prior to or after the Petition Date are expressly reserved.

6. The Debtors shall cause each of their Non-Debtor Affiliates that are Cash Management Entities to comply with the provisions of Paragraph 5 of this Order with respect to claims for costs or professional fees related to recalls asserted by affiliates that are not Cash Management Entities against such Non-Debtor Affiliates that are Cash Management Entities.

7. 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, and shall make such records available to the Committees upon reasonable request.

8. Unless otherwise provided herein, the Debtors shall not pay any prepetition claims of Debtor or Non-Debtor Affiliates. For the avoidance of doubt, subject to notice to the Committees and opportunity to object if required under paragraph 2 of this Final Order, the Debtors are expressly authorized to (i) pay postpetition claims arising on account of International Vendor Transactions, (ii) pay all prepetition and postpetition Maquiladora Fees when due, and (iii) continue intercompany allocations among the Debtors and their Non-Debtor Affiliates.

9. Subject to notice to the Committees and opportunity to object under paragraph 2 of this Final Order, the Debtors and their Non-Debtor Affiliates shall be permitted to set off their valid mutual prepetition intercompany obligations in the ordinary course of business; *provided* that such set off shall only be permitted on account of claims of Non-Debtor Affiliates to the extent those claims are otherwise permitted to be paid under this Final Order.

10. 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, prepetition Intercompany Claims for the sale of goods received by the Debtors in the twenty (20) days prior to the Petition Date; *provided, however*, that absent further order of this Court, the Debtors shall not be permitted to pay, in advance of confirmation of a chapter 11 plan, prepetition Intercompany Claims owed to Takata Corporation for the sale of goods received by the Debtors in the twenty (20) days prior to the Petition Date.

11. 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.

12. Subject to any notice required by paragraph 2 of this Order, as well as the terms of paragraphs 3 through 6 hereof, 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.

13. 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.

14. 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.

15. 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.

16. 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 Committees); (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.

17. 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.

18. Except as otherwise provided in this Final 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.

19. 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.

20. 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 Final Order requires any Bank to honor any check or other item for which such Bank is not holding good and sufficient available funds.

21. 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.

22. 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 Final 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 the Committees.

23. The Debtors are authorized to invest and deposit funds in accordance with the description of the Cash Management System described in the Motion. To the extent any of the Debtors' Bank Accounts are not currently in compliance with the requirements of section 345 of the Bankruptcy Code, such requirements are waived. All applicable banks and other financial institutions are authorized to accept and hold or invest funds, at the Debtors' direction, in accordance with the description of the Cash Management System in the Motion.

24. 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 Final 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.

25. For the avoidance of doubt, to the extent a Bank that is a party to a Uniform Depository Agreement with the U.S. Trustee is required to post collateral or purchase a

surety bond in order to comply with such Bank's obligations to the U.S. Trustee under its Uniform Depository Agreement, the Bank shall be authorized to charge, and the Debtors are authorized to pay or honor, related service and other fees, costs, charges and expenses.

26. 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.

27. 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.

28. Nothing contained in this Final Order or in the Motion is intended to be or shall be construed as (i) an admission as to the nature, validity, or priority of any claim against the Debtors, (ii) a waiver of the rights of (a) the Debtors, (b) the Committees, or (c) any other party in interest's rights to dispute any claim (including, without limitation, based on recharacterization or subordination), 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 Final Order is not intended to be and shall not be construed as an admission to the nature, validity, or priority of any claim or a waiver of the rights of the parties in clauses (ii)(a) through (ii)(c) of this paragraph 27 to dispute such claim subsequently (including, without limitation, based on recharacterization or subordination).

29. 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 Final 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 Final Order without regard to the limitations or restrictions set forth in the Adequate Protection Order. Entry of this Final Order is without prejudice to any rights or objections of either Committee with respect to any Adequate Protection Order(s), all of which are expressly preserved.

30. The Debtors and the Committees reserve all rights with respect to the Final Order, including with respect to any caps on postpetition payments set forth herein.

31. The Debtors shall provide, on a confidential basis, the following information to the Committees on a monthly basis (no later than 25th day of the month following the month to which such information applies); *provided, however*, that the following information shall be subject to the individual agreements between the Debtors and each of the Committees regarding the handling of confidential material in these Chapter 11 Cases:

- a. journal entries of all intercompany activity amongst Debtors, and between the Cash Management Entities and a schedule of all intercompany cash settlements amongst Debtors, and between the Cash Management Entities (first monthly report to be for July, and include activity retroactive to the Petition Date);
- b. month-end post-petition intercompany balances for all Cash Management Entities;
- c. month-end cash bank balances for all Cash Management Entities;

- d. a schedule of regional cash balances for the larger Takata enterprise; and
- e. the reporting contemplated pursuant to section 19(c) of that certain Accommodation Agreement filed with this Court on July 20, 2017 (Docket No. 289) which reporting shall include (i) actual monthly income statements and balance sheets for each major legal entity for the prior month; (ii) updated monthly forecasts of income statements; (iii) updated monthly balance sheets and cash flows for each region based on current reporting processes; and (iv) the items reflected in (ii) and (iii) above as to each major legal entity.

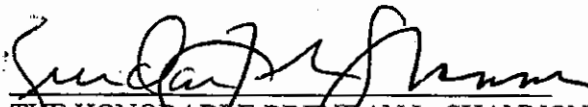
32. The requirements of Bankruptcy Rule 6004(a) are waived.

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

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

35. 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 Final Order.

Dated: Sept 12, 2017
Wilmington, Delaware


THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY
JUDGE

TAB W

Schedule "W" – Order Pursuant to 11 U.S.C. 105, 363 and 503 For Authority to Pay Fees and Expenses Incurred by the NHTSA Monitor, to Pay the NHTSA Civil Penalty, and to Honor Certain Related Obligations

See attached.

ORIGINAL

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

-----X
: **Chapter 11**
: **Case No. 17-11375 (BLS)**
: **(Jointly Administered)**
: **Re: Docket Nos. 510, 595, 747**
-----X

**ORDER PURSUANT TO 11 U.S.C. §§ 105,
363, AND 503 FOR AUTHORITY TO PAY FEES
AND EXPENSES INCURRED BY THE NHTSA MONITOR, TO PAY THE
NHTSA CIVIL PENALTY, AND TO HONOR CERTAIN RELATED OBLIGATIONS**

Upon the motion, dated August 11, 2017 (the "*Motion*"),² of TK Holdings Inc. and its affiliated debtors, as debtors and debtors in possession (collectively, the "*Debtors*"), pursuant to section 30120A of title 49 of the United States Code and sections 105(a), 363(b), and 503(b)(1) of title 11 of the United States Code (the "*Bankruptcy Code*"), seek entry of an order (this "*Order*") authorizing the Debtors to pay and continue paying the NHTSA Monitor Fees, as more fully set forth in the Motion; 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

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.

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 the Court and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted as provided herein.
2. The Debtors are authorized, but not directed, pursuant to section 30120A of title 49 of the United States Code and sections 105(a), 363(b), and 503(b)(1) of the Bankruptcy Code to pay and to continue paying the NHTSA Monitor Fees, whether incurred before or after the Petition Date, and to otherwise comply with the NHTSA Orders and the TKH Indemnification Agreement (as modified hereby).
3. Consideration of the NHTSA Civil Penalty is hereby adjourned to the date of the hearing to consider confirmation of a plan. All rights and objections with respect to the NHTSA Civil Penalty are preserved and adjourned to such hearing.
4. The TKH Indemnification Agreement is hereby modified to provide that an Indemnified Person (as such term is defined in the TKH Indemnification Agreement) will not be entitled to indemnification by the Debtors for any act to the extent that such act shall have been found in a final, non-appealable judgment of this Court or another court of competent

jurisdiction to constitute the gross negligence and/or willful misconduct of such Indemnified Person.

5. The NHTSA Monitor shall not be paid from, and the NHTSA Monitor Fees shall not constitute, any part of any "carve-out" for fees of professionals approved by this Court.

6. The payment by the Debtors of the NHTSA Monitor Fees shall not be (a) subject to the prior approval of the Court or the guidelines of the U.S. Trustee (and neither the NHTSA Monitor nor any legal counsel, consultant, investigator, expert or other personnel retained by the NHTSA Monitor to assist in the proper discharge of the NHTSA Monitor's duties under the Consent Order shall be required to file any retention application or any interim or final fee application with the Court) or (b) otherwise reviewable by the Office of the U.S. Trustee or the Committees. However, the NHTSA Monitor shall have a duty to consider in good faith and attempt in good faith to resolve any reasonable objection that the Debtors may raise to any NHTSA Monitor fee or expense. If the Debtors and the NHTSA Monitor are unable to resolve any such dispute within a reasonable period of time, this Court shall hear and determine such dispute.

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

8. For the avoidance of doubt, nothing in this Order is intended or shall be construed as modifying the obligations of TKH, the Debtors or any other person or entity (including any purchaser of assets of TKJP or of the Debtors) under or in respect of any of the NHTSA Orders.

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: Sept 18, 2017
Wilmington, Delaware


THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE

TAB X

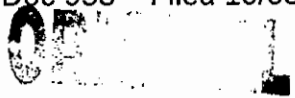
Schedule "X" – Final Order (i) Authorizing Debtors to Enter into Accommodation Agreement and Access Agreement With Certain Customers, (ii) Granting Adequate Protection to Certain Consenting OEMs in Connection Therewith, (iii) Modifying the Automatic Stay to Implement and Effectuate the Terms of the Interim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

See attached.

The exhibits to the Order have been excluded due to their volume. The Order including exhibits can be found at:

<https://restructuring.primeclerk.com/takata/Home-DownloadPDF?id1=OTM0NA=&id2>

=0.



**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 |
| | : | Re: Docket No. 18, 107, 857 |
| | X | |

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

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) the Accommodation Agreement attached hereto as **Exhibit A**, and as further amended and restated by this Final Order (together with any exhibits or schedules thereto, and as has been, and may be further, amended or

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.

modified in accordance with the terms thereof, the “*Accommodation Agreement*”),² and (b) the Access and Security Agreement attached hereto as **Exhibit B** (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*”);

B. the grant of adequate protection to those Consenting OEMs with Customer Accounts (as defined below) (the “*Secured Accommodation Parties*”)³ in respect of the Customer Secured Claims (as defined below) subject to the Carve-Out (as defined below) and the terms of this Final Order (as defined below);

C. approval of certain stipulations in paragraph 4 of this Final Order by the Debtors with respect to, among other things, (a) the Customer Accounts 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;

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

and the interim hearing on the Motion having been held by this Court on June 27, 2017 (the “*Interim Hearing*”); and the Court having entered the *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*

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.

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 [Docket No. 107] (the “**Interim Order**”); and the Court having held the final hearing (the “**Final Hearing**”) on the Motion on August 10, 2017 at 2:30 p.m. (prevailing Eastern Time) to consider entry of an order granting the Motion on a final basis (this “**Final Order**”); and due and appropriate notice of the Motion, the Interim Hearing and the Final 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 Attorneys 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) counsel for each of the Official Committee of Unsecured Creditors (the “**UCC**”), the Official Committee of Unsecured Tort Claimant Creditors (together with the UCC, the “**Official Committees**”), and Roger Frankel in his capacity as the legal representative for individuals who sustain personal injuries after June 25, 2017, arising from or related to PSAN inflators manufactured by the Debtors prior to confirmation of a chapter 11 plan of reorganization in these chapter 11 cases (the “**Future Claimants’ Representative**”); (x) 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 (xi) any other party entitled to notice pursuant to Local Rule 9013-1(m); and due and appropriate notice of the Final Hearing having been served by the Debtors pursuant to paragraph 26 of the Interim Order, and it appearing that no other or further notice need be provided; and the Court having reviewed

the Motion; and the 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, 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*"), the declaration of Kirk Morris, the Vice President of Sales and Engineering for TKH, filed in support of the Motion [Docket No. ___] (the "*Morris Declaration*"), at the Interim Hearing, and at the Final 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 a final basis in accordance with the terms of this Final Order. Any objections to the Motion with respect to the entry of this Final Order that have not been withdrawn, waived or settled, and all reservations of rights included therein, are hereby denied and overruled on the merits. The Agreements are approved, on a final basis, pursuant to section 363(b) of the Bankruptcy Code. This Final Order shall become effective immediately upon its entry.
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.* Proper, timely, adequate and sufficient notice of the Motion, the Interim Hearing, and the Final Hearing 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 Final Order shall be required.

4. *Debtors' Stipulations.* Without prejudice to any other party in interest (but subject to the limitations thereon contained in paragraphs 13 and 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 immediately upon the entry of this 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 date hereof (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) any action, related directly or indirectly to the Restructuring, Sale, or PSAN Inflation (the "**Debtor Released Claims**") that arose prior to the date hereof; *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 Final Order.

(b) The Debtors have a 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 Final 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 Final 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) Entry into, and approval of, the Agreements, in accordance with the terms thereof and this Final 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 a final 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 a final 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; and *provided further* that, where practicable, the Debtors shall provide the Official Committees, the U.S. Trustee, and the Future Claimants' Representative prior notice of one business day for non-substantive amendments and three business days for substantive amendments; *provided further* that, the Debtors shall use commercially reasonable efforts to provide the Official Committees, the U.S. Trustee, and the Future Claimants' Representative five business days' prior notice for substantive amendments. Within two business days of the effective date of each amendment or waiver, the Debtors will file a notice attaching a copy of any such amendment or waiver with the Court.

(d) The amendments and modifications to the Agreements made to date are not materially adverse to any of the Debtors.

(e) 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.* 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 Final 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 each of the Official Committees and the Future Claimants' Representative, 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 Final 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.

10. *Adequate Protection Obligations.* 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 a final basis, (effective and perfected upon the date of entry of the 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 are perfected subsequent to the Petition Date pursuant to Section 546(b) of the Bankruptcy Code); and (iii) a senior pari passu lien on and security interest in all property of the Debtors (including any proceeds thereof), whether owned on the Petition Date or acquired thereafter other than the property (but not the proceeds thereof) described in the immediately preceding clauses (i) and (ii), and in each case other than (A) 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**") and any proceeds or property recovered, unencumbered or otherwise from Avoidance Actions, whether by judgment, settlement or otherwise ("**Avoidance Proceeds**"), and (B) the insurance policies and all proceeds thereof which provide coverage for a personal injury, wrongful death claim, or other tort arising from Component Parts produced, designed, or placed in the stream of commerce by the Debtors and installed in a vehicle, but in each case only to the extent of such coverage; (the liens granted to the Secured Accommodation Parties pursuant to the foregoing clauses (i), (ii) and (iii), collectively, the "**Adequate Protection Liens**") (for the avoidance of doubt, the Adequate Protection Liens shall be junior to any perfected and unavoidable security interest in existence immediately prior to the Petition Date held by 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);

(b) Section 507(b) Claim. Subject to the Carve-Out, each of the Secured Accommodation Parties is hereby granted, on a final 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 (and 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 of the Future Claims Representative and professional persons employed by the Debtors, the Future Claims Representative, and Official Committees, solely to the extent that their retention in these chapter 11 cases is approved by the Court pursuant to sections 327 or 1103 of the Bankruptcy Code (including the payment of reasonable expenses incurred by members of the Official Committees in compliance with the Interim Compensation Order [Docket No. 331], the “**Interim Compensation Order**”)) (“**Professional Fees and Expenses**”), subject to the terms of this Final Order, 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 ten million dollars (\$10 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 and to the Official Committees and the Future Claimants' Representative; *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 U.S. 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 10(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 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 in the Accommodation Agreement), which shall be deemed a "**Budget**" only upon approval as provided in the Accommodation Agreement, provided, that, for the avoidance of doubt, the Budget (and any proposed update of the Budget) shall be delivered simultaneously to the Consenting OEMs, the Official Committees, the U.S. Trustee, and the Future Claimants' Representative;

(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, 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;

(h) Relationship to Interim Compensation Procedures Order. Notwithstanding anything to the contrary herein or in the Accommodation Agreement, the Debtors' non-compliance with the Budget (including without limitation, the obligations set forth in Paragraph 10(g) herein and section 6(f) of the Accommodation Agreement) shall not prohibit the Debtors from paying the fees and expenses of the Future Claims Representative or the professionals retained by the

Debtors, the Future Claimants' Representative or the Official Committees in accordance with the terms and conditions of the Interim Compensation Procedures Order [Docket No. 331]; *provided*, that nothing herein shall be construed to impair the ability of any party in interest to object to such fees and expenses on any grounds; and

(i) Receipts and Disbursements. Each month, no later than the fifteenth (15th) calendar day of such month, the Debtors shall provide the Secured Accommodation Parties, the Official Committees and the Future Claimants' Representative 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.

11. *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 Final 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.

12. *Preservation of Rights Granted Under This Final Order*.

(a) Other than the claims and liens expressly granted by this Final Order, no claim or lien having a priority superior to or *pari passu* with those granted by this Final 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 10(a) of this Final 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; 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 Final 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 Final 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 Final Order.

(c) If any or all of the provisions of this Final 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

Final Order, and the Secured Accommodation Parties shall be entitled to all the rights, remedies, privileges and benefits granted in this Final Order and the Agreements.

(d) Except as expressly provided in this Final Order or in the Agreements, 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 Final 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 Final 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 Final 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 Final 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. For the avoidance of doubt, each Secured Accommodation Party has valid and enforceable rights of netting, deduction and/or recoupment against the Debtors in addition to the Prepetition Setoff Rights and nothing contained herein shall waive or affect those rights except as expressly set forth in the Accommodation Agreement.

13. *Effect of Stipulations on Third Parties.* The stipulations, admissions, agreements and releases contained anywhere in this Final Order, including, without limitation, in paragraph 4 of this Final 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 anywhere in this Final Order, including, without limitation, in paragraph 4 of this Final Order, shall be binding upon all other parties in interest, including, without limitation, each Official 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, with respect to a party in interest (a "**Proper Challenging Party**") (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, (i) (x) with respect to (I) the Official Committees, (II) the Future Claimants' Representative, (III) the MDL Plaintiffs (as defined in the motion at Docket No. 674), (IV) the Motley Rice Creditors (as defined in the motion at Docket No. 684), (V) the Morgan & Morgan Creditors (as defined in the motion at Docket No. 685), (VI) the States of New Mexico and Hawai'i, and (VII) the Government of the Virgin Islands (collectively, the "**Extension Parties**"), by 120 days after the appointment of the Official Committees or (y) with respect to any other Proper Challenging Party, by 75 days after the entry of the Interim Order or (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 (clauses (i) and (ii), collectively, "**Challenges**" or "**Challenge Proceedings**," as applicable) 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**"), and there is a final non-appealable order in favor of the Proper Challenging Party in such Challenge Proceeding; *provided* that, notwithstanding anything to the contrary herein, if an Extension Party files a motion seeking standing (a "**Standing Motion**") with respect to a Challenge Proceeding prior to the expiration of the Challenge Period then, so long as that Extension Party attaches to its Standing Motion the proposed complaint which it seeks standing to file, that Extension Party shall be provided with an additional two (2) business days after entry of an order granting standing to commence a Challenge Proceeding asserting those claims that had been attached to its Standing Motion (the "**Extended Challenge Period**"); and *provided further* that any pleadings (including Standing Motions) initiating any Challenge Proceeding shall set forth the basis for such Challenge and any Challenges not so identified prior to the expiration of the Challenge Period shall be deemed forever waived, released and barred; and *provided further* that the Extension Parties shall not be required to serve demand upon the Debtors before seeking derivative standing to bring a Challenge. If no Challenge Proceeding is timely and properly filed during the

Challenge Period (or, in the case of an Extension Party, if no Standing Motion is timely and properly filed during the Challenge Period or if no Challenge Proceeding is timely and properly filed during the Extended Challenge Period) or the Court does not rule in favor of the Proper Challenging Party in any Challenge Proceeding (or in favor of the movant with respect to a Standing Motion) then: (a) the Debtors' stipulations, admissions, agreements and releases contained in this Final Order, including, without limitation, those contained in paragraph 4 of this Final Order shall be binding on all parties in interest, including, without limitation, the Official Committees; (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 Official Committees, the Future Claimants' Representative, 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 Official Committees, the Future Claimants' Representative, 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 Challenge Proceeding is timely filed by a Proper Challenging Party during the Challenge Period or the Extended Challenge Period, if applicable, the stipulations, admissions, agreements and releases contained in this Final Order, including, without limitation, those

contained in paragraph 4 of this Final Order, shall nonetheless remain binding and preclusive (as provided in the second sentence of this paragraph) on the Official Committees and the Future Claimants' Representative and on any other person or entity, except to the extent that such stipulations, admissions, agreements and releases were expressly and successfully challenged by such Proper Challenging Party in such Challenge Proceeding as set forth in a final, non-appealable order of a court of competent jurisdiction. Notwithstanding the Debtors' stipulations, admissions, agreements and releases contained in this Final Order, including, without limitation, those contained in paragraph 4 of this Final Order, if this Court or another court of competent jurisdiction enters a final, nonappealable order in favor of a Proper Challenging Party with respect to a Challenge, nothing herein shall have a binding or preclusive effect with respect to the subject matter of such Challenge which is so ordered in the Proper Challenging Party's favor. Nothing in this Final Order vests or confers on any Entity (as defined in the Bankruptcy Code), including the Official Committees, the Future Claimants' Representative 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, any Challenges or Challenge Proceedings. Nothing in this Final Order affects or modifies the burden of proof in any Challenge Proceeding.

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 Final 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 Final 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, the Consenting OEMs' accounts payable or proceeds thereof may be used by the Official Committees and the Future Claimants' Representative during the Challenge Period to investigate any potential Challenges.

15. *Oracle Agreements.* Notwithstanding anything to the contrary in this Order or any provisions of the Accommodation Agreement (as amended, modified or supplemented), (a) none of the agreements (the "*Oracle Agreements*") between any of the

Debtors and Oracle America, Inc., including any of its predecessors-in-interest) ("**Oracle**"), shall be transferred, assumed or assigned to Consenting OEMs, except upon Oracle's consent, further order of Court or as provided for by the Oracle Agreements; and (b) the Debtors shall not license, sublicense or otherwise provide access or use of any Oracle software, applications, programs, databases or products to Consenting OEMs or any other party, except upon Oracle's consent, further order of Court or as provided by the Oracle Agreements.

16. *Bailee Property.* Notwithstanding anything herein and/or in Interim Order that might otherwise be construed to the contrary, none of the Adequate Protection Liens, the Access Agreement Liens or other liens and/or security interests provided pursuant to the Accommodation Agreement and/or the Access Agreement shall extend to property of third parties held by the Debtors, as bailee(s) under applicable non-bankruptcy law.

17. *Exculpation.* Nothing in this Final Order, the Agreements, 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.

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

19. *Binding Effect; Successors and Assigns.* Subject to paragraph 3, if applicable, the Agreements and the provisions of this Final Order, including all findings herein, shall be binding upon all parties in interest in these Cases, including, without limitation, Secured Accommodation Parties, the Official Committees, the Future Claimants' Representative, 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.

20. *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; or (iii) 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).

21. *Effectiveness.* This Final 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 Final Order shall be immediately effective and enforceable upon its entry and there shall be no stay of execution or effectiveness of this Final Order.

22. *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 Final Order.

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

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

25. *Retention of Jurisdiction.* The Court shall retain jurisdiction to enforce the provisions of this Final 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.

Dated: October 2, 2017
Wilmington, Delaware



THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE

IN THE MATTER OF APPLICATION OF AN APPLICATION BY TK HOLDINGS INC.
AND TAKATA CORPORATION UNDER SECTION 46 OF THE COMPANIES'
CREDITORS ARRANGEMENT ACT

Court File No. CV-17-11857-00CL

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

Proceeding Commenced at Toronto

SECOND DAY RECOGNITION ORDER

McCarthy Tétrault LLP

Suite 5300, Toronto Dominion Bank Tower
Toronto ON M5K 1E6

Heather L. Meredith LSUC#: 48354R

Tel: 416-601-8342

Email: hmeredith@mccarthy.ca

Eric S. Block LSUC#: 47479K

Tel: 416-601-7792

Email: eblock@mccarthy.ca

Trevor Courtis LSUC#: 67715A

Tel: 416-601-7643

Email: tcourtis@mccarthy.ca

Lawyers for the Foreign Representatives
16919540