
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 OR 15(d)
of the Securities Exchange Act of 1934**

Date of Report: January 22, 2018



Real Industry, Inc.

Delaware

(State or other Jurisdiction of
Incorporation)

001-08007

(Commission File Number)

46-3783818

(IRS Employer Identification No.)

**3700 Park East Drive, Suite 300
Beachwood, OH 44122**

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (805) 435-1255

(Former name or former address if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into Material Definitive Agreement .

The information set forth below in Item 1.03 of this Current Report on Form 8-K regarding the Credit Agreement, Pledge and Security Agreements, Guaranty Agreement and Note is incorporated herein by reference.

Item 1.03 Bankruptcy or Receivership .

As previously disclosed, on November 17, 2017, Real Industry, Inc. (the “Company”), Real Alloy Intermediate Holding, LLC (“RAIH”), Real Alloy Holding, Inc. (“Real Alloy”) and certain of Real Alloy’s wholly-owned U.S. subsidiaries (collectively with RAIH and Real Alloy, the “Real Alloy Debtors,” and the Real Alloy Debtors with the Company, the “Debtors”) filed voluntary petitions in the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”) seeking relief under Chapter 11 of Title 11 of the United States Code (the “Bankruptcy Code”). The Chapter 11 cases are being jointly administered under the caption “In re Real Industry, Inc., et al.,” Case No. 17-12464, in the Bankruptcy Court (the “Chapter 11 Proceedings”). The Debtors continue to operate their business and manage their properties as “debtors-in-possession” under the jurisdiction of the Bankruptcy Court and in accordance with the applicable provisions and orders of the Bankruptcy Code.

RELY DIP Order

On January 22, 2018, the Bankruptcy Court entered a final order, the *Order (I) Authorizing Real Industry, Inc. to Obtain Senior Secured, Superpriority, Postpetition Financing, (II) Granting Liens and Providing Superpriority Administrative Expense Status, (III) Modifying the Automatic Stay in Connection Therewith, (IV) Authorizing Real Industry, Inc. to Obtain the Equity Commitment, and (V) Granting Related Relief (the “210 DIP Order”)*, approving the Company to enter into a senior-secured, superpriority debtor-in-possession credit facility in an aggregate principal amount of \$5.5 million (the “210 DIP Facility”) with 210 Capital, LLC or an affiliate thereof (“210 Capital”) and the Private Credit Group of Goldman Sachs Asset Management, L.P. or one or more of their managed funds or accounts (“GSAM,” and together with 210 Capital, the “Lenders”). The Company previously described the 210 DIP Facility in its Current Report on Form 8-K, filed on January 17, 2018 (the “January 17 Form 8-K”). The 210 DIP Facility applies only to the Company, and not the Real Alloy Debtors, who have their separate DIP financing, as previously disclosed.

The 210 DIP Order authorized, among other things, the Company to (i) enter into the Credit Agreement (as defined below), related agreements securing and guaranteeing the 210 DIP Facility, and other ancillary agreements (collectively, such agreements, the “DIP Documents”) with the Lenders and certain non-Debtor subsidiaries of the Company; (ii) use the 210 DIP Facility in accordance with the proposed budget provided in connection with the 210 DIP Order and 210 DIP Facility, as updated with the Lenders from time to time (the “Budget”); (iii) obtain the commitment of the Lenders as set forth in the commitment letter of the Lenders (as previously disclosed in the January 17 Form 8-K, the “210 Commitment Letter”) regarding the purchase of 45-49% of the outstanding common stock of the Company for a purchase price of \$17.5 million (the “Equity Commitment”); and (iv) pay all fees, interest, expenses and indemnities provided in the 210 DIP Documents and related to the 210 DIP Facility, including the Upfront Fee (as defined below), a \$300,000 cash payment and issuance of up to 4.9% of the Company’s outstanding common stock as a break-up fee if the Equity Commitment is terminated by the Company without Lenders’ consent (together, the “Break-Up Fee”), and the reasonable fees of Lenders’ counsel, advisors and consultants in connection with the 210 DIP Facility. The 210 DIP Order grants the Lenders superpriority administrative claims under the Bankruptcy Code, all liens provided in the DIP Documents, and priority of repayment in the event of any additional financing by the Company; provided, however, that the 210 DIP Order provides, and the Lenders have agreed, that any proceeds from the sale of the Real Alloy Debtors’ assets distributed to the Company in the Chapter 11 Proceedings shall, after repayment of all outstanding 210 DIP Facility obligations in full, be distributed to the existing stakeholders of the Company in accordance with the priority scheme in the Bankruptcy Code and not distributed to Lenders by any other means (including in respect of any equity of the Lenders from the Equity Commitment or the Break-Up Fee).

Further, the 210 DIP Order approved the previously disclosed milestones related to the 210 DIP Facility and Equity Commitment, in each case to be satisfied satisfactorily to Lenders, including: (i) the Company’s filing, in each case in form satisfactory to Lenders, of a plan of reorganization in the Chapter 11 Proceedings (the “Plan of Reorganization”) and related disclosure statement (such disclosure statement, the “Disclosure Statement”) with the Bankruptcy Court on or before February 16, 2018; (ii) entry of an order by the Bankruptcy Court approving the Disclosure Statement on or before March 29, 2018 (subject to court availability); (iii) the parties’ execution of definitive documents related to the Equity Commitment no later than five days prior to the hearing of the Bankruptcy Court to consider confirmation of the Plan of Reorganization; (iv) entry of the Confirmation Order on or before May 1, 2018 (subject to court availability); and (v) the Company’s satisfaction of all conditions to consummate the Plan of Reorganization no later than ten days after the entry of the Confirmation Order.

The Bankruptcy Court approved the Company's borrowing of up to \$4.0 million of the 210 DIP Facility pursuant to the terms of the DIP Documents upon entry of the 210 DIP Order (the "Initial Loans"), and approved the Company's borrowing of the \$1.5 million balance of the 210 DIP Facility on or after January 31, 2018 to the extent no party in interest files an objection to the increase from the originally contemplated \$4.0 million amount of the DIP facility by such date.

RELY DIP Documents

In connection with the 210 DIP Facility, following entry of the 210 DIP Order, on January 24, 2018, the Company, as borrower, entered into that certain Debtor-in-Possession Credit Agreement with 210/Rely Capital, L.P., an affiliate of 210 Capital ("DIP Agent"), and certain managed accounts of GSAM (the "Credit Agreement"). On the same date, the Lenders funded the Initial Loans of the 210 DIP Facility.

Concurrently with the Credit Agreement, on January 24, 2018, the Company's wholly owned direct subsidiaries, SGGH, LLC and Cosmedicine, LLC (collectively, the "Guarantors"), executed that certain Guaranty Agreement with DIP Agent (the "Guaranty Agreement"), whereby the Guarantors agreed to guarantee the full payment of the Company's obligations under the Credit Agreement and DIP Documents. Also concurrently, the Company and each of the Guarantors entered into their own Pledge and Security Agreement with the DIP Agent (collectively, the "Pledge and Security Agreements"), pursuant to which each pledged a security interest in its current and future properties, assets and rights, wherever located, and all proceeds and products thereof (collectively, the "Collateral") to the DIP Agent in order to secure the performance of the Company and the Guarantors under the DIP Documents. The Pledge and Security Agreements also provide for the customary perfection and priority of the Lenders' rights in the Collateral. In addition, the Company executed a customary promissory note to evidence its repayment obligation to DIP Agent (the "Note") under the Credit Agreement. The Credit Agreement requires execution and delivery of deposit account control agreements covering all of the Company's deposit accounts (other than a specific excluded account) within 20 business days following January 24, 2018.

The Credit Agreement provides the 210 DIP Facility as authorized by the 210 DIP Order (as described above) and on the terms of the 210 Commitment Letter. Namely, the 210 DIP Facility will mature on the earliest (such earliest date, the "Maturity Date") of (a) November 17, 2018; (b) the effective date of a Chapter 11 plan of reorganization for the Company that is confirmed by the Bankruptcy Court; or (c) the acceleration of the 210 DIP Facility and related termination of the commitments thereunder, including as a result of an Event of Default (as defined in the Credit Agreement) or default under the 210 DIP Order. Interest on the amounts borrowed under the 210 DIP Facility will accrue and be payable monthly at a rate of 11% per annum; an additional 2.00% per annum will apply during the continuance of an Event of Default, payable monthly.

The funds under the 210 DIP Facility are to be used in accordance with the Budget, and the Company's variance from the Budget cannot exceed 10% of total operating disbursements or 10% of other budget categories, on a line-item basis. Once the Company has repaid or prepaid any amounts under the 210 DIP Facility, such amounts may not be reborrowed.

The Company has a mandatory repayment obligation upon the occurrence of certain mandatory repayment events, including the issuance of debt or equity securities (other than the issuance of shares under the Break-Up Fee or Equity Commitment) or an asset sale, catastrophic event or extraordinary receipt (a "Mandatory Prepayment"). The Company must make Mandatory Prepayments, and may elect to make optional repayments, by paying the redemption price of 100% of the principal amount of the borrowing under the 210 DIP Facility to be repaid, plus accrued and unpaid interest to the date of redemption, plus an amount (the "Make-Whole Amount") that is the greater of (1) 2.0% of the repayment amount and (2) the amount equal to the difference between (x) the aggregate amount of interest that would have been paid in respect of the repayment amount between the repayment date and November 17, 2018 and (y) the aggregate amount of interest Lenders would earn if they reinvested the repayment amount for the same time period at the Treasury Rate (as defined in the Credit Agreement) plus 50 basis points. Upon the sale of certain specified assets of the Company or its non-Debtor subsidiaries, the sale proceeds will be used to pay down amounts borrowed under the 210 DIP Facility but such repayments will not require the payment of a Make-Whole Amount.

As previously disclosed, upon issuance of the Initial Loans, the Company paid an aggregate fee of \$200,000 (the "Upfront Fee") to the Lenders and will reimburse the reasonable and documented out-of-pocket fees and expenses, including legal, accounting or other professional fees of the Lenders in connection with the 210 DIP Facility and the DIP Documents.

The foregoing descriptions of the Credit Agreement, Pledge and Security Agreements, Guaranty Agreement and Note do not purport to be complete and are qualified in its entirety by reference to the Credit Agreement, Pledge and Security Agreement by the Company (which is substantially identical to the Pledge and Security Agreement executed by each of the Guarantors), Guaranty Agreement and Note filed as Exhibit 10.1, 10.2 (form of agreement with the Company), 10.3 and 10.4, respectively, hereto and incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

On January 22, 2018, the Debtors filed their unaudited monthly operating report for the period from December 1, 2017 to December 31, 2017 (the “Monthly Operating Report”) with the Bankruptcy Court in the Chapter 11 Proceedings. A copy of this report is contained in the attached Exhibit 99.1 and is incorporated herein by reference. This Current Report on Form 8-K (including the exhibits hereto) shall not be deemed to be an admission as to the materiality of any information required to be disclosed herein.

In accordance with General Instruction B.2 of Form 8-K, the information contained in this Item 7.01 and in Exhibit 99.1 furnished as an exhibit hereto shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, is not subject to the liabilities of that section, and shall not be deemed incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing or document.

Cautionary Note Regarding the Monthly Operating Report

The Monthly Operating Report has been prepared by the Debtors solely for the purpose of complying with the monthly reporting requirements in the Chapter 11 Proceedings and is in a format acceptable to the United States Trustee. Any financial information contained therein is limited in scope and covers a limited time period. Such information is preliminary and unaudited, and is not prepared in accordance with U.S. generally accepted accounting principles (GAAP).

Cautionary Note Regarding the Company’s Common Stock

The Company cautions that trading in its securities during the pendency of the Chapter 11 Proceedings is highly speculative and poses substantial risks. Trading prices for the Company’s securities may bear little or no relationship to the actual recovery, if any, by holders of such securities in the Chapter 11 Proceedings.

Additional Information on the Chapter 11 Proceedings

Court filings and other information related to the court-supervised proceedings are available at a website administered by the Company’s claims agent, Prime Clerk, at <https://cases.primeclerk.com/realindustry>. Additional information on Real Industry can be found at its website www.realindustryinc.com.

Cautionary Note Regarding Forward-Looking Statements

This Current Report on Form 8-K contains forward-looking statements, which are based on our current expectations, estimates, and projections about the businesses and prospects of the Company, Real Alloy and their subsidiaries (“we” or “us”), as well as management’s beliefs, and certain assumptions made by management. Words such as “anticipates,” “expects,” “intends,” “plans,” “believes,” “seeks,” “estimates,” “may,” “should,” “will” and variations of these words are intended to identify forward-looking statements. Such statements speak only as of the date hereof and are subject to change. The Company undertakes no obligation to revise or update publicly any forward-looking statements for any reason. These statements are not guarantees of future performance and are subject to certain risks, uncertainties, and assumptions that are difficult to predict. Forward-looking statements discuss, among other matters: our financial and operational results, as well as our expectations for future financial trends and performance of our business in future periods; our strategy; risks and uncertainties associated with Chapter 11 proceedings; the negative impacts on our businesses as a result of filing for and operating under Chapter 11 protection; the time, terms and ability to confirm a Chapter 11 plan of reorganization for our businesses; the adequacy of the capital resources of our businesses and the difficulty in forecasting the liquidity requirements of the operations of our businesses; the unpredictability of our financial results while in Chapter 11 proceedings; our ability to discharge claims in Chapter 11 proceedings; negotiations with the holders of Real Alloy’s senior secured notes, its asset-based facility lender, and its trade creditors; risks and uncertainties with performing under the terms of the Debtors’ debtor-in-possession (“DIP”) financing arrangements and any other arrangement with lenders or creditors while in Chapter 11 proceedings; the Debtors’ ability to operate our businesses within the terms of our respective DIP financing arrangements; the forecasted uses of funds in the Debtors’ DIP budgets; the impact of Real Alloy’s Chief Restructuring Officer on its restructuring efforts and negotiations with creditors and other stakeholders in the Chapter 11 proceedings; our ability to retain employees, suppliers and customers as a result of Chapter 11 proceedings; the ability to pay any amounts under key employee incentive or retention plans adopted in connection with the Chapter 11 proceedings; Real Alloy’s ability to conduct business as usual in the United States and

worldwide; Real Alloy's ability to continue to serve customers, suppliers and other business partners at the high level of service and performance they have come to expect from Real Alloy; our ability to continue to pay suppliers and vendors; our ability to fund ongoing business operations through the applicable DIP financing arrangements; the use of the funds anticipated to be received in the DIP financing arrangements; the ability to control costs during Chapter 11 proceedings; the risk that our Chapter 11 proceedings may be converted to cases under Chapter 7 of the Bankruptcy Code; the ability of the Company to preserve and utilize the NOLs following Chapter 11 proceedings; the Company's ability to secure operating capital; the Company's ability to take advantage of opportunities to acquire assets with upside potential; the Company's ability to execute on its strategic plan to evaluate and close potential M&A opportunities; our long-term outlook; our preparation for future market conditions; and any statements or assumptions underlying any of the foregoing. Such statements are not guarantees of future performance and are subject to certain risks, uncertainties, and assumptions that are difficult to predict. Accordingly, actual results could differ materially and adversely from those expressed in any forward-looking statements as a result of various factors.

Important factors that may cause such differences include, but are not limited to, the decisions of the bankruptcy court; negotiations with Real Alloy's debtholders, our creditors and any committee approved by the bankruptcy court; negotiations with lenders on the definitive DIP financing, equity investment and post-emergence credit facility documents; the Company's ability to meet the closing conditions of its DIP financing, equity investment or post-emergence credit facilities; the Debtors' ability to meet the requirements, and compliance with the terms, including restrictive covenants, of their respective DIP financing arrangements and any other financial arrangement while in Chapter 11 proceedings; changes in our operational or cash needs from the assumptions underlying our DIP budgets and forecasts; changes in our cash needs as compared to our historical operations or our planned reductions in operating expense; adverse litigation; changes in domestic and international demand for recycled aluminum; the cyclical nature and general health of the aluminum industry and related industries; commodity and scrap price fluctuations and our ability to enter into effective commodity derivatives or arrangements to effectively manage our exposure to such commodity price fluctuations; inventory risks, commodity price risks, and energy risks associated with Real Alloy's buy/sell business model; the impact of tariffs and trade regulations on our operations; the impact of the recently approved U.S. tax legislation and any other changes in U.S. or non-U.S. tax laws on our operations or the value of our NOLs; our ability to successfully identify, acquire and integrate additional companies and businesses that perform and meet expectations after completion of such acquisitions; our ability to achieve future profitability; our ability to control operating costs and other expenses; that general economic conditions may be worse than expected; that competition may increase significantly; changes in laws or government regulations or policies affecting our current business operations and/or our legacy businesses, as well as those risks and uncertainties disclosed under the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Real Industry, Inc.'s Forms 10-Q filed with the Securities and Exchange Commission ("SEC") on May 10, 2017, August 8, 2017 and November 9, 2017 and Form 10-K filed with the SEC on March 13, 2017, and similar disclosures in subsequent reports filed with the SEC.

Item 9.01 Financial Statements and Exhibits

(d) EXHIBITS. The following exhibits are filed herewith:

Exhibit 10.1 Debtor-in-Possession Credit Agreement, dated as of January 24, 2018, by and among Real Industry, Inc., 210/Rely Capital, LP (as DIP Agent), and the DIP Lenders party thereto.

Exhibit 10.2 Pledge and Security Agreement, dated as of January 24, 2018, by and between Real Industry, Inc. and 210/Rely Capital, LP.

Exhibit 10.3 Guaranty Agreement, dated as of January 24, 2018, by and among SGGH, LLC, Cosmedicine, LLC and 210/Rely Capital, LP.

Exhibit 10.4 Promissory Note, dated January 24, 2018, of Real Industry, Inc. in favor of 210/Rely Capital, LP.

Exhibit 99.1 Final Order of the Bankruptcy Court, dated January 22, 2018, regarding the 210 DIP Facility.

Exhibit 99.2 Monthly Operating Report to the Bankruptcy Court, dated January 22, 2018 .

DEBTOR-IN-POSSESSION

CREDIT AGREEMENT

dated as of January 24, 2018

among

REAL INDUSTRY, INC.

**Chapter 11 Debtor and Debtor-In-Possession,
as Borrower,**

**210/RELY CAPITAL, LP
as DIP Agent,**

and

THE DIP LENDERS PARTY HERETO

DEBTOR-IN-POSSESSION CREDIT AGREEMENT

THIS **DEBTOR-IN-POSSESSION CREDIT AGREEMENT** , dated as of January 24, 2018, is entered into by **REAL INDUSTRY, INC.** , a Chapter 11 debtor and debtor-in-possession as borrower (“**Borrower**”), **210/RELY CAPITAL, LP** , a Texas limited partnership, as agent (in such capacity, and together with any successors and assigns, “**DIP Agent**”), and the lenders from time to time party hereto (each, a “**DIP Lender**,” and collectively, the “**DIP Lenders**”).

RECITALS:

WHEREAS, DIP Agent and DIP Lenders have agreed, subject to various conditions precedent, to extend a multiple advance term credit facility to Borrower to fund working capital, operational expenses and restructuring expenses and for other purposes permitted hereunder; and

WHEREAS, Borrower desires to secure the Obligations under the DIP Loan Documents by granting to DIP Agent, for the benefit of DIP Lenders, a security interest in and lien on certain assets of Borrowers.

NOW, THEREFORE, in consideration of the premises and the agreements, provisions and covenants herein contained, Borrower, DIP Agent and DIP Lenders hereby agree as follows:

ARTICLE I. DEFINITIONS

1.01 Certain Defined Terms . The following terms have the following meanings:

“**Accessions**” means, with respect to Borrower, “accessions” (as defined in *Article 9* of the UCC) to other Collateral of Borrower.

“**Accounts**” means, with respect to Borrower, “accounts” (as defined in *Article 9* of the UCC) of Borrower.

“**Affiliate**” means, with respect to any Person, (a) any Person that directly or indirectly controls such Person, (b) any Person which is controlled by or is under common control, direct or indirect, with such controlling Person, and (c) in the case of an individual, the parents, descendants, siblings, spouse, aunts, uncles, nieces, nephews and cousins of such individual. As used in this definition, the term “**control**” of a Person means the possession, directly or indirectly, of the power to vote ten percent (10.0%) or more of any class of voting securities of such Person or to direct or cause the direction of the management or policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

“**Alloy Debtors**” has the meaning set forth in *Section 3.15*.

“**AML Laws**” means the “Foreign Corrupt Practices Act”, as well as all applicable laws governing money laundering, including, but not limited to, U.S. law FINRA AML RULE 3310, (31 U.S.C. 5311, et seq.), US Patriot Act, U.S. Department of Justice Rules, and guidelines issued by the U.S. banking and securities commission, as well as other applicable regulations.

“ **Approved Budget** ” means the budget of Borrower relative to the operations of Borrower in the Chapter 11 Case in the form attached hereto as **Annex A** , as the same may be modified, amended or updated in any non-material respect, without the need for approval by the Bankruptcy Court, upon the written consent of DIP Agent and filing of notice of such non-material modification, amendment or update with the Bankruptcy Court, or otherwise as provided in **Section 9.05** .

“ **Asset Disposition** ” means any sale, lease, license or other consensual disposition by Borrower of any asset.

“ **Bankruptcy Code** ” shall mean Title 11 of the United States Code (11 U.S.C. § 101 et seq.), as amended.

“ **Bankruptcy Court** ” means the United States Bankruptcy Court for the District of Delaware.

“ **Board** ” means the board of directors of Borrower.

“ **Borrower** ” is defined in the introductory paragraph hereof.

“ **Borrower’s Account** ” means the account specified in writing by Borrower to DIP Lenders into which the proceeds of DIP Loans (other than Protective Advances, which shall be disbursed by DIP Lenders in a manner permitted by **Section 2.01(a)(ii)**) to Borrower shall be deposited, or such other account as Borrower may specify by written notice to DIP Lenders.

“ **Borrowing** ” means a borrowing of a DIP Loan.

“ **Business Day** ” means any day except a Saturday, Sunday or other day on which either the New York Stock Exchange is closed, or on which commercial banks in New York, New York are authorized by law to close.

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

“ **Carve Out** ” means (i) all fees required to be paid to the Clerk of the Bankruptcy Court and to the Office of the United States Trustee under section 1930(a) of Title 28 of the United States Code; (ii) all accrued, allowed and unpaid fees and expenses of Borrower’s professionals and the professionals for any official committee appointed in the Chapter 11 Case through and including the date of delivery of a Carve-Out Trigger Notice up to the amounts set forth in the Approved Budget; and (iii) \$150,000 for any fees and expenses of Borrower’s professionals and the professionals for any official committee appointed in the Chapter 11 Case following the delivery of a Carve-Out Trigger Notice; provided that, notwithstanding the foregoing, the fees and expenses described in clauses (i) through (iii) above shall include solely those fees and expenses directly relating to the Chapter 11 Case of Borrower and the Guarantors, if any, and any fees allocable to Borrower pursuant to the Interim Compensation Procedures Order entered in Borrower’s cases

(and, for the avoidance of doubt, no fees or expenses directly related to the Chapter 11 cases of any other affiliate of Borrower). No portion of the Carve Out or proceeds of the DIP Loans or any other amounts may be used for the payment of the fees and expenses of any person incurred in prosecuting any claims or causes of actions against DIP Lenders under the DIP Loan Documents, their respective advisors, agents and sub-agents, including formal discovery proceedings in anticipation thereof, and/or any lien of DIP Lenders under the DIP Loan Documents.

“ **Carve Out Trigger Notice** ” means a written notice delivered by DIP Agent to the Borrower’s lead counsel, the U.S. Trustee, and lead counsel to the Committee, which notice may be delivered at any time following the occurrence and during the continuation of a Default, expressly stating that the Carve-Out is triggered.

“ **Cash Equivalents** ” means any Investment in (a) direct obligations of the United States or any agency thereof, or obligations guaranteed by the United States or any agency thereof, (b) commercial paper rated at least A-1 or the equivalent thereof by Standard & Poor’s Ratings Service or P-1 or the equivalent thereof by Moody’s Investors Service, Inc., (c) time deposits with, including certificates of deposit issued by, any bank or trust company which is organized under the laws of the United States or any State thereof and has capital, surplus and undivided profits aggregating at least \$500,000,000 and which issues (or the parent of which issues) certificates of deposit or commercial paper with a rating described in clause (b) above, (d) repurchase agreements with respect to securities described in clause (a) above entered into with an office of a bank or trust company meeting the criteria specified in clause (c) above, provided that, in each case, such Investment matures within three months from the date of acquisition thereof by Borrower, or (e) any money market or mutual fund which invests only in the foregoing types of investments and the liquidity of which is satisfactory to DIP Agent.

“ **Cash Management Order** ” has the meaning set forth in the DIP Order.

“ **CERCLA** ” means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, state and local analogs, and all rules and regulations and requirements thereunder in each case as now or hereafter in effect.

“ **Change of Control** ” means there has occurred an “ownership change” of Borrower within the meaning of Section 382 of the Code as determined in the sole discretion of DIP Agent.

“ **Chapter 11 Case** ” means Case No. 17-12464 (KJC) filed by Borrower under Chapter 11 of the Bankruptcy Code with the Bankruptcy Court.

“ **Chattel Paper** ” means, with respect to Borrower, “chattel paper” (as defined in *Article 9* of the UCC) of Borrower.

“ **Closing Date** ” means the date upon which all conditions contained in *Article VI* are satisfied, which date shall be no later than three (3) Business Days following January 23, 2018.

“ **Code** ” means the Internal Revenue Code of 1986, as amended from time to time.

“ **Collateral** ” means all property, now existing or hereafter acquired (and whether or not acquired or generated prior or subsequent to the Petition Date), mortgaged or pledged to, or

purported to be subjected to a Lien in favor of, DIP Agent, for the benefit of DIP Lenders, pursuant to the Security Documents, including, without limitation, all of Borrower's and each Guarantor's: (a) Accounts; (b) Chattel Paper; (c) Commercial Tort Claims; (d) Deposit Accounts, all cash, and other property deposited therein or otherwise credited thereto from time to time and other monies and property in the possession or under the control of DIP Agent or DIP Lender or any Affiliate, representative, agent or correspondent of DIP Agent or DIP Lender, including without limitation, any cash collection, "lockbox" and "concentration" accounts, "core concentration accounts," and in each case all amounts on deposit therein from time to time; (e) Documents; (f) General Intangibles, including, without limitation, any and all Intellectual Property; (g) Goods, including, without limitation, any and all Inventory, any and all Equipment and any and all Fixtures; (h) Instruments; (i) Investment Property; (j) rights under letters of credit; (k) Supporting Obligations; (l) any and all other personal property and interests whether or not subject to the UCC; (m) any and all books and records, in whatever form or medium, that at any time evidence or contain information relating to any of the foregoing properties or interests in properties or are otherwise necessary or helpful in the collection thereof or realization thereon; (n) all Accessions and additions to, and substitutions and replacements of, any and all of the foregoing; (o) interests in leases and leaseholds, interests in real property; (p) all proceeds of any causes of actions for preferences, fraudulent conveyances, and other avoidance power claims under Sections 502(d), 544, 545, 547, 548, 550 and 553 of the Bankruptcy Code; (q) tax or other refunds; and (r) all Proceeds and products of the foregoing, and all insurance pertaining to the foregoing and proceeds thereof; provided that Collateral shall not include (i) any permit or license (A) that prohibits or requires the consent of any Person other than the Borrower, a Guarantor or any of their Affiliates which has not been obtained as a condition to the creation by such Person of a Lien on any right, title or interest in such permit, license or contractual obligation or any Investment Property related thereto or (B) to the extent that any applicable law applicable thereto prohibits the creation of a Lien thereon, but only, with respect to the prohibition in (A) and (B), to the extent, and for as long as, such prohibition is not terminated or rendered unenforceable or otherwise deemed ineffective by any other applicable law, (ii) property owned by any Guarantor that is subject to a purchase money Lien or a Capital Lease Obligation if the contractual obligation pursuant to which such Lien is granted (or in the document providing for such Capital Lease Obligation) prohibits or requires the consent of any Person other than the Borrower or a Guarantor or any other their Affiliates which has not been obtained as a condition to the creation of any other Lien on such property, and (iii) any "intent to use" trademark applications for which a statement of use has not been filed (but only until such statement is filed).

“ **Commercial Tort Claims** ” means, with respect to Borrower, “commercial tort claims” (as defined in *Article 9* of the UCC) of Borrower.

“ **Commitment Amount** ” means, as to each DIP Lender, the maximum committed amount for such DIP Lender on the Commitment Annex.

“ **Commitment Annex** ” means *Annex B* to this DIP Credit Agreement.

“ **Commitment Expiry Date** ” means the earlier of (a) November 17, 2018, (b) the date upon which the entire DIP Commitment has been advanced by DIP Lenders to Borrower, or (c) such later date as DIP Lenders may agree in their sole and absolute discretion.

“ **Commitment Letter** ” means the commitment letter, dated January 10, 2018 by and among 210 Capital, LLC, the Private Credit Group of Goldman Sachs Asset Management, L.P. and Real Industry, Inc. setting forth the proposed terms and conditions to govern the Equity Commitment and this DIP Credit Agreement, as filed at Docket No. 253 on the Bankruptcy Court’s Docket.

“ **Commitment Percentage** ” shall mean, as to each DIP Lender, the percentage identified as its Commitment Percentage on the Commitment Annex.

“ **Committee** ” means any official committee of the unsecured creditors appointed by the U.S. Trustee pursuant Section 1102 of the Bankruptcy Code in the Chapter 11 Case.

“ **Compliance Certificate** ” means a certificate, duly executed by a Responsible Officer, appropriately completed and in form and substance acceptable to DIP Agent.

“ **Confirmation Order** ” means an order of the Bankruptcy Court confirming the Plan in form and substance acceptable to DIP Lenders.

“ **Controlled Group** ” means all members of a controlled group of corporations and all members of a controlled group of trades or businesses (whether or not incorporated) under common control which, together with any DIP Loan Party, is treated as a single employer under Section 414 of the Code or Section 4001 of ERISA.

“ **Debt** ” of a Person means, at any date without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such Person under conditional sale or other title retention agreements relating to Property acquired by such Person, (d) all obligations of such Person in respect of the deferred purchase price of Property or services (excluding current accounts payable (other than any account payable arising prior to the Petition Date) incurred in the ordinary course of business and not more than 45 days past due), (e) all Debt of others secured by (or for which the holder of such Debt has an existing right, contingent or otherwise, to be secured by) any Lien on Property owned or acquired by such Person, whether or not the Debt secured thereby has been assumed, (f) all Guarantees by such Person of Debt of others, (g) all Capital Lease Obligations of such Person, (h) all obligations, contingent or otherwise, of such Person as an account party in respect of letters of credit and letters of guaranty, and (i) all obligations, contingent or otherwise, of such Person in respect of bankers’ acceptances. The Debt of any Person shall include the Debt of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person’s ownership interest in or other relationship with such entity, except to the extent the terms of such Debt provide that such Person is not liable therefor.

“ **Default** ” means any condition or event which with the giving of notice or lapse of time or both would, unless cured or waived, become an Event of Default.

“ **Deposit Account** ” means, with respect to Borrower, a “deposit account” (as defined in *Article 9* of the UCC) of Borrower.

“ **Deposit Account Control Agreement** ” means an agreement, in form and substance satisfactory to DIP Agent, among DIP Agent, Borrower and any bank at which Borrower maintains a Deposit Account (except for the Excluded Account), which agreement provides that (a) such bank shall comply with instructions originated by DIP Agent directing disposition of the funds in such Deposit Account without further consent by Borrower, and (b) such bank shall agree that it shall have no Lien on, or right of setoff against, such Deposit Account or the contents thereof, other than in respect of commercially reasonable fees and other items expressly consented to by DIP Agent, and containing such other terms and conditions as DIP Agent may require.

“ **DIP Agent** ” is defined in the introductory paragraph hereof.

“ **DIP Agent Professional Fees** ” means all fees and expenses of counsel, consultants, financial advisors, for DIP Agent.

“ **DIP Commitment** ” means, with respect to DIP Lenders’ commitment to lend hereunder, \$5,500,000 in the aggregate as set forth on the Commitment Annex, as such amount may be reduced pursuant to the terms of this DIP Credit Agreement or the DIP Order.

“ **DIP Credit Agreement** ” means this Debtor-In-Possession Credit Agreement, as amended, supplemented or otherwise modified from time to time.

“ **DIP Expenses** ” has the meaning set forth in **Section 8.01** .

“ **DIP Lender** ” and “ **DIP Lenders** ” are defined in the introductory paragraph hereof.

“ **DIP Loan Documents** ” means this DIP Credit Agreement, the Notes, the Guaranty Agreement, the Security Agreement and other Security Documents, the DIP Order, the Approved Budget, and all other documents, instruments and agreements contemplated herein or thereby and executed concurrently herewith or at any time and from time to time hereafter, as any or all of the same may be amended, supplemented, restated or otherwise modified from time to time.

“ **DIP Loan Outstandings** ” means, at any time of calculation, the then-existing aggregate outstanding principal amount of the DIP Loans.

“ **DIP Loan Parties** ” means Borrower and each Guarantor; and each, a “ **DIP Loan Party** ”.

“ **DIP Loans** ” has the meaning set forth in **Section 2.01(a)** , and includes all Protective Advances, any amounts advanced by DIP Lenders pursuant to the DIP Order, and any fees or expenses authorized by an order of the Bankruptcy Court and designated as “DIP Obligations” or a similar term therein.

“ **DIP Milestones** ” means:

- (i) no later than February 16, 2018, Borrower shall have filed a Plan and Disclosure Statement with respect to the Plan , in each case in form satisfactory to DIP Lenders ;

(ii) entry by the Bankruptcy Court of an order approving the Disclosure Statement in form and substance acceptable to DIP Lenders by no later than March 29, 2018, subject to court availability;

(iii) execution of the definitive documents related to the Equity Commitment no later than five (5) days before the hearing to consider confirmation of the Plan ;

(iv) entry by the Bankruptcy Court of the Confirmation Order by no later than May 1, 2018, subject to court availability; and

(v) no later than ten (10) days after entry of the Confirmation Order , Borrower shall have taken all steps reasonably necessary to satisfy all conditions for consummating the Plan .

“ **DIP Order** ” shall mean a final order of the Bankruptcy Court, that, without limitation, approves the credit facility evidenced by the DIP Credit Agreement and grants the liens and security interests therein and certain other rights and protections, which order is not stayed and is otherwise in form and substance satisfactory to DIP Agent and DIP Lenders

“ **Disclosure Statement** ” means a disclosure statement file with respect to the Plan, in form and substance satisfactory to DIP Lenders.

“ **Documents** ” means, with respect to Borrower, “documents” (as defined in *Article 9* of the UCC) of Borrower.

“ **Environment** ” or “ **Environmental** ” shall have the meanings set forth in 42 U.S.C. 9601(8) (1988).

“ **Environmental Law** ” means all federal, state, and local laws, rules, regulations, ordinances, orders, decisions, agreements, and other requirements, including common law theories, now or hereafter in effect and relating to, or in connection with the Environment, health, or safety, including without limitation CERCLA, relating to (a) pollution, contamination, injury, destruction, loss, protection, cleanup, reclamation or restoration of the air, surface water, groundwater, land surface or subsurface strata, or other natural resources; (b) solid, gaseous or liquid waste generation, treatment, processing, recycling, reclamation, cleanup, storage, disposal or transportation; (c) exposure to pollutants, contaminants, hazardous, medical infections, or toxic substances, materials or wastes; (d) the safety or health of employees; or (e) the manufacture, processing, handling, transportation, distribution in commerce, use, storage or disposal of hazardous, medical infections, or toxic substances, materials or wastes.

“ **Equipment** ” means, with respect to Borrower, “equipment” (as each term is defined in *Article 9* of the UCC) of Borrower.

“ **Equity Commitment** ” means the commitment of the Equity Commitment Parties set forth in the Commitment Letter to purchase Borrower’s common stock in an amount which equals a percentage between forty five percent (45.0%) or forty nine percent (49.0%) of Borrower’s total

outstanding common stock for a purchase price of \$17,500,000, as set forth in the Commitment Letter.

“ **Equity Commitment Parties** ” means each of 210/RELY Partners, Goldman Sachs BDC, Inc., Goldman Sachs Private Middle Market Credit LLC and Goldman Sachs Middle Market Lending Corp.

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

“ **Estate Professional Fees** ” means the fees of all professionals employed in the Bankruptcy Case, including fees of Borrower’s bankruptcy counsel, fees of the Committee’s bankruptcy counsel, in each case as approved by the Bankruptcy Court and otherwise in a maximum amount as specified in the Approved Budget for such fees (other than fees and expenses incurred in connection with any appraisals of Collateral requested by DIP Lenders, it being understood that such fees constitute Estate Professional Fees but will not be considered in calculating variances from the Approved Budget), plus reasonable reimbursable out-of-pocket expenses. For the avoidance of doubt, Estate Professional Fees, shall not include professional fees incurred for services provided for or on behalf of the Alloy Debtors, except to the extent such services are also provided for the benefit of the Borrower and its estate, and then only to the extent of the relative benefit provided by such services to the Borrower and its estate pursuant to the Interim Compensation Procedures Order.

“ **Event of Default** ” has the meaning set forth in **Section 7.01** .

“ **Excluded Account** ” means the deposit account with Wells Fargo Bank, National Association with account number XXXXXX3243.

“ **Excluded Taxes** ” means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any DIP Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a DIP Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such DIP Lender with respect to an applicable interest in a DIP Loan or DIP Commitment pursuant to a law in effect on the date on which (i) such DIP Lender acquires such interest in the DIP Loan or DIP Commitment or (ii) such DIP Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.07, amounts with respect to such Taxes were payable either to such DIP Lender's assignor immediately before such DIP Lender became a party hereto or to such DIP Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient’s failure to comply with Section 2.07(g) and (d) any withholding Taxes imposed under FATCA.

“ **FATCA** ” means Sections 1471 through 1474 of the Code, as of the date of this DIP Credit Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official

interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement, treaty or convention among Governmental Authorities and implementing such Sections of the Code.

“ **Fiscal Year** ” means, with respect to Borrower, the fiscal year of Borrower.

“ **Fixtures** ” means, with respect to Borrower and each Guarantor, “fixtures” (as defined in *Article 9* of the UCC) of Borrower and each Guarantor, as applicable.

“ **Foreign Lender** ” means any DIP Lender that is not a U.S. Person.

“ **GAAP** ” means generally accepted accounting principles set forth from time to time in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board (or agencies with similar functions of comparable stature and authority within the U.S. accounting profession), which are applicable to the circumstances as of the date of determination.

“ **General Intangibles** ” means, with respect to Borrower and each Guarantor, “general intangibles” (as defined in *Article 9* of the UCC) of Borrower and each Guarantor, as applicable.

“ **Goods** ” means, with respect to Borrower and each Guarantor, “goods” (as defined in *Article 9* of the UCC) of Borrower and each Guarantor, as applicable.

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

“ **Guarantee** ” by any Person means any obligation, contingent or otherwise, of such Person directly or indirectly guaranteeing any Debt or other obligation of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Debt or other obligation (whether arising by virtue of partnership arrangements, by agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise) or (b) entered into for the purpose of assuring in any other manner the obligee of such Debt or other obligation of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part), provided that the term Guarantee shall not include endorsements for collection or deposit in the ordinary course of business. The term “ **Guarantee** ” used as a verb has a corresponding meaning.

“ **Guarantors** ” means SGGH, LLC a Delaware limited liability company and Cosmedicine LLC, a Delaware limited liability company and each newly acquired or created domestic U.S.

direct or indirect subsidiaries of Borrower (excluding for the avoidance of doubt any other debtor in the Chapter 11 Case) and “**Guarantor**” means any one of them.

“**Guaranty Agreement**” means the Guaranty Agreement executed by each Guarantor in favor of DIP Agent and DIP Lenders, in form and substance acceptable to DIP Agent.

“**Indemnified Person**” has the meaning set forth in **Section 8.02** .

“**Indemnified Taxes**” means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of Borrower under any DIP Loan Document and (b) to the extent not otherwise described in (a), Other Taxes.

“**Instrument**” means, with respect to Borrower and each Guarantor, an “instrument” (as defined in *Article 9* of the UCC) of Borrower and each Guarantor, as applicable.

“**Intellectual Property**” means, with respect to any Person, all patents, trademarks, trade names, copyrights, technology, know-how and processes, and all applications therefor, used in or necessary for the conduct of business by such Person.

“**Interim Compensation Procedures Order**” means the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* , filed at Docket NO. 180 on the Bankruptcy Court’s docket.

“**Inventory**” means, with respect to Borrower and each Guarantor, “inventory” (as defined in *Article 9* of the UCC) of Borrower and each Guarantor, as applicable.

“**Investment**” means any investment in any Person, whether by means of acquiring or holding securities, capital contribution, loan, time deposit, advance, Guarantee or otherwise.

“**Investment Property**” means, with respect to Borrower and each Guarantor, “investment property” (as defined in *Article 9* of the UCC) of Borrower and each Guarantor, as applicable.

“**Lien**” means, with respect to any asset, any mortgage, lien, adequate protection lien, pledge, charge, security interest or encumbrance of any kind, or any other type of preferential arrangement that has the practical effect of creating a security interest, in respect of such asset.

“**Loan Account**” has the meaning set forth in **Section 2.05(b)** .

“**Major Casualty Proceeds**” means (a) the aggregate insurance proceeds received in connection with one or more related events under any property insurance policy or (b) any award or other compensation with respect to any condemnation of property (or any transfer or disposition of property in lieu of condemnation), in each case, so long as the applicable amount exceeds \$1,000,000.

“**Material Adverse Change**” means, any condition, development or event that has resulted in, or would reasonably be expected to result in, a material adverse change in or materially adverse effect on the financial condition or results of operations of Borrower and the Guarantors (including, without limitation, a material impairment of any of Borrower’s and the Guarantors’ assets), taken

as a whole, other than the events typically resulting from the filing of the Chapter 11 Cases of the Borrower and its subsidiaries, as applicable.

“ **Maturity Date** ” means the earliest of (a) November 17, 2018, (b) the effective date of the Plan which is confirmed by an order of the Bankruptcy Court, (c) the acceleration of the DIP Loans and related termination of the commitments under the DIP Loan Documents, including, without limitation, as a result of the occurrence of an Event of Default hereunder or a default under the DIP Order.

“ **Maximum Lawful Rate** ” has the meaning set forth in **Section 2.06(b)** .

“ **Multiemployer Pension Plan** ” means a multiemployer plan, as defined in Section 4001(a)(3) of ERISA, to which any DIP Loan Party or any member of the Controlled Group may have any liability.

“ **Net Cash Proceeds** ” means, with respect to any transaction or event, an amount equal to the cash proceeds received by Borrower from or in respect of such transaction or event (including proceeds of any non-cash proceeds of such transaction), less (a) any out-of-pocket expenses reasonably incurred by Borrower in connection therewith (including any attorneys’ fees reasonably allocated thereto), and (b) in the case of an Asset Disposition, any taxes paid or payable by Borrower in respect of such Asset Disposition.

“ **Notes** ” has the meaning set forth in **Section 2.04** hereof.

“ **Notice of Borrowing** ” means a written notice of a Responsible Officer, appropriately completed and in form and substance acceptable to DIP Agent, which shall include (a) the amount of the DIP Loans requested by Borrower, and (b) a written certification to the effect that (i) the proposed DIP Loans and their intended use and timing thereof are consistent with the terms of this DIP Credit Agreement and the Approved Budget, and are necessary in order to satisfy Borrower’s obligations, as applicable, in the ordinary course of business, (ii) all conditions to borrowing contained in this DIP Credit Agreement and the other DIP Loan Documents have been satisfied, and (iii) no Event of Default or Default then exists or will result from such borrowing.

“ **Obligations** ” means all obligations, liabilities and indebtedness (monetary or otherwise) of Borrower under this DIP Credit Agreement or any other DIP Loan Document, in each case howsoever created, arising or evidenced, whether direct or indirect, absolute or contingent, now or hereafter existing, or due or to become due. The Obligations shall include, without limitation, each DIP Loan and DIP Agent Professional Fees.

“ **Organizational Documents** ” means, with respect to any Person other than a natural person, the documents by which such Person was organized (such as a certificate of incorporation, certificate of limited partnership or articles of organization, and including, without limitation, any certificates of designation for preferred stock or other forms of preferred equity) and which relate to the internal governance of such Person (such as by-laws, a partnership agreement or an operating, limited liability or members agreement).

“ **Other Connection Taxes** ” means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any DIP Loan Document, or sold or assigned an interest in any DIP Loan or DIP Loan Document).

“ **Other Taxes** ” means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any DIP Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment.

“ **Participant** ” has the meaning set forth in **Section 9.06(b)** .

“ **Participant Register** ” has the meaning set forth in **Section 9.06(b)** .

“ **Payment Account** ” means an account specified from time to time in writing by DIP Agent to Borrower into which all payments by or on behalf of Borrower to DIP Agent and DIP Lenders under the DIP Loan Documents shall be made.

“ **PBGC** ” means the Pension Benefit Guaranty Corporation or any entity succeeding to any or all of its functions under ERISA.

“ **Pension Plan** ” means any “employee pension benefit plan”, as such term is defined in **Section 3(2)** of ERISA, which is subject to Title IV of ERISA (other than a Multiemployer Pension Plan) or subject to the minimum funding standards under **Section 412** of the Code, and to which any DIP Loan Party or any member of the Controlled Group may have any liability.

“ **Permitted Contest** ” means a contest maintained in good faith by appropriate proceedings promptly instituted and diligently conducted and with respect to which such reserve or other appropriate provision, if any, as shall be required in conformity with GAAP shall have been made; provided that compliance with the obligation that is the subject of such contest is effectively stayed during such challenge.

“ **Person** ” means any natural person, corporation, limited liability company, professional association, limited partnership, general partnership, joint stock company, joint venture, association, company, trust, bank, trust company, land trust, business trust, hedge fund or other organization, whether or not a legal entity, and any government or agency or political subdivision thereof.

“ **Petition Date** ” means November 17, 2017, which is the date upon which Borrower commenced a voluntary petition under the Bankruptcy Code.

“ **Plan** ” means a Chapter 11 plan of reorganization for Borrower, filed by Borrower and in form acceptable to DIP Lender.

“ **Prepayment Premium** ” means the greater of (x) two percent (2.0%) of the amount of the repayment and (y) an amount equal to the difference between (A) the aggregate amount of interest which would have otherwise been payable on the amount of the repayment from the date of repayment until November 17, 2018, minus (B) the aggregate amount of interest DIP Lenders would earn if the prepaid amount were reinvested for the period from the date of repayment until November 17, 2018, at the Treasury Rate plus 50 basis points.

“ **Proceeds** ” means, with respect to Borrower, “proceeds” (as defined in *Article 9* of the UCC) of Borrower.

“ **Property** ” means any right or interest in or to property or assets of any kind whatsoever, whether real, personal or mixed and whether tangible or intangible.

“ **Protective Advances** ” has the meaning set forth in **Section 2.01(a)(ii)** .

“ **Real Alloy DIP Order** ” means the *Interim Order (I) Authorizing Debtors to Obtain Postpetition Financing Pursuant to Section 364 of the Bankruptcy Code, (II) Authorizing the Use of Cash Collateral Pursuant to Section 363 of the Bankruptcy Code, (III) Granting Adequate Protection to the Prepetition Secured Parties Pursuant to Sections 361, 362, 363 and 364 of the Bankruptcy Code, (IV) Granting Liens and Superpriority Claims, (V) Modifying the Automatic Stay, and (VI) Scheduling a Final Hearing* filed at Docket No. 59 on the Bankruptcy Court’s docket, as such order may be subsequently amended or modified.

“ **Recipient** ” means DIP Agent and any DIP Lender.

“ **Release** ” means depositing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, migrating or disposing.

“ **Remedies Notice Period** ” has the meaning set forth in **Section 7.02** .

“ **Response** ” shall have the meaning set forth in CERCLA or under any other Environmental Law.

“ **Responsible Officer** ” means, with respect to Borrower, any of the following officers of Borrower: chief executive officer, president, chief operating officer, chief investment officer or chief financial officer.

“ **Restricted Distribution** ” means, as to any Person, (a) any dividend or other distribution on any equity interest in such Person (except those payable solely in its equity interests of the same class), or (b) any payment on account of (i) the purchase, redemption, retirement, defeasance, surrender or acquisition of any equity interests in such Person or any claim respecting the purchase or sale of any equity interest in such Person, or (ii) any option, warrant or other right to acquire any equity interests in such Person.

“ **Sale/Leaseback** ” means any arrangement under which title to any property or asset, or an interest therein, is transferred by a Person (the “ **Seller** ”) to some other Person which leases or otherwise gives or grants the right to use such property or asset or interest therein to the Seller, whether or not in connection therewith the Seller also acquires a right or is subject to an obligation

to re-acquire the property, asset or interest, and regardless of the accounting treatment of such arrangement.

“ **SAMCO Investment Asset** ” means the participation interest owned by SGGH, LLC in a securitized pool of commercial mortgages.

“ **SEC Filing** ” means filings made on Forms 10-Q, 10-K, 8-K and similar forms to the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934, as amended.

“ **Security Agreements** ” means each pledge and security agreement executed by a DIP Loan Party in favor of DIP Agent, for the benefit of DIP Lenders, in form and substance acceptable to DIP Agent.

“ **Security Documents** ” means (a) any agreement, document or instrument heretofore executed, executed concurrently herewith or executed at any time hereafter pursuant to which Borrower, the Guarantors or any other Person provides, as security for all or any portion of the Obligations, a Lien on any of its assets in favor of DIP Agent, for the benefit of DIP Lender, including, without limitation, the Security Agreements and any financing statement filed in connection therewith, as any or all of the same may be amended, supplemented, restated or otherwise modified from time to time, and (b) the DIP Order .

“ **Specified Events** ” means the sale of art owned by a Guarantor; the collection of tax refunds by Borrower or any Guarantor; or the sale, liquidation or payment of the SAMCO Investment Asset.

“ **Stated Rate** ” has the meaning set forth in **Section 2.02(a)** .

“ **Statements and Schedules** ” means the “Statement of Financial Affairs for Real Industry, Inc.” originally filed at Docket No. 226 on the Bankruptcy Court’s Docket (as may be amended), and the “Schedule of Assets and Liabilities for Real Industry, Inc.” originally filed at Docket No. 227 on the Bankruptcy Court’s Docket (as may be amended).

“ **Subsidiary** ” of a Person means a corporation, partnership, joint venture, limited liability company or other business entity of which a majority of the shares of securities or other interests having ordinary voting power for the election of directors or other governing body (other than securities or interests having such power only by reason of the happening of a contingency) are at the time beneficially owned, or the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise specified, all references herein to a “ **Subsidiary** ” or to “ **Subsidiaries** ” shall refer to a Subsidiary or Subsidiaries of Borrower.

“ **Supporting Obligations** ” means, with respect to Borrower, “supporting obligations” (as defined in **Article 9** of the UCC) of Borrower.

“ **Taxes** ” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“ **Termination Date** ” has the meaning set forth in **Section 2.01(c)** .

“ **Termination Event** ” means the occurrence of any of the following:

(a) appointment or election of a trustee in the Chapter 11 Case under *Section 1104* of the Bankruptcy Code , or appointment of an examiner in the Chapter 11 Case (with powers beyond those set forth in *Section 1106(a)(3)* and *(4)* of the Bankruptcy Code) under *Section 1106(b)* of the Bankruptcy Code ;

(b) entry of an order dismissing the Chapter 11 Case or converting it into a proceeding under Chapter 7 of the Bankruptcy Code ;

(c) entry of an order reversing, staying, vacating, or otherwise modifying in any material respect the terms of the DIP Order ;

(d) application by Borrower for an order that permits Borrower to incur Debt (other than the DIP Loans) secured by any claim under Bankruptcy Code *Section 364(c)(1)* or by a Lien pari passu with or superior to the Lien granted to DIP Agent , for the benefit of DIP Lenders hereunder;

(e) failure to comply in any material respect with the DIP Order ;

(f) (i) approval by the Bankruptcy Court to solicit a proposed Chapter 11 plan of reorganization or a motion to sell all or any portion of the Collateral pursuant to *Section 363* of the Bankruptcy Code , or confirmation of a Chapter 11 plan of reorganization or sale of all or any portion of the Collateral pursuant to *Section 363* of the Bankruptcy Code , for Borrower that does not provide for (A) payment in full in cash of all Obligations and the secured claims of the Agent, (B) termination of the DIP Commitment and (C) sale of Borrower ’s common stock to the Equity Commitment Parties pursuant to terms and conditions comparable to the terms of the Equity Commitment , on or before the effective date of, or substantial consummation of, such plan of reorganization or sale, or (ii) filing by Borrower of a Chapter 11 plan in the Chapter 11 Case that does not provide for (A) the full, final and indefeasible payment of all Obligations and the secured claims of DIP Agent in immediately available funds, (B) termination of the DIP Commitment and (C) sale of Borrower ’s common stock to the Equity Commitment Parties pursuant to terms and conditions comparable to the terms of the Equity Commitment , or is otherwise in form and substance not acceptable to DIP Lenders ;

(g) assertion by Borrower of a claim arising under *Section 506(c)* of the Bankruptcy Code against DIP Agent , DIP Lenders , or the Collateral , other than with respect to the Carve Out ; or assertion by any Person other than Borrower of a claim arising under *Section 506(c)* of the Bankruptcy Code against DIP Agent , DIP Lenders or the Collateral ; or commencement by Borrower of an action in the Chapter 11 Case knowingly adverse to DIP Agent , DIP Lenders or their rights and remedies under the DIP Loan Documents or their rights and remedies under the DIP Order or any other order of the Bankruptcy Court in the Chapter 11 Case ;

(h) commencement by any federal or state governmental or regulatory agency or authority of an action (including , without limitation, any regulatory or other enforcement action) that has a Material Adverse Change on Borrower 's operations.

(i) any payment on, or application made with the Bankruptcy Court for authority to pay, any pre-petition claim owing to terminated employees, bond claims, principal on any Debt of Borrower incurred prior to the Petition Date , and lease rejection damages, other than those permitted to be paid in accordance with the DIP Loan Documents , without the prior written consent of DIP Lenders ; or

(j) application by Borrower for an order substituting any assets for all or any portion of the Collateral , except as provided in the DIP Loan Documents .

“ **Treasury Rate** ” means the yield to maturity at a time of computation of United States Treasury securities with a constant maturity (as determined by DIP Agent in good faith based on publicly available market data) most nearly equal to the period from the applicable prepayment date to the Maturity Date; provided, however, that if the period from the applicable prepayment date to the Maturity Date is not equal to the constant maturity of a United States Treasury security for which a weekly average yield is given, the Treasury Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of United States Treasury securities for which such yields are given.

“ **UCC** ” means the Uniform Commercial Code of the State of New York or of any other state the laws of which are required to be applied in connection with the perfection of security interests in any Collateral.

“ **Upfront Fees** ” means \$200,000 paid to the DIP Lenders upon the Closing Date.

“ **U.S. Person** ” means any Person that is a “United States Person” as defined in Section 7701(a) (30) of the Code.

“ **U.S. Trustee** ” means the Office of the United States Trustee.

“ **Withholding Agent** ” means Borrower and DIP Agent.

1.02 Accounting Terms and Determinations .

Unless otherwise specified herein, all accounting terms used herein shall be interpreted, all accounting determinations hereunder (including, without limitation, determinations made pursuant to the exhibits hereto) shall be made, and all financial statements required to be delivered hereunder, shall be prepared on a consolidated basis in accordance with GAAP; provided that if (a) Borrower shall object to determining compliance with the provisions of this DIP Credit Agreement on such basis by written notice delivered to DIP Agent and DIP Lenders at the time of delivery of required financial statements due to any change in GAAP or the rules promulgated with respect thereto, or (b) a DIP Lender shall so object by written notice delivered to Borrower within sixty (60) days after delivery of such financial statements, then such calculations shall be made on a basis consistent with the most recent financial statements delivered by Borrower to DIP Agent and DIP Lenders as to which no such objection shall have been made. All amounts used for

purposes of financial calculations required to be made herein shall be without duplication. For the avoidance of doubt, this **Section 1.02** shall not apply to the Approved Budget.

1.03 Other Definitional Provisions .

References in this DIP Credit Agreement to “Articles,” “Sections,” “Annexes” or “Exhibits” shall be to Articles, Sections, Annexes or Exhibits of or to this DIP Credit Agreement unless otherwise specifically provided. Any term defined herein may be used in the singular or plural. “Include,” “includes” and “including” shall be deemed to be followed by “without limitation”. Except as otherwise specified herein, references to any Person include the successors and assigns of such Person. References “from” or “through” any date mean, unless otherwise specified, “from and including” or “through and including,” respectively. References to any statute or act shall include all related current regulations and all amendments and any successor statutes, acts and regulations.

1.04 Reservation with Regard to Executory Contracts and Leases .

Nothing set forth in the Approved Budget or this DIP Credit Agreement shall be deemed to evidence DIP Agent’s or DIP Lenders’ consent to: (a) Borrower’s assumption or rejection of any executory contract under *Section 365* of the Bankruptcy Code; or (b) payments made by Borrower with respect to executory contracts or leases. All rights of DIP Agent and DIP Lenders to object to any such assumption, rejection or payments by Borrower are hereby expressly reserved.

ARTICLE II. DIP LOANS

2.01 DIP Loans .

(a) DIP Loans and Borrowings.

(i) On the terms and subject to the conditions set forth herein (including , without limitation, **Article VI**) , each DIP Lender severally agrees to make loans (collectively, “**DIP Loans**”) to Borrower from time to time as set forth herein equal to the amount requested by Borrowers hereunder in an amount not to exceed the Commitment Amount of each DIP Lender . Each DIP Loan may be prepaid, subject to payment of any applicable Prepayment Premiums , and may not be reborrowed. Each DIP Loan shall be in a minimum principal amount of \$500,000 (unless the DIP Commitment is less than \$500,000); provided that DIP Lenders may provide DIP Loans in an aggregate amount of less than \$500,000 upon request by Borrower .

(ii) DIP Agent is hereby authorized by Borrower and DIP Lenders , from time to time in DIP Agent ’s sole and absolute discretion (but solely to the extent DIP Agent receives funds therefor from DIP Lenders) , (A) after the occurrence of a Default or an Event of Default , or (B) at any time that any of the other applicable conditions precedent set forth in **Article VI** has not been satisfied, to make DIP

Loans to Borrower , in its reasonable business judgment deemed necessary or desirable to (1) preserve or protect the business conducted by Borrower , the Collateral , or any portion thereof, (2) enhance the likelihood of, or maximize the amount of, repayment of the DIP Loans and other Obligations , or (3) pay any amount chargeable to Borrower pursuant to the terms of this DIP Credit Agreement including all costs, fees and expenses as described in **Sections 8.01** and **8.04** (collectively, “ **Protective Advances** ”).

(iii) DIP Agent shall provide written notice to DIP Lenders and Borrower upon the making of each Protective Advance .

(iv) No DIP Lender shall be obligated at any time to make available to Borrower the amount equal to its Commitment Percentage of any requested DIP Loan if such amount plus the amount equal to its Commitment Percentage of all DIP Loans then outstanding would exceed the Commitment Amount of such DIP Lender at such time.

(b) Borrowing Procedures.

(i) Borrower shall deliver to DIP Agent (who shall deliver to DIP Lenders) a Notice of Borrowing (which shall specify the use of such requested proceeds in detail satisfactory to DIP Lenders) with respect to each proposed DIP Loan no later than 11:00 a.m. (New York time) on the second (2nd) Business Day prior to such proposed borrowing . Once given, a Notice of Borrowing shall be irrevocable and Borrower shall be bound thereby. Borrower may not deliver more than four (4) Notices of Borrowing per month.

(ii) Unless otherwise specified in the applicable Notice of Borrowing, each DIP Lender shall advance its Commitment Percentage with respect to each DIP Loan to Borrower’s Account on the date of the proposed borrowing .

(iii) The failure of any DIP Lender to make the DIP Loan to be made by it as part of any borrowing required hereunder shall not relieve any other DIP Lender of its obligation, if any, hereunder to make its portion of the DIP Loan on the date of such borrowing , but no DIP Lender shall be responsible for or liable to Borrower ’s estates for the failure of any other DIP Lender to make its portion of a DIP Loan to be made by such other DIP Lender on the date of any borrowing . The amounts payable by each DIP Lender shall be a separate and independent obligation.

(c) Termination Date. The DIP Commitment shall terminate upon the earliest to occur of: (i) the Commitment Expiry Date ; (ii) entry of an order by the Bankruptcy Court approving a reorganization of Borrower ; (iii) upon written notice from DIP Agent to Borrower of the acceleration of the Obligations and termination of the DIP Commitment under **Section 7.02** following the occurrence of an Event of Default ; or (iv) five (5) days following written notice from DIP Agent to Borrower (which notice shall be filed with the Bankruptcy Court) of the occurrence of a Termination Event (such earliest date being the

“ **Termination Date** ”). All outstanding Obligations shall be due and payable by Borrower on and as of the Termination Date .

2.02 Interest, Interest Calculations and Certain Fees .

(a) Interest. Except as otherwise provided in **Section 7.03** , the DIP Loans shall bear interest at a per annum rate equal to eleven percent (11.0%) per annum (the “ **Stated Rate** ”).

(b) Computation of Interest and Related Fees; Interest Payment Dates.

(i) All interest and fees under each DIP Loan Document shall be calculated on the basis of a three hundred sixty (360) day year for the actual number of days elapsed. The date of funding of a DIP Loan shall be included in the calculation of interest. The date of payment of a DIP Loan shall be excluded from the calculation of interest. If a DIP Loan is repaid on the same day that it is made, one (1) day’s interest shall be charged.

(ii) Interest on all DIP Loans shall be payable in arrears on the first Business Day of each month and on the Maturity Date , whether by acceleration or otherwise.

(c) Upfront Fee. On the Closing Date , Borrower shall pay the Upfront Fee to DIP Lenders .

2.03 Prepayments .

(a) Voluntary Prepayments. Borrower may upon at least two (2) Business Days prior written notice to DIP Agent (who shall notify DIP Lenders) prepay the DIP Loans at any time provided any such prepayment shall include payment of all accrued unpaid interest on the portion being prepaid, together with a Prepayment Premium on the amount prepaid.

(b) Mandatory Prepayments. Borrower shall prepay the DIP Loans in the following amounts and at the following times:

(i) within two (2) Business Days of the date on which Borrower (or DIP Agent as lender loss payee or assignee) receives any payment that constitutes Major Casualty Proceeds , an amount equal to the Net Cash Proceeds of the amount of such payment;

(ii) within two (2) Business Days of the date of receipt by Borrower of the proceeds from the issuance and sale of any Debt (other than the DIP Loans and other Debt permitted by Section 5.01) or equity securities, an amount equal to one hundred percent (100.0%) of the Net Cash Proceeds of such issuance and sale;

(iii) within two (2) Business Days of the date of receipt by Borrower of the proceeds of any Specified Event , including without limitation any Asset

Disposition , an amount equal to one hundred percent (100.0%) of the Net Cash Proceeds of such Specified Event or Asset Disposition ; and

(iv) if at any time the DIP Loan Outstandings exceed the DIP Commitment , then on the next succeeding Business Day , Borrower shall repay the DIP Loans in an aggregate amount equal to such excess.

(c) Application. Any prepayment of a DIP Loan, including prepayment of the DIP loans as a result of the acceleration of the maturity date resulting from an Event of Default, shall include interest on the principal amount being repaid, together with (other than in the case of any prepayments described in **Section 2.03(b)(iii)** or any prepayments on the Maturity Date) a Prepayment Premium calculated on the basis of the amount of the prepayment . All prepayments shall be applied first, to unpaid fees, costs and expenses of DIP Agent and DIP Lenders , second, to accrued and unpaid interest on the Obligations , third to the Prepayment Premium and fourth, to repay outstanding principal of the DIP Loans . No prepayment shall result in a mandatory reduction of the DIP Commitment , except for prepayments pursuant to **Section 2.03(b)(i)** . For the avoidance of doubt, no Prepayment Premium shall be payable in connection with prepayment or repayment of the DIP Loans on or after the Maturity Date .

2.04 Notes .

To the extent requested by any DIP Lender, the Commitment Amount of such DIP Lender shall be evidenced by a promissory note executed by Borrower in favor of such DIP Lender (each, a “ **Note** ”) in an original principal amount equal to such DIP Lender’s Commitment Amount.

2.05 General Provisions Regarding Payments; Loan Account .

(a) All payments to be made by Borrower under any DIP Loan Document, including payments of principal and interest on the DIP Loans , Prepayment Premiums and all fees, expenses, indemnities and reimbursements, shall be made without set-off or counterclaim, in lawful money of the United States of America and in immediately available funds. If any payment hereunder becomes due and payable on a day other than a Business Day , such payment shall be extended to the next succeeding Business Day and, with respect to payments of principal, interest thereon shall be payable at the then applicable rate during such extension. Borrower shall make all payments in immediately available funds to the Payment Account before noon (New York time) on the date when due. Notwithstanding anything to the contrary set forth in this **Section 2.05(a)** , DIP Agent shall be permitted, in its sole discretion, but subject to the limitations set forth in **Section 2.01(a)(ii)** and **(iii)** , to satisfy any of the payment obligations described in this **Section 2.05(a)** through the making of Protective Advances .

(b) DIP Agent shall maintain a loan account (the “ **Loan Account** ”) on its books to record DIP Loans and other extensions of credit made by DIP Agent and DIP Lenders hereunder or under any other DIP Loan Document, and all payments thereon made by Borrower . All entries in the Loan Account shall be made in accordance with DIP Agent ’s customary accounting practices as in effect from time to time. The balance in the Loan

Account , as recorded on DIP Agent 's most recent printout or other written statement, shall be conclusive and binding evidence of the amounts due and owing to DIP Agent and DIP Lenders by Borrower absent clear and convincing evidence to the contrary, subject to review by the Bankruptcy Court ; provided, that any failure to so record or any error in so recording shall not limit or otherwise affect Borrower 's duty to pay all amounts owing hereunder or under any other DIP Loan Document. Unless Borrower notifies DIP Agent in writing of any objection to any such printout or statement (specifically describing the basis for such objection) within thirty (30) days after the date of receipt thereof, it shall be deemed, binding and conclusive upon Borrower in all respects as to all matters reflected therein.

2.06 Maximum Interest .

(a) In no event shall the interest charged with respect to the DIP Loans or any other Obligations of Borrower under any DIP Loan Document exceed the maximum amount permitted under the laws of the State of New York or of any other applicable jurisdiction.

(b) Notwithstanding anything to the contrary herein or elsewhere, if at any time the Stated Rate would exceed the highest rate of interest permitted under any applicable law to be charged (the "**Maximum Lawful Rate**"), then for so long as the Maximum Lawful Rate would be so exceeded, the rate of interest payable shall be equal to the Maximum Lawful Rate ; provided, that if at any time thereafter the Stated Rate is less than the Maximum Lawful Rate , Borrower shall, to the extent permitted by law, continue to pay interest at the Maximum Lawful Rate until such time as the total interest received is equal to the total interest which would have received had the Stated Rate been (but for the operation of this provision) the interest rate payable. Thereafter, the interest rate payable shall be the Stated Rate unless and until the Stated Rate again would exceed the Maximum Lawful Rate , in which event this provision shall again apply.

(c) In no event shall the total interest received by DIP Lenders exceed the amount which they could lawfully have received had the interest been calculated for the full term hereof at the Maximum Lawful Rate . If, notwithstanding the prior sentence, DIP Lenders have received interest hereunder in excess of the Maximum Lawful Rate , such excess amount shall be applied to the reduction of the principal balance of the DIP Loans (without reducing the DIP Commitment) or to other amounts (other than interest) payable hereunder, and if no such principal or other amounts are then outstanding, such excess or part thereof remaining shall be paid to Borrower .

(d) In computing interest payable with reference to the Maximum Lawful Rate applicable to DIP Lenders , such interest shall be calculated at a daily rate equal to the Maximum Lawful Rate divided by the number of days in the year in which such calculation is made.

2.07 Taxes .

(a) Defined Terms. For purposes of this Section , the term “ Applicable Law ” includes FATCA .

(b) Payments Free of Taxes. Any and all payments by or on account of any obligation of Borrower under any DIP Loan Document shall be made without deduction or withholding for any Taxes , except as required by applicable law . If any applicable law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by a Withholding Agent , then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and, if such Tax is an Indemnified Tax , then the sum payable by Borrower shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(c) Payment of Other Taxes by Borrower. Borrower shall timely pay to the relevant Governmental Authority in accordance with applicable law , or at the option of DIP Agent timely reimburse it for the payment of, any Other Taxes .

(d) Indemnification by Borrower. Borrower shall indemnify each Recipient , within ten (10) days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority . A certificate as to the amount of such payment or liability delivered to Borrower by a DIP Lender (with a copy to DIP Agent), or by DIP Agent on its own behalf or on behalf of a DIP Lender , shall be conclusive absent manifest error.

(e) Indemnification by the Lenders. Each DIP Lender shall severally indemnify DIP Agent , within ten (10) days after demand therefor, for (i) any Indemnified Taxes attributable to such DIP Lender (but only to the extent that Borrower has not already indemnified DIP Agent for such Indemnified Taxes and without limiting the obligation of Borrower to do so), (ii) any Taxes attributable to such DIP Lender 's failure to comply with the provisions of Section 9.06(b) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such DIP Lender , in each case, that are payable or paid by DIP Agent in connection with any DIP Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority . A certificate as to the amount of such payment or liability delivered to any DIP Lender by DIP Agent shall be conclusive absent manifest error. Each DIP Lender hereby authorizes DIP Agent to set off and apply any and all amounts at any time owing to such DIP Lender under any DIP Loan Document or otherwise payable by DIP Agent to DIP Lender from any other source against any amount due to DIP Agent under this paragraph (e) .

(f) Evidence of Payments. As soon as practicable after any payment of Taxes by Borrower to a Governmental Authority pursuant to this Section, Borrower shall deliver to DIP Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to DIP Agent .

(g) Status of DIP Lenders. (1) Any DIP Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any DIP Loan Document shall deliver to Borrower and DIP Agent , at the time or times reasonably requested by Borrower or DIP Agent , such properly completed and executed documentation reasonably requested by Borrower or DIP Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any DIP Lender , if reasonably requested by Borrower or DIP Agent , shall deliver such other documentation prescribed by applicable law or reasonably requested by Borrower or DIP Agent as will enable Borrower or DIP Agent to determine whether or not such DIP Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in paragraphs (g)(ii)(A), (ii)(B) and (ii)(D) of this Section) shall not be required if in DIP Lender 's reasonable judgment such completion, execution or submission would subject such DIP Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such DIP Lender .

(i) Without limiting the generality of the foregoing, any DIP Lender that is a U.S. Person shall deliver to Borrower and DIP Agent on or about the date on which such DIP Lender becomes a DIP Lender under this DIP Credit Agreement (and from time to time thereafter upon the reasonable request of Borrower or DIP Agent), executed copies of IRS Form W-9 certifying that such DIP Lender is exempt from U.S. federal backup withholding tax;

(ii) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to Borrower and DIP Agent (in such number of copies as shall be requested by the recipient) on or about the date on which such Foreign Lender becomes a DIP Lender under this DIP Credit Agreement (and from time to time thereafter upon the reasonable request of Borrower or DIP Agent), whichever of the following is applicable:

(A) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any DIP Loan Document, executed copies of IRS Form W-8BEN or IRS Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any DIP Loan Document, IRS Form W-8BEN or IRS Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(B) executed copies of IRS Form W-8ECI ;

(C) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code , (x) a certificate substantially in the form of Exhibit B-1 to the effect that such Foreign Lender is not a “bank” within the meaning of Section 881(c)(3)(A) of the Code , a “10 percent shareholder” of Borrower within the meaning of Section 871(h)(3)(B) of the Code , or a “controlled foreign corporation” related to Borrower as described in Section 881(c)(3)(C) of the Code (a “ U.S. Tax Compliance Certificate ”) and (y) executed copies of IRS Form W-8BEN or IRS Form W 8BEN-E; or

(D) to the extent a Foreign Lender is not the beneficial owner, executed copies of IRS Form W-8IMY , accompanied by IRS Form W-8ECI , IRS Form W-8BEN , IRS Form W 8BEN-E, a U.S. Tax Compliance Certificate substantially in the form of Exhibit B-2 or Exhibit B-3 , IRS Form W-9 , and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit B-4 on behalf of each such direct and indirect partner;

(iii) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to Borrower and DIP Agent (in such number of copies as shall be requested by the recipient) on or about the date on which such Foreign Lender becomes a DIP Lender under this DIP Credit Agreement (and from time to time thereafter upon the reasonable request of Borrower or DIP Agent), executed copies of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax , duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit Borrower or DIP Agent to determine the withholding or deduction required to be made; and

(iv) if a payment made to a DIP Lender under any DIP Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such DIP Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code , as applicable), such DIP Lender shall deliver to Borrower and DIP Agent at the time or times prescribed by law and at such time or times reasonably requested by Borrower or DIP Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by Borrower or DIP Agent as may be necessary for Borrower and DIP Agent to comply with their obligations under FATCA and to determine that such DIP Lender has complied with such DIP Lender ’s obligations under FATCA or to determine the amount, if any, to deduct and withhold from such payment. Solely for purposes of this clause (D), “ FATCA ”

shall include any amendments made to FATCA after the date of this DIP Credit Agreement .

Each DIP Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify Borrower and DIP Agent in writing of its legal inability to do so.

(h) Treatment of Certain Refunds. If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section (including by the payment of additional amounts pursuant to this Section), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (h) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority . Notwithstanding anything to the contrary in this paragraph (h) , in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (h) the payment of which would place the indemnified party in a less favorable net after- Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person .

(i) Survival. Each party's obligations under this Section shall survive the resignation or replacement of DIP Agent or any assignment of rights by, or the replacement of, a DIP Lender , the termination of the DIP Commitments and the repayment, satisfaction or discharge of all obligations under any DIP Loan Document.

ARTICLE III. REPRESENTATION AND WARRANTIES

To induce DIP Agent and DIP Lenders to enter into this DIP Credit Agreement and to make the DIP Loans contemplated hereunder, Borrower hereby represents and warrants to DIP Agent and DIP Lenders that:

3.01 Financial Statements; No Change .

(a) The audited consolidated balance sheet of Borrower and its subsidiaries (the “*Financial Statement Entities*”) dated December 31, 2016, and the related audited consolidated statements of income and of cash flows for the fiscal year of the Financial

Statement Entities ended on that date (i) were prepared in accordance with GAAP applied consistently throughout the period reflected therein and with prior periods, except as disclosed therein, and (ii) fairly present in all material respects the consolidated financial condition of the Financial Statement Entities as of the date thereof and their consolidated results of operations and consolidated cash flows for the period covered thereby;

(b) the unaudited consolidated balance sheets of the Financial Statement Entities dated September 30, 2017, and the related unaudited consolidated statements of income and of cash flows for the relevant quarterly period of the 2017 fiscal year of such Financial Statement Entities ended on that date (i) were prepared in accordance with GAAP (except that such financial statements may include abbreviated notes) applied consistently throughout the period reflected therein and with prior periods, except as disclosed therein, and (ii) fairly present in all material respects the consolidated financial condition of the Financial Statement Entities as of the date thereof and their consolidated results of operations and consolidated cash flows for the period covered thereby; and

(c) since November 17, 2017, there has been no development or event that has had or could reasonably be expected to have a Material Adverse Change .

3.02 Existence; Compliance with Law .

(a) Borrower and each of the Guarantors is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, except for absences of such good standing in respect of such Guarantor as could not, in the aggregate , reasonably be expected to have a Material Adverse Change ,

(b) Borrower and each of the Guarantors has the organizational power and authority and the legal right, to own and operate its property , to lease the property it operates as lessee and to conduct the business in which it is currently engaged, except for absences of such power, authority or right as could not, in the aggregate , reasonably be expected to have a Material Adverse Change , and is in compliance with all requirements of law, including any laws that require the maintenance and effect of any permits or licenses, except to the extent that the failure to comply therewith could not, in the aggregate , reasonably be expected to have a Material Adverse Change .

(c) Borrower is qualified to do business as a foreign entity in each jurisdiction in which it is required to be so qualified, except where the failure to be so qualified could not reasonably be expected to have a Material Adverse Change .

(d) Borrower is a debtor-in-possession under the Chapter 11 Case .

3.03 Power; Authorization; Enforceable Obligation .

Borrower and each of the Guarantors has the organizational power and authority, and the legal right to make, deliver and perform the DIP Loan Documents. Borrower and each of the Guarantors have taken all necessary action under its organizational documents and material debt agreements (other than as a result of the commencement of the Chapter 11 Case) to authorize the

execution, delivery and performance of the DIP Loan Documents. The DIP Loan Documents have been duly executed and delivered on behalf of Borrower and each of the Guarantors. The DIP Loan Documents upon execution will constitute, a legal, valid and binding obligation of Borrower and each of the Guarantors, enforceable against Borrower and each of the Guarantors in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

3.04 No Legal Bar .

The execution, delivery and performance of the DIP Loan Documents, the extension of credit thereunder and the use of proceeds thereof will not violate law or any material contractual obligation, including any post-petition agreement, of Borrower and each of the Guarantors and will not result in, or require, the creation or imposition of any lien on any of their respective properties or revenues pursuant to any requirement of law or any such contractual obligation, other than liens created under the DIP Loan Documents and the DIP Order. No applicable law or contractual obligation applicable to Borrower and each of the Guarantors could reasonably be expected to have a Material Adverse Change.

3.05 Ownership of Property .

Borrower and each Guarantor is the lawful owner of, has good and marketable title to and is in lawful possession of, or has valid leasehold interests in, all material properties and other assets (real or personal, tangible, intangible or mixed) purported to be owned or leased (as the case may be) by Borrower or each Guarantor, as applicable, and such properties and assets are free and clear of all Liens, except those permitted under *Section 5.02* hereto.

3.06 Regulated Entities .

Borrower is not an "investment company" or a company "controlled" by an "investment company" or a "subsidiary" of an "investment company," all within the meaning of the Investment Company Act of 1940.

3.07 Taxes .

Borrower and each of the Guarantors has timely filed or caused to be timely filed all material foreign, national, state and local income and other material tax returns that are required to be filed (taking into account all proper extensions) and has timely paid all material income Taxes and other material taxes required to be paid and paid any assessments made against it or any of its property and all other material income taxes and other material taxes, fees or other charges imposed on it or any of its property by any governmental authority (other than any taxes, fees or other charges the amount or validity of which are currently being contested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided on the books of Borrower and each of the Guarantors, as the case may be); no tax lien has been filed, and, to the knowledge of Borrower or any Guarantor, no claim is being asserted, with respect to any tax, fee or other charge owed by Borrower or any Guarantor except to the extent that the

amount in question is not in excess of \$50,000. Under the laws of its relevant jurisdiction it is not necessary that any stamp, registration, notarial or similar taxes or fees be paid on or in relation to the DIP Loan Documents or the transactions contemplated by the DIP Loan Documents, excluding fees in connection with Collateral related filings.

3.08 Compliance with ERISA .

(a) All required reports and documents with respect to each Pension Plan have been properly filed with the appropriate governmental agencies. All Pension Plans (and related trusts and insurance contracts) comply in form and in operation in all material respects with the applicable provisions of ERISA and the Code .

(b) With respect to each Pension Plan, there have been no non-exempt prohibited transactions as defined in *Section 406* of ERISA or *Section 4975* of the Code that have not been reported and corrected. There has been (i) no failure to meet the minimum funding standards of *Section 412* of the Code or *Section 302* of ERISA with respect of any Pension Plan, (ii) no application for a minimum funding waiver under *Section 430* of the Code or *Section 303* of ERISA with respect to any Pension Plan, or (iii) no failure to make by its due date a required installment with respect to any Pension Plan, or the failure to make any required contribution to a Multiemployer Pension Plan . No Pension Plan has been terminated, no steps have been taken by Borrower or member of the Controlled Group or by the PBGC to terminate any Pension Plan, and no event or condition which constitutes grounds under *Section 4042* of ERISA for the termination of, or the appointment of a trustee to administer, any Plan , exists with respect to any Pension Plan. No condition exists or event or transaction has occurred with respect to any Pension Plan which could result in the incurrence by Borrower or any member of the Controlled Group of any material liability, fine or penalty. Borrower has not and no member of the Controlled Group has incurred liability to the PBGC (other than for current premiums) with respect to any Pension Plan. Except as otherwise prohibited by ***Section 5.15*** hereof, all contributions (if any) have been made to all Pension Plans and Multiemployer Pension Plans that are required to be made by Borrower or any other member of the Controlled Group under the terms of the plan or of any collective bargaining agreement or by applicable law . Neither Borrower nor any member of the Controlled Group has withdrawn or partially withdrawn from any Multiemployer Pension Plan , incurred any withdrawal liability with respect to any such plan or received notice of any claim or demand for withdrawal liability or partial withdrawal liability from any such plan , and, other than the Chapter 11 Case , no condition has occurred which, if continued, could result in a withdrawal or partial withdrawal from any such plan , and neither Borrower nor any member of the Controlled Group has received any notice that any Multiemployer Pension Plan is in reorganization, that increased contributions may be required to avoid a reduction in plan benefits or the imposition of any excise tax, that any such plan is or has been funded at a rate less than that required under *Section 412* of the Code , that any such plan is or may be terminated, or that any such plan is or may become insolvent.

3.09 Budgets .

The Approved Budget and each other budget or cash flow projection at the time prepared and delivered to DIP Lenders was prepared by Borrower's financial personnel and represents the good faith belief of such Persons at such time as to the probable course of Borrower's businesses and financial affairs, over the periods shown therein, subject to the assumptions stated therein. Borrower has not failed to disclose any material assumptions or liabilities or any other material information with respect to the Approved Budget or the accuracy of such Approved Budget . Borrower has provided a written affirmation made by an appropriate financial officer of Borrower to DIP Agent affirming the reasonableness of each of the assumptions and projections in the Approved Budget .

3.10 Assets of the Guarantors . All material assets of the Guarantors have been disclosed in writing to DIP Lenders, and such disclosure is accurate in all material respects.

3.11 Matters Relating to Collateral .

(a) The entry of the DIP Order is effective to create in favor of DIP Agent , for the benefit of DIP Lenders , as security for the Obligations , a legal, valid, enforceable and perfected Lien on all of the Collateral of Borrower and proceeds thereof, as contemplated thereby, as described in the DIP Loan Documents . The provisions of the DIP Loan Documents shall be effective to create in favor DIP Agent , for the benefit of DIP Lenders , a legal, valid, enforceable and perfected security interest in the Collateral of Borrower and the Guarantors and proceeds thereof, contemplated thereby, as described in the DIP Loan Documents .

(b) Except for the DIP Order , no authorization, approval or other action by, and no notice to or filing with, any government authority is required for either (i) the pledge or grant by Borrower of the Liens purported to be created in favor of DIP Agent , for the benefit of DIP Lenders , pursuant to this DIP Credit Agreement or any of the Security Documents (including the DIP Order) or (ii) the exercise by DIP Agent of any rights or remedies in respect of any Collateral (whether specifically granted or created pursuant to this DIP Credit Agreement , any of the Security Documents or created or provided for by applicable law), except for any necessary filings or recordings required in connection with perfecting liens in Collateral owned by any Guarantor and except as may be required, in connection with the disposition of any pledged Collateral , by laws generally affecting the offering and sale of securities.

3.12 Accuracy of Information .

After due inquiry by the Responsible Officers, there is no known fact that Borrower has not disclosed to DIP Lenders that could reasonably be expected to result in a Material Adverse Change. No statement or information, including information concerning Borrower 's tax attributes (including the amount of net operating loss carryforwards of Borrower and the Guarantors , any limitations on the use thereof under section 382 of the Internal Revenue Code , and the degree to which past transactions could contribute to an " ownership change " of Borrower within the meaning of section 382 of the Internal Revenue Code), contained in any DIP Loan Document, or any other document, certificate or statement furnished by or on behalf of Borrower or any of the Guarantors to DIP Lenders , or any of them, for use in connection with the transactions

contemplated by the DIP Loan Documents , contained as of the date such statement, information, document or certificate was so furnished, when taken as a whole, any untrue statement of a material fact or omitted to state a material fact necessary to make the statements contained herein or therein not misleading in the light of the circumstances under which such statements were made (after giving effect to all supplements and updates thereto).

3.13 Consents or Approvals .

No consent, approval or authorization of, or filing, registration or qualification with, any governmental authority or any other Person is required to be obtained or completed by Borrower in connection with the execution, delivery or performance of any of the DIP Loan Documents which has not already been obtained or completed, other than the consents, authorizations and approvals of the Bankruptcy Court.

3.14 Litigation .

Other than the Chapter 11 Case, and except as otherwise disclosed in the Statements and Schedules or in any SEC Filing or any publicly available filings made in connection with the Chapter 11 Case, no litigation, investigation or proceeding of or before any arbitrator or governmental authority (not stayed by reason of the Chapter 11 Case) is pending or, to the knowledge of Borrower and each of the Guarantors, threatened by or against Borrower and each of the Guarantors or against any of their respective properties or revenues (a) with respect to any of the DIP Loan Documents or any of the transactions contemplated hereby or thereby, or (b) that could reasonably be expected to have a Material Adverse Change.

3.15 Claims . To the best of Borrower 's knowledge, the following have been disclosed, in writing (including in any SEC Filing or any publicly available filings made in connection with the Chapter 11 Case), to DIP Lenders , and such disclosure is accurate in all material respects: (i) all material claims (as such term is defined in 11 U.S.C. § 101(5)) of unaffiliated third parties against Borrower or the Guarantors and (ii) all material indebtedness, liabilities or guarantees of any obligations of the Guarantors to any other person or entity, including each of the Alloy Debtors . Excluding ordinary course expenses related to intercompany services, none of Borrower 's Affiliates that have filed Chapter 11 cases (collectively, the "*Alloy Debtors* ") have any claims (whether asserted or not asserted) against Borrower or any of the Guarantors . Neither Borrower nor any Guarantor is aware of any claim of a creditor of the Alloy Debtors against Borrower or a Guarantor .

3.16 No Breach of Covenant. No breach of any covenant set forth herein has occurred since the entry of the DIP Order or is continuing .

3.17 No Default . Other than as a result of the commencement of the Chapter 11 Case , none of Borrower or any of the Guarantors is in default under or with respect to any of its contractual obligations in any respect that could reasonably be expected to have a Material Adverse Change . No default or event of default hereunder has occurred and is continuing.

3.18 Intellectual Property . Borrower and each of the Guarantors owns, or is licensed to use, all Intellectual Property necessary for the conduct of its business in all material respects as

currently conducted. No material claim has been asserted with respect to Borrower or the Guarantors and is pending by any person challenging or questioning the use of any Intellectual Property or the validity or effectiveness of any Intellectual Property, nor does Borrower or any Guarantor know of any valid basis for any such claim. The use of Intellectual Property by Borrower and each of the Guarantors does not infringe on the rights of any person in any material respect.

3.19 Environmental Matters . Except as, in the aggregate, could not reasonably be expected to have a Material Adverse Change : (a) the facilities and properties owned, leased or operated by Borrower or any Guarantor do not contain, and have not previously contained, any materials of environmental concern in amounts or concentrations or under circumstances that constitute or constituted a violation of, or could give rise to liability under, any environmental law ; (b) neither Borrower nor any Guarantor has received or is aware of any notice of violation, alleged violation, noncompliance, liability or potential liability regarding environmental matters or compliance with environmental laws with regard to any of the properties or facilities owned, leased or operated by Borrower or any Guarantors, nor do Borrower or any of the Guarantors have knowledge or reason to believe that any such notice will be received or is being threatened; and (c) none of Borrower or any of the Guarantors has assumed any liability of any other person under the environmental laws.

3.20 AML Laws; Anti-corruption Laws and Sanctions . Borrower and each of the Guarantors has implemented and maintains in effect policies and procedures designed to ensure compliance by Borrower and each of the Guarantors and their respective directors, officers, employees and agents with anti- corruption laws and applicable sanctions. Borrower and each of the Guarantors, any of their respective subsidiaries or, to the knowledge of Borrower or any Guarantor, (a) any of their respective directors or officers, or any of their respective employees or affiliates, or (b) any agent of Borrower or the Guarantors or other of its affiliates that will act in any capacity in connection with or benefit from this DIP Credit Agreement, (i) is not a sanctioned person, (ii) is in compliance in all material respects with anti-corruption laws and sanctions, (iii) to the extent applicable, is in compliance in all material respects with anti-money laundering laws. No extension of credit under this DIP Credit Agreement, use of proceeds thereof by Borrower or any of the Guarantors or their respective subsidiaries or other transaction contemplated by the DIP Loan Documents will cause a violation of AML Laws, Anti-Corruption Laws or applicable sanctions. Borrower and each of the Guarantors represents that neither it nor any of its subsidiaries, or, to its knowledge, its parent company or any other of its affiliates has engaged in or intends to engage in any unlawful dealings or transactions with, or for the benefit of, any sanctioned person or with or in any sanctioned country.

3.21 DIP Financing Order . (a) At all times after its entry by the Bankruptcy Courts, the DIP Order, is in full force and effect, and has not been vacated, reversed, terminated, stayed modified or amended in any manner without the reasonable written consent of DIP Lenders, (b) upon the occurrence of the Maturity Date (whether by acceleration or otherwise) of any of the Obligations, DIP Lenders shall, subject to *Article VII* and the applicable provisions of the DIP Order, be entitled to immediate payment of such Obligations, and to enforce the remedies provided for under the DIP Loan Documents in accordance with the terms thereof and such DIP Order, as applicable, without further application to or order by the Bankruptcy Court, (c) if the DIP Order is the subject of a pending appeal in any respect, none of such DIP Order, the extension of credit or the performance by Borrower of any of its obligations under any of the DIP Loan Documents shall

be the subject of a presently effective stay pending appeal. Borrower and DIP Lenders shall be entitled to rely in good faith upon the DIP Order , notwithstanding objection thereto or appeal therefrom by any interested party. Borrower and the Guarantors shall be permitted and required to perform their respective obligations in compliance with the DIP Loan Documents notwithstanding any such objection or appeal unless the DIP Order has been stayed by a court of competent jurisdiction.

3.22 Superpriority Claims; Liens . Upon entry of the DIP Order , such DIP Order and the DIP Loan Documents are sufficient to provide the DIP superpriority claims of DIP Lenders and security interests and liens on the Collateral of Borrower described in, and with the priority provided in the DIP Order.

ARTICLE IV. AFFIRMATIVE COVENANTS

Borrower agrees that, so long as any DIP Loan is outstanding or other Obligations remain unpaid:

4.01 Financial Statements and Other Reports .

Borrower will maintain a system of accounting established and administered in accordance with sound business practices to permit preparation of financial statements in accordance with GAAP and to provide the information required to be delivered to DIP Lenders hereunder, and will deliver to DIP Agent (who will delivery to DIP Lenders):

(a) as soon as practicable and in any event within thirty (30) days after the end of each fiscal month, a consolidated balance sheet of Borrower and the Guarantors as at the end of such fiscal month and the related consolidated statements of operations and cash flows for such fiscal month, and for the portion of the Fiscal Year ended at the end of such fiscal month, all in reasonable detail and certified by a Responsible Officer as fairly presenting the financial condition and results of operations of Borrower and the Guarantors and as having been prepared in accordance with GAAP ;

(b) together with each delivery of financial statements pursuant to *Section 4.01(a)* , a Compliance Certificate ;

(c) promptly upon receipt thereof, copies of all reports submitted to Borrower by independent public accountants in connection with each annual, interim or special audit of the financial statements of Borrower made by such accountants, including the comment letter submitted by such accountants to management in connection with their annual audit;

(d) promptly upon their becoming available, copies of (i) all financial statements, reports, notices and proxy statements sent or made available generally by Borrower to its security holders, and (ii) all press releases and other statements made available generally by Borrower concerning material developments in the business of Borrower ;

(e) promptly upon any Responsible Officer of Borrower obtaining knowledge (i) of the existence of any Event of Default or Default , or becoming aware that the holder of any Debt of Borrower has given any notice or taken any other action with respect to a claimed default thereunder, (ii) of any change in the composition of Borrower 's Board , (iii) of any default under any contractual obligation of Borrower or any of the Guarantors or litigation, investigation or proceeding that may exist at any time between Borrower and any of the Guarantors and any governmental authority , that in either case, if not cured or if adversely determined, as the case may be, could reasonably be expected to have a Material Adverse Change , (iv) of the commencement of any litigation or proceeding affecting Borrower or any of the Guarantors (1) in which the amount involved is \$100,000 or more and not covered by insurance, (2) in which material injunctive or similar relief is sought or (3) which relates to any DIP Loan Document, (v) of any developments or event that has had or could reasonably be expected to have a Material Adverse Change, or (vi) the assertion of any indemnity claim against Borrower in an amount equal to or greater than \$100,000 (individually or in the aggregate), a certificate of a Responsible Officer specifying the nature and period of existence of any such condition or event, or specifying the notice given or action taken by such holder or Person and the nature of such claimed default (including any Event of Default or Default), event or condition, and what action Borrower have taken, are taking or propose to take with respect thereto ;

(f) promptly upon any Responsible Officer of Borrower obtaining knowledge (and in any event within ten (10) days after Borrower or any member of the Controlled Group knows or has reason to know) of (i) the institution of any steps by Borrower or any member of the Controlled Group or any other Person to terminate any Pension Plan or to have a trustee appointed to administer any Pension Plan, (ii) the failure of Borrower or any member of the Controlled Group to make a required contribution to any Pension Plan or to any Multiemployer Pension Plan , (iii) the imposition of a lien under *Sections 303(k)* or *4068* of ERISA with respect to the assets of Borrower or any member of the Controlled Group , (iv) the taking of any action with respect to a Pension Plan which could result in the requirement that Borrower furnish a bond or other security to the PBGC or such Pension Plan, (v) the occurrence of any event with respect to any Pension Plan or Multiemployer Pension Plan which could result in the incurrence by Borrower or any member of the Controlled Group of any material liability, fine or penalty (including any claim or demand for withdrawal liability or partial withdrawal from any Multiemployer Pension Plan), (vi) any material increase in the contingent liability of Borrower or any member of the Controlled Group with respect to any post-retirement welfare plan benefit, (vii) any notice from a Multiemployer Pension Plan sponsor, concerning the imposition or amount of withdrawal liability imposed on Borrower or any member of the Controlled Group , or (viii) any notice that any Multiemployer Pension Plan is in reorganization, that increased contributions may be required to avoid a reduction in plan benefits or the imposition of an excise tax, that any such plan is or has been funded at a rate less than that required under *Section 412* of the Code , that any such plan is or may be terminated, or that any such plan is or may become insolvent, a certificate of a Responsible Officer specifying the nature and period of existence of any such condition or event, or specifying the notice given or action taken by such holder or Person , and what action Borrower has taken, is taking or proposed to take with respect thereto;

(g) promptly upon any officer of Borrower obtaining knowledge of any complaint, order, citation, notice or other written communication from any Person delivered to Borrower with respect to, or if any Responsible Officer of Borrower becomes aware of (A) the existence or alleged existence of a violation of any Environmental Law by Borrower after the Petition Date that could reasonably be expected to result in a Material Adverse Change or the incurrence of any material liability, obligation, loss, damage, cost, expense, fine, penalty or sanction by Borrower or the requirement on Borrower to commence any remedial action resulting from or in connection with any air emission, water discharge, noise emission, hazardous material or any other environmental, health or safety matter at, upon, under or within any of the properties now or previously owned, leased or operated by Borrower , or due to the operations or activities of Borrower or any other Person on or in connection with any such property or any part thereof or (B) any Release or threatened Release after the Petition Date on any of such properties of hazardous material not in compliance with Environmental Laws , a certificate of a Responsible Officer specifying the nature and period of existence of any such condition or event, or specifying the notice given or action taken by such holder or Person , and what action Borrower has taken, is taking or proposes to take with respect thereto, provided, that for the purposes of this Section , Borrower shall be deemed to include any business or business entity which is, in whole or in part, a predecessor of Borrower ;

(h) copies of any reports or notices related to any material taxes and any other material reports or notices received by Borrower from, or filed by Borrower with, any Federal, state or local governmental agency or body;

(i) on or before the close of business on Tuesday of each week, (A) a detailed cash usage report compared to the Approved Budget , which shall be subject in all respects to DIP Lenders ' approval, with variations from the Approved Budget not to exceed ten percent (10.0%), tested on a rolling four-week basis beginning one week following approval of the DIP Order and the three weeks prior to such approval (each, a “ **Budget Period** ”) with the variance tested for the aggregate category “Total Operating Disbursements” and provided that (x) amounts in all other categories and the portion of SG&A relating to amounts paid pursuant to D&O tail insurance shall be tested on a line-item basis, (y) the fees and expenses of DIP Lenders and its professionals are not required to be included in the budgets and shall be excluded for determining any variance and (z) any cash receipts shall be excluded for all calculations of any variance and (B) a variance report reflecting, on a line-item basis, (w) the actual cash receipts and expenditures for the preceding week and the percentage variance of such actual results (and brief explanation of variances) from those reflected in the Approved Budget for such week and (x) the actual cash expenditures for the prior Budget Period and a comparison to the Approved Budget for that period; (y) the actual cumulative cash expenditures for all of the prior months since the entry of the DIP Order as compared to the Approved Budget for such months; and (z) a narrative explanation of the variances between the actual monthly expenditures and the budgeted monthly expenditures; (C) an updated monthly cash flow forecast for the then-remaining period of the Approved Budget ; and (D) an updated rolling thirteen-week financial forecast and cash flow projection for Borrower and the Guarantors in form and substance satisfactory to DIP Lenders , reflecting, on a line-item basis, anticipated cash receipts and expenditures for each week during the succeeding month;

(j) upon the reasonable request of DIP Agent and three (3) Business Days' written notice to Borrower , DIP Agent may require Borrower to obtain and deliver to DIP Lenders , or may itself, or through any of its officers, employees or agents, obtain, in either case at Borrower 's expense to the extent provided in the Approved Budget , appraisal reports in form, substance, scope and methodology, and from appraisers, satisfactory to DIP Agent , stating the then current market values of all or any portion of the Collateral (including , without limitation, Inventory , Equipment and Fixtures); Borrower shall allow DIP Agent to obtain such appraisals of Collateral not less frequently than once per calendar quarter; in addition, from time to time, if DIP Agent determines that obtaining appraisals is necessary in order for DIP Agent and DIP Lenders to comply with applicable laws or regulations, Borrower shall obtain and deliver to DIP Lenders , or DIP Agent may itself, or through any of its officers, employees or agents, obtain, in either case at Borrower ' expense, appraisal reports, in form and substance, and from appraisers, satisfactory to DIP Agent stating the then current fair market values of all or any portion of the Collateral ; and

(k) with reasonable promptness, such other information and data with respect to Borrower , including detailed quarterly budgets which shall be subject in all respects to the approval of DIP Lenders , as from time to time may be reasonably requested by DIP Lenders .

Financial statements required to be delivered pursuant to this **Section 4.01** (to the extent any such financial statements are included in materials otherwise filed with the SEC) may be delivered electronically and, if so delivered, shall be deemed to have been delivered on the date (i) on which such materials are publicly available as posted on the Electronic Data Gathering, Analysis and Retrieval system (EDGAR); or (ii) on which such financial statements are posted on Borrower 's behalf on an Internet or intranet website, if any, to which each DIP Lender and DIP Agent have access (whether a commercial, third-party website or whether sponsored by DIP Agent); provided that: (A) upon written request by DIP Agent , Borrower shall deliver paper copies of such financial statements to DIP Agent or any DIP Lender upon its request to Borrower to deliver such paper copies until a written request to cease delivering paper copies is given by DIP Agent or such DIP Lender and (B) Borrower shall notify DIP Agent and each DIP Lender (by telecopier or electronic mail) of the posting of any such financial statements and provide to DIP Agent by electronic mail electronic versions (i.e., soft copies) of such financial statements.

4.02 Payment and Performance of Obligations .

Borrower (a) will pay and discharge, at or before maturity, all of its obligations and liabilities, including tax liabilities, except for such obligations and/or liabilities which are not provided to be paid in the Approved Budget, are the subject of a Permitted Contest, or are otherwise effectively stayed by the Chapter 11 Case, or the nonpayment or nondischarge of which could not reasonably be expected to have a Material Adverse Change, and all obligations under the Approved Budget, (b) will maintain, in accordance with GAAP and to the extent provided in the Approved Budget, appropriate reserves for the accrual of all of their respective obligations and liabilities, and (c) will not breach, or permit to exist any default under, the terms of any lease, commitment, contract, instrument or obligation to which it is a party, or by which its properties or assets are bound, except to the extent that the failure to do any of the above could not reasonably

be expected to have a Material Adverse Change or is otherwise effectively stayed under the Chapter 11 Case or which will be rejected or have been rejected in the Chapter 11 Case.

4.03 Conduct of Business and Maintenance of Existence .

Borrower will continue to engage in business of the same general type as it now conducts (except to the extent otherwise contemplated on the Closing Date and reflected in the Approved Budget) and will preserve, renew and keep in full force and effect its existence and its rights, privileges and franchises necessary or desirable in the normal conduct of its business.

4.04 Compliance with DIP Order .

Borrower shall comply in all respects, after entry thereof, with all requirements and obligations set forth in the DIP Order, “first day” orders and “second day” orders, as each order is amended and in effect from time to time in accordance with the Commitment Letter and the DIP Loan Documents, as applicable

4.05 Compliance with Laws .

Borrower shall comply with all applicable laws, ordinances, rules, regulations, and requirements of governmental authorities, including all Environmental Laws, except as otherwise permitted by the Bankruptcy Court or where the noncompliance with which could not reasonably be expected to have a Material Adverse Change.

4.06 Inspection of Property , Books and Records .

Borrower will keep proper books of record and account in accordance with GAAP in which full, true and correct entries shall be made of all dealings and transactions in relation to its business and activities, and will permit, at its sole cost representatives of DIP Lenders to visit and inspect any of its properties, to examine and make abstracts or copies from any of its books and records, to conduct a collateral audit and analysis of the Collateral and to discuss their respective affairs, finances and accounts with its officers, employees and independent public accountants as often as may be warranted in the reasonable credit judgment of DIP Lenders. In the absence of an Event of Default, DIP Lenders exercising any rights pursuant to this *Section 4.06* shall give Borrower one (1) Business Day’s prior notice of such exercise. No notice shall be required during the existence and continuance of any Event of Default. DIP Lenders’ access to Borrower’ books and records shall not be deemed to be a waiver of the attorney-client privilege by Borrower with respect to any books and records subject to the attorney-client privilege or other applicable privilege.

4.07 Use of Proceeds .

Subject to the Approved Budget, Borrower will use the proceeds of the DIP Loans to fund general working capital, operational expenses and restructuring expenses of Borrower, solely to the extent permitted by the DIP Order, the Approved Budget and the DIP Loan Documents, as applicable. For the avoidance of doubt, no proceeds of the DIP Loans or proceeds of any Collateral may be used to pay fees of any professional other than the Estate Professional Fees. The proceeds of the DIP Loans shall not be used by Borrower to assert or prosecute any claim, demand, or cause of action against DIP Lenders, including, in each case, without limitation, any action, suit, or other

proceeding for breach of contract or tort or pursuant to Sections 105, 510, 544, 547, 548, 549, 550, or 552 of the Bankruptcy Code, or under any other applicable law (state, federal, or foreign), or otherwise. Except as set forth in the DIP Order, in no event and notwithstanding any other provision of this DIP Credit Agreement or other DIP Loan Document, shall any portion of the DIP Loans or the Collateral be used to (A) permit Borrower, the Committee, any other party-in-interest or their respective representatives or Affiliates to challenge, object to or otherwise contest or commence any contested matter, adversary proceeding or action in any court to determine (1) the validity, perfection or priority of security interests on assets of Borrower in favor of DIP Agent, for the benefit of DIP Lenders or (2) the enforceability of the obligations of Borrower under the DIP Loan Documents, or (B) fund acquisitions, capital expenditures, capital leases or other transactions not in the ordinary course of Borrower's business.

4.08 Further Assurances .

Borrower will, at its own cost and expense, cause to be promptly and duly taken, executed, acknowledged and delivered after the Closing Date (and in any event within the time period requested by DIP Lenders) all such further acts, documents (including, without limitation, assignments, certificates, supplemental documents, mortgages, leasehold mortgages, landlord waivers, surveys, title searches, title policies and financing statements) and assurances as may from time to time be necessary or as DIP Lenders may from time to time reasonably request in order to carry out the intent and purposes of the DIP Loan Documents and the transactions contemplated thereby, including all such actions to establish, preserve, protect and perfect a first priority Lien (subject only to liens permitted hereunder) in favor of DIP Agent, for the benefit of DIP Lenders, on the Collateral (including Collateral acquired after the date hereof), including on any and all assets of Borrower, whether now owned or hereafter acquired. Notwithstanding anything to the contrary in this DIP Credit Agreement, such costs and expenses incurred under this **Section 4.08** will not be considered in calculating variances from the Approved Budget.

4.09 Cooperation .

Borrower will cooperate with DIP Agent, DIP Lenders and their advisors in providing to DIP Agent and DIP Lenders and such advisors such information as is reasonably necessary in order to permit DIP Agent and DIP Lenders and such advisors to evaluate the Approved Budget and other budgets and cash flow projections delivered hereunder, and to prepare periodic reconciliations of Borrower's actual performance to its performance projected in the Approved Budget and such other budgets and cash flow projections.

4.10 Access and Information .

(a) Borrower shall and shall cause its financial advisors and management personnel to, consult with DIP Agent and DIP Lenders from time to time, including but not limited to conference calls with Borrower's management personnel as requested by DIP Lenders, regarding all of Borrower's strategic efforts, business plans, material operations, projections (financial or otherwise), financial statements, budgets (including the Approved Budget), restructuring efforts, asset sales or other reports prepared by Borrower's employees. Borrower shall permit DIP Agent and DIP Lenders to monitor Borrower's business operations. Borrower shall permit DIP Agent and DIP Lenders to engage in a

regular dialogue with and consult with DIP Agent 's and DIP Lenders ' financial advisors with respect to financial and operational aspects of Borrower 's operations as well as conclusions with respect thereto. Borrower shall make its management personnel reasonably available to DIP Agent and DIP Lenders on a regular basis to discuss the foregoing.

(b) Borrower shall deliver (i) in advance, to DIP Lenders, all draft pleadings and public announcements relating to Borrower 's assets (including without limitation any tax attributes) and business plan and consider DIP Lenders ' comments thereto in good faith, and (ii) all pleadings, motions, applications, judicial information, financial information and other documents filed by or on behalf of Borrower or any of the Guarantors with the Bankruptcy Court, or distributed by or on behalf of Borrower or any of the Guarantors to any official committee appointed in the Chapter 11 Case.

ARTICLE V. NEGATIVE COVENANTS

Borrower agrees that, so long as any DIP Loan is outstanding or other Obligations remain unpaid:

5.01 Debt .

Except for the Real Alloy DIP Order and the loan documents to the extent approved thereunder, and to the extent not inconsistent with the DIP Order, Borrower will not, and will not permit any Guarantor to, directly or indirectly, create, incur, assume, guarantee or otherwise become or remain directly or indirectly liable with respect to, any Debt, or any contingent obligations that would be Debt hereunder if they were non-contingent, except for:

- (a) Debt under the DIP Loan Documents ; and
- (b) Debt under the Approved Budget .

5.02 Liens .

Except for the Real Alloy DIP Order and the loan documents to the extent approved thereunder, and to the extent not inconsistent with the DIP Order, Borrower will not, and will not permit any Guarantor to, directly or indirectly, create, assume or suffer to exist any Lien on any asset now owned or hereafter acquired by it, except:

- (a) Liens created by the Security Documents securing the Obligations ;
- (b) Liens in connection with Debt permitted under Section 5.01 ;
- (c) Liens for Taxes (including real property Taxes) (i) which are not past due or remain payable without penalty, or (ii) the non-payment of which is permitted by Section 4.02 ;

(d) carrier's, warehousemen's, mechanics', landlords', materialmen's, repairmen's or other similar Liens arising in the ordinary course of business which are not past due or remain payable without penalty or which are subject to a Permitted Contest , which contest has the effect of preventing the forfeiture or sale of the property subject thereto and for which adequate reserves in accordance with GAAP are being maintained;

(e) Liens (other than any Lien imposed by ERISA) consisting of pledges or deposits required in the ordinary course of business in connection with worker's compensation, unemployment insurance and other social security legislation (including inchoate Liens for amounts required to be remitted but not yet due) or to secure the performance of tenders, statutory obligations , surety, stay, customs and appeals bonds, bids, governmental contract, trade contracts, performance and return of money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money) or to secure liability to insurance carriers;

(f) Liens consisting of judgement or judicial attachment liens with respect to judgments the existence of which do not constitute an Event of Default ;

(g) survey exceptions, easements, rights-of-way, servitudes, sewers, electric lines, telegraph and telephone lines, zoning and other recorded covenants, conditions, restrictions, reservations, licenses, minor defects or other irregularities in title, and other similar encumbrances incurred in the ordinary course of business which, either individually or in the aggregate, are not substantial in amount, and which do not in any case materially detract from the value of the property subject thereto or interfere in any material respect with the ordinary conduct of the businesses of any DIP Loan Party ;

(h) leases, licenses, subleases or sublicenses granted to others in the ordinary course of business which do not secure any Debt or the deferred purchase price of property or services and any interest or title of a lessor or sublessor under any lease permitted by this DIP Credit Agreement ;

(i) Liens arising from the filing of precautionary UCC financing statements (or equivalents) with respect to any lease permitted by this DIP Credit Agreement ;

(j) non-exclusive licenses and sublicenses of Intellectual Property granted by a DIP Loan Party and leases or subleases (by a DIP Loan Party as lessor or sublessor) to third parties in the ordinary course of business not interfering with the business of the DIP Loan Parties ;

(k) Liens in favor of customs and revenue authorities arising as a matter of law which secure payment of customs duties in connection with the importation of goods in the ordinary course of business;

(l) Liens granted under the DIP Order ;

(m) the Carve Out ; and

(n) the replacement, extension or renewal of any lien permitted above arising out of the permitted extension, renewal or replacement of the Debt secured thereby.

5.03 Restricted Distributions .

Borrower will not, and will not permit any Guarantor to, directly or indirectly, declare, order, pay, make or set apart any sum for any Restricted Distribution, except for any Restricted Distribution made by a Guarantor to Borrower or any other Guarantor.

5.04 Payments and Modifications of Certain Debt .

Except for the Real Alloy DIP Order and the loan documents to the extent approved thereunder, and to the extent not inconsistent with the DIP Order, Borrower will not, and will not permit any Guarantor to, directly or indirectly, declare, pay, make or set aside any amount for payment in respect of, or materially modify the terms of, any subordinated or other prepetition Debt owed by Borrower or any Guarantor.

5.05 Consolidations, Mergers, Sales of Assets and Sale/Leasebacks .

Except as may be approved by the Bankruptcy Court with respect to the Alloy Debtors, Borrower will not, and will not permit any Guarantor to, directly or indirectly, (a) sell, lease, license or otherwise transfer, directly or indirectly, any of its assets or all or substantially all of its assets or consolidate or merge with any other Person, or (b) enter into any Sale/Leaseback transaction unless DIP Agent shall have approved any such sale, consolidation, merger or Sale/Leaseback in writing, other than (i) the Plan and, to the extent permitted by the Bankruptcy Court, any other corporate reorganization, (ii) any other sales of assets permitted by the applicable order of the Bankruptcy Court and not otherwise prohibited by the DIP Loan Documents, and (iii) sales of assets made to comply with any order of any governmental authority or any applicable laws and sales of Cash Equivalents.

5.06 Purchase of Assets, Investments .

Borrower will not, and will not permit any Guarantor to, directly or indirectly, acquire any assets other than in the ordinary course of business which shall also be in accordance with the Approved Budget. Borrower will not, and will not permit any Guarantor to, directly or indirectly, make, acquire or own any Investment in any Person, other than (a) Cash Equivalents; (b) bank deposits established in accordance with **Section 5.15** ; and (c) Investments necessary in connection with Borrower's plan of reorganization subject to the consent of DIP Lenders, not to be unreasonably withheld or delayed. Without limiting the generality of the foregoing, Borrower will not, and will not permit any Guarantor to (x) engage in any joint venture or partnership with any other Person or (y) acquire or create any direct Subsidiary other than any Subsidiary, the creation of which is provided for by a Bankruptcy Court order issued in connection with a sale of the Alloy Debtors and which creation does not materially and adversely affect the interests of DIP Lenders in Borrower, any Guarantor or the Collateral. For the avoidance of doubt, nothing in this Section shall prohibit or restrict any transaction of any Alloy Debtor or its Subsidiaries.

5.07 Transactions with Affiliates .

Except for transactions that are disclosed to DIP Lenders in writing in advance of being entered into and which contain terms that are no less favorable to Borrower than those which might be obtained from a third party, Borrower will not, and will not permit any Guarantor to, directly or indirectly, enter into or permit to exist any transaction (including the purchase, sale, lease or exchange of any property or the rendering of any service) with any Affiliate of Borrower or any Guarantor, other than (a) any transaction among Borrower and a Guarantor; (b) ordinary course administration and transactions by Borrower with any of the Alloy Debtors; (c) any transactions in connection with the reorganization of Borrower, subject to the consent of DIP Lenders (not to be unreasonably withheld or delayed); and (d) transactions in existence on the Closing Date and any similar transaction among Borrower and the Guarantors as consistent with past practice.

5.08 Modification of Organizational Documents .

Borrower will not, and will not permit any Guarantor to directly or indirectly, amend or otherwise modify any of its Organizational Documents, except for such amendments or other modifications required by law in connection with the Chapter 11 Case and fully disclosed to DIP Lenders, or such amendments or modifications as may be permitted or required by a Plan.

5.09 Fiscal Year .

Borrower will not, and will not permit any Guarantor to change its Fiscal Year.

5.10 Conduct of Business .

Borrower will not, and will not permit any Guarantor to, directly or indirectly, engage in any line of business other than those businesses engaged in on the Closing Date and businesses reasonably related thereto and will not take any action to materially impair assets of Borrower, including with respect to the availability of any tax attributes of Borrower, without the prior written consent of DIP Lenders.

5.11 Corporate Names; Jurisdiction of Organization .

Borrower will not, and will not permit any Guarantor to, change its corporate name, identity, or its jurisdiction of formation or organization.

5.12 Bank Accounts; Cash Management System .

Except to the extent consistent with the Cash Management Order and/or the Real Alloy DIP Order and the loan documents approved thereunder, Borrower will not, directly or indirectly, and will not permit any Guarantor to: (a) establish any new bank account without prior written notice to DIP Lenders and unless DIP Agent, Borrower and the bank at which the account is to be opened enter into a Deposit Account Control Agreement regarding such bank account pursuant to which such bank acknowledges the security interest of DIP Agent, for the benefit of DIP Lenders, in such bank account, agrees to comply with instructions originated by DIP Agent directing disposition of the funds in the bank account without further consent from Borrower or any Guarantor as applicable, on terms satisfactory to DIP Agent; or (b) without the approval of DIP

Agent, otherwise change its cash management processes and procedures from those set forth on the Closing Date.

5.13 Hedging Transactions .

Except as may be approved by the Bankruptcy Court with respect to the Alloy Debtors, Borrower will not, and will not permit any Guarantor to, engage in any hedging or similar transactions, unless otherwise approved by DIP Agent.

5.14 Payments to Pre-Petition Unsecured Creditors .

Borrower shall not make any payment of any proceeds constituting part of the Collateral or other cash (including , without limitation, proceeds of DIP Loans) (a) to any holder of an allowed claim under or pursuant to *Section 503(b)(9)* of the Bankruptcy Code , or (b) to any unsecured creditor of Borrower on account of claims arising prior to the commencement of the Chapter 11 Case (including , without limitation, payments in respect of reclamation claims of unpaid suppliers of goods delivered to Borrower prior to the commencement of the Chapter 11 Case (regardless of whether such claims have been granted administrative expense priority status pursuant to *Section 546(c)* of the Bankruptcy Code)), except upon ten (10) days prior written notice to DIP Lenders and so long as such payments are specifically provided in the Approved Budget .

5.15 Pension Plan Payments .

On and after the Closing Date, neither Borrower nor any member of the Controlled Group shall (i) make any payments with respect to any Pension Plan or Multiemployer Pension Plan, including payment of expenses, unless otherwise required by law or permitted by the Bankruptcy Court; (ii) contribute to or assume an obligation to contribute to, any Multiemployer Pension Plan; (iii) acquire an interest in any Person that causes such Person to become a member of the Controlled Group if such Person sponsors, maintains or contributes to, or at any time in the six-year period preceding such acquisition has sponsored, maintained, or contributed to any plan that is subject to *Title IV* of ERISA or *Section 412* of the Code; (iv) contribute to or assume an obligation to contribute to any employee welfare benefit plan, as defined in *Section 3(1)* of ERISA, including, without limitation, any such plan maintained to provide benefits to former employees of such entities, that may not be terminated by such entities in their sole discretion at any time without any liability; or (v) engage in any transaction in connection with which it could be subjected to either a civil penalty assessed pursuant to *Section 502(c), (i) or (l)* of ERISA or a tax imposed by *Section 4975* of the Code.

5.16 Borrower's Accounts .

Borrower shall not hold estate funds or property other than the DIP Loans proceeds or Collateral in Borrower's Account. Borrower shall not make disbursements from Borrower's Account, other than disbursements in accordance with the Approved Budget.

ARTICLE VI. CONDITIONS

The obligation of DIP Lenders to make the initial DIP Loan is subject to the satisfaction of the following conditions precedent to the satisfaction of DIP Lenders in their sole discretion:

(a) All material public statements and pleadings filed by Borrower after the date of the Commitment Letter relating to the DIP Loans or the assets and business plan of Borrower or the Guarantors (but not, for the avoidance of doubt, the assets and business plan of the Alloy Debtors) shall be in form and substance acceptable to DIP Lenders;

(b) DIP Order shall have been entered by the Bankruptcy Court in the Chapter 11 Case after notice and a hearing conducted in accordance with the Bankruptcy Code and rules thereunder, which DIP Order approves the transactions and fees contemplated herein and under the Commitment Letter and grants superpriority administrative expense claim status and liens on the Collateral, which shall not have been modified, reversed or stayed pending appeal, in form and substance satisfactory to DIP Lenders, authorizing and approving the transactions contemplated in this DIP Credit Agreement on terms acceptable to DIP Lenders;

(c) Borrower and the Guarantors shall be in compliance in all respects with the DIP Order;

(d) DIP Lenders shall have received the Approved Budget and all other financial information, projections and reports regarding Borrower as reasonably requested by DIP Lenders, all in form and substance satisfactory to DIP Lenders, and as of the Closing Date;

(e) Borrower and the Guarantors shall have executed and delivered, as applicable, the DIP Credit Agreement, the Notes, the Security Documents, the Guaranty Agreements, all other DIP Loan Documents (except for Deposit Account Control Agreements which shall be executed and delivered no later than 20 Business Days following the Closing Date) and such other documents and agreements as DIP Lenders shall request, each in form and substance satisfactory to DIP Lenders;

(f) DIP Lenders shall have received satisfactory evidence of the appropriate authorization of Borrower's Board and each Guarantor's board of directors (or similar governing body) to execute, deliver and perform the obligations of Borrower and each Guarantor under the DIP Loan Documents;

(g) DIP Lenders shall have received (i) satisfactory evidence that all necessary governmental, shareholder and third party approvals, consents, licenses, franchises and permits in connection with the execution, delivery and performance of this DIP Credit Agreement and the other DIP Loan Documents and the operation by Borrower and the Guarantors of their businesses shall have been obtained and remain in full force and effect; or (ii) an officer's certificate in form and substance reasonably satisfactory to DIP Lenders affirming that no such consents or approvals are required;

(h) DIP Lenders shall have received satisfactory evidence that Borrower 's cash management system on the Closing Date is substantially similar to Borrower 's cash management system prior to the Closing Date , except for changes approved by DIP Lenders ;

(i) DIP Lenders shall have received a Notice of Borrowing in accordance with **Section 2.01(b)** ;

(j) immediately after such Borrowing and after application of the proceeds thereof or after such issuance, the DIP Loan Outstandings shall not exceed the DIP Commitment ;

(k) immediately before and after such Borrowing , no Default or Event of Default hereunder or under the DIP Order shall have occurred and be continuing;

(l) the representations and warranties of Borrower contained in the DIP Loan Documents shall be true and correct in all material respects on and as of the date of such Borrowing , except to the extent that any such representation or warranty relates to a specific date in which case such representation or warranty shall be true and correct as of such earlier date;

(m) No Material Adverse Change shall have occurred since January 10, 2018, other than the events typically resulting from the filing of Chapter 11 cases, as determined by DIP Lenders in their reasonable business judgment;

(n) Borrower shall have paid to DIP Lenders all fees and expenses then owing to DIP Lenders in connection with the Commitment Letter and the DIP Credit Agreement ;

(o) The DIP Lenders shall be satisfied that they have been granted, and still continue to hold, perfected superpriority liens on all Collateral of Borrower and the Guarantors , as described in the DIP Loan Documents , on and after the Closing Date , which Collateral shall not be subject to any other liens, except existing liens acceptable to DIP Lenders ;

(p) The cash balance of Borrower shall be no less than \$950,000; and

(q) DIP Lenders shall have received such other documents , instruments and/or agreements as DIP Lenders may reasonably request.

The obligation of DIP Lenders to make each additional DIP Loan is subject only to the satisfaction of the conditions precedent set forth in **clauses (a), (c) and (i) through (o)** this **Article VI** . Each Borrowing and each giving of a Notice of Borrowing hereunder shall be deemed to be a representation and warranty by Borrower on the date of such borrowing or notice as to the facts specified in clauses **(j)**, **(k)** , **(l)** , and **(m)** above.

**ARTICLE VII.
EVENTS OF DEFAULT**

7.01 Events of Default .

For purposes of the DIP Loan Documents, the occurrence of any of the following conditions and/or events, whether voluntary or involuntary, by operation of law or otherwise, shall constitute an “**Event of Default**” solely to the extent Borrower shall have received written notice thereof from DIP Agent or any DIP Lender (which notice shall have been filed with the Bankruptcy Court), and shall have failed to cure such condition or event, as applicable, within five (5) days of receipt of such notice:

(a) Borrower shall fail to pay when due (whether by acceleration of otherwise) any principal, interest, premium or fee due under any DIP Loan Document or any other amount payable under any DIP Loan Document within two (2) Business Days of when due; or

(b) Borrower shall fail to observe or perform any covenant contained in **Section 4.01(a), (b), (e) and (i)**, **Section 4.07** or **Article V**; or

(c) Borrower shall fail to observe or perform any covenant contained in **Section 4.09** or **Section 4.10** and such default is not remedied or waived within 3 Business Days ;

(d) Borrower or any Guarantor shall default in the performance of or compliance with any term contained in this DIP Credit Agreement or in any other DIP Loan Document (other than occurrences described in other provisions of this **Section 7.01** for which a different grace or cure period is specified or which constitute immediate Events of Default) and such default is not remedied or waived within thirty (30) days after the earlier of (i) receipt by Borrower or the Guarantors of notice from DIP Agent or any DIP Lender of such default , or (ii) actual knowledge of Borrower or any Guarantor of such default ; or

(e) any representation, warranty, certification or statement made by Borrower or any Guarantor in any DIP Loan Document or in any certificate, financial statement or other document delivered post-petition pursuant to any DIP Loan Document is incorrect or misleading in any respect (or in any material respect if such representation, warranty, certification or statement is not by its terms already qualified as to materiality) when made (or deemed made); or

(f) Borrower shall default in the performance or observance of any term, covenant, condition or agreement contained in the DIP Order or shall fail to meet any DIP Milestone, unless such term or DIP Milestone is previously agreed to be waived or amended by DIP Agent ; or

(g) failure of Borrower to pay when due, within any applicable grace period, any principal, interest or other amount on Debt (other than the DIP Loans) in excess of

\$250,000 (individually or in the aggregate), or the occurrence of any breach, default, condition or event with respect to any such Debt (other than the DIP Loans), entered into on or after the Petition Date, assumed during the course of the Chapter 11 Case or otherwise required to be paid during the pendency of the Chapter 11 Case; or

(h) (i) the institution of any steps by any Person to terminate a Pension Plan if as a result of such termination Borrower or any member of the Controlled Group could be required to make a contribution to such Pension Plan, or could incur a liability or obligation to such Pension Plan, in excess of \$250,000, (ii) the commencement of proceedings by the PBGC to terminate or to appoint a trustee to administer any Pension Plan, (iii) the imposition of a lien under *Sections 303(k)* or *4068* of ERISA with respect to the assets of Borrower or any member of the Controlled Group, or (iv) there shall occur any withdrawal or partial withdrawal from a Multiemployer Pension Plan and the withdrawal liability to Multiemployer Pension Plans as a result of such withdrawal (including any outstanding withdrawal liability that Borrower or any member of the Controlled Group have incurred on the date of such withdrawal) exceeds \$250,000; or

(i) any Lien created by any of the Security Documents shall at any time fail to constitute a valid and perfected senior Lien on any significant portion of the Collateral purported to be secured thereby, subject to no prior or equal Lien except Liens permitted hereunder, or Borrower or any Guarantor shall so assert in writing; or

(j) any of the DIP Loan Documents shall for any reason fail to constitute the valid and binding agreement of Borrower or any Guarantor party thereto, or Borrower or any Guarantor shall so assert in writing; or

(k) the terms of this DIP Credit Agreement or the terms in any of the other DIP Loan Documents shall be revised, modified or vacated by order of the Bankruptcy Court in a manner not acceptable to DIP Lenders; or

(l) any change shall occur after the Closing Date in Borrower's business, assets, financial conditions or income, or any event or condition exists, which in any case would, in the reasonable judgment of DIP Agent, be reasonably likely to have a Material Adverse Change; or

(m) the DIP Order shall have been modified or amended without DIP Lenders' approval or shall have been reversed or stayed pending appeal; or

(n) the occurrence of a Termination Event; or

(o) the occurrence of a Change of Control; or

(p) Borrower shall obtain, or the Bankruptcy Court shall enter an order approving, any additional financing from a party other than DIP Lenders, including from any of its subsidiaries;

(q) Borrower files a motion, or the Bankruptcy Court enters an order subordinating, disallowing, or otherwise challenging the claims and liens of DIP Lenders under the DIP Loan Documents ;

(r) any other claim which is senior to or pari passu with DIP Lenders' administrative claim or any lien on any assets or property of Borrower shall be granted without DIP Lenders' consent, except as expressly permitted by the DIP Loan Documents;

(s) Borrower shall (A) contest the validity or enforceability of any DIP Loan Document in writing or deny in writing that it has any further liability thereunder or (B) contest the validity or perfection of the liens and security interests securing the DIP Loans ;

(t) any attempt by Borrower to invalidate or otherwise impair the DIP Loans or the liens granted to DIP Lenders with respect to the DIP Loans ;

(u) the filing of any plan in the Chapter 11 Case by Borrower that has not been first approved by DIP Agent , or the confirmation of any plan in the Chapter 11 Case , that does not provide for the termination of the commitments hereunder and the payment in full in cash of all Obligations on or before the effective date of such plan ;

(v) any sale or other disposition of all or a material portion of the Collateral, whether pursuant to section 363 of the Bankruptcy Code or otherwise, other than as permitted by the DIP Order or pursuant to a transaction that is permitted under the DIP Loan Documents ;

(w) the determination of Borrower , whether by vote of Borrower 's board of directors or otherwise, to suspend the operation of Borrower 's business in the ordinary course, liquidate all or substantially all of Borrower 's assets or the filing of a motion or other application in the Chapter 11 Case seeking authority to do any of the foregoing;

(x) Borrower shall take any action, including the filing of an application, seeking or supporting of any of the foregoing or any person other than Borrower shall do so and such application is not contested in good faith by Borrower; or

(y) Borrower shall take action to materially impair the assets of the Borrower or the Guarantors, including with respect to the availability of any tax attributes of the Borrower or the Guarantors, without the prior written consent of the DIP Agent and DIP Lenders.

7.02 Acceleration and Suspension or Termination of DIP Commitment .

Upon the occurrence of an Event of Default and until the Event of Default has been waived pursuant to the terms hereof, DIP Agent may, or at the direction of DIP Lenders shall, (a) suspend or terminate the DIP Commitment, in whole or in part, and/or (b) declare the Obligations to be, and the Obligations shall thereupon become, immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by Borrower and Borrower will pay the same, including, for the avoidance of doubt, the Prepayment Premium. Without limiting the foregoing, following acceleration of the Obligations (or any portion thereof)

after DIP Agent gives the DIP Loan Parties five (5) Business Days' notice (the "**Remedies Notice Period**") of its intent to exercise remedies, which notice may be given simultaneously to the Bankruptcy Court, the automatic stay provided in *Section 362* of the Bankruptcy Code shall be deemed automatically vacated without further action or order of the Bankruptcy Court, and DIP Agent, on behalf of and for the benefit of DIP Lenders, shall have relief from the automatic stay and have the ability, after the Remedies Notice Period, to exercise, or refrain from exercising, any and all rights available to it pursuant to the DIP Loan Documents and applicable law, including foreclosing on all or any portion of the Collateral, collecting accounts receivable and applying the proceeds thereof to the Obligations or otherwise exercising remedies against the Collateral permitted by applicable law, in each case without any further order of the Bankruptcy Court. During the Remedies Notice Period, Borrower shall be entitled to seek an emergency hearing before the Bankruptcy Court; provided that Borrower acknowledges that the only issue that may be raised as such hearing shall be whether an Event of Default has occurred and is continuing. Borrower and each DIP Lender acknowledge and agree that subject to *Section 363(k)* of the Bankruptcy Code, DIP Agent shall have the authority to credit bid all or a portion of the Obligations owed under the DIP Loan Documents, whether pursuant to a sale under *Section 363* of the Bankruptcy Code, a plan pursuant to section 1129(b) of the Bankruptcy Code or otherwise.

7.03 Default Rate of Interest .

Effective immediately upon the occurrence of an Event of Default and until the Event of Default has been waived pursuant to the terms hereof, the DIP Loans and other Obligations shall bear interest at rates that are two percent (2.0%) per annum in excess of the rates otherwise payable under this DIP Credit Agreement.

7.04 Setoff Rights .

Upon the occurrence of an Event of Default and until the Event of Default has been waived pursuant to the terms hereof, DIP Agent and DIP Lenders are hereby authorized by Borrower at any time or from time to time, with reasonably prompt subsequent notice to Borrower (any prior or contemporaneous notice being hereby expressly waived), to set off and to appropriate and to apply any and all amounts or balances held by DIP Agent or any DIP Lender for the account of Borrower (regardless of whether such balances are then due to Borrower), and other property at any time held or owing by DIP Agent and DIP Lenders to or for the credit or for Borrower' account, against and on account of any of the Obligations. Borrower agree, to the fullest extent permitted by law, that DIP Agent and DIP Lenders may exercise their right to set off with respect to the Obligations as provided in this **Section 7.04** .

7.05 Application of Proceeds .

Notwithstanding anything to the contrary contained in this DIP Credit Agreement (other than **Section 2.03** above), subject to the DIP Order (a) Borrower irrevocably waives the right to direct the application of any and all payments at any time or times received by DIP Agent and DIP Lenders from or on behalf of Borrower of all or any part of the Obligations, and DIP Agent shall have the continuing and exclusive right to apply and to reapply any and all payments received at any time or times against the Obligations in such manner as DIP Agent may deem advisable notwithstanding any previous application by DIP Agent (provided, that as among DIP Lenders,

for so long as no Event of Default exists, all accrued and unpaid interest and unpaid costs, fees and expenses, to the extent due and payable in cash hereunder, shall be satisfied with payments made by Borrower, prior to the satisfaction of any principal Obligations) and (b) the proceeds of any sale of, or other realization upon, all or any part of the Collateral and all payments and distributions made by Borrower with respect to the Obligations, shall be applied: first, to all fees, costs, indemnities and expenses incurred by or owing to DIP Agent and DIP Lenders, with respect to this DIP Credit Agreement, the other DIP Loan Documents or the Collateral; second, to accrued and unpaid interest on the Obligations (including any interest which but for the provisions of the Bankruptcy Code, would have accrued on such amounts) to the extent attributable to the DIP Loan; third, to the principal amount of the Obligations outstanding with respect to the DIP Loan, fourth, to accrued and unpaid interest on the Obligations (including any interest which but for the provisions of the Bankruptcy Code, would have accrued on such amounts) to the extent not paid under clause second above, and fifth, to any other indebtedness or obligations of Borrower owing to DIP Agent and DIP Lenders under the DIP Loan Documents, including, without limitation, Prepayment Premiums, fees, costs, indemnities and expenses thereunder not paid pursuant to the foregoing clauses. Any balance remaining shall be delivered to whomever may be lawfully entitled to receive such balance or as a court of competent jurisdiction may direct.

ARTICLE VIII.
EXPENSES, INDEMNITY, TAXES AND RIGHT TO PERFORM

8.01 Expenses .

Borrower shall pay (a) all reasonable fees, costs and expenses of DIP Agent (including, without limitation, all DIP Agent Professional Fees) in connection with the examination, review, due diligence investigation, documentation, negotiation, closing and syndication of the transactions contemplated by the DIP Loan Documents, in connection with the performance by DIP Agent and DIP Lenders and such holders of their respective rights and remedies under the DIP Loan Documents, and in connection with the continued administration of the DIP Loan Documents (including any amendments, modifications, consents and waivers to and/or under any and all DIP Loan Documents), (b) without limitation of the preceding *clause (a)* , all costs and expenses of DIP Agent or its designee in connection with the creation, perfection and maintenance of Liens pursuant to the DIP Loan Documents, including title investigations, (c) without limitation of the preceding *clauses (a)* and *(b)* , expenses of DIP Agent or its designee in connection with the Chapter 11 Case (including attorneys' fees and expenses incurred in connection with any action to lift the automatic stay of *Section 362* of the Bankruptcy Code, any other action or participation by DIP Agent or its designee or any such holder in the Chapter 11 Case, or any other action or participation by DIP Agent or its designee in a suit or proceeding brought in a venue other than the Bankruptcy Court, or any defense or participation by DIP Agent or its designee or any such holder in any action or suit related to Borrower with respect to DIP Agent or DIP Lender's liability or other actions in the Chapter 11 Case involving DIP Agent, DIP Lenders or their designee or any such holder), (d) without limitation of the preceding *clauses (a)* , *(b)* , and *(c)* , expenses of DIP Agent or its designee in connection with protecting, storing, insuring, handling, maintaining or selling any Collateral and in connection with any workout, collection, bankruptcy, insolvency and other enforcement proceedings under any and all of the DIP Loan Documents, and (e) all costs and expenses incurred by DIP Agent in connection with any workout, collection, bankruptcy, insolvency and other enforcement proceedings under any and all DIP Loan Documents

(collectively, the “ **DIP Expenses** ”). Unless paid by Borrower in immediately available funds, all DIP Expenses shall be paid ratably by DIP Lenders and such DIP Expenses shall increase the Obligations. DIP Agent shall provide summary invoices of the DIP Expenses to the U.S. Trustee and Borrower, who shall thereafter have ten (10) days following receipt of such DIP Expenses to object to the reasonableness thereof. If no party objects to such summary invoices, the fees and expenses shall increase the DIP Obligations. If a party objects to a portion of any summary invoices of DIP Expenses, the remaining amounts due under summary invoice for such DIP expenses shall be added to the DIP Obligations. If the parties are unable to resolve the objection to any portion of the remaining amounts due under a summary invoice, DIP Agent may file an application requesting approval of the remaining fees with the Bankruptcy Court. Notwithstanding the forgoing, none of DIP Agent’s or DIP Lenders’ costs, fees, charges, or expenses shall be required to be maintained in accordance with the United States Trustee guidelines or file any interim or final fee application with the Bankruptcy Court.

8.02 Indemnity .

In the event that DIP Agent, DIP Lenders and/or one or more of their managed funds, or any of the partners, directors or equivalents, agents and employees, as the case may be, of DIP Agent or any DIP Lender (each, an “ **Indemnified Person** ”) becomes involved in any capacity in any action, proceeding or investigation brought by or against any person or entity, including any of Borrower’s affiliates, shareholders, partners, members or other equity holders of Borrower or any of its affiliates, but excluding any Indemnified Person, in connection with or as a result of either this DIP Credit Agreement or any matter referred to in the Commitment Letter, Borrower and each Guarantor agrees to periodically reimburse such Indemnified Person for its legal and other expenses (including the cost of any investigation and preparation) incurred in connection therewith. Borrower also agrees to indemnify and hold each Indemnified Person harmless against any and all losses, claims, damages or liabilities to any such person or entity in connection with or as a result of either this DIP Credit Agreement or any matter referred to in the Commitment Letter (whether or not such investigation, litigation, claim or proceeding is brought by Borrower, Borrower’s equity holders or creditors, but excluding any Indemnified Person, and whether or not any such Indemnified Person is otherwise a party thereto and without regard to the exclusive or contributory negligence of any such Indemnified Person), except to the extent that such loss, claim, damage or liability has been found by a final, non-appealable judgment of a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of an Indemnified Person in performing the services that are the subject of this DIP Credit Agreement or any matter referred to in the Commitment Letter or from a DIP Lender’s breach of this DIP Credit Agreement. If for any reason the foregoing required indemnification is unavailable to any Indemnified Person or insufficient to hold it harmless, then Borrower will contribute to the amount paid or payable by such Indemnified Person as a result of such loss, claim, damage, penalty, expense or liability in such proportion as is appropriate to reflect the relative economic interests of (i) Borrower and the Guarantors and their respective affiliates, shareholders, partners, members or other equity holders on the one hand and (ii) such Indemnified Person on the other hand in the matters contemplated by this DIP Credit Agreement and the Commitment Letter as well as the relative fault of (x) Borrower and the Guarantors and their respective affiliates, shareholders, partners, members or other equity holders on the one hand and (y) such Indemnified Person with respect to such loss, claim, damage, penalty, expense or liability and any other relevant equitable considerations. The reimbursement, indemnity and contribution obligations of Borrower under this **Section 8.02** will

be in addition to any liability which Borrower may otherwise have, will extend upon the same terms and conditions to any affiliate of any Indemnified Person and the partners, members, directors, agents, employees and controlling persons or entities (if any), as the case may be, of such Indemnified Person and any such affiliate, and will be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of Borrower, any Indemnified Person, any such affiliate and any such person. Borrower also agrees that neither any Indemnified Person nor any of such affiliates, partners, members, directors, agents, employees or controlling persons will have any liability based on its or their exclusive or contributory negligence or otherwise to Borrower or any person or entity asserting claims on behalf of or in right of Borrower or any other person or entity in connection with or as a result of either this DIP Credit Agreement or any matter referred to in the Commitment Letter, except in the case of Borrower to the extent that any losses, claims, damages, penalties, liabilities or expenses incurred by Borrower or its affiliates, shareholders, partners or other equity holders have been found by a final, non-appealable judgment of a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of an Indemnified Person in performing the services that are the subject of this DIP Credit Agreement or the other matters contemplated by the Commitment Letter; provided, however, that in no event will such Indemnified Person or such other parties have any liability for any indirect, consequential, special or punitive damages in connection with or as a result of such Indemnified Person's or such other parties' activities related to this DIP Credit Agreement or the other matters contemplated by the Commitment Letter. The provisions of this **Section 8.02** will survive any termination of this DIP Credit Agreement or completion of the other matters contemplated by the Commitment Letter.

8.03 Reserved.

8.04 Right to Perform .

If Borrower fails to perform any obligation hereunder or under any other DIP Loan Document, DIP Agent itself may (but shall not be obligated to), upon notice to Borrower and DIP Lenders, cause such obligation to be performed at Borrower's expense and Borrower agrees to reimburse DIP Agent therefor on demand. All amounts owing hereunder or under any other DIP Loan Document may be satisfied in full, subject to the provisions of **Section 2.01(a)(ii)** , through the making of Protective Advances.

**ARTICLE IX.
MISCELLANEOUS**

9.01 Survival .

All agreements, representations and warranties made herein and in every other DIP Loan Document shall survive the execution and delivery of this DIP Credit Agreement and the other DIP Loan Documents. The indemnities and agreements set forth in **Article VIII** shall survive the payment of the Obligations and any termination of this DIP Credit Agreement.

9.02 No Waivers .

No failure or delay by DIP Agent or DIP Lenders in exercising any right, power or privilege under any DIP Loan Document shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein and therein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

9.03 Notices .

All notices, requests and other communications to any party hereunder shall be in writing (including prepaid overnight courier, facsimile transmission, or other electronic means) and shall be given to such party at its address, e-mail address or facsimile number set forth on *Annex C* hereto or at such other address, e-mail address or facsimile number as such party may hereafter specify for the purpose by notice to DIP Agent, DIP Lenders and Borrower. Each such notice, request or other communication shall be effective (a) if given by facsimile, when such notice is transmitted to the facsimile number specified by this Section, (b) if given by e-mail, upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement) or (c) if given by mail, prepaid overnight courier or any other means, when received at the applicable address specified by this Section. Notice required to be sent hereunder to the Committee shall be sent by facsimile.

9.04 Severability .

In case any provision of or obligation under this DIP Credit Agreement or any other DIP Loan Document shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

9.05 Amendments and Waivers .

Neither the amendment or waiver of any provision of this DIP Credit Agreement or any other DIP Loan Document, nor the consent to any departure by Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by Borrower and DIP Agent, and each such amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which it is given; provided, that (x) no amendment, waiver or consent shall, unless in writing and signed by all DIP Lenders directly affected thereby, do any of the following: (a) modify the DIP Commitments or subject DIP Lenders to any additional obligations in excess of the Commitment Amount or any other obligation expressly set forth herein, (b) except as otherwise expressly provided in this DIP Credit Agreement, reduce the principal of, or interest on, any Note or any fees or indemnification hereunder, (c) postpone any date fixed for any payment in respect of principal of, or interest on, any Note or any fees hereunder, (d) change the Commitment Percentages, (e) amend or waive this *Section 9.05*, (f) except as otherwise expressly provided in this DIP Credit Agreement, and other than in connection with the financing, refinancing, sale or other disposition of any Property of Borrower permitted under this DIP Credit Agreement, release all or substantially all of the Liens in favor of DIP Agent on any portion of the Collateral, or (g) release or compromise the obligations of Borrower to any DIP Lender, and (y) no amendment, waiver or consent shall, unless in writing signed by DIP Lenders holding more

than fifty percent of the DIP Commitment, modify the Approved Budget in any material respect (as materiality shall be determined by such DIP Lenders). Notwithstanding any of the foregoing to the contrary, the consent of Borrower shall not be required for any amendment, modification or waiver of the provisions of *Article X*. In addition, DIP Lenders hereby authorize DIP Agent and Borrower to modify this DIP Credit Agreement by unilaterally amending or supplementing the Commitment Annex from time to time in the manner requested by Borrower, DIP Agent or any DIP Lender in order to reflect any assignments or transfers of the DIP Loans as provided for hereunder; provided, however, that DIP Agent shall promptly deliver a copy of any such modification to Borrower and each DIP Lender.

Borrower will provide copies of all amendments, waivers and consents to the Committee, and U.S. Trustee promptly following the execution thereof; provided, that Borrower shall file all amendments, waivers and consents with the Bankruptcy Court, after which each of the foregoing Persons shall have ten (10) days from the date of filing of all material amendments, waivers and consents to file objections thereto with the Bankruptcy Court. To the extent any such objection is filed, then, notwithstanding anything to the contrary in this *Section 9.05*, such amendment, waiver or consent shall only be permitted pursuant to an order of the Bankruptcy Court.

9.06 Assignments; Participations .

(a) Any DIP Lender may at any time assign to one or more Persons all or any portion of the DIP Loans and its respective portion of the DIP Commitment, provided that, so long as no Event of Default exists, Borrower's consent shall be required, which consent shall not be unreasonably withheld. No DIP Lender may at any time assign all or any portion of the DIP Loans and its respective portion of the DIP Commitment without DIP Agent's prior written consent.

(b) Any DIP Lender may at any time sell to one or more Persons participating interests in the DIP Loans, DIP Commitment or other interests hereunder (any such Person, a "*Participant*"). In the event of a sale by a DIP Lender of a participating interest to a Participant, (i) such DIP Lender's obligations hereunder shall remain unchanged for all purposes, (ii) Borrower shall continue to deal solely and directly with such DIP Lender in connection with such DIP Lender's rights and obligations hereunder, and (iii) all amounts payable by Borrower shall be determined as if such DIP Lender had not sold such participation and shall be paid directly to such DIP Lender. No Participant shall have any direct or indirect voting rights hereunder. Borrower agrees that if amounts outstanding under this DIP Credit Agreement are due and payable (as a result of acceleration or otherwise), each Participant shall be deemed to have the right of set-off in respect of its participating interest in amounts owing under this DIP Credit Agreement to the same extent as if the amount of its participating interest were owing directly to it as a DIP Lender under this DIP Credit Agreement; provided, that such right of set-off shall be subject to the obligation of each Participant to share with DIP Lenders, and such DIP Lender agrees to share with each Participant, as provided in *Section 7.04*. Each DIP Lender shall maintain a copy of the documentation of each sale by such DIP Lender of a participating interest to a Participant and a register for the recordation of the names and addresses of such Participants and the principal amount and stated interest of the Notes owing to each such Participant pursuant to the terms hereof from time to time (the "*Participant Register*")

(c) Borrower shall not have the right to assign or delegate its obligations and duties under this DIP Credit Agreement or any other DIP Loan Documents or any interest therein except with the prior written consent of DIP Agent and DIP Lenders .

9.07 Headings .

Headings and captions used in the DIP Loan Documents (including the Exhibits, Schedules and Annexes hereto and thereto) are included for convenience of reference only and shall not be given any substantive effect.

9.08 GOVERNING LAW; SUBMISSION TO JURISDICTION .

THIS DIP CREDIT AGREEMENT, EACH NOTE AND EACH OTHER DIP LOAN DOCUMENT TO THE EXTENT APPLICABLE, AND SUBJECT TO THE BANKRUPTCY CODE, SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES (EXCEPT WHEN LOCAL OR STATE LAW IS REQUIRED FOR PERFECTION OF LIENS). EACH PARTY HERETO, IN EACH CASE FOR ITSELF, ITS SUCCESSORS AND ASSIGNS, HEREBY (A) IRREVOCABLY SUBMITS TO THE JURISDICTION OF THE BANKRUPTCY COURT AND AGREES AND CONSENTS THAT SERVICE OF PROCESS MAY BE MADE UPON IT IN ANY LEGAL PROCEEDING ARISING OUT OF OR IN CONNECTION WITH THE DIP LOAN DOCUMENTS AND THE OBLIGATIONS BY SERVICE OF PROCESS AS PROVIDED BY NEW YORK LAW, (B) IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY LITIGATION ARISING OUT OF OR IN CONNECTION WITH THE DIP LOAN DOCUMENTS AND THE OBLIGATIONS BROUGHT IN SUCH COURT, (C) IRREVOCABLY WAIVES ANY CLAIMS THAT ANY LITIGATION BROUGHT IN SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM, (D) IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS OUT OF THE COURT IN ANY SUCH LITIGATION BY THE MAILING OF COPIES THEREOF BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, POSTAGE PREPAID, AT ITS ADDRESS SET FORTH HEREIN, AND (E) IRREVOCABLY AGREES THAT ANY LEGAL PROCEEDING AGAINST ANY PARTY HERETO ARISING OUT OF OR IN CONNECTION WITH THE DIP LOAN DOCUMENTS OR THE OBLIGATIONS SHALL BE BROUGHT IN THE BANKRUPTCY COURT. IF (I) THE CHAPTER 11 CASE IS DISMISSED OR (II) THE BANKRUPTCY COURT ABSTAINS FROM HEARING, OR REFUSES TO EXERCISE JURISDICTION OVER, ANY ACTIONS OR PROCEEDINGS ARISING IN CONNECTION WITH THIS DIP CREDIT AGREEMENT OR ANY OTHER DIP LOAN DOCUMENTS OR IN ANY WAY CONNECTED WITH, OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO IN RESPECT OF THIS DIP CREDIT AGREEMENT OR ANY OTHER DIP LOAN DOCUMENTS OR THE TRANSACTIONS RELATED HERETO OR THERETO, THEN BORROWER HEREBY CONSENTS TO THE NON-EXCLUSIVE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED WITHIN THE BOROUGH OF MANHATTAN, STATE OF NEW YORK AND IRREVOCABLY AGREES THAT, SUBJECT TO DIP AGENT'S ELECTION, ALL ACTIONS OR PROCEEDINGS ARISING OUT OF OR RELATING TO THIS DIP CREDIT AGREEMENT OR THE OTHER DIP LOAN

DOCUMENTS SHALL BE LITIGATED IN SUCH COURTS. EACH PARTY HERETO EXPRESSLY SUBMITS AND CONSENTS TO THE JURISDICTION OF THE AFORESAID COURTS AND WAIVES ANY DEFENSE OF FORUM NON CONVENIENS. EACH PARTY HERETO HEREBY WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS AND AGREES THAT ALL SUCH SERVICE OF PROCESS MAY BE MADE UPON BORROWER BY CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED, ADDRESSED TO BORROWER AT THE ADDRESS SET FORTH IN THIS DIP CREDIT AGREEMENT AND SERVICE SO MADE SHALL BE COMPLETE TEN (10) DAYS AFTER THE SAME HAS BEEN POSTED.

9.09 WAIVER OF JURY TRIAL .

BORROWER, DIP AGENT AND EACH DIP LENDER HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THE DIP LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED THEREBY AND AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

9.10 Counterparts; Integration .

This DIP Credit Agreement and the other DIP Loan Documents may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. Delivery of an executed counterpart of the DIP Credit Agreement or the other DIP Loan Documents by e-mail or facsimile shall be effective as delivery of a manually-executed counterpart thereof. **THIS DIP CREDIT AGREEMENT, THE COMMITMENT LETTER AND THE OTHER DIP LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES. IN THE CASE OF ANY CONFLICT OF TERMS CONTAINED IN THIS DIP CREDIT AGREEMENT OR THE COMMITMENT LETTER OR ANY OTHER DIP LOAN DOCUMENT, THE TERMS OF THIS DIP CREDIT AGREEMENT SHALL GOVERN.**

9.11 USA PATRIOT Act Notice .

DIP Lenders hereby notify Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the “*Act*”), DIP Lenders are required to obtain, verify and record information that identifies Borrower, which information includes the name and address of Borrower and other information that will allow DIP Lenders to identify Borrower in accordance with the Act.

9.12 Acquisition Financings .

To the extent DIP Lenders consent, in their sole discretion, to any Investment in the form of an acquisition by Borrower during the term of this DIP Credit Agreement and such Investment

requires debt financing to pay for such Investment, Borrower acknowledges and agrees that DIP Lenders shall be granted the right to provide such financing upon the same economic terms and conditions as those proposed by any third party. Borrower further acknowledges and agrees that to the extent any DIP Lender agrees to provide any such acquisition financing it shall be entitled to customary fees charged by such DIP Lender in comparable financings.

ARTICLE X. AGENT

10.01 Appointment of DIP Agent .

(a) Each DIP Lender hereby designates 210 Capital, LLC as DIP Agent to act as herein specified. Each DIP Lender hereby irrevocably authorizes, and each holder of any participation shall be deemed irrevocably to authorize, DIP Agent to take such action on its behalf under the provisions of this DIP Credit Agreement and the Notes and any other instruments and agreements referred to herein and to exercise such powers and to perform such duties hereunder and thereunder as are specifically delegated to or required of DIP Agent by the terms hereof and thereof and such other powers as are reasonably incidental thereto. DIP Agent shall hold all Collateral and all payments of principal, interest, fees, charges and expenses received pursuant to this DIP Credit Agreement or any other DIP Loan Document for the ratable benefit of DIP Lenders . DIP Agent may perform any of its duties hereunder by or through its agents or employees.

(b) The provisions of this *Article X* are solely for the benefit of DIP Agent and DIP Lenders , and Borrower shall not have any rights as a third party beneficiary of any of the provisions hereof (other than *Section 10.09*) . In performing its functions and duties under this DIP Credit Agreement , DIP Agent shall act solely as agent of DIP Lenders and does not assume and shall not be deemed to have assumed any obligation toward or relationship of agency or trust with or for Borrower .

10.02 Nature and Duties of DIP Agent .

DIP Agent shall have no duties or responsibilities except those expressly set forth in this DIP Credit Agreement. Neither DIP Agent nor any of its officers, directors, employees or agents shall be liable for any action taken or omitted by it as such hereunder or in connection herewith, unless caused by its or their gross negligence or willful misconduct. The duties of DIP Agent shall be mechanical and administrative in nature; DIP Agent shall not have by reason of this DIP Credit Agreement a fiduciary relationship in respect of any DIP Lender; and nothing in this DIP Credit Agreement, expressed or implied, is intended to or shall be so construed as to impose upon DIP Agent any obligations in respect of this DIP Credit Agreement except as expressly set forth herein.

10.03 Lack of Reliance on DIP Agent .

(a) Independently and without reliance upon DIP Agent , each DIP Lender , to the extent it deems appropriate, has made and shall continue to make (i) its own independent investigation of the financial or other condition and affairs of Borrower in connection with the taking or not taking of any action in connection herewith and (ii) its

own appraisal of the creditworthiness of Borrower , and, except as expressly provided in this DIP Credit Agreement , DIP Agent shall have no duty or responsibility, either initially or on a continuing basis, to provide any DIP Lender with any credit or other information with respect thereto, whether coming into its possession before the making of the DIP Loans or at any time or times thereafter.

(b) DIP Agent shall not be responsible to any DIP Lender for any recitals, statements, information, representations or warranties herein or in any document, certificate or other writing delivered in connection herewith or for the execution, effectiveness, genuineness, validity, enforceability, collectability, priority or sufficiency of this DIP Credit Agreement or the Notes or the financial or other condition of Borrower . DIP Agent shall not be required to make any inquiry concerning either the performance or observance of any of the terms, provisions or conditions of this DIP Credit Agreement or the Notes , or the financial condition of Borrower , or the existence or possible existence of any Default or Event of Default , unless specifically requested to do so in writing by any DIP Lender .

10.04 Certain Rights of DIP Agent .

Without limiting DIP Agent's rights and discretion under any provision hereof, DIP Agent shall have the right to request instructions from DIP Lenders. If DIP Agent shall request instructions from DIP Lenders, as the case may be, with respect to any act or action (including the failure to act) in connection with this DIP Credit Agreement, DIP Agent shall be entitled to refrain from such act or taking such action unless and until DIP Agent shall have received instructions from DIP Lenders and DIP Agent shall not incur liability to any Person by reason of so refraining. Without limiting the foregoing, no DIP Lender shall have any right of action whatsoever against DIP Agent as a result of DIP Agent acting or refraining from acting hereunder in accordance with the instructions of DIP Lenders.

10.05 Reliance by DIP Agent .

DIP Agent shall be entitled to rely, and shall be fully protected in relying, upon any note, writing, resolution, notice, statement, certificate, facsimile or other documentary or telephone message believed by it to be genuine and correct and to have been signed, sent or made by the proper person. DIP Agent may consult with legal counsel (including local counsel in any jurisdiction where any Property of Borrower is located and counsel for Borrower with respect to matters concerning Borrower), independent public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken by it in good faith in accordance with the advice of such counsel, accountants or experts.

10.06 Indemnification to DIP Agent .

To the extent DIP Agent is not reimbursed and indemnified by Borrower, each DIP Lender will, jointly and severally, reimburse and indemnify DIP Agent, in proportion to its respective Commitment Percentage, for and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses (including reasonable counsel fees and disbursements) or disbursements of any kind or nature whatsoever which may be imposed on,

incurred by or asserted against DIP Agent in any way relating to or arising out of this DIP Credit Agreement (including, without limitation, in connection with Protective Advances), provided that no DIP Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from DIP Agent's gross negligence or willful misconduct.

10.07 DIP Agent in Individual Capacity .

With respect to its obligation to lend under this DIP Credit Agreement, the DIP Loans made by it and the Notes issued to it and all of its rights and obligations as a DIP Lender hereunder and under the other DIP Loan Documents, DIP Agent shall have the same rights and powers hereunder as any other DIP Lender or holder of a Note or participation interests and may exercise the same as though it was not performing the duties specified herein; and the term "DIP Lenders" or any similar terms shall, unless the context clearly otherwise indicates, include DIP Agent in its individual capacity.

10.08 Holders of Notes .

DIP Agent may deem and treat the payee of any Note as the owner thereof for all purposes hereof unless and until a written notice of the assignment or transfer thereof shall have been filed with DIP Agent. Any request, authority or consent of any Person who, at the time of making such request or giving such authority or consent, is the holder of any Note, shall be conclusive and binding on any subsequent holder, transferee or assignee of such Note or of any Note or Notes issued in exchange therefor.

10.09 Successor DIP Agent .

(a) DIP Agent may, upon ten (10) Business Days' notice to DIP Lenders and Borrower, resign at any time (effective upon the appointment of a successor DIP Agent pursuant to the provisions of this **Section 10.09(a)**) by giving written notice thereof to DIP Lenders and Borrower. Upon any such resignation, the remaining DIP Lenders shall have the right, upon ten (10) days' notice, to appoint a successor DIP Agent. If no successor DIP Agent shall have been so appointed by the remaining DIP Lenders, and shall have accepted such appointment, within ten (10) days after the retiring DIP Agent's giving of notice of resignation, then, upon five (5) days' notice, the retiring DIP Agent may, on behalf of remaining DIP Lenders, appoint a successor DIP Agent.

(b) Upon the acceptance of any appointment as DIP Agent hereunder by a successor DIP Agent, such successor DIP Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring DIP Agent, and the retiring DIP Agent shall be discharged from its duties and obligations under this DIP Credit Agreement. After the resignation of any retiring DIP Agent's hereunder as DIP Agent, the provisions of this **Article X** shall inure to its benefit as to any actions taken or omitted to be taken by it while it was DIP Agent under this DIP Credit Agreement.

10.10 Collateral Matters .

(a) Each DIP Lender authorizes and directs DIP Agent to enter into the Security Agreements and accept the other DIP Loan Documents for the benefit of DIP Lenders . DIP Agent is hereby authorized, on behalf of all DIP Lenders , without the necessity of any notice to or further consent from any DIP Lender , from time to time prior to an Event of Default , to take any action, in its sole discretion, with respect to any Collateral or Security Agreement which may be necessary or appropriate to perfect and maintain perfected or enforce the Liens upon the Collateral granted pursuant to the Security Agreements .

(b) DIP Lenders hereby authorize DIP Agent , at its option and in its discretion, to release any Lien granted to or held by DIP Agent upon any Collateral (i) upon termination of the DIP Commitments and payment in cash and satisfaction of all of the Obligations at any time arising under or in respect of this DIP Credit Agreement or the DIP Loan Documents or the transactions contemplated hereby or thereby, (ii) constituting Property being sold or disposed of upon receipt of the proceeds of such sale by DIP Agent if the sale or disposition is permitted under this DIP Credit Agreement or any other DIP Loan Document or is made by DIP Agent in the enforcement of its rights hereunder following the occurrence of an Event of Default or (iii) if approved, authorized or ratified in writing by DIP Lenders . Upon request by DIP Agent at any time, DIP Lenders will confirm in writing DIP Agent 's authority to release particular types or items of Collateral pursuant to this **Section 10.10(b)** .

(c) DIP Agent shall have no obligation whatsoever to DIP Lenders or to any other Person to assure that the Collateral exists or is owned by Borrower or is cared for, protected or insured or that the Liens granted to DIP Agent herein or pursuant hereto have been properly or sufficiently or lawfully created, perfected, protected or enforced or are entitled to any particular priority, or to exercise or to continue exercising at all or in any manner or under any duty of care, disclosure or fidelity any of the rights, authorities and powers granted or available to DIP Agent in this **Section 10.10** or in any of the Security Agreements , it being understood and agreed that in respect of the Collateral , or any act , omission or event related thereto, DIP Agent may act in any manner it may deem appropriate, in its sole discretion, given DIP Agent 's own interest in the Collateral as one of DIP Lenders and that DIP Agent shall have no duty or liability whatsoever to DIP Lenders , except for its gross negligence or willful misconduct.

10.11 Delivery of Information .

DIP Agent shall not be required to deliver to any DIP Lender originals or copies of any documents, instruments, notices, communications or other information received by DIP Agent from Borrower or any other Person under or in connection with this DIP Credit Agreement or any other DIP Loan Document except (a) as specifically provided in this DIP Credit Agreement or any other DIP Loan Document and (b) as specifically requested from time to time in writing by any DIP Lender with respect to a specific document instrument, notice or other written communication received by and in the possession of DIP Agent at the time of receipt of such request and then only in accordance with such specific request.

10.12 Defaults .

DIP Agent shall not be deemed to have knowledge of the occurrence of a Default or Event of Default (other than the non-payment of principal of or interest on the DIP Loans to the extent the same is required to be paid to DIP Agent for the account of DIP Lenders) unless DIP Agent has actual knowledge thereof or has received notice from a DIP Lender or Borrower explicitly specifying an event or condition and then such event or condition is a Default or Event of Default and stating that such notice is a “Notice of Default”. In the event that DIP Agent has such knowledge of or receives such a notice of the occurrence of a Default or Event of Default, DIP Agent shall give prompt notice thereof to DIP Lenders (and shall give each DIP Lender prompt notice of each such non-payment). DIP Agent shall take such action with respect to such Default or Event of Default or refrain from taking such action, with respect to such Default or Event of Default as DIP Agent shall deem advisable in the best interest of DIP Lenders and shall, without limiting DIP Agent’s rights or discretion under this DIP Credit Agreement, use reasonable efforts under the circumstances to consult with DIP Lenders before taking any material enforcement action; and provided further that DIP Agent shall not be required to take any such action which it determines to be contrary to law.

*Remainder of Page Intentionally Left Blank
Signature Pages to Follow*

IN WITNESS WHEREOF, the parties hereto have caused this DIP Credit Agreement to be duly executed as of the date first above written.

REAL INDUSTRY, INC. , a Delaware corporation

By: /s/ Michael J. Hobey

Name: Michael J. Hobey

Title: Interim CEO, President and CFO

210/RELY CAPITAL, LP , a Texas limited partnership, as DIP
Agent and DIP Lender

By: 210/RELY INVESTMENT, LLC, a Texas limited
liability company, its general partner

By: /s/ Robert H. Alpert
Robert H. Alpert, Principal

GOLDMAN SACHS BDC, INC. , as DIP Lender

By: /s/ Brendan McGovern
Name: Brendan McGovern
Title: Authorized Signatory

**GOLDMAN SACHS PRIVATE MIDDLE MARKET
CREDIT LLC** , as DIP Lender

By: /s/ Brendan McGovern
Name: Brendan McGovern
Title: Authorized Signatory

**GOLDMAN SACHS MIDDLE MARKET LENDING
CORP.** , as DIP Lender

By: /s/ Brendan McGovern
Name: Brendan McGovern
Title: Authorized Signatory

PLEDGE AND SECURITY AGREEMENT

THIS PLEDGE AND SECURITY AGREEMENT (this “*Agreement*”), dated as of January 24 , 2018 by and among **REAL INDUSTRY, INC.** , a Delaware corporation (“*Grantor*”), and **210/RELY CAPITAL, LP** , a Texas limited partnership, as DIP Agent for the benefit of the DIP Lenders (defined below), as secured party (in such capacity, the “*Secured Party*”).

WHEREAS , SGGH, LLC, a Delaware limited liability company and Cosmedicine LLC, a Delaware limited liability company (collectively, “*Subsidiaries*”, and each, a “*Subsidiary*”) are direct or indirect Subsidiaries of Grantor .

WHEREAS , Grantor is a debtor under that certain bankruptcy Case Number 17-12464-KJC pending in the United States Bankruptcy Court for the District of Delaware.

WHEREAS , Grantor , Secured Party and the lenders from time to time party thereto (collectively, the “*DIP Lenders*”) have entered into a debtor-in-possession credit facility (as amended, restated, amended and restated, supplemented, restructured or otherwise modified from time to time, the “*DIP Credit Facility*”; unless otherwise defined herein, all terms used herein with their initial letter capitalized shall have the meaning given such terms in the DIP Credit Facility) executed by Grantor and confirmed by the DIP Order ;

WHEREAS , it is a condition precedent to the obligations of the DIP Lenders and Secured Party to enter into the DIP Credit Facility and to provide loans and other financial accommodations thereunder that Grantor execute and deliver to the Secured Party a pledge and security agreement in substantially the form hereof; and

WHEREAS , the Grantor wishes to grant security interests in favor of the Secured Party as herein provided.

NOW THEREFORE , in consideration of the promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Definitions** .

1.1 All capitalized terms used herein without definition shall have the respective meanings provided therefor in the DIP Credit Facility .

1.2 The term “*NYUCC*”, as used herein, means the Uniform Commercial Code as in effect from time to time in the State of New York. All terms defined in the NYUCC and used herein shall have the same definitions herein as specified therein. However, if a term is defined in *Article 9* of the NYUCC differently than in another Article of the NYUCC , the term has the meaning specified in *Article 9* .

1.3 The term “*Secured Obligations*”, as used herein, means, with respect to Grantor , all Obligations of Grantor now or hereafter incurred pursuant to the documents executed in connection with the DIP Credit Facility (collectively, the “*Credit Documents*”, and each, a “*Credit Document*”) to which Grantor is now or may at any time hereafter be a party.

2. **Grant of Security Interest** . To secure the timely payment and performance in full of all of the Secured Obligations , Grantor hereby pledges to the Secured Party , and grants to the Secured Party a security interest in, all of the following properties, assets and rights of Grantor , wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof (all of the same being hereinafter called the “*Collateral*”):

- (a) all goods (including, without limitation, inventory, equipment and any accessions thereto),
- (b) all instruments (including, without limitation, promissory notes),
- (c) all documents,
- (d) all accounts (including, without limitation, health-care-insurance receivables),
- (e) all chattel paper (whether tangible or electronic),
- (f) all deposit accounts (other than the Excluded Account), including, without limitation, the deposit accounts listed on *Schedule A* hereto,
- (g) all letter-of-credit rights (whether or not the letter of credit is evidenced by a writing),
- (h) all commercial tort claims, if any, set forth on *Schedule B* hereto,
- (i) all supporting obligations,
- (j) all contract rights or rights to the payment of money, insurance claims and proceeds,
- (k) all general intangibles, including, without limitation, all payment intangibles;
- (l) all patents, patent applications, trademarks, trademark applications, trade names, service marks, copyrights, copyright applications, software, source code, domain names, concepts, discoveries, improvements and ideas, whether or not patentable or copyrightable, know-how, technology, engineering drawings, diagrams, designs, design information, trade secrets, formulas, processes, procedures, customer lists, databases, practices, laboratory notebooks, specifications, test procedures, maintenance manuals, research, reports, and other manufacturing, marketing, merchandising, selling, purchasing or accounting materials, data or
- (m) information; all licenses, permits and agreements of any kind or nature pursuant to which the Grantor possess, use or have authority to possess or use property (whether tangible or intangible) of other persons or pursuant to which other persons possess, use or have authority to possess or use property (whether tangible or intangible) of the Grantor ; all books, records and recorded data of any kind or nature, regardless of the medium of recording including, without limitation, all writings, plans, specifications and schematics; all other intellectual property; and all goodwill associated with any of the foregoing (collectively, “*Intellectual Property*”);
- (n) all now existing and hereafter acquired or arising (a) shares of capital stock and other equity interests in any person, and other securities (certificated or uncertificated), security entitlements, securities accounts, commodity contracts, commodity accounts and other financial

assets and investment property (including, without limitation, the equity interests described on **Schedule C** hereto), (b) cash dividends and cash distributions with respect to the foregoing (“ **Dividends** ”), (c) all non-cash dividends paid on capital securities, liquidating dividends paid on capital securities, shares of capital securities resulting from (or in connection with the exercise of) stock splits, reclassifications, warrants, options, non-cash dividends , mergers, consolidations, and all other distributions (whether similar or dissimilar to the foregoing) on or with respect to any capital securities constituting Collateral (excluding Dividends , “ **Distributions** ”), and (d) all certificates, agreements (including stockholders agreements, partnership agreements, operating agreements and limited liability company agreements), books, records, ledgers, writings, databases, information and other property relating to, used or useful in connection with, evidencing, embodying, incorporating or referring to, any of the foregoing; and

(o) all other personal property of Grantor of any kind, wherever located, whether now owned or hereafter acquired or arising.

3. **Authorization to File Financing Statements** . Grantor hereby irrevocably authorizes the Secured Party at any time and from time to time to file in any applicable Uniform Commercial Code jurisdiction any initial financing statements and amendments thereto against Grantor that (a) indicate the Collateral (i) as all assets of Grantor or words of similar effect, regardless of whether any particular asset comprised in the Collateral falls within the scope of *Article 9* of the Uniform Commercial Code of the applicable jurisdiction, or (ii) as being of an equal or lesser scope or with greater detail, and (b) contain any other information required by *part 5 of Article 9* of the Uniform Commercial Code of the applicable jurisdiction for the sufficiency or filing office acceptance of any financing statement or amendment, including (i) whether Grantor is an organization, the type of organization and any organization identification number issued to Grantor and, (ii) in the case of a financing statement filed as a fixture filing or indicating Collateral as as-extracted collateral or timber to be cut, a sufficient description of real property to which the Collateral relates. Grantor agrees to furnish any such information to the Secured Party promptly upon request. Grantor also ratifies its authorization for the Secured Party to have filed in any Uniform Commercial Code jurisdiction any like initial financing statements or amendments thereto if filed prior to the date hereof.

4. **Other Actions** . Further to insure the attachment, perfection and priority (subject to liens permitted under the DIP Credit Facility (collectively, the “ **Permitted Liens** ”, and each, a “ **Permitted Lien** ”)) of, and the ability of the Secured Party to enforce, the Secured Party ’s security interest in the Collateral , Grantor agrees, in each case at the Grantor ’s own expense, to take the following actions with respect to the following Collateral :

4.1 **Promissory Notes; Bills of Lading** . If Grantor shall at any time hold or acquire any promissory notes, Grantor shall promptly notify the Secured Party thereof, and at the request of the Secured Party , Grantor shall forthwith endorse, pledge and deliver the same to the Secured Party , accompanied by such instruments of transfer or assignment duly executed in blank as the Secured Party may from time to time specify.

4.2 [**Reserved**] .

4.3 **Investment Property** . If Grantor shall at any time hold or acquire any certificated securities, the Grantor shall forthwith endorse, pledge and deliver the same to the Secured Party , accompanied by such instruments of transfer or assignment duly executed in blank as the Secured Party may from time to time specify. If Grantor shall at any time hold uncertificated membership interests in a limited liability company, then except with the prior written consent of the Secured Party, Grantor shall not (i) permit the terms of the operating agreement or other controlling document of such limited liability company to provide that such Equity Interests are “securities” governed by *Article 8* of the UCC or (ii) issue

certificates for such uncertificated membership interests. If any securities, whether certificated or uncertificated, or other investment property now or hereafter acquired by Grantor is held by the Grantor or its nominee through a securities intermediary or commodity intermediary, the Grantor shall immediately give written notice to the Secured Party thereof and, pursuant to an agreement in form and substance reasonably satisfactory to the Secured Party, cause such securities intermediary or commodity intermediary (as the case may be) to agree to comply with entitlement orders or other instructions from the Secured Party to such securities intermediary as to such securities or other investment property, or (as the case may be) to apply any value distributed on account of any commodity contract as directed by the Secured Party to such commodity intermediary, in each case without further consent of the Grantor or such nominee. The Secured Party agrees with the Grantor that the Secured Party shall not give any such entitlement orders or instructions or directions to any such issuer, securities intermediary or commodity intermediary, and shall not withhold its consent to the exercise of any withdrawal or dealing rights by the Grantor, unless an Event of Default has occurred and is continuing, or, after giving effect to any such investment and withdrawal rights not otherwise permitted by the Credit Documents, would occur.

4.4 **Collateral in the Possession of a Bailee**. If any goods owned by Grantor is at any time in the possession of a bailee, the Grantor shall promptly notify the Secured Party thereof and, if requested by the Secured Party, shall use commercially reasonable efforts to obtain an acknowledgement from the bailee, in form and substance reasonably satisfactory to the Secured Party, that the bailee holds such Collateral for the benefit of the Secured Party and shall act upon the instructions of the Secured Party, without the further consent of the Grantor. The Secured Party agrees with the Grantor that the Secured Party shall not give any such instructions unless an Event of Default has occurred and is continuing or would occur after taking into account any action by the Grantor with respect to the bailee.

4.5 **Electronic Chattel Paper and Transferable Records**. If Grantor at any time holds or acquires an interest in any electronic chattel paper or any “transferable record,” as that term is defined in *Section 201* of the federal Electronic Signatures in Global and National Commerce Act, or in *Section 16* of the Uniform Electronic Transactions Act as in effect in any relevant jurisdiction, the Grantor shall promptly notify the Secured Party thereof and, at the request of the Secured Party, shall take such action as the Secured Party may reasonably request to vest in the Secured Party control, under *Section 9-105* of the NYUCC, of such electronic chattel paper or control under *Section 201* of the federal Electronic Signatures in Global and National Commerce Act or, as the case may be, *Section 16* of the Uniform Electronic Transactions Act, as so in effect in such jurisdiction, of such transferable record. The Secured Party agrees with the Grantor that the Secured Party will arrange, pursuant to procedures reasonably satisfactory to the Secured Party and so long as such procedures will not result in the Secured Party’s loss of control, for the Grantor to make alterations to the electronic chattel paper or transferable record permitted under *Section 9-105* of the NYUCC or, as the case may be, *Section 201* of the federal Electronic Signatures in Global and National Commerce Act or *Section 16* of the Uniform Electronic Transactions Act for a party in control to make without loss of control, unless an Event of Default has occurred and is continuing or would occur after taking into account any action by the Grantor with respect to such electronic chattel paper or transferable record.

4.6 **Letter of Credit Rights**. If Grantor is at any time a beneficiary under a letter of credit now or hereafter issued in favor of the Grantor, the Grantor shall promptly notify the Secured Party thereof and, at the request and option of the Secured Party, the Grantor shall, pursuant to an agreement in form and substance reasonably satisfactory to the Secured Party, either (i) arrange for the issuer and any confirmer of such letter of credit to consent to an assignment to the Secured Party of the proceeds of any drawing under the letter of credit or (ii) arrange for the Secured Party to become the transferee beneficiary of the letter of credit, with the Secured Party agreeing, in each case, that the proceeds of any drawing under the letter of credit are to be applied as provided in the DIP Credit Facility.

4.7 **Commercial Tort Claims** . If Grantor shall at any time hold or acquire a commercial tort claim for an amount which is greater than \$100,000, the Grantor shall immediately notify the Secured Party in a writing signed by the Grantor of the brief details thereof and grant to the Secured Party in such writing a security interest therein and in the proceeds thereof, all upon the terms of this Agreement , with such writing to be in form and substance reasonably satisfactory to the Secured Party .

4.8 **Intellectual Property** .

(a) [Reserved].

(b) Upon the application for registration by Grantor of any patent, trademark or copyright, Grantor shall promptly notify the Secured Party of such issuance, and shall promptly execute and deliver any and all agreements, instruments, documents and papers the Secured Party may reasonably request to evidence the security interest of the Secured Party in such patent, trademark or copyright and the goodwill and general intangibles of Grantor relating thereto or represented thereby, including, without limitation, Memoranda of Copyright Security Interest in the form of *Exhibit I* hereto (“ Copyright Security Memoranda ”), Memoranda of Patent Security Interest in the form of *Exhibit II* hereto (“ Patent Security Memoranda ”) and Memoranda of Trademark and Service Mark Security Interest in the form of *Exhibit III* hereto (“ Trademark Security Memoranda ”), as applicable. Grantor hereby constitutes the Secured Party as its attorney-in-fact to execute and file all such writings for the foregoing purposes, all acts of such attorney being hereby ratified and confirmed, and such power, being coupled with an interest, shall be irrevocable until the Secured Obligations are paid in full.

(c) Grantor shall preserve and maintain in all material respects rights in the Intellectual Property which is material to the conduct of its business and, upon and after the occurrence and during the continuance of an Event of Default , if requested by the Secured Party , use commercially reasonable efforts to obtain any consents, waivers or agreements necessary to enable the Secured Party to exercise its remedies with respect to the Intellectual Property . Grantor shall not abandon any right to file a copyright, patent or trademark application that is material to the business of Grantor nor shall Grantor abandon any such pending copyright, patent or trademark application, or copyright, copyright license, patent, patent license, trademark or trademark license without the prior written consent of the Secured Party .

(d) Grantor hereby assigns, transfers and conveys to the Secured Party , effective upon the occurrence and during the continuance of any Event of Default , the nonexclusive right and license to use all Intellectual Property owned or used by the Grantor , together with any goodwill associated therewith, all to the extent necessary to enable the Secured Party to realize on the Collateral (including, without limitation, completing production of, advertising for sale and selling the Collateral) and any successor or assign to enjoy the benefits of the Collateral . This right and license shall inure to the benefit of all successors, assigns and transferees of the Secured Party and its successors, assigns and transferees, whether by voluntary conveyance, operation of law, assignment, transfer, foreclosure, deed in lieu of foreclosure or otherwise. Such right and license is granted free of charge, without requirement that any monetary payment whatsoever be made to the Grantor by the Secured Party .

5. **Other Actions as to any and all Collateral** . Grantor further agrees to take any other action reasonably requested by the Secured Party to insure the attachment, perfection and first priority (subject to Permitted Liens) of, and the ability of the Secured Party to enforce, the Secured Party ’s security interest in any and all of the Collateral including, without limitation, preparing, delivering and, where appropriate, filing financing statements and amendments relating thereto under the Uniform Commercial Code of any

applicable jurisdiction, (a) causing the Secured Party 's name to be noted as secured party on any certificate of title for a titled good if such notation is a condition to attachment, perfection or priority of, or ability of the Secured Party to enforce, the Secured Party 's security interest in such Collateral with a value of greater than \$100,000 , (b) complying with any provision of any statute, regulation or treaty of the United States as to any Collateral if compliance with such provision is a condition to attachment, perfection or priority of, or ability of the Secured Party to enforce, the Secured Party 's security interest in such Collateral , (c) using commercially reasonable efforts to obtain governmental and other third party consents and approvals, including without limitation any consent of any licensor, lessor or other person obligated on Collateral , (d) using commercially reasonable efforts to obtain waivers from landlords in form and substance reasonably satisfactory to the Secured Party , (e) taking all actions required by any earlier versions of the Uniform Commercial Code or by other law, as applicable in any relevant Uniform Commercial Code jurisdiction, or by other law as applicable in any foreign jurisdiction, (f) delivery to the Secured Party of stock certificates (and stock powers duly executed in blank in favor of the Secured Party) covering all of the securities or other financial assets described on **Schedule C** , and (g) if the Maturity Date is extended, at the time of such extension entering into with the Secured Party and a service company reasonably acceptable to the Secured Party and the Grantor , a contract requiring (i) the service company to file continuation statements and (ii) the Grantor to pay the cost of all filings and creation of continuation and termination statements.

6. **Relation to Other Security Documents .**

6.1 **Rights and Remedies Not Exclusive .** The provisions of this Agreement supplement the provisions of the other Credit Documents . Nothing contained in any such Credit Document shall derogate from any of the rights or remedies of the Secured Party hereunder. The provisions of this Agreement shall be read and construed with the other Security Documents referred to below in the manner so indicated.

6.2 **Copyright, Trademark and Patent Security Filings .** If required by the Secured Party , concurrently herewith the Grantor is also executing and delivering to the Secured Party , or may be required hereafter to execute and deliver to the Secured Party , one or more Copyright Security Memoranda , Patent Security Memoranda and Trademark Security Memoranda . The provisions of such Copyright Security Memoranda , Patent Security Memoranda and Trademark Security Memoranda are supplemental to the provisions of this Agreement , and nothing contained in any thereof shall derogate from any of the rights or remedies of the Secured Party hereunder. Neither the delivery of, nor anything contained in, any of such memoranda shall be deemed to prevent or postpone the time of attachment or perfection of any security interest in such Collateral created hereby.

7. **Representations and Warranties Concerning Grantor 's Legal Status .** Grantor represents and warrants to the Secured Party as of the date hereof as follows: (a) the Grantor 's exact legal name is that indicated on **Schedule D** and on the signature page hereof, (b) the Grantor is an organization of the type and organized in the jurisdiction set forth in the **Schedule D** , (c) **Schedule D** accurately sets forth the Grantor 's organizational identification number or accurately states that the Grantor has none, (d) **Schedule D** accurately sets forth the Grantor 's place of business or, if more than one, its chief executive office as well as the Grantor 's mailing address if different and (e) all other information set forth on **Schedule D** pertaining to the Grantor is accurate and complete in all material respects.

8. **Covenants Concerning Grantor 's Legal Status .** Grantor covenants with the Secured Party as follows: (a) without the prior written consent of the Secured Party (such consent not to be unreasonably withheld) , the Grantor will not change its name, its place of business or, if more than one, chief executive office, or its mailing address or organizational identification number if it has one, (b) if the Grantor does not have an organizational identification number and later obtains one, the Grantor shall forthwith notify

the Secured Party of such organizational identification number, and (c) without the prior written consent of the Secured Party, the Grantor will not change its type of organization or jurisdiction of organization.

9. **Representations and Warranties Concerning Collateral**. Grantor further represents and warrants to the Secured Party as of the date hereof as follows: (a) the Grantor is the owner of or has other rights in or power to transfer the Collateral, free from any adverse lien, security interest or other encumbrance, except for the security interest created by this Agreement and Permitted Liens, (b) there exists no "adverse claim" as defined in *Section 8-102* of the NYUCC with respect to the capital stock or other equity interests listed on *Schedule C* or any other Collateral which constitutes a financial asset as defined in such *Section 8-102*, (c) none of the Collateral constitutes, or is the proceeds of, "farm products" as defined in *Section 9-102(a)(34)* of the NYUCC, (d) none of the account debtors or other persons obligated on any of the Collateral is a governmental authority subject to the Federal Assignment of Claims Act or like federal, state or local statute or rule in respect of such Collateral, (e) the Grantor holds no commercial tort claim except as indicated on *Schedule B* hereto as modified from time to time, (f) the Grantor has at all times operated its business in compliance with all applicable provisions of the federal Fair Labor Standards Act, as amended, and with all applicable provisions of federal, state and local statutes and ordinances dealing with the control, shipment, storage or disposal of hazardous materials or substances, except where the noncompliance with which could not reasonably be expected to have a Material Adverse Change, and (g) all other information set forth on the Schedules pertaining to the Collateral is accurate and complete in all material respects.

10. **Covenants Concerning Collateral Etc**. Grantor further covenants with the Secured Party as follows: (a) except for the security interest herein granted and Permitted Liens the Grantor shall be the owner of or have other rights in the Collateral free from any lien, security interest or other encumbrance, and the Grantor shall defend the same against all claims and demands of all persons at any time claiming the same or any interests therein adverse to the Secured Party, (b) the Grantor shall not pledge, mortgage or create, or suffer to exist a security interest in the Collateral in favor of any person other than the Secured Party except for Permitted Liens, (c) the Grantor will not use the Collateral in violation in any material respect of any policy of insurance thereon, (d) the Grantor, at Grantor's sole cost, will permit the Secured Party, or its designee, to inspect the Collateral, wherever located, at any reasonable time during business hours as often as may be warranted in the reasonable credit judgment of Secured Party, *provided that*, (i) in the absence of an Event of Default, Secured Party shall give Grantor one (1) Business Day's prior notice of such inspection; and (ii) during the existence and continuance of any Event of Default, no prior notice of any such inspection by Secured Party to Grantor shall be required, (e) the Grantor will pay promptly when due all taxes, assessments, governmental charges and levies upon the Collateral or incurred in connection with the use or operation of such Collateral or incurred in connection with this Agreement other than any taxes contested in good faith and for which appropriate reserves have been established by the Grantor, (f) the Grantor will continue to operate its business in compliance with all applicable provisions of the federal Fair Labor Standards Act, as amended, and with all applicable provisions of federal, state and local statutes and ordinances dealing with the control, shipment, storage or disposal of hazardous materials or substances, except where the noncompliance with which could not reasonably be expected to have a Material Adverse Change, and (g) the Grantor will not sell or otherwise Dispose, or offer to sell or otherwise Dispose, of the Collateral or any interest therein except as permitted by the DIP Credit Facility.

11. **Insurance**.

11.1 **Maintenance of Insurance**. Grantor shall maintain insurance at all times in accordance with the applicable provisions of the DIP Credit Facility. All property damage and casualty insurance (or an endorsement thereto) shall name the Secured Party as loss payee/mortgagee, all liability insurance (or an endorsement thereto) shall name the Secured Party as an additional insured and all business interruption insurance (or an endorsement thereto) shall name the Secured Party as assignee.

11.2 **Insurance Proceeds** . The proceeds of any property or casualty insurance in respect of any casualty loss to any of the Collateral shall be paid, held and applied in accordance with the applicable provisions of the DIP Credit Facility .

11.3 **Notice of Cancellation etc** . No policies of property and casualty insurance shall be cancelled without at least 30 days' prior written cancellation notice to the Secured Party . In the event of failure by Grantor to provide and maintain insurance as herein provided, the Secured Party may, at its option, provide such insurance and charge the amount thereof to the Grantor . Grantor shall furnish the Secured Party upon its request with certificates of insurance and policies evidencing compliance with the foregoing insurance provision.

12. **Collateral Protection Expenses; Preservation of Collateral** .

12.1 **Expenses Incurred by the Secured Party** . In its reasonable discretion, the Secured Party may discharge taxes and other encumbrances at any time levied or placed on any of the Collateral , make repairs thereto and pay any necessary filing fees or, if Grantor fails to do so, insurance premiums. Grantor agrees to reimburse the Secured Party on demand for any and all expenditures so made. The Secured Party shall have no obligation to the Grantor to make any such expenditures, nor shall the making thereof relieve the Grantor of any default. Any expenses incurred under this **Section 12** shall constitute Secured Obligations .

12.2 **Secured Party 's Obligations and Duties** . Anything herein to the contrary notwithstanding, Grantor shall remain liable under each contract or agreement comprised in the Collateral to be observed or performed by the Grantor thereunder. The Secured Party shall not have any obligation or liability under any such contract or agreement by reason of or arising out of this Agreement or the receipt by the Secured Party of any payment relating to any of the Collateral , nor shall the Secured Party be obligated in any manner to perform any of the obligations of the Grantor under or pursuant to any such contract or agreement , to make inquiry as to the nature or sufficiency of any payment received by the Secured Party in respect of the Collateral or as to the sufficiency of any performance by any party under any such contract or agreement , to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to the Secured Party or to which the Secured Party may be entitled at any time or times. The Secured Party 's sole duty with respect to the custody, safe keeping and physical preservation of the Collateral in its possession, under *Section 9-207* of the NYUCC or otherwise, shall be to deal with such Collateral in the same manner as the Secured Party deals with similar property for its own account.

13. **Securities and Deposits** . The Secured Party may at any time following and during the continuance of an Event of Default , at its option, transfer to itself or any nominee any securities constituting Collateral , receive any income thereon and hold such income as additional Collateral or apply it to the Secured Obligations . Whether or not any Secured Obligations are due, the Secured Party may following and during the continuance of an Event of Default demand, sue for, collect, or make any settlement or compromise which it deems desirable with respect to the Collateral . Regardless of the adequacy of the Collateral or any other security for the Secured Obligations , any deposits or other sums at any time credited by or due from the Secured Party to the Grantor may at any time be applied to or set off against any of the Secured Obligations then due and owing.

14. **Notification to Account Debtors and Other Persons Obligated on Collateral** . If an Event of Default shall have occurred and be continuing, Grantor shall, at the request of the Secured Party , notify account debtors and other persons obligated on any of the Collateral of the security interest of the Secured Party in any account, chattel paper, general intangible, instrument or other Collateral and that payment thereof is to be made directly to the Secured Party or to any financial institution designated by the Secured

Party as its agent therefor, and the Secured Party may itself, if an Event of Default shall have occurred and be continuing, without notice to or demand upon the Grantor, so notify account debtors and other persons obligated on Collateral. If an Event of Default shall have occurred and is continuing, after the making of such a request or the giving of any such notification, Grantor shall hold any proceeds of collection of accounts, chattel paper, general intangibles, instruments and other Collateral received by the Grantor as trustee for the Secured Party without commingling the same with other funds of the Grantor and shall turn the same over to the Secured Party in the identical form received, together with any necessary endorsements or assignments. The Secured Party shall apply the proceeds of collection of accounts, chattel paper, general intangibles, instruments and other Collateral received by the Secured Party to the Secured Obligations, such proceeds to be immediately entered after final payment in cash or other immediately available funds of the items giving rise to them.

15. **Investment Property; Event of Default.**

15.1 **Further Assurances.** The Grantor, at their cost and expense (including the cost and expense of any of the following referenced consents and approvals) will promptly execute and deliver or cause the execution and delivery of all applications, certificates, instruments, registration statements, and all other documents and papers the Secured Party may reasonably request during the continuance of an Event of Default in connection with the obtaining of any consent, approval, registration, qualification, permit, license, accreditation, or authorization of any other official body or other person necessary or appropriate for the effective exercise of any rights hereunder or under the other Credit Documents. Without limiting the generality of the foregoing, Grantor agrees that in the event the Secured Party shall exercise its rights hereunder or pursuant to the other Credit Documents during the continuance of an Event of Default, to sell, transfer, or otherwise dispose of, or vote, consent, operate, or take any other action in connection with any of the Collateral, the Grantor shall execute and deliver (or cause to be executed and delivered) all applications, certificates, assignments and other documents that the Secured Party requests to facilitate such actions and shall otherwise promptly, fully, and diligently cooperate with the Secured Party and any other persons in making any application for the prior consent or approval of any official body or any other person to the exercise by the Secured Party or any such rights relating to all or any of the Collateral.

15.2 **Dividends and Distributions.** Grantor agrees, promptly upon the occurrence and continuance of an Event of Default and without any request therefor by the Secured Party (i) to deliver (properly endorsed where required hereby or requested by the Secured Party) to the Secured Party all Dividends and Distributions with respect to investment property and all proceeds of the Collateral, in each case thereafter received by the Grantor, all of which shall be held by the Secured Party as additional Collateral, and (ii) with respect to Collateral consisting of general partner interests or limited liability company interests, to make modifications to all necessary documents to admit the Secured Party as a general partner or member, respectively. All Dividends, Distributions, interest, principal, cash payments, payment intangibles and proceeds which may at any time and from time to time be held by Grantor but which the Grantor is then obligated to deliver to the Secured Party, shall, until delivery to the Secured Party, be held by the Grantor separate and apart from its other property in trust for the Secured Party.

15.3 **Voting Rights.** Grantor agrees promptly upon the occurrence and continuance of an Event of Default (i) that the Secured Party may exercise (to the exclusion of the Grantor) the voting power and all other incidental rights of ownership with respect to any Collateral constituting investment property of the Grantor and the Grantor hereby grants the Secured Party an irrevocable proxy, exercisable under such circumstances, to vote such investment property; and (ii) that it shall promptly deliver to the Secured Party such additional proxies and other documents as may be necessary to allow the Secured Party to exercise such voting power. Except when an Event of Default has occurred and is continuing, the Grantor may continue to vote all investment property included in the Collateral; provided that no vote shall be cast, or consent, waiver, or ratification given, or action taken by the Grantor that would violate any provision of

any Credit Document . Grantor agrees promptly upon the occurrence and continuance of an Event of Default and without any request therefor by the Secured Party , with respect to Collateral consisting of general partner interests or limited liability company interests, to make modifications to all necessary documents to admit the Secured Party as a general partner or member, respectively. The Secured Party hereby agrees that it shall not exercise any of the powers granted to the Secured Party in this **Section** which would have the result of directly or indirectly prohibiting or restricting any transaction of any Alloy Debtor or its Subsidiaries , so long as such transaction of such Alloy Debtor is not prohibited by any order of the Bankruptcy Court or the terms of the DIP Credit Facility .

15.4 **Compliance With Securities Laws** . Grantor hereby acknowledges that the sale by the Secured Party of any investment property pursuant to the terms hereof in compliance with the Securities Exchange Act of 1934, as amended (the “ **Securities Act** ”) , as well as applicable “ **Blue Sky** ” or other state securities laws, may require strict limitations as to the manner in which the Secured Party or any subsequent transferee of the investment property may dispose thereof. Grantor acknowledges and agrees that, to protect the Secured Party ’s interests, it may be necessary to sell the investment property at a price less than the maximum price attainable if a sale were delayed or made in another manner, such as a public offering under the Securities Act . The Grantor does not have an objection to a sale in such manner and Grantor agrees that the Secured Party does not have an obligation to obtain the maximum possible price for all or any part of the investment property. Without limiting the generality of the foregoing, Grantor agrees that the Secured Party may, pursuant to the terms hereof and subject to applicable law, from time to time attempt to sell all or any part of the investment property by a private placement, restricting the bidders and prospective purchasers to those persons who will represent and agree that they are purchasing for investment only and not for distribution. In so doing, the Secured Party may solicit offers to buy the investment property or any part thereof for cash from a limited number of investors deemed by the Secured Party , in its reasonable judgment, to be institutional investors or other responsible persons who might be interested in purchasing the investment property. If the Secured Party shall solicit such offers, then acceptance by the Secured Party of one of the offers shall be deemed to be a commercially reasonable method of disposition of the Collateral .

16. **Power of Attorney** .

16.1 **Appointment and Powers of the Secured Party** . To the fullest extent permitted by applicable law, Grantor hereby irrevocably constitutes and appoints the Secured Party and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of the Grantor or in the Secured Party ’s own name, for the purpose of carrying out the terms of this Agreement , to take any and all appropriate action and to execute any and all documents and instruments that may be necessary or desirable to accomplish the purposes of this Agreement and, without limiting the generality of the foregoing, hereby gives said attorney the power and right, on behalf of the Grantor , without notice to or assent by the Grantor , to do the following:

- (a) upon the occurrence and during the continuance of an Event of Default , generally to sell, transfer, pledge, make any agreement with respect to or otherwise deal with any of the Collateral in such manner as is consistent with the NYUCC and as fully and completely as though the Secured Party were the absolute owner thereof for all purposes, and to do at the Grantor ’s expense, at any time, or from time to time, all acts and things which the Secured Party deems necessary to protect, preserve or realize upon the Collateral and the Secured Party ’s security interest therein, in order to effect the intent of this Agreement , all as fully and effectively as the Grantor might do, including, without limitation,
 - (i) the filing and prosecuting of registration and transfer applications with the appropriate federal or local agencies or authorities with respect to trademarks, copyrights and patentable inventions and processes,
 - (ii) upon written notice to the Grantor , the exercise of voting rights with respect to voting securities, which rights may be exercised, if the Secured Party so elects, with a view to causing the liquidation in a commercially reasonable manner

of assets of the issuer of any such securities and (iii) the execution, delivery and recording, in connection with any sale or other disposition of any Collateral , of the endorsements, assignments or other instruments of conveyance or transfer with respect to such Collateral ; and

(b) to the extent that the Grantor 's authorization given in **Section 3** is not sufficient, to file such financing statements with respect hereto, with or without the Grantor 's signature, or a photocopy of this Agreement in substitution for a financing statement, as the Secured Party may deem appropriate and to execute in the Grantor 's name such financing statements and amendments thereto and continuation statements which may require the Grantor 's signature.

16.2 **Ratification by Grantor** . To the extent permitted by law, Grantor hereby ratifies all that said attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and shall be irrevocable.

16.3 **No Duty on the Secured Party** . The powers conferred on the Secured Party hereunder are solely to protect its interests in the Collateral and shall not impose any duty upon it to exercise any such powers. The Secured Party shall be accountable only for the amounts that it actually receives as a result of the exercise of such powers and neither it nor any of its officers, directors, employees or agents shall be responsible to the Grantor for any act or failure to act, except for the Secured Party 's own gross negligence or willful misconduct. The Secured Party hereby agrees that it shall not exercise any of the powers granted to the Secured Party in this **Section** which would have the result of directly or indirectly prohibiting or restricting any transaction of any Alloy Debtor or its Subsidiaries , so long as such transaction of such Alloy Debtor is not prohibited by any order of the Bankruptcy Court or the terms of the DIP Credit Facility .

17. **Remedies** . If an Event of Default shall have occurred and be continuing, the Secured Party may, without notice to or demand upon the Grantor , have in any jurisdiction in which enforcement hereof is sought, in addition to all other rights and remedies, the rights and remedies of a secured party under the NYUCC or of any jurisdiction in which Collateral is located, including, without limitation, the right to take possession of the Collateral , and for that purpose the Secured Party may, so far as the Grantor can give authority therefor, enter upon any premises on which the Collateral may be situated and remove the same therefrom. The Secured Party may in its reasonable discretion require the Grantor to assemble all or any part of the Collateral at such location or locations within the jurisdiction(s) of the Grantor ' principal office(s) or at such other locations that is reasonably convenient to both parties. Unless the Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, the Secured Party shall give to the Grantor at least ten Business Days ' prior written notice of the time and place of any public sale of Collateral or of the time after which any private sale or any other intended disposition is to be made. Grantor hereby acknowledges that ten (10) Business Days ' prior written notice of such sale or sales shall be reasonable notice. In addition, Grantor waives any and all rights that it may have to a judicial hearing in advance of the enforcement of any of the Secured Party 's rights hereunder, including, without limitation, its right following an Event of Default to take immediate possession of the Collateral and to exercise its rights with respect thereto.

18. **Standards for Exercising Remedies** . To the extent that applicable law imposes duties on the Secured Party to exercise remedies in a commercially reasonable manner, Grantor acknowledges and agrees that it is not commercially unreasonable for the Secured Party (a) to fail to incur expenses reasonably deemed significant by the Secured Party to prepare Collateral for disposition or otherwise to complete raw material or work in process into finished goods or other finished products for disposition, (b) to fail to obtain third party consents for access to Collateral to be disposed of, or to obtain or, if not required by other law, to fail to obtain governmental or third party consents for the collection or disposition of Collateral to be collected or disposed of, (c) to fail to exercise collection remedies against account debtors or other persons obligated on Collateral or to remove liens or encumbrances on or any adverse claims against

Collateral , (d) to exercise collection remedies against account debtors and other persons obligated on Collateral directly or through the use of collection agencies and other collection specialists, (e) to advertise dispositions of Collateral through publications or media of general circulation, whether or not the Collateral is of a specialized nature, (f) to contact other persons, whether or not in the same business as the Grantor , for expressions of interest in acquiring all or any portion of the Collateral , (g) to hire one or more professional auctioneers to assist in the disposition of Collateral , whether or not the collateral is of a specialized nature, to dispose of Collateral by utilizing Internet sites that provide for the auction of assets of the types included in the Collateral or that have the reasonable capability of doing so, or that match buyers and sellers of assets, (i) to dispose of assets in wholesale rather than retail markets, (j) to disclaim disposition warranties, (k) to purchase insurance or credit enhancements to insure the Secured Party against risks of loss, collection or disposition of Collateral or to provide to the Secured Party a guaranteed return from the collection or disposition of Collateral , or (l) to the extent deemed appropriate by the Secured Party , to obtain the services of other brokers, investment bankers, consultants and other professionals to assist the Secured Party in the collection or disposition of any of the Collateral . Grantor acknowledges that the purpose of this **Section 18** is to provide non-exhaustive indications of what actions or omissions by the Secured Party would not be commercially unreasonable in the Secured Party 's exercise of remedies against the Collateral and that other actions or omissions by the Secured Party shall not be deemed commercially unreasonable solely on account of not being indicated in this **Section 18** . Without limitation upon the foregoing, nothing contained in this **Section 18** shall be construed to grant any rights to the Grantor or to impose any duties on the Secured Party that would not have been granted or imposed by this Agreement or by applicable law in the absence of this **Section 18** .

19. **No Oral Change; Amendments; Security Agreement Supplements for Additional Grantor** . No amendment of any provision of this Agreement shall be effective unless it is in writing and signed by the Grantor and the Secured Party , and no waiver of any provision of this Agreement , and no consent to any departure by the Grantor therefrom, shall be effective unless it is in writing and signed by the Secured Party , and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. Notwithstanding the foregoing, additional persons may become Grantor under this Agreement without consent of any other Grantor through execution and delivery to the Secured Party of an Assumption Agreement in the form of **Annex 1** hereto or any other form of supplement reasonably acceptable to the Secured Party . Nothing in this **Section 19** shall be construed to permit Grantor to form a Subsidiary unless expressly permitted to do so under the DIP Credit Facility .

20. **Suretyship Waivers by Grantor** . Grantor waives demand, notice, protest, notice of acceptance of this Agreement , notice of loans made, credit extended, Collateral received or delivered or other action taken in reliance hereon and all other demands and notices of any description. With respect to both the Secured Obligations and the Collateral, after the occurrence and during the continuation of an Event of Default , Grantor assents to any extension or postponement of the time of payment or any other indulgence, to any substitution, exchange or release of or failure to perfect any security interest in any Collateral , to the addition or release of any party or person primarily or secondarily liable, to the acceptance of partial payment thereon and the settlement, compromising or adjusting of any thereof, all in such manner and at such time or times as the Secured Party may deem advisable. The Secured Party shall have no duty as to the collection or protection of the Collateral or any income thereon, nor as to the preservation of rights against prior parties, nor as to the preservation of any rights pertaining thereto beyond the safe custody thereof as set forth in **Section 12.2** . Grantor further waives any and all other suretyship defenses.

21. **Marshalling** . The Secured Party shall not be required to marshal any present or future collateral security (including but not limited to this Agreement and the Collateral) for, or other assurances of payment of, the Secured Obligations or any of them or to resort to such collateral security or other assurances of payment in any particular order, and all of its rights hereunder and in respect of such collateral security and other assurances of payment shall be cumulative and in addition to all other rights, however existing or

arising. To the extent that it lawfully may, Grantor hereby agrees that it will not invoke any law relating to the marshalling of collateral which might cause delay in or impede the enforcement of the Secured Party's rights under this Agreement or under any other instrument creating or evidencing any of the Secured Obligations or under which any of the Secured Obligations is outstanding or by which any of the Secured Obligations is secured or payment thereof is otherwise assured, and, to the extent that it lawfully may, Grantor hereby irrevocably waives the benefits of all such laws.

22. **Proceeds of Dispositions; Expenses** . The Grantor shall pay to the Secured Party on demand any and all expenses, including reasonable attorneys' fees and disbursements, incurred or paid by the Secured Party in protecting, preserving or enforcing the Secured Party's rights under or in respect of any of the Secured Obligations or any of the Collateral . After deducting all of said expenses, the residue of any proceeds of collection or sale of the Secured Obligations or Collateral shall, to the extent actually received in cash, be applied to the payment of the Secured Obligations in such order as is provided in the DIP Credit Facility , proper allowance and provision being made for any Secured Obligations not then due. Upon the final payment and satisfaction in full of all of the Secured Obligations and after making any payments required by *Sections 9-608(a)(1)(C)* or *9-615(a)(3)* of the NYUCC , any excess shall be returned to the Grantor , and the Grantor shall remain liable for any deficiency in the payment of the Secured Obligations .

23. **Overdue Amounts** . Until paid, all amounts due and payable by the Grantor hereunder shall be a debt secured by the Collateral and shall bear, whether before or after judgment, interest at the applicable rate of interest set forth in the DIP Credit Facility .

24. **Termination** . This Agreement and the liens and security interests granted hereunder shall not terminate until the termination of the DIP Credit Facility and the full and complete performance and indefeasible satisfaction of all the Secured Obligations (other than contingent indemnification obligations) , whereupon the Secured Party shall forthwith cause to be assigned, transferred and delivered, against receipt but without any recourse, warranty or representation whatsoever, any remaining Collateral to or on the order of the Grantor . The Secured Party shall also execute and deliver to Grantor upon such termination such Uniform Commercial Code termination statements and such other documentation as shall be reasonably requested by Grantor to effect the termination and release of the liens and security interests in favor of the Secured Party affecting the Collateral .

25. **Governing Law; Consent to Jurisdiction** .

(a) THIS AGREEMENT , SUBJECT TO THE BANKRUPTCY CODE, SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK , WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES (EXCEPT WHEN LOCAL OR STATE LAW IS REQUIRED FOR PERFECTION OF LIENS). EACH PARTY HERETO, IN EACH CASE FOR ITSELF, ITS SUCCESSORS AND ASSIGNS, HEREBY (A) IRREVOCABLY SUBMITS TO THE JURISDICTION OF THE BANKRUPTCY COURT AND AGREES AND CONSENTS THAT SERVICE OF PROCESS MAY BE MADE UPON IT IN ANY LEGAL PROCEEDING ARISING OUT OF OR IN CONNECTION WITH THE CREDIT DOCUMENTS AND THE OBLIGATIONS BY SERVICE OF PROCESS AS PROVIDED BY NEW YORK LAW , (B) IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW , ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY LITIGATION ARISING OUT OF OR IN CONNECTION WITH THE CREDIT DOCUMENTS AND THE OBLIGATIONS BROUGHT IN SUCH COURT, (C) IRREVOCABLY WAIVES ANY CLAIMS THAT ANY LITIGATION BROUGHT IN SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM, (D) IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS OUT OF THE COURT IN ANY SUCH

LITIGATION BY THE MAILING OF COPIES THEREOF BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, POSTAGE PREPAID, AT ITS ADDRESS SET FORTH HEREIN, AND (E) IRREVOCABLY AGREES THAT ANY LEGAL PROCEEDING AGAINST ANY PARTY HERETO ARISING OUT OF OR IN CONNECTION WITH THE CREDIT DOCUMENTS OR THE OBLIGATIONS SHALL BE BROUGHT IN THE BANKRUPTCY COURT. IF (I) THE CHAPTER 11 CASE IS DISMISSED OR (II) THE BANKRUPTCY COURT ABSTAINS FROM HEARING, OR REFUSES TO EXERCISE JURISDICTION OVER, ANY ACTIONS OR PROCEEDINGS ARISING IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER CREDIT DOCUMENTS OR IN ANY WAY CONNECTED WITH, OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO IN RESPECT OF THIS AGREEMENT OR ANY OTHER CREDIT DOCUMENTS OR THE TRANSACTIONS RELATED HERETO OR THERETO, THEN GRANTOR HEREBY CONSENTS TO THE NON-EXCLUSIVE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED WITHIN THE BOROUGH OF MANHATTAN , STATE OF NEW YORK AND IRREVOCABLY AGREES THAT, SUBJECT TO SECURED PARTY 'S ELECTION, ALL ACTIONS OR PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE OTHER CREDIT DOCUMENTS SHALL BE LITIGATED IN SUCH COURTS . EACH PARTY HERETO EXPRESSLY SUBMITS AND CONSENTS TO THE JURISDICTION OF THE AFORESAID COURTS AND WAIVES ANY DEFENSE OF FORUM NON CONVENIENS. EACH PARTY HERETO HEREBY WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS AND AGREES THAT ALL SUCH SERVICE OF PROCESS MAY BE MADE UPON GRANTOR BY CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED, ADDRESSED TO GRANTOR AT THE ADDRESS SET FORTH IN THIS AGREEMENT AND SERVICE SO MADE SHALL BE COMPLETE TEN (10) DAYS AFTER THE SAME HAS BEEN POSTED.

26. **Waiver of Jury Trial** . GRANTOR AND SECURED PARTY HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THE CREDIT DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED THEREBY AND AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

27. **Notices** . All notices, requests and other communications to any party hereunder shall be in writing (including prepaid overnight courier, facsimile transmission, or other electronic means) and shall be given to such party at its address, e-mail address or facsimile number set forth below or at such other address, e-mail address or facsimile number as such party may hereafter specify for the purpose by notice to Secured Party and Grantor . Each such notice, request or other communication shall be effective (a) if given by facsimile, when such notice is transmitted to the facsimile number specified by this **Section** , (b) if given by e-mail, upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement) or (c) if given by mail, prepaid overnight courier or any other means, when received at the applicable address specified by this **Section** .:

if to the Secured Party, to:

210/RELY Capital, LP
8214 Westchester Drive, Suite 950
Dallas, TX 75225
Attn: Robert H. Alpert
Email: rha@210capital.net
Fax: (214) 602-6125

with a copy to:

Haynes and Boone, LLP
2323 Victory Avenue, Suite 700
Dallas, Texas 75219
Attention: Paul Amiel
Email: paul.amiel@haynesboone.com
Fax: (214) 200-0555

if to Grantor, to:

Real Industry, Inc.
3700 Park East Drive, Suite 300
Beechwood, OH 44122

with a copy to:

Morrison & Foerster LLP
250 West 55th Street
New York, 10019-9601
Attn: Min W. Heo
Fax: (212) 468-7900
Email: mheo@mofoco.com

28. **Counterparts** . This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which shall together constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or other electronic means shall be effective as delivery of a manually executed counterpart of this Agreement . Delivery of manually executed counterparts of this Agreement shall immediately follow delivery by telecopy or other electronic means, but the failure to so deliver a manually executed counterpart shall not affect the validity, enforceability, or binding effect hereof.

29. **Conflicting Terms** . Notwithstanding anything contained herein, in the case of any conflict of terms contained herein with those terms set forth in the DIP Credit Facility , the terms of the DIP Credit Facility shall govern.

30. **Miscellaneous** . The headings of each section of this Agreement are for convenience only and shall not define or limit the provisions thereof. This Agreement and all rights and obligations hereunder shall be binding upon the Grantor and their respective successors and assigns, and shall inure to the benefit of the Secured Party and its successors and assigns. If any term of this Agreement shall be held to be invalid, illegal or unenforceable, the validity of all other terms hereof shall in no way be affected thereby, and this Agreement shall be construed and be enforceable as if such invalid, illegal or unenforceable term had not been included herein. Grantor acknowledges receipt of a copy of this Agreement .

[**Remainder of Page Intentionally Left Blank;
Signature Page Follows .**]

SECURED PARTY:

210/RELY CAPITAL, LP , a Texas limited partnership, as DIP Agent

By: 210/RELY INVESTMENT, LLC, a Texas limited liability company, its general partner

By: /s/ Robert H. Alpert
Robert H. Alpert, Principal

GUARANTY AGREEMENT

THIS GUARANTY AGREEMENT (this “*Guaranty*”) is dated as of January 24, 2018, by and among SGGH, LLC, a Delaware limited liability company (“*SGGH*”) and Cosmedicine LLC, a Delaware limited liability company (“*Cosmedicine*”) and SGGH, collectively, the “*Guarantors*” and each a “*Guarantor*”), in favor of 210/Rely Capital, LP, a Texas limited partnership, as DIP agent (in such capacity, “*DIP Agent*”) for the DIP Lenders (hereinafter defined), the DIP Lenders and each of their respective successors and assigns as permitted pursuant to the DIP Credit Facility (hereinafter defined).

W I T N E S S E T H:

WHEREAS, the Guarantors are subsidiaries of Real Industry, Inc., a Delaware corporation (the “*Borrower*”);

WHEREAS, Borrower is a debtor under that certain bankruptcy Case Number 17-12464-KJC pending in the United States Bankruptcy Court for the District of Delaware.

WHEREAS, Borrower, DIP Agent and the lenders from time to time party thereto (collectively, the “*DIP Lenders*”) have entered into a debtor-in-possession credit facility (as amended, restated, amended and restated, supplemented, restructured or otherwise modified from time to time, the “*DIP Credit Facility*”; unless otherwise defined herein, all terms used herein with their initial letter capitalized shall have the meaning given such terms in the DIP Credit Facility) executed by Borrower and confirmed by the DIP Order;

WHEREAS, in consideration of the DIP Lenders’ agreement to enter into the DIP Credit Facility, DIP Agent and the DIP Lenders have required, as a condition to the extension of credit under the DIP Credit Facility, that Guarantors execute and deliver this Guaranty; and

WHEREAS, Guarantors have determined that they will derive valuable benefits from the extension of credit to be made to Borrower under the DIP Credit Facility and such benefits exceed their anticipated liability hereunder.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed, each Guarantor hereby covenants and agrees as follows:

1. Each Guarantor hereby absolutely and unconditionally guarantees the prompt, complete and full payment when due, no matter how such shall become due, of the Obligations. Each Guarantor waives the right to bring any counterclaim in any proceeding or action to enforce the terms of this Guaranty and expressly agrees that such Guarantor shall not assert any defense of any kind of Borrower to enforcement of the Obligations in any such proceeding or action. Notwithstanding any contrary provision in this Guaranty, however, Guarantor’s maximum liability under this Guaranty is limited, to the extent, if any, required so that its liability is not subject to avoidance under applicable Debtor Relief Laws (as such term is defined in *Paragraph 8* hereof).

2. If a Guarantor is or becomes liable for any indebtedness owing by Borrower to DIP Agent or any DIP Lender by endorsement or otherwise than under this Guaranty, such liability shall not be in any manner impaired or affected hereby, and the rights of DIP Agent and the DIP Lenders hereunder shall be cumulative of any and all other rights that DIP Agent and the DIP Lenders may ever have against such Guarantor. The exercise by DIP Agent or any DIP Lender of any right or remedy hereunder or under any

other instrument, at law or in equity, shall not preclude the concurrent or subsequent exercise of any other right or remedy.

3. Upon an Event of Default by Borrower in payment of all or any part of the Obligations, when such Obligations become due, either by their terms or as the result of the exercise of any power to accelerate, each Guarantor shall, on demand, and without further notice of dishonor and without any notice having been given to such Guarantor previous to such demand of the acceptance by DIP Agent or the DIP Lenders of this Guaranty, and without any notice having been given to such Guarantor previous to such demand of the creating or incurring of such Obligations, pay the amount due thereon to DIP Agent for the ratable account of the DIP Lenders at DIP Agent's office as set forth in the DIP Credit Facility, and it shall not be necessary for DIP Agent or any DIP Lender, in order to enforce such payment by each Guarantor, first, to institute suit or exhaust its remedies against Borrower or others liable on such Obligations, to have Borrower joined with the Guarantors in any suit brought under this Guaranty or to enforce their rights against any security which shall ever have been given to secure such indebtedness; *provided, however,* that in the event DIP Agent and the DIP Lenders elect to enforce and/or exercise any remedies they may possess with respect to any security for the Obligations prior to demanding payment from the Guarantors, each Guarantor shall nevertheless be obligated hereunder for any and all sums still owing to the DIP Lenders on the Obligations that is not otherwise repaid or recovered incident to the exercise of such remedies.

4. Except as otherwise provided in this Guaranty, notice to the Guarantors of the acceptance of this Guaranty and of the making, renewing or assignment of the Obligations and each item thereof, are hereby expressly waived by the Guarantors.

5. Each payment on the Obligations shall be deemed to have been made by Borrower unless express written notice is given to DIP Agent at the time of such payment that such payment is made by the Guarantors as specified in such notice.

6. Guarantor agrees that DIP Agent and the DIP Lenders may at any time and from time to time, at their discretion and with or without valuable consideration and subject to the terms of the DIP Loan Documents, allow substitution or withdrawal of collateral or other security and release collateral or other security or compromise or settle any amount due or owing under the DIP Credit Facility or amend or modify in whole or in part the DIP Credit Facility or any DIP Loan Document executed in connection with same without impairing or diminishing the obligations of Guarantor hereunder. DIP Agent shall give each Guarantor reasonable notice of any action taken under the preceding sentence; *provided, that,* failure to give such notice shall not affect the legitimacy or efficacy of any such action. Each Guarantor further agrees that if Borrower executes in favor of DIP Agent or the DIP Lenders any collateral agreement, mortgage or other security instrument, the exercise by DIP Agent and the DIP Lenders of any right or remedy thereby conferred on DIP Agent and the DIP Lenders shall be wholly discretionary with DIP Agent and the DIP Lenders, and that the exercise or failure to exercise any such right or remedy shall in no way impair or diminish the obligation of the Guarantors hereunder. Each Guarantor further agrees that the DIP Agent shall not be liable for any failure to use diligence in the collection of the Obligations or in preserving the liability of any person liable for the Obligations, and each Guarantor hereby waives presentment for payment, notice of nonpayment, protest and notice thereof (including, notice of acceleration), and diligence in bringing suits against any Person liable on the Obligations, or any part thereof.

7. Each Guarantor agrees that DIP Agent and the DIP Lenders, in their sole discretion, may (i) bring suit against all guarantors (including, without limitation, the Guarantors hereunder) of the Obligations jointly and severally or against any one or more of them, (ii) compound or settle with any one or more of such guarantors for such consideration as DIP Agent and the DIP Lenders may deem proper, and (iii) release one or more of such guarantors from liability hereunder, and that no such action shall impair the rights of DIP Agent and the DIP Lenders to collect the Obligations (or the unpaid balance thereof) from

other such guarantors of the Obligations, or any of them, not so sued, settled with or released. DIP Agent shall give each Guarantor reasonable notice of any action taken under the preceding sentence; *provided*, *that*, failure to give such notice shall not affect the legitimacy or efficacy of any such action. Each Guarantor agrees, however, that nothing contained in this paragraph, and no action by DIP Agent and the DIP Lenders permitted under this *paragraph*, shall in any way affect or impair the rights or obligations of such guarantors among themselves.

8. (a) (i) SGGH represents and warrants to DIP Agent and the DIP Lenders that SGGH is a limited liability company duly formed and validly existing under the laws of the State of Delaware; and (ii) Cosmedicine represents and warrants to DIP Agent and the DIP Lenders that Cosmedicine is a limited liability company duly formed and validly existing under the laws of the State of Delaware; and

(b) Each Guarantor represents and warrants to DIP Agent and the DIP Lenders that such Guarantor possesses all requisite authority and power to authorize, execute, deliver and comply with the terms of this Guaranty; this Guaranty has been duly authorized and approved by all necessary action on the part of such Guarantor and constitutes a valid and binding obligation of such Guarantor enforceable in accordance with its terms, except as the enforcement thereof may be limited by applicable Debtor Relief Laws (hereinafter defined); and no approval or consent of any court or governmental entity is required for the authorization, execution, delivery or compliance with this Guaranty which has not been obtained (and copies thereof delivered to DIP Lender). As used in this Guaranty, the term, “*Debtor Relief Laws*” means the Bankruptcy Code of the United States of America and all other applicable liquidation, conservatorship, bankruptcy, moratorium, rearrangement, receivership, insolvency, reorganization, suspension of payments or similar debtor relief laws from time to time in effect affecting the rights of creditors generally.

9. Each Guarantor covenants and agrees that until the Obligations are paid and performed in full, except as otherwise provided in the DIP Credit Facility or unless DIP Agent and each of the DIP Lenders gives their prior written consent to any deviation therefrom, it will (i) at all times maintain its existence and authority to transact business in any State or jurisdiction where such Guarantor has assets and operations, except where the failure to be so qualified could not reasonably be expected to have a Material Adverse Change, (ii) promptly deliver to DIP Agent such information respecting its business affairs, assets and liabilities as DIP Agent may reasonably request, and (iii) duly and punctually observe and perform all covenants applicable to such Guarantor under the DIP Credit Facility and the other DIP Loan Documents. The failure of any Guarantor to comply with the terms of this *paragraph* shall be an Event of Default under the DIP Credit Facility, subject to applicable grace periods therein.

10. This Guaranty is for the benefit of DIP Agent and the DIP Lenders, their successors and assigns, and in the event of an assignment by any of the DIP Lenders (or its successors or assigns) of the Obligations, or any part thereof, the rights and benefits hereunder, to the extent applicable to the Obligations so assigned, may be transferred with such Obligations. This Guaranty is binding upon each Guarantor and its successors and assigns.

11. No modification, consent, amendment or waiver of any provision of this Guaranty, or consent to any departure by a Guarantor therefrom, shall be effective unless the same shall be in writing and signed by DIP Agent, each DIP Lender and such Guarantor, and then shall be effective only in the specific instance and for the purpose for which given. No delay or omission by DIP Agent and the DIP Lenders in exercising any power or right hereunder shall impair any such right or power or be construed as a waiver thereof or any acquiescence therein, nor shall any single or partial exercise of any such power preclude other or further exercise thereof, or the exercise of any other right or power hereunder. All rights and remedies of DIP Agent and the DIP Lenders hereunder are cumulative of each other and of every other right or remedy which DIP Agent and the DIP Lenders may otherwise have at law or in equity or under any

other contract or document, and the exercise of one or more rights or remedies shall not prejudice or impair the concurrent or subsequent exercise of other rights or remedies.

12. No provision herein or in any promissory note, instrument or any other DIP Loan Document executed by Borrower or any Guarantor evidencing the Obligations shall require the payment or permit the collection of interest in excess of the Maximum Lawful Rate. If any excess of interest in such respect is provided for herein or in any such promissory note, instrument, or any other DIP Loan Document, the provisions of this *paragraph* shall govern, and neither Borrower nor any Guarantor shall be obligated to pay the amount of such interest to the extent that it is in excess of the amount permitted by law. The intention of the parties being to conform strictly to any applicable federal or state usury laws now in force, all promissory notes, instruments and other DIP Loan Documents executed by Borrower or any Guarantor evidencing the Obligations shall be held subject to reduction to the amount allowed under said usury laws as now or hereafter construed by the courts having jurisdiction.

13. If any Guarantor should breach or fail to perform any provision of this Guaranty, such Guarantor agrees to pay DIP Agent and the DIP Lenders all costs and expenses (including court costs and reasonable and documented attorneys' fees) incurred by DIP Agent and the DIP Lenders in the enforcement hereof.

14. (a) The liability of any Guarantor under this Guaranty shall in no manner be impaired, affected or released by the insolvency, bankruptcy, making of an assignment for the benefit of creditors, arrangement, compensation, composition or readjustment of Borrower, or any proceedings affecting the status, existence or assets of Borrower or other similar proceedings instituted by or against Borrower and affecting the assets of Borrower.

(b) Each Guarantor acknowledges and agrees that any interest on any portion of the Obligations which accrues after the commencement of any proceeding referred to in *clause (a)* above (or, if interest on any portion of the Obligations ceases to accrue by operation of law by reason of the commencement of said proceeding, such interest as would have accrued on such portion of the Obligations if said proceedings had not been commenced) shall be included in the Obligations because it is the intention of such Guarantor, DIP Agent and the DIP Lenders that the Obligations which are guaranteed by such Guarantor pursuant to this Guaranty should be determined without regard to any rule of law or order which may relieve Borrower of any portion of such Obligations. Each Guarantor will permit any trustee in bankruptcy, receiver, debtor in possession, assignee for the benefit of creditors or similar person to pay DIP Agent and the DIP Lenders, or allow the claim of DIP Agent and the DIP Lenders in respect of, any such interest accruing after the date on which such proceeding is commenced.

(c) In the event that all or any portion of the Obligations are paid by the Guarantors, the obligations of the Guarantors hereunder shall continue and remain in full force and effect or be reinstated, as the case may be, in the event that all or any part of such payment(s) are rescinded or recovered directly or indirectly from DIP Agent or the DIP Lenders as a preference, fraudulent transfer or otherwise, and any such payments which are so rescinded or recovered shall constitute Obligations for all purposes under this Guaranty.

15. Each Guarantor understands and agrees that any amounts of such Guarantor on account with DIP Agent or any DIP Lender may be offset to satisfy the obligations of such Guarantor hereunder.

16. Each Guarantor hereby subordinates and makes inferior any and all indebtedness now or at any time hereafter owed by Borrower to such Guarantor to the Obligations evidenced by the DIP Credit Facility and agrees after the occurrence and continuation of an Event of Default under the DIP Credit Facility, or any event which with notice, lapse of time, or both, would constitute a Default under the DIP

Credit Facility, not to permit Borrower to repay, or to accept payment from Borrower of, such indebtedness or any part thereof without the prior written consent of DIP Agent and the DIP Lenders.

17. During the period that any DIP Lender has any commitment to lend under the DIP Loan Documents, or any amount payable under any Note remains unpaid, and throughout any additional preferential period subsequent thereto, each Guarantor hereby waives any and all rights of subrogation to which such Guarantor may otherwise be entitled against Borrower, or any other guarantor of the Obligations, as a result of any payment made by such Guarantor pursuant to this Guaranty.

18. Each Guarantor shall have the right to indefeasibly repay the Obligations in full on behalf of Borrower. If any Guarantor indefeasibly repays the Obligations in full (other than contingent indemnification obligations) and the DIP Commitment has terminated, then such Guarantor shall be subrogated to the rights of DIP Agent with respect to claims against or remedies permissible with respect to the Borrower.

19. If any provision of this Guaranty is held to be illegal, invalid, or unenforceable, such provision shall be fully severable; this Guaranty shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part hereof; and the remaining provisions hereof shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance herefrom.

20. THIS GUARANTY REPRESENTS THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.

21. BORROWER, DIP AGENT AND EACH DIP LENDER HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS GUARANTY OR THE TRANSACTIONS CONTEMPLATED HEREBY AND AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

22. THIS GUARANTY SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES (EXCEPT WHEN LOCAL OR STATE LAW IS REQUIRED FOR PERFECTION OF LIENS). EACH PARTY HERETO, IN EACH CASE FOR ITSELF, ITS SUCCESSORS AND ASSIGNS, HEREBY (A) IRREVOCABLY SUBMITS TO THE JURISDICTION OF THE BANKRUPTCY COURT AND AGREES AND CONSENTS THAT SERVICE OF PROCESS MAY BE MADE UPON IT IN ANY LEGAL PROCEEDING ARISING OUT OF OR IN CONNECTION WITH THE GUARANTY AND THE OBLIGATIONS BY SERVICE OF PROCESS AS PROVIDED BY NEW YORK LAW, (B) IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY LITIGATION ARISING OUT OF OR IN CONNECTION WITH THIS GUARANTY AND THE OBLIGATIONS BROUGHT IN SUCH COURT, (C) IRREVOCABLY WAIVES ANY CLAIMS THAT ANY LITIGATION BROUGHT IN SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM, (D) IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS OUT OF THE COURT IN ANY SUCH LITIGATION BY THE MAILING OF COPIES THEREOF BY CERTIFIED MAIL,

RETURN RECEIPT REQUESTED, POSTAGE PREPAID, AT ITS ADDRESS SET FORTH HEREIN, AND (E) IRREVOCABLY AGREES THAT ANY LEGAL PROCEEDING AGAINST ANY PARTY HERETO ARISING OUT OF THIS GUARANTY OR THE OBLIGATIONS SHALL BE BROUGHT IN THE BANKRUPTCY COURT. IF (I) THE CHAPTER 11 CASE IS DISMISSED OR (II) THE BANKRUPTCY COURT ABSTAINS FROM HEARING, OR REFUSES TO EXERCISE JURISDICTION OVER, ANY ACTIONS OR PROCEEDINGS ARISING IN CONNECTION WITH THIS GUARANTY OR IN ANY WAY CONNECTED WITH, OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO IN RESPECT OF THIS GUARANTY OR THE TRANSACTIONS RELATED HERETO OR THERETO, THEN EACH GUARANTOR HEREBY CONSENTS TO THE NON-EXCLUSIVE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED WITHIN THE BOROUGH OF MANHATTAN, STATE OF NEW YORK AND IRREVOCABLY AGREES THAT, SUBJECT TO DIP AGENT'S ELECTION, ALL ACTIONS OR PROCEEDINGS ARISING OUT OF OR RELATING TO THIS GUARANTY SHALL BE LITIGATED IN SUCH COURTS. EACH PARTY HERETO EXPRESSLY SUBMITS AND CONSENTS TO THE JURISDICTION OF THE AFORESAID COURTS AND WAIVES ANY DEFENSE OF FORUM NON CONVENIENS. EACH PARTY HERETO HEREBY WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS AND AGREES THAT ALL SUCH SERVICE OF PROCESS MAY BE MADE UPON EACH GUARANTOR BY CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED, ADDRESSED TO SUCH GUARANTOR CARE OF BORROWER AT THE ADDRESS SET FORTH IN THE DIP CREDIT FACILITY AND SERVICE SO MADE SHALL BE COMPLETE TEN (10) DAYS AFTER THE SAME HAS BEEN POSTED.

23. This Guaranty and any amendments, waivers, consents or supplements hereto may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all taken together shall constitute a single contract. This Guaranty shall become effective when it shall have been executed by DIP Agent and each Guarantor. Delivery of an executed counterpart of a signature page to this Guaranty by facsimile or in electronic (i.e., "pdf" or "tif") format shall be effective as delivery of a manually executed counterpart of this Guaranty.

**[Remainder of Page Intentionally Left Blank;
Signature Page Follows .]**

EXECUTED and effective as of the date first above written.

GUARANTORS :

SGGH, LLC , a Delaware limited liability company

By: /s/ Kelly G. Howard
Name: Kelly G. Howard

Title: Vice President and Secretary

COSMEDICINE, LLC , a Delaware limited liability company

By: /s/ Kelly G. Howard
Name: Kelly G. Howard

Title: Vice President and Secretary

Signature Page to
Guaranty Agreement

DIP AGENT:

210/RELY CAPITAL, LP , a Texas limited partnership, as DIP Agent

By: 210/RELY INVESTMENT, LLC, a Texas limited liability company, its general partner

By: /s/ Robert H. Alpert
Robert H. Alpert, Principal

Signature Page to
Guaranty Agreement

NOTE

\$2,750,000.00

January 24, 2018

1. FOR VALUE RECEIVED, **REAL INDUSTRY, INC.**, a Delaware corporation (“*Maker*”), hereby promises to pay to the order of **210/RELY CAPITAL, LP**, a Texas limited partnership (“*Lender*”), in accordance with the provisions of the Credit Agreement (as hereinafter defined), the principal sum of TWO MILLION SEVEN HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$2,750,000.00) advanced by Lender to or for the benefit or account of Maker pursuant to the terms of that certain Debtor-In-Possession Credit Agreement, dated as of the date hereof (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the “*Credit Agreement*,” the terms defined therein being used herein as therein defined), between Maker, as borrower, Lender, as DIP Agent, and the other DIP Lenders party thereto.
2. Maker promises to pay interest on the unpaid principal amount of this Note from the date hereof until the DIP Loans made by Lender are paid in full, at such interest rates and at such times as provided in the Credit Agreement. All payments of principal and interest shall be made to Lender in Dollars in immediately available funds at Lender’s principal office. If any amount is not paid in full when due hereunder, then such unpaid amount shall bear interest pursuant to the Credit Agreement.
3. This Note is one of the Notes referred to in the Credit Agreement, is entitled to the benefits thereof and may be prepaid in whole or in part subject to the terms and conditions provided therein. This Note is also entitled to the benefits of the Guaranty Agreement. Upon the occurrence and continuation of one or more of the Events of Default specified in the Credit Agreement, all amounts then remaining unpaid on this Note may be declared immediately due and payable as provided in the Credit Agreement.
4. Maker and all sureties, endorsers, guarantors and other parties ever liable for payment of any sums payable pursuant to the terms of this Note, waive demand, presentment for payment, protest, notice of protest, notice of acceleration, notice of intent to accelerate, diligence in collection, the bringing of any suit against any party, and any notice of or defense on account of any extensions, renewals, partial payment, or any releases or substitutions of any security, or any delay, indulgence, or other act of any trustee or any holder hereof, whether before or after maturity.
5. Pursuant to *Section 5-1401* of the New York General Obligations Law, the substantive laws of the State of New York, without regard to the choice of law principles that might otherwise apply, and the applicable federal laws of the United States of America, shall govern the validity, construction, enforcement and interpretation of this Note.

**[Remainder of Page Intentionally Left Blank
Signature Page Follows]**

IN WITNESS WHEREOF , Maker, intending to be legally bound hereby, has duly executed this Note as of the day and year first written above.

MAKER :

REAL INDUSTRY, INC. , a Delaware corporation

By: /s/ Michael J. Hobey

Name: Michael J. Hobey

Title: Interim CEO, President and CFO

Signature Page to
Note

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)	
)	Chapter 11
REAL INDUSTRY, INC., <i>et al.</i> ¹)	Case No. 17-12464 (KJC)
Debtors.)	Jointly Administered
)	Ref. Docket No. 207, 252, 253
)	

ORDER (I) AUTHORIZING REAL INDUSTRY, INC. TO OBTAIN SENIOR SECURED, SUPERPRIORITY, POSTPETITION FINANCING, (II) GRANTING LIENS AND PROVIDING SUPERPRIORITY ADMINISTRATIVE EXPENSE STATUS, (III) MODIFYING THE AUTOMATIC STAY IN CONNECTION THEREWITH, (IV) AUTHORIZING REAL INDUSTRY, INC. TO OBTAIN THE EQUITY COMMITMENT, AND (V) GRANTING RELATED RELIEF

Upon the motion, dated December 27, 2017 [Docket No. 207] (the “Motion”),² of Real Industry, Inc. (“Real Industry” or the “Borrower”) and its affiliated debtors and debtors-in-possession (the “Real Alloy Debtors,” and with Real Industry, collectively, the “Debtors”) in the above-captioned chapter 11 cases (the “Chapter 11 Cases”), seeking, among other things, entry of an order (this Order, together with all annexes, schedules and exhibits hereto, the “Order”) under sections 105, 361, 362, 363(c)(2), 364(c)(1), 364(c)(2), 364(c)(3), 364(e), 503, and 507 of title 11 of the United States Code (the “Bankruptcy Code”), rules 2002, 4001, 6004, and 9014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and rules 2002-1(b), 4001-1, 4001-2, and 9013-1 of the local rules for the United States Bankruptcy Court for the District of

¹ The Debtors in the above-captioned chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are Real Industry, Inc. (3818), Real Alloy Intermediate Holding, LLC (7447), Real Alloy Holding, Inc. (2396), Real Alloy Recycling, Inc. (9798), Real Alloy Bens Run, LLC (3083), Real Alloy Specialty Products, Inc. (9911), Real Alloy Specification, Inc. (9849), ETS Schaefer, LLC (9350), and RA Mexico Holding, LLC (4620). The principal place of business for the Real Alloy Debtors is 3700 Park East Drive, Suite 300, Beachwood, Ohio 44122.

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

Delaware (the “ Local Rules ”) authorizing Real Industry to obtain postpetition financing on a senior secured superpriority basis and granting related relief, Real Industry sought, among other things, the following relief:

(i) the Court’s authorization, pursuant to sections 363 and 364(c)(1), (2), (3), and (e) of the Bankruptcy Code, for the Borrower to enter into a senior-secured, superpriority debtor-in-possession credit agreement in an aggregate principal amount of \$5,500,000 (the “ 210 DIP Financing ”) pursuant to the terms and conditions of the 210 DIP Documents (as defined below), from 210 Capital, LLC or one of its affiliates (“ 210 Capital ”) and the Private Credit Group of Goldman Sachs Asset Management, L.P., on behalf of one or more of their managed funds or accounts (“ GSAM ” and together with 210 Capital, the “ Lenders ” and each, a “ Lender ”), in each case for use in accordance with the Budget (defined below) prior to the Maturity Date (defined below), and upon the entry of the Order and satisfaction of all applicable conditions precedent under the 210 DIP Documents;

(ii) the Court’s authorization for the Borrower to enter into, execute and deliver documentation evidencing the 210 DIP Financing including, without limitation, the Senior Secured Superpriority Debtor-in-Possession DIP Credit Agreement, substantially in the form attached hereto as **Exhibit 1** (the “ DIP Credit Agreement ”), between and among the Borrower, certain subsidiaries of the Borrower which are not debtors in these Chapter 11 Cases (the “ Guarantors ” and together with the Borrower, the “ DIP Obligors ”), and the Lenders (the DIP Credit Agreement, together with the Commitment Letter, the “ 210 DIP Facility ”), and all other agreements, documents and instruments delivered or executed in connection therewith, including, without limitation, any fee arrangements or agreements, and the Budget, in each case as hereafter amended, supplemented, or otherwise modified from time to time, collectively, the “ 210 DIP Documents ”),

and to perform such other and further acts as may be necessary or appropriate in connection therewith;

(iii) the Court's authorization to use the 210 DIP Financing in accordance with the proposed budget prepared by the DIP Obligors and annexed hereto as **Exhibit 2** (as updated, amended, supplemented, otherwise modified, or replaced, from time to time pursuant to the 210 DIP Documents, in each case, subject to the approval of the Lenders in accordance with the 210 DIP Documents, the "Budget") and as otherwise provided herein and in the other 210 DIP Documents;

(iv) the Court's authorization to grant to the Lenders in respect of the DIP Obligations (defined below), superpriority administrative claims pursuant to section 364(c)(1) of the Bankruptcy Code, and liens on and security interests in all assets and property of the Borrower pursuant to sections 364(c)(2) and 364(c)(3) of the Bankruptcy Code, in each case as and to the extent set forth in this Order and the other 210 DIP Documents, and subject to the Carve-Out (defined below);

(v) the Court's approval of the DIP Milestones (as defined in the Motion) set forth in the 210 DIP Documents;

(vi) the Court's modification of the automatic stay imposed by section 362 of the Bankruptcy Code to the extent necessary to implement and effectuate the terms and provisions of the 210 DIP Financing, this Order, and the 210 DIP Documents;

(vii) upon entry of this Order, the Court's authorization for the Borrower to grant liens to the Lenders on the proceeds of Avoidance Actions (defined below) in accordance with the relative priorities set forth herein;

(viii) the Court's approval for the Borrower to waive its right to surcharge the Collateral (defined below) pursuant to section 506(c) of the Bankruptcy Code;

(ix) the Court's authorization for the Borrower to cause and require the other DIP Obligors to become parties to the 210 DIP Documents in a manner, and to the extent required by the 210 DIP Documents, and to grant any Liens and perform all obligations securing repayment under the 210 DIP Documents and any other agreements entered into in connection therewith, and to submit to the jurisdiction of this Court with regard to any and all disputes regarding the 210 DIP Documents or this Order; and

(x) the Court's waiver of any applicable stay (including under Bankruptcy Rule 6004) with respect to the effectiveness and enforceability of this Order and providing for the immediate effectiveness of this Order.

The Court having considered the Motion, the terms of the DIP Credit Agreement and the Commitment Letter, the declaration filed in support of the Motion, and the evidence submitted or adduced at the hearing held before this Court, if any, to consider entry of this Order (the "Hearing"); and in accordance with Bankruptcy Rules 4001(b)(2) and (c)(2), due and proper notice of the Motion and the Hearing having been given; and it appearing that approval of the relief requested in the Motion is fair and reasonable and in the best interests of the Borrower and its estate, and essential for the continued operation of the Borrower's business; and all objections, if any, to the entry of this Order having been withdrawn, resolved or overruled by the Court; and after due deliberation and consideration, and good and sufficient cause appearing therefor:

BASED UPON THE FOREGOING, THE COURT HEREBY MAKES THE FOLLOWING FINDINGS OF FACT AND CONCLUSIONS OF LAW:

A. Petition Date. On November 17, 2017 (the “Petition Date”), the Debtors filed voluntary petitions under chapter 11 of the Bankruptcy Code with the Court. The Debtors have continued in the management and operation of their businesses and properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in the Chapter 11 Cases.

B. Jurisdiction and Venue. The Court has jurisdiction over these proceedings, pursuant to 28 U.S.C. § 1334. Consideration of the Motion constitutes a core proceeding under 28 U.S.C. § 157(b) (2). Venue for the Chapter 11 Cases and the proceedings on the Motion is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

C. Committee Formation. On November 30, 2017, an official committee of unsecured creditors was appointed in the Chapter 11 Cases (the “Creditors’ Committee”). The Creditors’ Committee has moved to retain Brown Rudnick LLP and Duane Morris LLP as co-counsel for the Creditors’ Committee.

D. Notice. Notice of the Hearing and the relief requested in the Motion has been provided by the Debtors, by telecopy, email, overnight courier and/or hand delivery, to: (i) the Office of the United States Trustee; (ii) counsel to the Creditors’ Committee; (iii) Wilmington Trust, N.A.; (iv) the Securities & Exchange Commission; (v) the Office of the United States Attorney General for the District of Delaware; (vi) the offices of the attorneys general for the states in which the Debtors operate; (vii) the Internal Revenue Service; (viii) the U.S. Department of Justice; (ix) counsel to the DIP ABL Agent and the Requisite DIP Noteholders (each as defined in Docket No. 59); (x) the United States Environmental Protection Agency; (xi) counsel to the Lender, and (xii) any party that has requested notice pursuant to Bankruptcy Rule 2002 (collectively, the “Notice Parties”). Under the circumstances, such notice of the Hearing and the relief requested in the

Motion constitutes due, sufficient and appropriate notice and complies with section 102(1) of the Bankruptcy Code, Bankruptcy Rules 2002 and 4001(b) and (c), and the Local Rules.

E. No Control. Neither of the Lenders (i) is a control person or insider of the Debtors or any of their affiliates by virtue of any of the actions taken with respect to, in connection with, related to, or arising from the 210 DIP Facility and/or the 210 DIP Documents, or (ii) shall be deemed to be in control of the Debtors or their estates, or to be acting as a “responsible person” or “owner or operator” under any applicable law, including without limitation, any environmental law, by virtue of any actions taken with respect to, in connection with, related to, or arising from the 210 DIP Facility and/or the 210 DIP Documents.

F. No Claims or Causes of Action. Real Industry represents that, as of the date hereof, there exist no claims or causes of action against the Lenders with respect to, in connection with, related to, or arising from or under the 210 DIP Documents that may be asserted by the DIP Obligors or, to the DIP Obligors’ knowledge, any other person or entity.

G. Release. The Debtors and the DIP Obligors, on behalf of themselves and their respective estates, forever and irrevocably release, discharge, and acquit each of the former, current and future officers, employees, directors, agents, representatives, owners, members, partners, financial and other advisors and consultants, legal advisors, shareholders, managers, consultants, accountants, attorneys, affiliates, and predecessors and successors in interest of the Lenders and each of their respective affiliates (collectively, the “Releasees”) of and from any and all claims, demands, liabilities, responsibilities, disputes, remedies, causes of action, indebtedness and obligations, rights, assertions, allegations, actions, suits, controversies, proceedings, losses, damages, injuries, reasonable attorneys’ fees, costs, expenses, or judgments of every type, which the Debtors or the DIP Obligors may now have or have ever had against the Releasees, whether

known, unknown, asserted, unasserted, suspected, unsuspected, accrued, unaccrued, fixed, contingent, pending or threatened including, without limitation, all legal and equitable theories of recovery, arising under common law, statute or regulation or by contract, of every nature and description, arising out of, in connection with, or relating to the 210 DIP Facility, the 210 DIP Documents and/or the transactions contemplated hereunder or thereunder including, without limitation, (x) any so-called “lender liability” or equitable subordination claims or defenses, (y) any and all claims and causes of action arising under the Bankruptcy Code, and (z) any and all claims and causes of action with respect to the validity, priority, perfection or avoidability of the liens or claims of the Lender. The DIP Obligors further waive and release any defense, right of counterclaim, right of setoff or deduction of the payment of the DIP Obligations that the Debtors and the DIP Obligors now have or may claim to have against the Releasees arising out of, connected with, or relating to any and all acts, omissions or events occurring prior to the entry of this Order.

H. No Credit Available on More Favorable Terms. The Borrower has been unable to obtain on more favorable terms and conditions than those provided in this Order and the 210 DIP Documents: (a) adequate unsecured credit allowable under section 503(b)(1) of the Bankruptcy Code as an administrative expense, and (b) credit for money borrowed with priority over any or all administrative expenses of the kind specified in Sections 503(b) or 507(b) of the Bankruptcy Code. The Borrower is unable to obtain credit for borrowed money without granting the 210 DIP Liens and the DIP Superpriority Claims (defined below) to (or for the benefit of) the Lenders.

I. Use of Proceeds of the 210 DIP Financing and Collateral. All proceeds of the Collateral, including proceeds realized from a sale or disposition thereof, or from payment thereon, and all proceeds of the 210 DIP Financing shall only be used and/or applied in

accordance with the terms and conditions of this Order, the Budget, and the 210 DIP Documents. The proceeds of the 210 DIP Financing shall not be used by the Borrower to assert or prosecute any claim, demand or cause of action against the Lenders, including, in each case, without limitation, any action, suit, or other proceeding for breach of contract or tort or pursuant to sections 105, 510, 544, 547, 548, 549, 550, or 552 of the Bankruptcy Code, or otherwise under any other applicable law (state, federal, or foreign) or otherwise.

J. Extension of Financing. The Lenders have indicated a willingness to provide financing to the DIP Obligors subject to and in accordance with the 210 DIP Documents (including the Budget) and subject to (i) the entry of this Order, (ii) approval of each provision of the 210 DIP Documents, and (iii) findings by this Court that such financing is essential to the Borrower's estate (and the continued operation of the DIP Obligors), that the Lenders are good faith financiers, and that the Lenders' claims, superpriority claims, security interests and liens and other protections granted pursuant to and in connection with this Order and the 210 DIP Facility (including the DIP Superpriority Claims and the 210 DIP Liens), will not be affected by any subsequent reversal, modification, vacatur, stay or amendment of, as the case may be, this Order or any other order, as provided in section 364(e) of the Bankruptcy Code.

K. Business Judgment and Good Faith Pursuant to Section 364(e).

(i) The terms and conditions of the 210 DIP Facility, the 210 DIP Documents, and the fees paid, payable or to be paid thereunder, are fair, reasonable, and the best available under the circumstances, reflect the Borrower's exercise of prudent business judgment, and are supported by reasonably equivalent value and fair consideration;

(ii) all obligations incurred, payments made, and transfers or grants of security set forth in this Order and the other 210 DIP Documents by any DIP Obligor are granted to or for

the benefit of the DIP Obligors for fair consideration and reasonably equivalent value, and are granted contemporaneously with the making of the loans and/or commitments and other financial accommodations secured thereby. The 210 DIP Facility and the 210 DIP Documents (including the fees thereunder) were negotiated in good faith and at arm's length between the DIP Obligors and the Lenders; and

(iii) the use of the proceeds to be extended under the 210 DIP Facility and the 210 DIP Documents will be so extended in good faith and for valid business purposes and uses, as a consequence of which the Lenders are entitled to the protection and benefits of section 364(e) of the Bankruptcy Code.

L. Relief Essential; Best Interest. The relief requested in the Motion, including the fees paid, payable or to be paid thereunder to the Lenders, are actual and necessary, essential and appropriate for the continued operation of the DIP Obligors' business and the management and preservation of its assets and property and to avoid immediate and irreparable harm to the Borrower and its estate. It is in the best interests of the Borrower's estate that the DIP Obligors be allowed to enter into the 210 DIP Documents, incur the DIP Obligations, pay the fees paid, payable or to be paid thereunder, and grant the liens and claims contemplated herein and under the 210 DIP Documents to the Lender.

M. Liens and Superpriority Claims. The liens and claims provided to the Lenders for the incurrence of the DIP Obligations, are consistent with and authorized by the Bankruptcy Code and are offered by the DIP Obligors to protect such parties' interests in the Collateral in accordance with sections 361, 362, 363, 364, and 507 of the Bankruptcy Code. The liens and claims provided herein and other benefits and privileges contained herein are necessary for the

DIP Obligors to, among other things, obtain the 210 DIP Facility and the Lenders' consents and agreements as set forth in the 210 DIP Documents.

N. Objection Deadline. As set forth on the record at the hearing held on January 17, 2018 (the "January 17 Hearing"), objections to the DIP Credit Agreement (each, a "Credit Agreement Objection"): (a) must be in writing and served as to be received by counsel to the Debtors on or before January 23, 2018 at 12:00 p.m. (prevailing Eastern Time) (the "Objection Deadline"); (b) must be filed with the Clerk of the United States Bankruptcy Court for the District of Delaware, 824 Market Street, 3rd Floor, Wilmington, Delaware 19801; and (c) shall be heard at a hearing to be held on January 24, 2018, at 1:00 p.m. (prevailing Eastern Time); *provided*, that any such Credit Agreement Objection may be asserted only if it is based on alleged inconsistencies between the DIP Credit Agreement and either the Motion or the Commitment Letter. As further set forth on the record at the January 17 Hearing, in the event no Credit Agreement Objections are filed on or prior to the Objection Deadline, the DIP Credit Agreement shall be deemed approved in accordance with this Order.

NOW, THEREFORE, based upon the Motion of the Debtors and the record before this Court with respect to the Motion, including the record made during the Hearing, if any, and with the consent (or deemed consent, as applicable) of the Borrower and the Lenders, and good and sufficient cause appearing therefor,

IT IS ORDERED that:

1. Motion Granted. The Motion is granted on a final basis, as set forth herein in accordance with the terms and conditions set forth in this Order and the 210 DIP Documents. Any objections to the Motion with respect to entry of this Order to the extent not withdrawn, waived or otherwise resolved, and all reservation of rights included therein, are hereby denied and

overruled; *provided* , that the relief set forth herein shall be subject to the resolution of any Credit Agreement Objections filed prior to the Objection Deadline. This Order shall become effective immediately upon its entry.

2. 210 DIP Facility.

(a) DIP Obligations. The Borrower is expressly and immediately authorized and empowered to, and to cause the other DIP Obligor to, enter into the 210 DIP Documents and to incur and to perform the DIP Obligations in accordance with and subject to this Order and the other 210 DIP Documents, to enter into, execute and/or deliver all 210 DIP Documents and all other instruments, certificates, agreements and documents, and to take all actions, which may be reasonably required or otherwise necessary for the performance by the DIP Obligor under the 210 DIP Documents, including the creation and perfection of the 210 DIP Liens described and provided for herein. The Borrower is hereby authorized and directed to pay, and to cause the other DIP Obligor to guarantee, all principal, interest, fees and expenses, indemnities and other amounts described herein and in the other 210 DIP Documents as such shall accrue and become due hereunder or thereunder, including, without limitation, the reasonable fees and expenses of Haynes and Boone, LLP (“H&B”), as counsel to the Lenders, and any other advisor or consultant, as may be reasonably required, or counsel (including any special, local, or “conflicts” counsel) (collectively, the “210 DIP Facility Advisors”), as and to the extent provided for herein and in the other 210 DIP Documents (collectively, all loans, advances, extensions of credit, financial accommodations, fees, expenses and other liabilities, and all other Obligations (including indemnities and similar obligations) under this Order and the 210 DIP Documents, the “DIP Obligations”). The 210 DIP Documents and all DIP Obligations represent, constitute and evidence, as the case may be, valid and binding obligations of the DIP Obligor, enforceable

against the DIP Obligors, their estates and any successors thereto in accordance with their terms. All obligations incurred, payments made, fees paid or to be paid, and transfers or grants of security set forth in this Order and the other 210 DIP Documents by any DIP Obligor are (i) granted for fair consideration and reasonably equivalent value, (ii) granted contemporaneously with the making of the loans and/or commitments and other financial accommodations secured thereby, (iii) appropriate in light of the substantial benefits the 210 DIP Facility has provided the Borrower and (iv) are material inducements for, and express conditions of, the Lenders' willingness to enter into the 210 DIP Facility. No obligation incurred, payment made, transfer or grant of security set forth in the 210 DIP Documents by any DIP Obligor as approved under this Order shall be stayed, restrained, voided, voidable or recoverable under the Bankruptcy Code or under any applicable non-bankruptcy law, or subject to any defense, reduction, setoff, recoupment or counterclaim. The term of the 210 DIP Facility shall commence on the date of entry of this Order and shall end on the earlier of the Maturity Date or a Termination Date (as defined in the 210 DIP Documents), subject to the terms and conditions set forth in this Order and in the other 210 DIP Documents, including the protections afforded a party acting in good faith under section 364(e) of the Bankruptcy Code.

(b) Authorization to Borrow. In order to continue to operate the Borrower's business, subject to the terms and conditions of this Order and the other 210 DIP Documents (including the Budget), the Borrower is hereby authorized to borrow up to the amount of \$4.0 million pursuant to the DIP Credit Agreement and the Guarantors are authorized to guarantee repayment of the DIP Obligations in respect of the DIP Credit Agreement. Moreover, provided no party-in-interest files an objection with the Court prior to January 31, 2018 objecting to the increase in the amount of the DIP Obligations from \$4 million, as originally contemplated by the

Motion, to \$5.5 million, as provided for in the revised Commitment Letter entered into by and between the Borrower and Lenders and filed with the Court on January 10, 2018, the Borrower shall be authorized to borrow up to an additional \$1.5 million (for a total up to \$5.5 million) to the extent otherwise consistent with the DIP Credit Agreement and this Order. In the event any objection to such increase is timely filed, the Borrower's ability to draw on the final \$1.5 million (and increase the DIP Obligations from \$4.0 million to \$5.5 million) under the DIP Credit Agreement shall be heard at the next scheduled omnibus hearing or such earlier date as may be directed by the Court.

(c) Conditions Precedent. The Lenders shall have no obligation to make any financial accommodation hereunder or under the other 210 DIP Documents (and the Borrower shall not make any request therefor) unless all conditions precedent to making such financial accommodation under the 210 DIP Documents have been satisfied or waived in accordance with the terms of the 210 DIP Documents.

(d) Collateral. As used herein, "Collateral" shall mean all now owned or hereafter acquired assets and property, whether real or personal, tangible or intangible, of the Borrower and the Guarantors as, and to the extent, set forth in the 210 DIP Documents, including, without limitation, all assets and property of the Borrower and the Guarantors pledged under the 210 DIP Documents to secure the DIP Obligations, and all of their respective cash, investments of such cash, inventory, accounts receivable, including intercompany accounts (and all rights associated therewith), intercompany claims, other rights to payment whether arising before or after the Petition Date, contracts, contract rights, chattel paper, goods, investment property, inventory, accounts, deposit accounts (including, without limitation, any cash collection, "lockbox" and "concentration" accounts provided for in the 210 DIP Documents), "core

concentration accounts,” and in each case all amounts on deposit therein from time to time, equity interests, in each case, as and to the extent set forth in the 210 DIP Documents, securities accounts, securities entitlements, securities, commercial tort claims, books, records, plants, equipment, general intangibles, documents, instruments, interests in leases and leaseholds, interests in real property, and from and after the satisfaction or waiver thereof such real property shall automatically and without further action by any DIP Obligor, the Lenders or the Bankruptcy Court constitute Collateral of such DIP Obligor for all purposes of the 210 DIP Documents), fixtures, payment intangibles, tax or other refunds, insurance proceeds, letters of credit, letter of credit rights, supporting obligations, machinery and equipment, patents, copyrights, trademarks, tradenames, other intellectual property, all licenses therefor, and any of the respective claims and causes of action of the DIP Obligors of any kind or nature, and all proceeds, rents, profits, products and substitutions, if any, of any of the foregoing. For the avoidance of doubt, the Collateral expressly includes the proceeds of any causes of actions for preferences, fraudulent conveyances, and other avoidance power claims under Sections 502(d), 544, 545, 547, 548, 550 and 553 of the Bankruptcy Code (the “Avoidance Actions”).

(e) 210 DIP Liens. Effective immediately upon the entry of this Order, in each case subject to the Carve-Out as set forth more fully herein and in the other 210 DIP Documents, the Lenders, in order to secure the DIP Obligations, are hereby granted, pursuant to Sections 364(c)(2) of the Bankruptcy Code and the 210 DIP Documents, first priority liens on and security interests in all Collateral that was not encumbered by valid, enforceable, perfected and non-avoidable liens or security interests in existence as of the Petition Date, or that are perfected subsequent to the Petition Date as permitted by the Bankruptcy Code section 546(b), which liens shall immediately be valid, binding, fully perfected, continuing, enforceable and non-avoidable

(all liens and security interests granted hereunder to the Lenders in respect of the DIP Obligations under the DIP Credit Agreement (the “210 DIP Liens”).

(f) 210 DIP Financing Liens Senior to Other Liens. Effective immediately upon entry of this Order, the 210 DIP Liens shall secure all of the DIP Obligations in respect of the DIP Credit Agreement, and shall not be subject or subordinate to, or *pari passu* with, (i) any lien or security interest that is avoided and preserved for the benefit of the Borrower and its estates under section 551 of the Bankruptcy Code, (ii) any lien or security interest arising on or after the Petition Date (but shall be subject to the Carve Out and to all valid, enforceable, perfected and non-avoidable liens or security interests in existence as of the Petition Date, or that are perfected subsequent to the Petition Date as permitted by Bankruptcy Code section 546(b)), or (ii) other than as expressly set forth herein, any other lien, claim or security interest under sections 363 or 364 of the Bankruptcy Code or otherwise. The 210 DIP Liens shall be valid and enforceable against any trustee appointed in the Chapter 11 Cases, upon the conversion of any of the Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code or in any other proceedings related to any of the foregoing (such Chapter 11 Cases or proceedings, “Successor Cases”), and/or upon the dismissal of any of the Chapter 11 Cases. The 210 DIP Liens shall not be subject to (x) sections 510, 549, 550 or 551 of the Bankruptcy Code or (y) upon entry of this Order, section 506(c) of the Bankruptcy Code.

(g) DIP Superpriority Claims. Effective immediately upon the entry of this Order, in each case subject to the Carve-Out, the Lenders are hereby granted pursuant to section 364(c)(1) of the Bankruptcy Code, subject to their relative priorities as set forth below, allowed claims in the Borrower’s Chapter 11 Case in the amount of the DIP Obligations (all such claims granted to the Lenders in respect of the DIP Obligations under the DIP Facility (the “DIP

Superpriority Claims”), which shall be payable from and have recourse to all Collateral, and which shall have priority over any and all administrative expenses of the kind specified in Sections 503(b) and 507(b) of the Bankruptcy Code, and which DIP Superpriority Claims shall for purposes of section 1129(a)(9)(A) of the Bankruptcy Code be considered administrative expenses allowed under section 503(b) of the Bankruptcy Code, and shall be payable from and have recourse to all pre- and postpetition property (expressly including the proceeds of Avoidance Actions), whether existing on the Petition Date or thereafter acquired, of the Borrower and all proceeds thereof, subject only to the Carve-Out, and to any valid, enforceable, perfected and non-avoidable lien or security interest in existence as of the Petition Date, or that are perfected subsequent to the Petition Date as permitted by Bankruptcy Code 546(b).

(h) 210 DIP Financing Fees, Expenses, and Post-Petition Acquisition Financing. In consideration for providing the 210 DIP Financing, the Lenders shall (i) receive payment of an upfront fee upon the DIP Closing Date (as defined in the 210 DIP Facility) equal to \$200,000 in cash, (ii) have their reasonable and documented fees and expenses paid by the DIP Obligors, each in accordance with the terms of the 210 DIP Documents, and (iii) have a right of first refusal upon an offer by any third-party to provide financing of the Borrower’s acquisition activities during the period prior to the Maturity Date.

(i) Break-Up Fee. The Borrower has demonstrated a compelling and sound business justification for authorizing the payment of a break-up fee to the Lenders in the amount of \$300,000 in cash together with shares of common stock equal to 4.9% of the outstanding common stock of Borrower to be issued to Lenders in a private placement and subject to customary registration rights (the “Break-Up Fee”) in connection with the Equity Commitment made by the Lender, in accordance with the terms of the 210 DIP Documents. The Equity

Commitment shall be subject to higher and better offers. The Lenders shall be entitled to receive the Break-Up Fee in the event the Equity Commitment is terminated as result of any of the following: (a) the Borrower shall file a plan that does not contemplate a sale of equity to the Lenders as contemplated in the Commitment Letter; (b) the Borrower's exclusive right to file a plan shall have terminated and an alternative plan that does not contemplate a sale of equity to the Lenders as contemplated in the Commitment Letter is approved for solicitation by the Bankruptcy Court; or (c) the Borrower shall withdraw a plan that has been approved by Lenders without first receiving consent from the Lenders. Notwithstanding the foregoing, no Break-Up Fee shall be payable in the event a plan consistent with the Equity Commitment or otherwise approved by the Lenders is consummated.

(j) Optional Commitment Reductions and Repayments. The commitments in respect of the 210 DIP Financing may be voluntarily reduced or terminated, and amounts borrowed under the 210 DIP Financing may be voluntarily repaid, in each case, subject to and in accordance with the terms and conditions of the 210 DIP Facility, including payment of the Make-Whole Amount thereunder.

3. Authorization and Approval to Use Proceeds of 210 DIP Facility. Subject to the terms and conditions of this Order and the other 210 DIP Documents, the DIP Obligors are each authorized to use proceeds of the 210 DIP Financing, in compliance with the covenant set forth in the 210 DIP Documents relating to the Budget. The Budget may only be amended, supplemented, modified, restated, replaced, or extended in accordance with the 210 DIP Documents. Copies of any material revisions to the Budget shall be filed with the Court and served on the U.S. Trustee and any statutory committee within five calendar days of becoming effective. Nothing in this Order shall authorize the disposition of any assets of the Borrower or

its estate or other proceeds resulting therefrom outside the ordinary course of business, except as permitted herein (subject to any required Court approval).

4. Financial Reporting, etc. The Borrower shall provide the Lenders with the monthly financial reporting given to the United States Trustee. The Borrower shall provide the Lenders all of the financial reporting as required under and in all instances consistent with the 210 DIP Documents, subject to any waivers or extensions therefor in accordance with the 210 DIP Documents.

5. DIP Lien Perfection. This Order shall be sufficient and conclusive evidence of the validity, perfection and priority of the respective 210 DIP Liens without the necessity of filing or recording any financing statement, deed of trust, mortgage, or other instrument or document which may otherwise be required under the law of any jurisdiction or the taking of any other action to validate or perfect the 210 DIP Liens or to entitle the 210 DIP Liens to the priorities granted herein. Notwithstanding the foregoing, the Lenders may, in their sole discretion, file such financing statements, deeds of trust, mortgages, security agreements, notices of liens and other similar documents, and are hereby granted relief from the automatic stay of section 362 of the Bankruptcy Code in order to do so, and all such financing statements, deeds of trust, mortgages, security agreements, notices and other agreements or documents shall be deemed to have been filed or recorded at the time and on the date of the commencement of the Chapter 11 Cases. The DIP Obligors shall execute and deliver to the Lenders all such financing statements, mortgages, security agreements, notices and other documents, and otherwise cooperate and assist in any such filings, as the Lenders may reasonably request to evidence, confirm, validate or perfect, or to insure the contemplated priority of, the 210 DIP Liens. The Lenders, in their sole discretion, may file a photocopy of this Order as a financing statement with any recording officer designated to file

financing statements or with any registry of deeds or similar office in any jurisdiction in which any DIP Obligor has real or personal property and, in such event, the subject filing or recording officer shall be authorized to file or record such copy of this Order.

6. Carve-Out. Subject to the terms and conditions contained in this paragraph, all liens and claims granted by this Order, including the 210 DIP Liens and the DIP Superpriority Claims shall be subject and subordinate to a carve-out (the “Carve-Out”), which shall be comprised solely of the following: (i) all unpaid fees required to be paid to the Clerk of the Bankruptcy Court and all statutory fees payable to the Office of the United States Trustee pursuant to 28 U.S.C. § 1930(a) together with the statutory rate of interest, which fees shall not be subject to any budget or to any limits in the event a Carve-Out Trigger Notice is served; (ii) all accrued, allowed and unpaid fees and expenses of the Borrower’s professionals and the professionals for the Creditors’ Committee, through and including the date of delivery of a Carve-Out Trigger Notice up to the amounts set forth in the Budget; and (iii) \$150,000 for any fees and expenses of the Borrower’s professionals and the professionals of the Creditors’ Committee following the delivery of a Carve-Out Trigger Notice; *provided* , that notwithstanding the foregoing, the fees and expenses described in clauses (i) through (iii) above shall include solely those fees and expenses directly relating to the Chapter 11 Case of the Borrower and any fees allocable to the Borrower pursuant to the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [Docket No. 180] (and, for the avoidance of doubt, no fees or expenses directly related to the Chapter 11 Cases of any other affiliate of the Borrower); *provided further* , that no portion of the Carve-Out or proceeds of the 210 DIP Financing or the Collateral may be used for the payment of the fees and expenses of any person incurred in prosecuting any claims or causes of actions against the Lender, its advisors, agents and sub-agents,

including formal discovery proceedings in anticipation thereof, and/or any lien of the Lenders under the 210 DIP Financing. For purposes of this Order, the “Carve-Out Trigger Notice” shall mean a written notice delivered by the Lenders to the Borrower’s lead counsel, the United States Trustee, and lead counsel to the Creditor’s Committee, which notice may be delivered at any time following the occurrence and during the continuation an Event of Default, expressly stating that the Carve-Out is triggered. For the avoidance of doubt, the dollar limitation in clause (iii) above on fees and expenses shall not be reduced or increased by the amount of any compensation or reimbursement of expenses paid prior to the occurrence of an Event of Default in respect of which the Carve-Out is invoked. The ability of any party to object to the fees, expenses, reimbursement or compensation described above shall not be impaired by the terms of the Carve-Out.

7. No portion of the Carve-Out, no proceeds of the 210 DIP Financing, and no proceeds of the Collateral or any other amounts may be used, directly or indirectly, for the purpose of, or for the payment of, the fees and expenses of any person incurred in connection with, (i) investigating, challenging, or in relation to the challenge of the DIP Obligations or the Lenders’ liens or claims (or the value of the Collateral), or in the initiation or prosecution of any claim, action, or litigation, or assertion of any defense or counterclaim, against either or both of the Lenders (or their respective agents, professionals, consultants, employees, officers, subsidiaries, affiliates or other similar persons), including, without limitation, any claim under chapter 5 of the Bankruptcy Code, or any state, local or foreign law, in respect of, or relating to the DIP Obligations or the 210 DIP Documents, or in objecting to, preventing, hindering or delaying the realization by the Lenders upon any Collateral or the enforcement or exercise of any of their rights under this Order any other 210 DIP Financing Document, as applicable, (ii) requesting authorization, or supporting any request for authorization, to obtain postpetition financing (whether equity or debt)

or other financial accommodations pursuant to section 364(c) or (d) of the Bankruptcy Code, or otherwise, other than (x) from the Lenders, or (y) if such financing is sufficient to indefeasibly pay and satisfy all DIP Obligations in full in cash and such financing is immediately so used, (iii) in connection with any claims or causes of actions against the Releasees, including formal or informal discovery proceedings in anticipation thereof, and/or in invalidating, setting aside, avoiding, recharacterizing, subordinating, or otherwise challenging, in whole or in part, any DIP Obligations or 210 DIP Liens, or (iv) otherwise in connection with any attempts to modify any of the rights granted to the Lenders hereunder or under the other 210 DIP Documents.

8. Payment of Compensation. Nothing herein shall be construed as a consent to the allowance of any professional fees or expenses of any of the Debtors or the Creditors' Committee (the "Estate Professional Fees") or shall limit or otherwise affect the right of the Lenders or any other party in interest to object to the allowance and payment of any such fees and expenses. No Estate Professional Fees shall be paid absent a Court order allowing such payment pursuant to a fee application on notice, or other procedure permitted by any Court order allowing interim compensation or the payment of fees of ordinary course professionals. So long as no Event of Default exists that has not been waived in writing, the Borrower shall be permitted to pay compensation and reimbursement of expenses allowed by the Court and payable under Sections 330 and 331 of the Bankruptcy Code or compensation procedures approved by the Court, as the same may be due and payable.

9. No Direct Obligation to Pay Professional Fees. Except as to the Carve-Out, under no circumstances shall the Lenders be responsible for the direct payment or reimbursement of any fees or disbursements of any professionals incurred in connection with the Chapter 11 Cases or any successor cases under any chapter of the Bankruptcy Code. Nothing in this Order or otherwise

other than the Carve-Out shall be construed (i) to obligate the Lenders in any way to pay compensation to, or to reimburse expenses of, any of the professionals or to guarantee that the Debtors have sufficient funds to pay such compensation or reimbursement or (ii) to increase the Carve-Out if actual allowed fees and expenses of any of the professionals exceed the scope of fees and expenses that qualify for the Carve-Out.

10. Section 506(c) Claims. Subject to the entry of the Order, and the Carve-Out, as a further condition of the 210 DIP Financing under the 210 DIP Documents, the Borrower (and any successors thereto or any representatives thereof, including any trustees appointed in the Chapter 11 Cases or any Successor Cases) shall be deemed to have waived any rights, benefits or causes of action under 506(c) of the Bankruptcy Code as they may relate to or be asserted against the Lenders, the 210 DIP Liens, or the Collateral. Except with respect to the Carve-Out, nothing contained in this Order or in the other 210 DIP Documents shall be deemed a consent by the Lenders to any charge, lien, assessment or claim against, or in respect of, the Collateral under 506(c) of the Bankruptcy Code or otherwise.

11. Collateral Rights; Limitations in Respect of Subsequent Court Orders. Upon entry of this Order, and thereafter, unless the Lenders have provided their prior written consent in accordance with the 210 DIP Documents or all DIP Obligations have been paid in full, or will be paid in full upon consummation of the transaction described below or other arrangements for payment of the respective DIP Obligations satisfactory to the Lenders, at their sole discretion, have been made, there shall not be entered in Borrower's Chapter 11 Case or in any Successor Case (including in each case any proceeding ancillary thereto), any order which authorizes, except to the extent expressly permitted by the 210 DIP Documents, the obtaining of credit or the incurring of indebtedness that is secured by a security, mortgage, or collateral interest or other

lien on all or any portion of the Collateral and/or is entitled to priority administrative status which is superior to or *pari passu* with those granted pursuant to this Order to or for the benefit of the Lenders.

12. Proceeds of Subsequent Financing. Without limiting the provisions and protections of paragraph 11 above, if at any time prior to payment in full of all DIP Obligations, including subsequent to the confirmation of any Chapter 11 plan (the “Plan”) with respect to the Borrower, Borrower, the Borrower’s estate, any trustee, any examiner or any responsible officer subsequently appointed, shall obtain credit or incur debt in violation of this Order or the other 210 DIP Documents, then all of the cash proceeds derived from such credit or debt shall immediately be turned over to the Lenders for application in accordance with the 210 DIP Documents.

13. Cash Management. The Borrower’s cash management system shall at all times be maintained in accordance with the terms of any order of this Court approving the maintenance of the Borrower’s cash management system (the “Cash Management Order”), and, to the extent not in conflict with the Cash Management Order, the 210 DIP Documents. The Borrower shall not seek any amendment or modification of the Cash Management Order that is not reasonably acceptable to Lenders. Until the occurrence of an Event of Default, all amounts collected in Borrower’s cash collection accounts may be used in accordance with this Order, any other Order of the Court, the Budget and the other 210 DIP Documents. After the occurrence and during the continuance of an Event of Default, subject only to the Borrower’s rights under paragraph 16(b), all such amounts shall be applied in accordance with paragraph 17.

14. Disposition of Collateral. The Borrower shall not (and shall not cause any Guarantor to) sell (including, without limitation, any sale and leaseback transaction), transfer

(including any assignment of rights), lease, encumber or otherwise dispose of any portion of the Collateral, except as expressly permitted by the 210 DIP Documents.

15. Survival of Certain Provisions. In the event of the entry of any order converting Borrower's Chapter 11 Case into a Successor Case, and in any event notwithstanding any such conversion, the 210 DIP Liens and the DIP Superpriority Claims shall continue in these proceedings and in any Successor Case as provided by this Order until all DIP Obligations have been indefeasibly paid in full in cash as provided in the 210 DIP Documents.

16. Events of Default; Rights and Remedies Upon Event of Default.

(a) Any automatic stay otherwise applicable to the Lenders is hereby vacated and modified without further application or motion to, or order of, the Court, so that, upon and after the occurrence of the Maturity Date, the Lenders, to the extent expressly permitted under the 210 DIP Documents, shall, subject to subparagraph (b) of this paragraph 16, be immediately entitled to exercise all of their rights and remedies in respect of the Collateral, in accordance with this Order and the other 210 DIP Documents, as applicable. The maturity date (the "Maturity Date") under the DIP Credit Agreement shall be the earliest of: (i) one (1) year following the Petition Date (the "Stated Maturity Date"); (ii) the effective date of a plan of reorganization for the Borrower which is confirmed by an order of the Court; and (iii) the acceleration of the DIP Credit Agreement and related termination of the commitments under the 210 DIP Financing, including, without limitation, as a result of the occurrence of an Event of Default under the DIP Credit Agreement or default under the DIP Order;

(b) Notwithstanding the foregoing subparagraph (a) of this paragraph 16, immediately following the giving of notice by the Lenders to the Borrower, counsel to the Borrower, counsel for the Creditors' Committee, and the United States Trustee of the occurrence

and continuance of an Event of Default: the Borrower shall have no right to request or use any proceeds of any 210 DIP Facility or Collateral, other than towards the satisfaction of the DIP Obligations and the Carve-Out, *provided*, that during the Default Notice Period (defined below), the DIP Obligors and their Subsidiaries shall be permitted to continue to use the proceeds of the 210 DIP Facility in the ordinary course of business, in accordance with the Budget and the applicable 210 DIP Documents and to satisfy the Carve-Out; (iii) except as otherwise expressly provided in this paragraph 16(b), the Borrower shall deliver and cause the delivery of the proceeds of the 210 DIP Facility and the Collateral to the Lenders as provided herein and in the 210 DIP Documents; and (iv) the Lenders shall be permitted to apply such proceeds in accordance with the terms of this Order and the 210 DIP Documents. The Borrower and the Creditors' Committee shall be entitled to an emergency hearing before this Court with respect to the exercise of the Lenders' right as set forth in paragraphs 16(a) of this Order within seven (7) calendar days after the giving of written notice by the Lenders of the occurrence of an Event of Default (such 7-calendar day period, the "Default Notice Period"); *provided*, that (x) the only issue that may be raised at such hearing shall be whether an Event of Default has in fact occurred and is continuing, and (y) such entities hereby waive their right to seek any relief, whether under Section 105 of the Bankruptcy Code or otherwise, that would in any way impair, limit, restrict or delay the rights and remedies of the Lenders under the 210 DIP Documents. If the Borrower or the Creditors' Committee does not contest the occurrence or continuance of the Event of Default during the Default Notice Period, or if the Borrower or the Creditors' Committee does timely contest the occurrence or continuance of an Event of Default and the Court after notice and a hearing declines to stay the enforcement thereof, the Termination Date shall be deemed to have occurred for all purposes and the automatic stay as to the Lenders shall automatically terminate in all respects.

Nothing herein shall preclude the Lenders from seeking an order from the Court upon written notice (electronically (including via facsimile) in a manner that generates a receipt for delivery, or via overnight mail) to the United States Trustee, counsel to the Borrower and counsel to the Creditors' Committee, authorizing the Lenders to exercise any enforcement rights or remedies with respect to the Collateral on less than seven (7) days' notice, subject to their relative rights and priorities as set forth in this Order, or the right of any party to contest such relief.

(c) Upon the occurrence of the Termination Date but subject, only in the case of the occurrence of the Termination Date resulting from an Event of Default, to the provisions of paragraph 16(b), the Lenders are authorized to exercise all remedies and proceed under or pursuant to the applicable 210 DIP Documents. All proceeds realized in connection with the exercise of the rights and remedies of the Lenders shall be turned over and applied in accordance with the terms of this Order and the 210 DIP Documents.

(d) The automatic stay imposed under section 362(a) of the Bankruptcy Code is hereby modified as necessary to (i) permit the Borrower to grant the 210 DIP Liens and to incur all DIP Obligations under the other 210 DIP Documents and (ii) authorize the Lenders to retain and apply payments, and otherwise enforce their rights and remedies hereunder.

(e) Nothing included herein shall prejudice, impair, or otherwise affect the rights of the Lenders to seek any other or supplemental relief in respect of the Borrower related to the 210 DIP Financing.

(f) If the Lenders are entitled, and have elected in accordance with the provisions hereof, to enforce their liens or security interests or exercise any other default-related remedies following expiration of the Default Notice Period, the Borrower shall cooperate with the Lenders in connection with such enforcement by, among other things, (i) providing at all

reasonable times access to the Borrower's premises to representatives or agents of the Lenders (including any collateral liquidator or consultant), (ii) providing the Lenders and their representatives or agents, at all reasonable times access to the Borrower's books and records and any information or documents requested by the Lenders or their representatives, (iii) performing all other obligations set forth in the 210 DIP Documents, and (iv) taking reasonable steps to safeguard and protect the Collateral, and the Borrower shall not otherwise interfere with or actively encourage others to interfere with the Lenders' enforcement of rights.

(g) In addition to any other events of default that may be included in the 210 DIP Documents or the Commitment Letter, each of the following shall constitute an event of default and shall result in the immediate acceleration of all amounts loaned pursuant to the 210 DIP Documents and shall entitle Lenders to exercise all of their default rights as more fully described herein or in the 210 DIP Documents: (x) the filing by Borrower of a motion seeking approval of alternative DIP financing, (y) the filing of a chapter 11 plan by the Borrower that has not been approved in all respects by the Lenders, or (z) the filing of a chapter 11 plan by the Borrower's affiliated Debtors that includes the Borrower and is inconsistent with the terms and provisions of the Commitment Letter.

17. Applications of Proceeds of Collateral, Payments and Collections.

(a) As a condition to the extension of the 210 DIP Financing, each DIP Obligor has agreed that proceeds of any Collateral, any amounts held on account of the Collateral and all payments and collections received by the Borrower with respect to all proceeds of Collateral and all other amounts remitted by any non-Debtor affiliate to the Borrower in respect of, among other things, asset sales and certain other transactions in accordance with the 210 DIP Documents, shall only be used and applied by the Borrower in

accordance with this Order, the other 210 DIP Documents (including repayment and reduction of the DIP Obligations) and the Budget.

(b) Subject to the Borrower's rights under paragraph 16(b) and the funding of the Carve-Out, upon and after the occurrence of the Termination Date all proceeds of Collateral, whenever received, shall be paid and applied in accordance with section 7.05 of the DIP Credit Agreement.

18. Proofs of Claim, etc. . The Lenders shall not be required to file proofs of claim in any of the Chapter 11 Cases or any Successor Cases for any claim allowed herein. Notwithstanding any order entered by the Court in relation to the establishment of a bar date in any of the Chapter 11 Cases or any Successor Cases to the contrary, the Lenders are hereby authorized and entitled, in their sole and absolute discretion, but not required, to file (and amend and/or supplement, as each sees fit) a proof of claim and/or aggregate proofs of claim in each of the Chapter 11 Cases or any Successor Cases for any claim allowed herein. Any proof of claim filed by the Lenders shall be deemed to be in addition to and not in lieu of any other proof of claim that may be filed by the Lenders. Any order entered by the Court in relation to the establishment of a bar date for any claim (including without limitation administrative claims) in any of the Chapter 11 Cases or any Successor Cases shall not apply to the Lenders.

19. Good Faith Under Section 364(e) of the Bankruptcy Code; No Modification or Stay of this Order. . Based on the findings set forth in this Order and in accordance with section 364(e) of the Bankruptcy Code, which is applicable to the 210 DIP Facility as approved by this Order, in the event any or all of the provisions of this Order are hereafter modified, amended, vacated or stayed by a subsequent order of this Court or any other court, the Lenders are entitled to the protections provided in section 364(e) of the Bankruptcy Code, and no such appeal,

modification, amendment or vacatur shall affect the validity and enforceability of any advances made hereunder or the liens or priority authorized or created hereby. Notwithstanding any such modification, amendment or vacatur, any claim granted to the Lenders hereunder arising prior to the effective date of such modification, amendment, vacatur or stay of any 210 DIP Liens or of the DIP Superpriority Claims granted to or for the benefit of the Lenders shall be governed in all respects by the original provisions of this Order, and the Lenders shall be entitled to all of the rights, remedies, privileges and benefits, including the 210 DIP Liens and the DIP Superpriority Claims granted herein, with respect to any such claim. Because the 210 DIP Financing is made in reliance on this Order, the DIP Obligations owed the Lenders prior to the effective date of any stay, modification or vacatur of this Order shall not, as a result of any subsequent order in the Chapter 11 Cases or in any Successor Cases, be disallowed or subordinated, lose their lien priority or superpriority administrative expense claim status, or be deprived of the benefit of the status of the liens and claims granted to the Lenders under this Order.

20. Expenses. The Borrower shall pay all reasonable and documented expenses incurred by the Lenders and the 210 DIP Facility Advisors, in each case, in accordance herewith and with the other 210 DIP Documents, in connection with (a) the preparation, execution, delivery, funding and administration of the 210 DIP Documents, including, without limitation, all due diligence fees and expenses incurred or sustained in connection with the 210 DIP Documents, (b) the Chapter 11 Cases or any Successor Cases, or (c) enforcement of any rights or remedies under the 210 DIP Documents, in each case whether or not the transactions contemplated hereby are fully consummated. The Lenders and the 210 DIP Facility Advisors shall not be required to comply with the United States Trustee fee guidelines or submit invoices to this Court, United States Trustee, the Creditors' Committee, or any other party in interest. Copies of invoices

submitted to the Borrower by the Lenders and the 210 DIP Facility Advisors, as applicable, after the Petition Date shall be forwarded by the Borrower to the United States Trustee, counsel for the Creditors' Committee, and such other parties as this Court may direct. The invoices shall be sufficiently detailed to enable a determination as to the reasonableness of such fees and expenses; provided, however, that such invoices may be redacted to the extent necessary to delete any information subject to the attorney-client privilege, any information constituting attorney work product, or any other confidential information, and the provision of such invoices shall not constitute any waiver of the attorney-client privilege or of any benefits of the attorney work product doctrine or other applicable privilege. If the Borrower, United States Trustee, or the Creditors' Committee objects by written notice to the Lenders or any of the 210 DIP Facility Advisors, as applicable, to the reasonableness of the fees and expenses of such professional and cannot resolve such objection, then the Borrower, United States Trustee, or the Creditors' Committee, as the case may be, shall file with this Court and serve on such professional an objection (the "Fee Objection") limited to the issue of the reasonableness of such fees and expenses, and any failure by any such party to file a Fee Objection within fourteen (14) days of receipt of the applicable invoice shall constitute a waiver of any right of such party to object to such invoice. Notwithstanding any provision herein to the contrary, any objection to, and any hearing on an objection to, payment of any fees, costs, and expenses set forth in a professional invoice in respect of the Lenders or any 210 DIP Facility Advisors, as applicable, shall be limited to the reasonableness of the particular items or categories of the fees, costs, and expenses that are the subject of such objection. The Borrower shall timely pay in accordance with the terms and conditions of this Order (a) the undisputed fees, costs, and expenses reflected on any invoice to which a Fee Objection has been timely filed and (b) all fees, costs and expenses on any invoice

to which no Fee Objection has been timely filed. For the avoidance of doubt, and without limiting any of the forgoing or any other provision of this Order, the fees specified in the Commitment Letter that by the terms of such section are payable prior to the entry of the Order are, upon entry of this Order and irrespective of any subsequent order approving or denying the 210 DIP Facility or any other financing pursuant to section 364 of the Bankruptcy Code, fully entitled to all protections of section 364(e) of the Bankruptcy Code and are deemed fully earned, indefeasibly paid, non-refundable, irrevocable, and non-avoidable as of the applicable dates specified in the Commitment Letter.

21. Guarantors. The Guarantors hereby submit themselves to the jurisdiction of the Court to resolve any and all disputes regarding the 210 DIP Documents and this Order, and agree to be bound by this Court's decisions with regard to any such disputes or orders. To the extent permitted by applicable law, the Borrower shall cause any controlled non-Debtor affiliate not to take any actions seeking to avoid any transfers made, or obligations incurred, in furtherance of the transactions contemplated by the 210 DIP Documents.

22. Credit-Bid. Subject to section 363(k) of the Bankruptcy Code, the Lenders shall have the right to credit-bid all or a portion of the amount of the DIP Obligations in connection with any sale of all or substantially all of the Borrower's assets and property, including, without limitation, any sale occurring pursuant to section 363 of the Bankruptcy Code or included as part of any plan of reorganization subject to confirmation under section 1129(b)(2)(A)(iii) of the Bankruptcy Code.

23. Binding Effect. The provisions of this Order shall be binding upon and inure to the benefit of the Lenders, the Borrower, the Guarantors, and their respective successors and assigns (including any trustee or other fiduciary hereinafter appointed as a legal representative of

the Borrower or with respect to the property of the estate of the Borrower) whether in the Chapter 11 Case, in any Successor Cases, or upon dismissal of any such Chapter 11 or Chapter 7 case.

24. No Waiver. The failure of the Lenders to seek relief or otherwise exercise their rights and remedies under this Order or the other 210 DIP Documents or otherwise, shall not constitute a waiver of any of the Lenders' rights hereunder, thereunder, or otherwise. Notwithstanding anything herein, the entry of this Order is without prejudice to, and does not constitute a waiver of, expressly or implicitly, or otherwise impair any of the rights, claims, privileges, objections, defenses or remedies of the Lenders under the Bankruptcy Code or under non-bankruptcy law against any other person or entity in any court, including without limitation, the right of the Lenders (a) to request conversion of the Borrower's Chapter 11 Case to a case under Chapter 7, dismissal of the Borrower's Chapter 11 Case, or the appointment of a trustee in the Borrower's Chapter 11 Case, or (ii) to propose, subject to the provisions of section 1121 of the Bankruptcy Code, a Plan.

25. No Third Party Rights. Except as explicitly provided for herein, this Order does not create any rights for the benefit of any third party, creditor, equity holder or any direct, indirect, third party or incidental beneficiary.

26. Consent. Nothing in this Order shall be construed to convey the Lenders any consent, voting or other rights beyond those (if any) set forth in the 210 DIP Documents.

27. No Marshaling. The Lenders shall not be subject to the equitable doctrine of "marshaling" or any other similar doctrine with respect to any of the Collateral.

28. Amendment. As provided in and consistent with their respective rights under the 210 DIP Documents, the Borrower and the applicable DIP Obligors, as the case may be, with the consent of the Lenders, and as acknowledged by the Lenders, may amend, modify, supplement or

waive any provision of the 210 DIP Documents, and the Borrower may pay fees in connection therewith (the "Consent Fees"), and is authorized to enter into any such amendment, modification, supplement or waiver, without further notice to or approval of the Court, unless such amendment, modification, supplement or waiver (x) increases the interest rate (other than as a result of the imposition of the default rate or changes to any base rate, LIBOR or similar component thereof) or fees (other than Consent Fees in connection with such amendment, modification, supplement or waiver) charged in connection with any 210 DIP Facility, (y) changes the Maturity Date to an earlier date or (z) materially affect the rights of the Borrower, its estate, or any creditor or other party-in-interest. Copies of all waivers, modifications, or amendments of any of the provisions of the 210 DIP Documents, and notice of any Consent Fees owed, shall be filed with the Court and served on the U.S. Trustee and the Creditors' Committee within five (5) business days of becoming effective. The U.S. Trustee, Creditors' Committee, and any other party in interest shall have the right to object to any such waiver, modification, amendment, or payment of Consent Fees on grounds that such waiver, modification, or amendment, or payment of Consent Fees is materially adverse to the Borrower, its estate, or to any creditor or other party in interest, or otherwise is not an allowed amendment under the terms of this Order. Except as otherwise provided herein, no waiver, modification, or amendment of any of the provisions hereof shall be effective unless set forth in writing, signed by, or on behalf of, the Borrower, the other applicable DIP Obligors, and the Lenders, and shall be acknowledged by the Lenders, as provided in the 210 DIP Documents and approved by the Court (to the extent required by this paragraph) after notice to parties in interest.

29. Priority of Terms. To the extent of any conflict between or among (a) the express terms or provisions of any of the 210 DIP Documents or the Motion, or any other agreements, on

the one hand, and (b) the terms and provisions of this Order, on the other hand, unless such term or provision herein is phrased in terms of “defined in” or “as set forth in” any of the 210 DIP Documents, the terms and provisions of this Order shall govern.

30. Survival of Order. The provisions of this Order and any actions taken pursuant hereto shall survive entry of any order which may be entered (a) confirming any Plan in the Chapter 11 Cases, (b) converting any of the Chapter 11 Cases to a case under Chapter 7 of the Bankruptcy Code, (c) to the extent authorized by applicable law, dismissing any of the Chapter 11 Cases, (d) withdrawing of the reference of any of the Chapter 11 Cases from this Court or (e) providing for abstention from handling or retaining of jurisdiction of any of the Chapter 11 Cases in this Court. The terms and provisions of this Order, including the 210 DIP Liens and DIP Superpriority Claims granted pursuant to this Order, shall continue in full force and effect notwithstanding the entry of such order, and such 210 DIP Liens and DIP Superpriority Claims shall maintain their respective priorities as provided by this Order and the other 210 DIP Documents (as the case may be), including any intercreditor arrangement or agreements in respect thereof, until all of the DIP Obligations have been paid in full.

31. Enforceability. This Order shall constitute findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052 and shall take effect and be fully enforceable immediately upon execution hereof. Any finding of fact shall constitute a finding of fact even if it is stated as a conclusion of law, and any conclusion of law shall constitute a conclusion of law even if it is stated as a finding of fact.

32. No Waivers or Modification of Order. The Borrower irrevocably waives any right to seek any modification or extension of this Order without the prior written consent of the

Lenders in accordance with the 210 DIP Documents, and no such consent shall be implied by any other action, inaction or acquiescence of the Lenders.

33. Waiver of Any Applicable Stay. Any applicable stay (including, without limitation, under Bankruptcy Rule 6004) is hereby waived and shall not apply to this Order.

34. Limitation of Liability. By virtue of determining to make any loan under the DIP Credit Agreement pursuant to this Order or the other 210 DIP Documents, the Lenders shall not be deemed to be in control of the operations of the DIP Obligors to be acting as a “responsible person” or “owner or operator” with respect to the operation or management of the DIP Obligors (as such terms, or any similar terms, are used in the United States Comprehensive Environmental Response, Compensation and Liability Act, 29, U.S. §§ 9601 et seq., as amended, or any similar federal or state statute). Furthermore, nothing in this Order or the other 210 DIP Documents shall in any way be construed or interpreted to impose or allow the imposition upon the Lenders of any liability for any claims arising from the prepetition or postpetition activities of any of the DIP Obligors.

35. Real Alloy DIP Order. Nothing in this Order or in the 210 DIP Documents shall modify or amend any term of the Interim Order (I) Authorizing Debtors to Obtain Postpetition Financing Pursuant to Section 364 of the Bankruptcy Code, (II) Authorizing the Use of Cash Collateral Pursuant to Section 363 of the Bankruptcy Code, (III) Granting Adequate Protection to the Prepetition Secured Parties Pursuant to Sections 361, 362, 363 and 364 of the Bankruptcy Code, (IV) Granting Liens and Superpriority Claims, (V) Modifying the Automatic Stay, and (VI) Scheduling a Final Hearing [Docket No. 59], including as the same may be entered on a final basis (the “Real Alloy DIP Order”), or any documents or transactions approved thereby. Nothing in this Order or in the 210 DIP Documents shall confer any rights, authority, claims, or interests

in or against any of the DIP Debtors (as defined in the Real Alloy DIP Order), or their direct or indirect subsidiaries, on the Borrower, the Guarantors, the Lender, or any other party. Notwithstanding the foregoing, or anything to the contrary herein, in the Cash Management Order, in the Real Alloy DIP Order, or in any DIP order approving DIP financing for the Real Alloy Debtors, all amounts loaned pursuant to the 210 DIP Financing shall be funded into the Borrower's Real Industry Accounts (as defined in the Cash Management Order) and shall not be transferred to any account owned or controlled by the Real Alloy Debtors except in strict accordance with the Budget or the DIP Credit Agreement, or as otherwise agreed to by the Lenders.

36. Proceeds of Real Alloy Sale. Notwithstanding anything to the contrary contained herein, in the Commitment Letter or in the DIP Credit Agreement, the Lenders agree that any proceeds from the sale of the assets of the Real Alloy Debtors that are distributed to the Borrower in the Chapter 11 Cases shall, after repayment of all outstanding DIP Obligations, (a) be distributed to existing stakeholders of the Borrower in accordance with the priority scheme of the Bankruptcy Code, and (b) not be distributed to the Lenders by any other means, including on account of any equity obtained by the Lenders through the Equity Commitment or on account of the equity portion of the Break-Up Fee.

37. Retention of Jurisdiction. The Court has and will retain jurisdiction to enforce this Order according to its terms.

Dated: January 22, 2018
Wilmington, Delaware

/s/ Kevin J. Carey
THE HONORABLE KEVIN J. CAREY
UNITED STATES BANKRUPTCY JUDGE

Exhibit 1
DIP Credit Agreement

(to be attached)

Exhibit 2
Budget

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re: Real Industry, Inc., *et al.*
Debtors

Case No. 17-12464 (KJC)
Reporting Period: December 1, 2017 – December 31, 2017

MONTHLY OPERATING REPORT

Submit copy of report to any official committee appointed in the case.

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached
Schedule of Cash Receipts and Disbursements	MOR-1		
Schedule of Debtor Bank Account Balances	MOR-1b		
Schedule of Professional Fees and Expenses Paid	MOR-1c		
Copies of bank statements		Available to the U.S. Trustee upon request.	
Cash disbursements journals		Available to the U.S. Trustee upon request.	
Statement of Operations	MOR-2		
Balance Sheet	MOR-3		
Summary of unpaid post-petition debts	MOR-4		
Accounts Receivable Aging	MOR-5		
Debtor Questionnaire	MOR-5		

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

/s/ Michael J. Hobey

Signature of Authorized Individual*

1/22/2018

Date

Michael J. Hobey

Printed Name of Authorized Individual

President and Interim CEO

Title of Authorized Individual

*Authorized individual must be an officer, director, or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

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

In re:)	
)	Chapter 11
REAL INDUSTRY, INC., <i>et al.</i>)	Case No. 17-12464 (KJC)
)	
Debtors. ¹)	(Jointly Administered)

**CERTIFICATION REGARDING POST-PETITION BANK
ACCOUNT RECONCILIATIONS AND COMPLIANCE AND
PAYMENT OF POST-PETITION TAXES**

I, Michael J. Hobey, President and Interim Chief Executive Officer of Real Industry, Inc. and its affiliated debtors and debtors-in-possession (collectively, the “Debtors”), hereby certifies as follows:

1. Attached to MOR-1 is a listing of the Debtors’ bank accounts, by account number, and the closing balances. These accounts are reconciled monthly in accordance with the Debtors’ ordinary course accounting practices and, together with the Debtors’ bank statements and cash disbursements journals, are available to the United States Trustee upon request.

2. To the best of my knowledge and belief, the Debtors are current on all post-petition taxes, and no post-petition tax amounts are past due.

/s/ Michael J. Hobey
Michael J. Hobey
President and Interim Chief Executive Officer

1/22/2018
Date

¹ The Debtors in the above-captioned chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are Real Industry, Inc. (3818), Real Alloy Intermediate Holding, LLC (7447), Real Alloy Holding, Inc. (2396), Real Alloy Recycling, Inc. (9798), Real Alloy Bens Run, LLC (3083), Real Alloy Specialty Products, Inc. (9911), Real Alloy Specification, Inc. (9849), ETS Schaefer, LLC (9350), and RA Mexico Holding, LLC (4620). The principal place of business for the Real Alloy Debtors is 3700 Park East Drive, Suite 300, Beachwood, Ohio 44122.

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re: Real Industry, Inc., *et al.*
Debtors

Case No. 17-12464 (KJC)
Reporting Period: December 1, 2017 – December 31, 2017

General Notes

This Monthly Operating Report ("MOR") has been prepared solely for the purpose of complying with the monthly reporting requirements applicable in these bankruptcy cases. The financial information contained herein is unaudited, preliminary in nature, and, as discussed below, not prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Such financial statements represent the Debtors' good faith attempt to comply with the requirements of the United States Trustee using resources available. This information is specifically limited to the reporting period and limited in scope to the requirements of this report. These unaudited financial statements have not been subject to procedures that would typically be applied to financial information presented in accordance with U.S. GAAP, and upon application of such procedures, the Debtors believe that the financial information could be subject to changes which could be material. Certain totals may not sum due to rounding.

The results of operations contained herein are not necessarily indicative of the results which may be expected from any other period or for the full year and may not necessarily reflect the results of operations, financial position and schedule of receipts and disbursements in the future. The amounts in MOR 3 currently classified as liabilities subject to compromise may be subject to future change as the Debtors complete their analysis of pre and post-petition liabilities, including the reconciliation of intercompany balances. The Debtors caution readers not to place undue reliance on the MOR. There can be no assurance that such information is complete and the MOR may be subject to revision.

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

	Real Industry, Inc	Real Alloy Intermediate Holding, LLC	Real Alloy Holding, Inc.	Real Alloy Recycling, Inc.	Real Alloy Bens Run, LLC	Real Alloy Specialty Products, Inc.	Real Alloy Specification, Inc.	ETS Schaefer, LLC	RA Mexico Holding, LLC	(Month Ended 12/31/2017)	Total Filer (Cumulative Since Filing)	Notes
<i>Beginning Cash Balance (Book)</i>	\$ 2,849,223	\$ -	\$ -	\$ 6,734,160	\$ -	\$ -	\$ -	\$ (10,550)	\$ -	\$ 9,572,833	\$ 4,663,014	(A)
Cash Receipts	-	-	-	18,855,407	-	1,305,202	19,217,239	709,027	-	40,086,875	58,106,130	
Interest Income	104	-	-	-	-	-	-	-	-	104	322	
Total Receipts	104	-	-	18,855,407	-	1,305,202	19,217,239	709,027	-	40,086,979	58,106,452	
<i>Cash Disbursements</i>												
Metals	-	-	-	(11,851,748)	-	(713,091)	(21,266,585)	-	-	(33,831,424)	(39,940,897)	
Wages, Payroll, HR & Related	(131,324)	-	-	(5,947,436)	-	(159,268)	(1,862,058)	(161,483)	-	(8,261,568)	(10,557,903)	
Interco w/Canada	-	-	-	(11,148)	-	-	(50,910)	-	-	(62,058)	(974,728)	
Freight	-	-	-	(1,447,826)	-	(20,289)	(596,171)	-	-	(2,064,287)	(2,592,880)	
Flux	-	-	-	(632,119)	-	-	(213,099)	-	-	(845,218)	(1,272,051)	
Banking & Financial	-	-	-	(949,333)	-	(6,866)	(76,372)	-	-	(1,032,571)	(1,313,099)	
Packaging & Storage	-	-	-	(9,906)	-	(6,057)	(5,749)	-	-	(21,712)	(204,748)	
Industrial Waste	-	-	-	(233,480)	-	(116)	(4,988)	-	-	(238,585)	(360,107)	
Interco w/Goodyear	-	-	-	(251,908)	-	-	-	-	-	(251,908)	(358,601)	
Insurance	-	-	-	(152,567)	-	-	-	-	-	(152,567)	(233,453)	
SG&A & Other	(120,105)	-	(557)	(852,403)	-	(53,783)	(281,033)	(139,146)	-	(1,447,027)	(1,520,044)	
Tax Authority	-	-	-	(55,757)	-	-	(68,352)	-	-	(124,109)	(173,335)	
Equipment, Parts, Supplies & Related	-	-	-	(512,868)	-	(12,910)	(218,330)	-	-	(744,108)	(791,669)	
Construction/Fabrication	-	-	-	(103,655)	-	(1,060)	(25,000)	-	-	(129,715)	(129,715)	
Chemicals & Lubricants	-	-	-	(72,253)	-	-	(54,924)	-	-	(127,176)	(158,752)	
Cleaning & Waste Management	-	-	-	(84,348)	-	-	-	-	-	(84,348)	(113,275)	
Utilities	-	-	-	(271,896)	(221)	(3,672)	(302,639)	-	-	(578,428)	(578,428)	
Total Operating Disbursements	(251,429)	-	(557)	(23,440,651)	(221)	(977,113)	(25,026,211)	(300,629)	-	(49,996,810)	(61,273,684)	(B)
<i>Restructuring Related Disbursements</i>												
Professional Fees	(50,000)	-	(273,446)	-	-	-	-	-	-	(323,446)	(816,663)	
Adequate Assurance Deposit	-	-	-	(239,795)	-	-	-	-	-	(239,795)	(2,102,947)	
US Trustee Fees	-	-	-	-	-	-	-	-	-	-	-	
Total Restructuring Related Disbursements	(50,000)	-	(273,446)	(239,795)	-	-	-	-	-	(563,241)	(2,919,610)	(B)
<i>Net Cash Flow Prior to Financing Activities</i>	(301,324.91)	-	(274,003)	(4,825,038)	(221)	328,089	(5,808,971)	408,398	-	(10,473,071)	(6,086,841)	
<i>Financing Activities</i>												
DIP Term Loan Borrowings	-	-	-	-	-	-	-	-	-	-	40,000,000	
DIP Term Loan Fees	-	-	-	-	-	-	-	-	-	-	(3,725,000)	(B)
DIP ABL Borrowings	-	-	-	53,398,001	-	-	-	-	-	53,398,001	68,098,909	
DIP ABL Paydown	-	-	-	(85,158)	-	-	-	-	-	(85,158)	(85,158)	(B)
DIP ABL Fees and Interest	-	-	-	-	-	-	-	-	-	-	(1,101,999)	(B)
Pre-Petition ABL Paydown	-	-	-	(44,046,561)	-	-	-	-	-	(44,046,561)	(93,297,972)	(B)
Pre-Petition Fees and Interest	-	-	-	-	-	-	-	-	-	-	(98,909)	(B)
Total Financing Activities	-	-	-	9,266,282	-	-	-	-	-	9,266,282	9,789,871	
Net Cash Flow	(301,325)	-	(274,003)	4,441,243	(221)	328,089	(5,808,971)	408,398	-	(1,206,790)	3,703,029	
Cash Sweep	-	-	274,003	(5,357,703)	221	(328,089)	5,808,971	(397,403)	-	0	(0)	
Ending Cash Balance (Book)	\$ 2,547,898	\$ -	\$ -	\$ 5,817,701	\$ -	\$ -	\$ -	\$ 444	\$ -	\$ 8,366,043	\$ 8,366,043	
Disbursements for Calculating Quarterly US Trustee Fees. [sum of Notes (A)]	\$ 301,429	\$ -	\$ 274,003	\$ 67,812,165	\$ 221	\$ 977,113	\$ 25,026,211	\$ 300,629	\$ -	\$ 94,691,770	\$ 162,502,332	

Notes:

(A) In the November 2017 Monthly Operating Report ("MOR"), the Debtors reported two bank account balances totaling \$122,182 as accounts of the Debtors that subsequently were determined to be non-debtor bank accounts. The beginning cash balances have been adjusted to reflect this correction.

SCHEDULE OF DEBTOR BANK ACCOUNT BALANCES*

Bank Account	Bank	Real Industry, Inc	Real Alloy Intermediate Holding, LLC	Real Alloy Holding, Inc.	Real Alloy Recycling, Inc.	Real Alloy Bens Run, LLC	Real Alloy Specialty Products, Inc.	Real Alloy Specification, Inc.	ETS Schaefer, LLC	RA Mexico Holding, LLC	Consolidated
xxxxx09712 - ETS Schaefer LLC Receipts	Bank of America								7,074		\$ 7,074
xxxxx31011 - ETS Schaefer LLC Disbursements	Bank of America								63,620		\$ 63,620
xxxxx31030 - Real Alloy Recycling Inc Payroll Account	Bank of America				290,939						\$ 290,939
xxxxx31016 - Real Alloy Recycling Inc Accounts Payable	Bank of America				1,613,651						\$ 1,613,651
xxxxx09675 - Real Alloy Recycling Inc 3rd Party Funding Account	Bank of America				15,375						\$ 15,375
xxxxx09656 - Real Alloy Recycling Inc Receivables Account	Bank of America				727,719						\$ 727,719
xxxxx09651 - Real Alloy Recycling Inc Concentration Account	Bank of America				331,093						\$ 331,093
xxxxx09670 - Real Alloy Recycling Inc Adequate Assurance Account	Bank of America				1,295,144						\$ 1,295,144
xxxxx75014 - Real Alloy Holding, Inc Corp Trust (GBP)	Bank of America			127,095							\$ 127,095
xxxxx75022 - Real Alloy Holding, Inc Corp Trust (EUR)	Bank of America			25,125							\$ 25,125
xxxxxx4386 - Real Alloy Recycling Inc Concentration Account	Wintrust				2,563						\$ 2,563
xxxxxx87819 - Real Alloy Holding, Inc Bondholder Escrow Account	JP Morgan Chase			5,000,000							\$ 5,000,000
xxxxx23243 - Real Industry Inc Collateral Account for Letter of Credit	Wells Fargo	722,080									\$ 722,080
xxxxx96415 - Real Industry, Inc	Wells Fargo	1,920,155									\$ 1,920,155
		\$ 2,642,235	\$ -	\$ 5,152,219	\$ 4,276,484	\$ -	\$ -	\$ -	\$ 70,694	\$ -	\$ 12,141,632

*Balances per bank records as of December 31, 2017.

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES PAID

PAYEE	PERIOD	AMOUNT	PAYOR	CHECK		AMOUNT PAID		CUMULATIVE PAID SINCE PETITION DATE	
				NUMBER	DATE	FEES	EXPENSES	FEES	EXPENSES
Alvarez & Marsal Securities, LLC	Dec-17	\$ 126,172	Real Alloy Holding, Inc	Wire	12/18/17	\$126,172	\$ -	\$126,172	\$ -
Berkeley Research Group, LLC			Real Alloy Holding, Inc					130,868	7,765
Latham & Watkins LLP	Dec-17	147,275	Real Alloy Holding, Inc	Wire	12/27/17	147,275	-	447,275	54,583
Prime Clerk	Dec-17	50,000	Real Industry, Inc	Wire	12/12/17	50,000	-	50,000	-
		<u>\$ 323,446</u>				<u>\$323,446</u>	<u>\$ -</u>	<u>\$754,314</u>	<u>\$ 62,348</u>

MOR-1c: Schedule of Professional Fees and Expenses Paid

CONSOLIDATING STATEMENT OF OPERATIONS

	Total Filer (Month Ended 12/31/2017)	Eliminations	Real Industry, Inc	Real Alloy Intermediate Holding, Inc.	Real Alloy Holding, Inc.	Real Alloy Recycling, Inc.	Real Alloy Specification, Inc.	Real Alloy Specialty Products, Inc.	ETS Schaefer, LLC	Real Alloy Bens Run, LLC	RA Mexico Holding, LLC	Total Filer (Cumulative Since Filing)
Gross Revenue	\$ 48,056,837	\$ (3,419,531)	\$ 18,804	\$ -	\$ -	\$23,687,272	\$ 26,005,118	\$ 1,211,108	\$ 554,066	\$ -	\$ -	\$71,332,810
Total Cost of Sales	45,925,469	(3,496,526)	-	-	-	22,132,263	25,728,587	1,073,830	469,324	17,991	-	67,347,754
Gross Profits	2,131,368	76,995	18,804	-	-	1,555,009	276,531	137,278	84,742	(17,991)	-	3,985,056
Total SGA Expenses	3,395,874	(13,625)	1,487,530	-	497,215	1,350,407	59,200	15,147	-	-	-	6,395,023
Total (Gains) Losses on Derivative Financial Instruments	(16,691)	-	-	-	(16,691)	-	-	-	-	-	-	(16,691)
Other Operating (Income) Expense - Net	64,860	-	-	-	-	26,110	38,486	-	-	264	-	64,860
Operating Income (Loss)	(1,312,675)	90,620	(1,468,726)	-	(480,524)	178,492	178,845	122,131	84,742	(18,255)	-	(2,458,136)
Net Interest Expense & Fees	3,081,419	6,243	-	-	2,465,926	603,507	5,122	597	24	-	-	4,575,136
Total Foreign Currency Gains/Losses	(461,200)	-	-	-	(460,143)	(1,057)	-	-	-	-	-	(991,980)
Net Mgmt Fee Expense (Income)	241,743	-	-	-	18,700	223,043	-	-	-	-	-	241,743
Other Expenses	(182)	(35,000)	(182)	-	35,000	-	-	-	-	-	-	(182)
Income Before Taxes	(4,174,455)	119,377	(1,468,544)	-	(2,540,007)	(647,001)	173,723	121,534	84,718	(18,255)	-	(6,282,853)
Income Tax Expenses	5,472	-	-	-	5,472	-	-	-	-	-	-	3,689
Net Income From Continuing Operations	(4,179,927)	119,377	(1,468,544)	-	(2,545,479)	(647,001)	173,723	121,534	84,718	(18,255)	-	(6,286,542)
Net Income	\$ (4,179,927)	\$ 119,377	\$ (1,468,544)	\$ -	\$ (2,545,479)	\$ (647,001)	\$ 173,723	\$ 121,534	\$ 84,718	\$ (18,255)	\$ -	\$ (6,286,542)

MOR-2: Statement of Operations

CONSOLIDATING BALANCE SHEET

	<u>Total Filer</u>	<u>Eliminations</u>	<u>Real Industry, Inc.</u>	<u>Real Alloy Intermediate Holding, Inc.</u>	<u>Real Alloy Holding, Inc.</u>	<u>Real Alloy Recycling, Inc.</u>	<u>Real Alloy Specification, Inc.</u>	<u>Real Alloy Specialty Products, Inc.</u>	<u>ETS Schaefer, LLC</u>	<u>Real Alloy Bens Run, LLC</u>	<u>Real Alloy Mexico Holding LLC</u>
ASSETS											
Current Assets:											
Total Cash & Equivalents	\$ 8,366,043	\$ -	\$ 2,547,898	\$ -	\$ -	\$ 5,817,702	\$ -	\$ -	\$ 444	\$ -	\$ -
Net Accounts Receivable	83,853,578	-	3,203	-	(18,826)	30,340,587	51,505,477	886,069	1,137,068	-	-
Total Current Interco Receivable	3,016,419	(409,557)	-	-	(41,214,600)	(44,145,706)	78,411,482	10,298,783	620,369	(544,352)	-
Net Inventories	54,004,853	-	-	-	-	20,955,913	28,533,098	3,902,900	612,942	-	-
Total Prepaid Expenses	18,618,357	-	1,710,271	-	-	7,120,314	9,694,768	93,004	-	-	-
Total Other Current Assets	10,090,632	-	-	-	835,000	6,128,648	2,764,433	362,551	-	-	-
Total Current Assets	177,949,882	(409,557)	4,261,371	-	(40,398,426)	26,217,458	170,909,258	15,543,307	2,370,823	(544,352)	-
Property, Plant & Equipment, Net	149,968,650	-	29,407	-	-	101,716,528	40,541,135	3,202,411	2,560,295	1,918,874	-
Other Intangibles, Net	10,119,048	-	-	-	10,119,048	-	-	-	-	-	-
Total Equity Investments in Subs	68,989,393	(509,628,413)	156,586,028	-	303,469,839	118,561,938	-	-	-	-	1
Total L/T Deferred Tax Assets	(176,343)	-	(176,343)	-	-	-	-	-	-	-	-
Total L/T Interco Receivable	99,311,712	(32,991)	27,964,376	-	25,909,105	80,552,203	(33,789,653)	(1,290,806)	13,951	(14,473)	-
Other L/T Assets, Net	7,702,575	-	-	-	-	7,531,735	170,840	-	-	-	-
Total Assets	\$513,864,917	\$(510,070,961)	\$ 188,664,839	\$ -	\$299,099,566	\$ 334,579,862	\$177,831,580	\$ 17,454,912	\$ 4,945,069	\$ 1,360,049	\$ 1

MOR-3: Balance Sheet

CONSOLIDATING BALANCE SHEET

	Total Filer	Eliminations	Real Industry, Inc.	Real Alloy Intermediate Holding, Inc.	Real Alloy Holding, Inc.	Real Alloy Recycling, Inc.	Real Alloy Specification, Inc.	Real Alloy Specialty Products, Inc.	ETS Schaefer, LLC	Real Alloy Bens Run, LLC	Real Alloy Mexico Holding LLC
LIABILITIES & STOCKHOLDERS' EQUITY											
Liabilities:											
Total Accounts Payable	\$ 28,338,972	\$ -	\$ 22,776	\$ -	\$ 67,484	\$ 10,611,201	\$ 16,789,911	\$ 487,821	\$ 337,160	\$ 22,619	\$ -
Accrued & Other Current Liabilities (A)	7,077,309	(141,259)	1,573,286	-	-	3,959,223	1,354,276	84,666	200,919	46,198	-
Total F/V S/T Hedge Liab. Contracts	-	-	-	-	-	-	-	-	-	-	-
Toll Liability	5,549,889	-	-	-	-	211,914	5,337,975	-	-	-	-
Accrued Interest	14,243,694	-	-	-	13,979,167	264,527	-	-	-	-	-
Total Cur. Def. Tax Liability	-	-	-	-	-	-	-	-	-	-	-
Total Current Interco Payable	10,348,401	(405,247)	248,404	-	10,516,560	1,534,455	1,889,616	418,661	(3,854,048)	-	-
Current Maturities of L/T Debt	406,826,785	5,818	-	-	299,545,392	105,713,214	1,424,140	130,601	7,620	-	-
Liabilities of Discontinued Operations - Current	-	-	-	-	-	-	-	-	-	-	-
Total Current Liabilities	472,385,050	(540,688)	1,844,466	-	324,108,603	122,294,534	26,795,918	1,121,749	(3,308,349)	68,817	-
Total Other L/T Liabilities (B)	12,369,482	-	2,002,320	-	-	3,456,713	6,812,799	72,650	25,000	-	-
Total L/T Liabilities	12,369,482	-	2,002,320	-	-	3,456,713	6,812,799	72,650	25,000	-	-
Total Liabilities - Subject to Compromise - External	74,002,827	(39,935)	30,415,991	-	2,908	19,879,755	22,072,794	1,109,096	535,561	26,657	-
Total Liabilities - Subject to Compromise - Internal	-	-	-	-	-	-	-	-	-	-	-
Total Liabilities - Subject to Compromise	74,002,827	(39,935)	30,415,991	-	2,908	19,879,755	22,072,794	1,109,096	535,561	26,657	-
Total Liabilities	558,757,360	(580,623)	34,262,778	-	324,111,511	145,631,002	55,681,511	2,303,495	(2,747,788)	95,474	-
Stockholders' Equity:											
Common Stock - Total	29,807	-	29,807	-	-	-	-	-	-	-	-
Additional Paid-In Capital - Total	544,214,547	(509,628,415)	544,214,548	-	173,259,645	222,511,312	99,016,761	8,906,982	3,940,748	1,992,965	1
Retained Earnings	(577,902,720)	138,077	(389,842,294)	-	(187,037,513)	(33,562,452)	23,133,308	6,244,435	3,752,109	(728,390)	-
Total Other Comprehensive Income/(Loss)	(11,234,077)	-	-	-	(11,234,077)	-	-	-	-	-	-
Total Stockholders' Equity	(44,892,442)	(509,490,338)	154,402,062	-	(25,011,945)	188,948,860	122,150,069	15,151,417	7,692,857	1,264,575	1
Total Liabilities & Equity	\$ 513,864,917	\$(510,070,961)	\$ 188,664,839	\$ -	\$ 299,099,566	\$ 334,579,862	\$ 177,831,580	\$ 17,454,912	\$ 4,945,069	\$ 1,360,049	\$ 1

Notes:

- (A) Includes certain prepetition claims for wages and taxes approved by the Court and costs related to potential future environmental remediation.
- (B) Includes costs related to potential future environmental remediation and tax liabilities.

SUMMARY OF UNPAID POST-PETITION DEBTS

	<u>Current</u>
Accounts Payable	<u>\$ 28,338,972</u>

MOR-4: Summary of Unpaid Post-Petition Debts

ACCOUNTS RECEIVABLE AGING

	0-30 Days	31-60 Days	61-90 Days	91 Days +	Total
Accounts Receivable Aging					
Accounts Receivable	\$80,156,681	\$4,813,789	\$23,016	\$14,386	\$85,007,872
Unapplied Funds					(863,294)
Allowance for Doubtful Accounts					(291,000)
					<u>\$83,853,578</u>

DEBTOR QUESTIONNAIRE

Must be completed each month	Yes	No
1. Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below.		X
2. Have any funds been disbursed from any account other than a debtor in possession account this reporting period? If yes, provide an explanation below.		X
3. Have all post petition tax returns been timely filed? If no, provide an explanation below.	X	
4. Are workers compensation, general liability and other necessary insurance coverages in effect? If no, provide an explanation below.	X	
5. Has any bank account been opened during the reporting period? If yes, provide documentation identifying the opened account(s). If an investment account has been opened provide the required documentation pursuant to the Delaware Local Rule 4001-3. (1)	X	