services of the Senior Restructuring Counsel), (iii) the Prepetition Revolving Credit Agent for any reasonable out-of-pocket costs and expenses incurred by the Prepetition Revolving Credit Agent relating to its administrative functions as agent including the reasonable fees and expenses on one law firm engaged by the Prepetition Revolving Credit Agent to provide advice in connection with such administrative functions, including the negotiation, preparation and execution of any documents, amendments or proofs of claim relating to such Prepetition Financing Documents and other agency functions which would customarily be conducted by such agent in the absence of these chapter 11 proceedings (but excluding providing restructuring advice on behalf of the Prepetition Revolving Lenders or otherwise duplicating the services of the Senior Restructuring Counsel), (iv) the Steering Committee for any reasonable fees and out-of-pocket expenses of a financial advisor engaged or retained to represent the interests of the Prepetition Priority Lenders in these chapter 11 cases, (v) members of the Steering Committee for reasonable out-of-pocket costs and expenses incurred by such members in connection with these chapter 11 cases (which costs and expenses will not include any professional fees or expenses except as provided in clauses (i) and (iv) above), and (vi) the Prepetition Junior Agent for any reasonable fees and out-of-pocket expenses of one law firm (plus Portland co-counsel) engaged or retained to represent the interests of the Prepetition Junior Lenders in these chapter 11 cases, including any reasonable attorney's fees and expenses incurred by the Prepetition Junior Agent prior to the Petition Date in connection with the negotiation and drafting of this Order and the commencement of these chapter 11 cases; provided that, the recipients of any payments under clause (c) above shall provide to the Creditor's Committee copies of all of their invoices (prepared in reasonable detail, but subject to applicable privileges) on a monthly basis, and the Creditor's Committee and the Debtors expressly reserve all their rights to object to the

reasonableness of any payments made to such parties hereunder; provided that such objection is filed with the Court within twenty (20) days of receipt by the Creditor's Committee of such invoice (an "Objection"). Notwithstanding the receipt of an Objection, the Debtors shall nevertheless be required to make the subject payment in accordance with the terms of this paragraph 6, but the recipient thereof may be required to disgorge all or a portion of such payment to the extent it is so determined by the Court in a final order that such amount should not have been paid by the Debtors to the recipient. No recipient of any payment under clause (c) above shall be required to file with respect thereto any interim or final fee application with this Court. Payments made by the Debtors pursuant to this paragraph 6 shall be provisional in nature pending ultimate allowance under §506(b) of the Bankruptcy Code. Nothing contained herein shall preclude the Prepetition Secured Parties from asserting that they are entitled to the allowance of interest at rates higher than those specified herein (including at the default rates contemplated by the Prepetition Financing Documents) or the payment of any principal amounts or requesting the Court to direct the payment of such higher rates or principal amounts, nor shall anything contained herein limit the Debtors' rights to contest such assertions and requests. The entry of this Order is without prejudice to the rights of the Prepetition Secured Parties to seek a further order of the Court to obtain other or additional adequate protection, including, *inter alia*, the payment or reimbursement by the Debtors of fees and expenses for a financial advisor retained by the Junior Term Loan Agent or for additional amounts that may be due to the Prepetition Agents for fees and expenses not covered hereby but provided for under the Prepetition Financing Documents.

7. Carve-Out. The term "Carve-Out" means, after a Termination Date (as defined below), the following: (i) in respect of allowed but unpaid fees and expenses payable under

sections 330 and 331 of the Bankruptcy Code to professionals (including attorneys, accountants, appraisers, consultants and investment bankers) retained by the Debtors or the Creditors' Committee (the "Professional Persons") arising prior to the occurrence of a Termination Date, (ii) in respect of allowed but unpaid fees and expenses payable under Sections 330 and 331 of the Bankruptcy Code to Professional Persons arising after the occurrence of a Termination Event in an aggregate amount not to exceed (x) $1,000,000 for the Professional Persons retained by the Debtors and (y) $1,000,000 for the Professional Persons retained by the Creditors Committee (for an aggregate total of $2,000,000); (iii) fees required to be paid to the Clerk of the Court; and (iv) quarterly fees required to be paid pursuant to 28 U.S.C. § 1930(a)(6); provided, that before being entitled or permitted to realize or otherwise receive, directly or indirectly, any proceeds arising from such Carve-Out, each Professional Person entitled to a payment under the Carve-Out must first apply any amounts held as a retainer by such Professional Person that is available for the payment of such unpaid fees and expenses. Amounts paid prior to the Termination Date shall not reduce the amount of the Carve-Out. Unless otherwise consented to by the Majority Secured Parties (or by the Junior Term Loan Lenders but solely with respect to the proceeds of the Junior Term Loan Collateral), no proceeds of the Prepetition Collateral or Postpetition Collateral to which any Prepetition Secured Party has an interest and no amounts received pursuant to the Carve-Out shall be used to pay compensation or expense reimbursement of any Professional Person or any other costs incurred in connection with (1) commencing or continuing any claims, causes of actions or contested matters against any Prepetition Secured Party, including, without limitation, discovery proceedings subsequent to the commencement of any such claims or causes of action; (2) preventing, hindering or delaying performance or enforcement by any Prepetition Secured Party of its rights or remedies under this Order or any of

the Prepetition Financing Documents; or (3) challenging the Prepetition Liens, Adequate Protection Liens or Superpriority Claims of any of the Prepetition Secured Parties or the validity, enforceability or amount of any of the Prepetition Obligations.

**8.** Cash Management. Until further order of Court, the Debtors will continue to maintain their existing cash management systems, and the Adequate Protection Liens and Prepetition Priority Liens granted to the Prepetition Priority Agents hereunder or under the Prepetition Financing Documents shall extend to all bank accounts and cash deposits maintained by the Debtors.

9. Sale Proceeds. Until further order of Court, the Debtors will, consistent with their cash management practices, deposit proceeds realized from the sale of assets constituting Prepetition or Postpetition Collateral, other than sales in the ordinary course of business, into a segregated investment account that will contain only such proceeds and will be subject to the liens of the Prepetition Priority Lenders. The Debtors will not use such sale proceeds without further order of Court.

10. No Surcharge on Collateral: No Consent. No costs or expenses of administration pursuant to section 506(c) of the Bankruptcy Code which have or may be incurred in these chapter 11 cases or after any conversion of any of these cases pursuant to section 1112 of the Bankruptcy Code shall be charged against the Prepetition Secured Parties, the Prepetition Obligations or any of the Prepetition Collateral, without the prior written consent of the Majority Secured Parties, to the extent that prior notice of the incurrence of such costs and expenses was not provided to the financial advisors to the Steering Committee or in the event that the Steering Committee has objected to the incurrence of such costs and expenses in writing to the Debtors; provided that, other than with respect to the Carve-Out, the right of the Debtors under Section

506(c) of the Bankruptcy Code to surcharge the Prepetition Secured Parties, the Prepetition Obligations, any of the Prepetition Collateral or otherwise with respect to the fees and expenses of Professional Persons employed by the Debtors, the Creditor's Committee or on behalf of the Debtors' estates are hereby waived. In addition, no consent by any Prepetition Secured Party to any administrative claims sought to be assessed against or attributed to any of the Prepetition Secured Parties with respect to their interests in the Prepetition Collateral pursuant to the provisions of section 506(c) of the Bankruptcy Code or otherwise shall be implied from the preceding sentence or from any other action, inaction or acquiescence by the Prepetition Secured Parties in connection herewith or otherwise.

11. Modification of Automatic Stay. The automatic stay extant under section 362(a) of the Bankruptcy Code shall be, and it hereby is, modified to the extent necessary to effectuate the terms of this Order and to permit the Prepetition Agents, for the benefit of the Prepetition Secured Parties, to receive, collect and apply payments and proceeds in respect of the Prepetition Collateral and the Postpetition Collateral in accordance with the terms and provisions of this Order.

12. Covenant. The Debtors covenant to maintain a minimum cash balance equal to 80% of their forecasted cash balance as reflected on the Budget in substantially the form attached hereto as Exhibit A to be delivered by the Debtors to the Prepetition Secured Parties and the Creditor's Committee from time to time in accordance with the terms of this paragraph 12. The covenant contained in the immediately preceding sentence shall be tested initially on July 2, 2004 and on the last business day of each succeeding four week period thereafter (i.e., July 30, 2004, August 27, 2004, etc.) (each such date, a "Testing Date"). The initial Budget is attached hereto as Exhibit A, and the same shall be supplemented and extended by the Debtors, in form

and substance reasonably satisfactory to the Steering Committee and the Creditor's Committee, at the end of each successive four week testing period for the thirteen (13) week period following the immediately preceding testing period.

13. Termination. In the absence of a further order of this Court and notwithstanding anything herein to the contrary, the Debtors shall no longer be authorized pursuant to this Order to use Cash Collateral on the date (the "Termination Date") any of the following events shall occur (unless in each case waived in writing by the Prepetition Senior Agents):

(i) material non-compliance by any of the Debtors with any of the terms or provisions of this Order;

(ii) any stay, reversal, vacatur, rescission or other modification of the terms of this Order;

(iii) entry of an order by this Court or any other Court having jurisdiction over these chapter 11 cases approving any postpetition secured financing or any administrative expense or financing obligation is accorded Superpriority administrative claim status except to the extent that such financing satisfies the Prepetition Senior Obligations in full in cash;

(iv) entry of an order by this Court dismissing any of the Debtors' chapter 11 cases or converting any of the Debtors' chapter 11 cases to cases under chapter 7 of the Bankruptcy Code;

(v) the appointment of a trustee or the appointment of an examiner with enlarged powers beyond those section 1106 of the Bankruptcy Code in any of these chapter 11 cases; or

(vi) the occurrence of a "Termination Event" (as defined below).

Notwithstanding the occurrence of the Termination Date, all of the rights, remedies, benefits and protections provided to the Prepetition Secured Parties under this Order as of such Termination Date shall survive the Termination Date. The Prepetition Senior Agents shall also have the right at any time to terminate their consent to the Debtors' continued use of Cash Collateral pursuant to the terms of this Order by providing the Debtors and the Creditor's Committee with 10 days

advance written notice of their intent to terminate such consent (the "10 Day Notice Period"). If such notice is given, the Debtors' authority to use Cash Collateral shall automatically terminate (the "Termination Event") at the expiration of the 10 Day Notice Period unless an order has been entered by the Court authorizing the Debtors' continued usage of Cash Collateral on or prior to the expiration of the 10 Day Notice Period. The Debtors retain the right, at any time, to seek authority to use Cash Collateral without the Prepetition Senior Agents' consent and on terms that are different from those set forth in this Order (including terms that are less favorable to the Prepetition Priority Lenders), and the Prepetition Priority Lenders reserve the right to object thereto. The Junior Term Loan Agent shall have the right at any time to request the Court for additional adequate protection (or a vacation of the automatic stay in respect of the PSC Collateral), and the Debtors reserve the right to contest any such request. The Debtors retain the right, at any time, to request a modification of the adequate protection afforded to the Prepetition Junior Lenders under the terms of this Order (including modifications that are less favorable to the Prepetition Junior Lenders). Without limiting the foregoing in any respect, nothing contained in this Order shall constitute a finding concerning the adequacy of adequate protection afforded to the Prepetition Secured Parties under this Order, or a finding concerning the Prepetition Secured Parties' entitlement to adequate protection.

14. Claims and Defenses; Challenge Period. **The bold typeface provisions set forth in this section vary from the requirements of D. Me. L.B.R. 4001-2(c).** Notwithstanding anything herein to the contrary, without the consent of the Majority Secured Parties (or the Junior Term Loan Lenders but solely with respect to the proceeds of the Junior Term Loan Collateral), no Prepetition Collateral or Postpetition Collateral or Proceeds of either thereof to the extent any Prepetition Secured Party has an interest, including any Cash Collateral, is

authorized hereunder to be used by any of the Debtors, the Creditors' Committee or any other person or entity to prosecute any proceeding to object to or contest in any manner, or raise any defenses to, the extent, validity, perfection, priority, amount or enforceability of the Prepetition Obligations or the Prepetition Liens, or to prosecute any action for preferences, fraudulent conveyances, other Avoidance Claims, equitable subordination, or any other claims or causes of action against any of the Prepetition Secured Parties with respect to the Prepetition Obligations (collectively, "Claims and Defenses"); provided that reasonable fees and expenses may be incurred by the Creditors' Committee (as expressly determined by the Court) and paid by the Debtors in respect of the investigation of any such Claims and Defenses. Without limitation of the foregoing, nothing in the Order shall be construed to limit or otherwise restrict the ability of the Creditors' Committee or any other person or entity **(other than the Debtors)** to the extent such other person or entity, other than the Creditors' Committee, has legal standing to do so, to assert any Claims and Defenses; it being agreed that the Creditor's Committee has standing to assert any Claims and Defenses; **provided that any such assertion of Claims and Defenses must be made in an action or other appropriate proceeding commenced in this Court on or before the later to occur of 120 days after the appointment of the Creditors' Committee in the Debtors' chapter 11 cases and 90 days from the date this Order is entered (the "Challenge Period").** If no such action or proceeding is commenced on or before such date, (1) the Prepetition Liens shall have been deemed to have been, as of the Petition Date, legal, valid, binding, perfected, not subject to recharacterization, subordination (other than in accordance with their terms) and otherwise enforceable and unavoidable and having the respective priorities discussed above, (2) the Prepetition Obligations shall have been deemed to have been, as of the Petition Date, legal, valid, binding, not subject to recharacterization, subordination (other than in

accordance with their terms) and otherwise enforceable and unavoidable in the amounts set forth in Paragraphs D, E and I above and (3) all Claims and Defenses shall be deemed, immediately and without further action by any of the Prepetition Secured Parties, to have been forever relinquished and waived as to the Debtors, the Creditors' Committee and other person or entity. If an action or proceeding is commenced on or before such dates, all Claims and Defenses not expressly asserted therein shall be deemed, immediately and without further action by the Prepetition Agents or any of the Prepetition Secured Parties, to have been forever relinquished and waived as to the Debtors, the Creditors' Committee and other person or entity. If an action or proceeding described above is properly filed as of the applicable date, the findings contained in this Order shall nonetheless remain binding and preclusive except to the extent that such findings were expressly and successfully challenged in such action or proceeding by such person bringing such action or proceeding and such person has obtained a final order rendered by a court of competent jurisdiction, which final order may, to the extent appropriate, provide that the Adequate Protection Liens granted hereunder be vacated and/or any payment made to the Prepetition Secured Parties hereunder be disgorged or recharacterized.

15. Remedies. Nothing herein shall preclude any Prepetition Agent from seeking relief from the automatic stay under section 362(d) of the Bankruptcy Code on and after the Termination Date to exercise any of their respective rights and remedies hereunder, if any, under the Prepetition Financing Documents or under applicable law, but subject to the terms and conditions of the Intercreditor Agreements, upon not less than five (5) business days' written notice to the Debtors, any Creditors' Committee, the United States Trustee, any trustee appointed in these case and each of the other Prepetition Agents (which written notice must be furnished by