

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

IN RE:	)	Chapter 11
)	
MOLL INDUSTRIES, INC., <i>et al.</i> , ¹	)	Case No. 10-11371 (MFW)
)	
Debtors.	)	Jointly Administered
)	
	)	Objection Deadline: May 13, 2010 at 4:00 p.m.
	)	Hearing Date: May 20, 2010 at 3:00 p.m.

NOTICE OF APPLICATION AND HEARING

PLEASE TAKE NOTICE THAT on May 3, 2010, the Debtors filed their Debtors' *Application for an Order Pursuant to Sections 105 (a) and 363(B) of the Bankruptcy Code Authorizing the Employment and Retention of Merritt Sadler Group, LLC and Certain Employees Thereof, Including Jeffrey C. Merritt as Chief Restructuring Officer for the Debtors and Debtors-In-Possession Nunc Pro Tunc to the Petition Date* (the "Application") with the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court").

PLEASE TAKE FURTHER NOTICE that any objections to the Application must be made in writing, filed with the Bankruptcy Court, 824 Market Street, Wilmington, Delaware 19801 and served so as to actually be received by the undersigned counsel for the Debtors on or before **May 13, 2010 at 4:00 p.m., prevailing Eastern Time.**

PLEASE TAKE FURTHER NOTICE that a hearing on the Motion will be held before the Honorable Mary F. Walrath at the Bankruptcy Court, 5th Floor, Courtroom 4, on **May 20, 2010 at 3:00 p.m., prevailing Eastern Time.**

¹ The Debtors in these cases are as follows: Moll Industries, Inc., Case No. 10-11371 (MFW); Moll Holdings, Inc., Case No. 10-11372 (MFW); Moll Europe Holdings, LLC, Case No. 10-11373 (MFW); and Moll Latin America Holdings, LLC, Case No. 10-11374 (MFW).

PLEASE TAKE FURTHER NOTICE THAT IF NO OBJECTION OR OTHER RESPONSE TO THE MOTION IS TIMELY FILED IN ACCORDANCE WITH THE PROCEDURES SET FORTH ABOVE, THE BANKRUPTCY COURT MAY ENTER AN ORDER GRANTING THE RELIEF SOUGHT IN THE MOTION WITHOUT FURTHER NOTICE OR A HEARING.

Dated: May 3, 2010
Wilmington, Delaware

SULLIVAN • HAZELTINE • ALLINSON LLC

/s/ William A. Hazeltine

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

IN RE:) Chapter 11
)
MOLL INDUSTRIES, INC., <i>et al.</i> , ¹	) Case No. 10-11371 (MFW)
	) Jointly Administered
Debtors.	) Objection Deadline: May 13, 2009 @ 4:00 p.m.
	) Hearing Date: May 20, 2010 @ 3:00 p.m.

**DEBTORS' APPLICATION FOR AN ORDER PURSUANT TO SECTIONS 105(a)
AND 363(B) OF THE BANKRUPTCY CODE AUTHORIZING THE EMPLOYMENT
AND RETENTION OF MERRITT SADLER GROUP, LLP AND CERTAIN
EMPLOYEES THEREOF, INCLUDING JEFFREY C. MERRITT AS
CHIEF RESTRUCTURING OFFICER FOR THE DEBTORS AND
DEBTORS IN POSSESSION, NUNC PRO TUNC TO THE PETITION DATE**

Moll Industries, Inc. and its affiliated debtors (the “Debtors”), debtors and debtors-in-possession in the above-captioned Chapter 11 cases, submit this application (the “Application”) requesting the entry of an order, pursuant to Sections 105(a) and 363(b) of Title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the “Bankruptcy Code”), authorizing and approving the employment and retention of Merritt Sadler Group, LLP (“Merritt Sadler”) and certain employees thereof, including Jeffrey C. Merritt as chief restructuring officer to the Debtors in these Chapter 11 cases, *nunc pro tunc* to the Petition Date. In support of the Motion, the Debtors rely on and incorporate by reference the Declaration Jeffrey C. Merritt in support of the Application (the “Merritt Declaration”, which is attached hereto as Exhibit A). In further support of this Application, the Debtors state the following:

¹ The Debtors in these cases are as follows: Moll Industries, Inc., Case No. 10-11371 (MFW); Moll Holdings, Inc., Case No. 10-11372 (MFW); Moll Europe Holdings, LLC, Case No. 10-11373 (MFW); and Moll Latin America Holdings, LLC, Case No. 10-11374 (MFW).

JURISDICTION AND VENUE

1. This Court has jurisdiction over the subject matter of the Motion pursuant to 28 U.S.C. §§ 157 and 1334. Consideration of this Motion is a core proceeding under 28 U.S.C. § 157(b)(2). Venue of this proceeding is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicates for the relief sought are Sections 105(a) and 363(b) of the Bankruptcy Code.

BACKGROUND

2. On April 27, 2010 (the "Petition Date"), each of the Debtors filed a voluntary petition pursuant to Chapter 11 of the Bankruptcy Code commencing the above captioned cases, which are being jointly administered for procedural purposes. The Debtors are operating as debtors-in-possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code.

3. No committee has yet been appointed or designated.

4. Prior to the Petition Date, in February, 2010, the Debtor Moll Industries, Inc. ("Moll") retained Jeffrey C. Merritt of Merritt Sadler as the Moll's Chief Restructuring Officer. The Debtors may retain and employ other pursuant to the engagement agreement dated February 5, 2010 (the "Engagement Agreement") attached hereto as Exhibit B.

RELIEF REQUESTED

A. Retention of Merritt Sadler

5. By this Application, the Debtors seek the entry of an order authorizing them to employ and retain Merritt Sadler and certain employees of Merritt Sadler, including Jeffrey C. Merritt as chief restructuring officer, to assist the Debtors in operating on a day to day basis as well as in evaluating and implementing strategic and tactical options related to the Debtors'

business operations, and managing the Debtors' restructuring process, including the sale of assets, as may be required.

6. Notwithstanding any provisions of the Engagement Agreement to the contrary, and consistent with the "J. Alix Protocol" implemented by the Office of the United States Trustee, Merritt Sadler has agreed that the terms of the Engagement Agreement shall be amended as set forth herein and in the proposed order as follows:

(a) Merritt Sadler shall not act in any other capacity (for example, and without limitation, as a financial advisor, claims agent/claims administrator, or investor/acquirer) in connection with the above captioned cases.

(b) In the event the Debtors seek to have Merritt Sadler personnel assume executive officer positions that are different than the position(s) disclosed in the Application, or to materially change the terms of the engagement by either (i) modifying the functions of personnel, (ii) adding new personnel, or (iii) altering or expanding the scope of the engagement, a motion to modify the retention shall be filed.

(c) Merritt Sadler shall file monthly with the Court, with copies to the United States Trustee for the District of Delaware (the "U.S. Trustee") and all official committees, a report of staffing on the engagement for the previous month. Such report shall include the names and functions filled and of the individuals assigned. All staffing shall be subject to review by the Court in the event an objection is filed.

(d) Pursuant to the "one hat" policy, after accepting an engagement in one capacity, Merritt Sadler and affiliates shall not accept another engagement for the same or affiliated debtors in another capacity. For a period of three years after the conclusion of the engagement, neither Merritt Sadler nor any of its affiliates shall make any investments in the Debtors or the Reorganized Debtors.

(d) No principal, employee, or independent contractor of Merritt shall serve as a director of the above-captioned Debtors during the pendency of their bankruptcy cases.

(e) Merritt Sadler shall disclose any and all facts that may have a bearing on whether the firm, its affiliates, and/or any individuals working on the engagement hold or represent any interest adverse to the Debtors, their creditors, or other parties in interest. The obligation to disclose identified in this subparagraph is a continuing obligation.

B. Qualifications

7. Merritt Sadler is a business advisory firm with expertise in restructurings, crisis management and business reorganization and is well-qualified to provide the Debtors advisory services in connection with these Chapter 11 cases. Merritt Sadler, and particularly Mr. Merritt, have advised on a wide variety of engagements including restructuring, turnarounds, acquisitions, and the sale of assets and divisions/subsidiaries. Specifically, Mr. Merritt has most recently participated in the following business restructurings as outlined in the Representative Engagements section of the Merritt Sadler marketing information attached to the Merritt Declaration as Exhibit 1.

8. Merritt Sadler has stated its desire and willingness to act in these cases and render the necessary professional services as business consultants and CRO to the Debtors.

C. Professional Services to be Performed

9. As described in the Engagement Agreement, the Debtors seek to retain Merritt Sadler to assist and advise the Debtors with the analysis and evaluation of the Debtors' financial position, financial history, operations, competitive environment, and assets to assist the Debtors in determining the best means to implement the most appropriate strategy, including a potential restructuring, refinancing and/or sale of the Debtors' assets. Specifically, Merritt Sadler will perform the following services:

- a. Mr. Merritt will serve as chief restructuring officer of the Debtors and will exercise all authority and execute all actions consistent with the powers delegated by the board of directors, and, as may be necessary, to operate the Debtors' businesses on a day to day basis;
- b. Provide those services as may be necessary to fulfill additional roles for the Debtors, subject to authorization by the Court to modify Merritt Sadler's retention; and

- c. Provide the necessary financial analysis in support of day to day operations of the Debtors, the necessary reports to the board of directors, lenders, and any other authorized organization and legal authority as may be required in the future.

As described in the Engagement Agreement, to the extent the Debtors request Merritt Sadler to perform additional services not contemplated by the Engagement Agreement, such services and the fees for such services will be mutually agreed-upon by Merritt Sadler and the Company, in writing, in advance. In the event such amendment to the Engagement Agreement occurs, the revisions will be subject to the Court's review and approval upon proper application by the Debtors.

10. The services that will be rendered by Merritt Sadler are not duplicative with the services to be performed by any other individual or entity retained by the Debtors.

D. Compensation

11. Subject to the Engagement Agreement, as modified herein and in the proposed order, the Debtors will compensate Merritt Sadler and reimburse Merritt Sadler for all reasonable and necessary expenses it may incur, no more frequently than monthly as set forth below:

- (a) The Debtors shall pay a monthly fee to Merritt Sadler in the amount of \$30,000 for the services of Mr. Merritt. If the services of additional Merritt Sadler personnel are required, the Debtors shall compensate such personnel at the rate of \$350.00 per hour. The Debtors shall also reimburse Merritt for reasonable costs and expenses incurred in rendering services to the Debtors.

- (b) Merritt Sadler shall prepare time reports which describe the services provided and the expenses incurred. Time records shall (i) be appended to the reports, (ii) contain entries describing the task(s) performed and (iii) be organized by project category. For Mr. Merritt and any other personnel providing services at a "flat" rate, the time entries shall be kept in hourly increments. Where personnel are providing services at an hourly rate, the time entries shall identify the time spent completing the task in 1/10 hour increments, and the corresponding charge (time multiplied by rate) for each task.

- (c) Such reports shall be filed with the Bankruptcy Court and served on (i) counsel to the Debtors, Sullivan Hazeltine Allinson LLC, 4 East 8th Street, Suite 400, Wilmington, DE 19801, Attn: William A. Hazeltine, Esq.; (ii) counsel to Highland Capital Management, Haynes and Boone, LLP, 2323 Victory Avenue, Suite 700, Dallas, TX 75219, Attn: Mark X. Mullin, Esq. and Duane Morris LLP 1100 North Market Street,

Suite 1200, Wilmington, DE 19801, Attn: Michael Lastowski; (iii) counsel to any Creditors' Committee appointed in these cases; and (iv) the Office of the United States Trustee for the District of Delaware, J. Caleb Boggs Federal Building, Room 2207, 844 North King Street, Wilmington, DE 19801, Attn: David Buchbinder, Esq. ("Notice Parties").

(d) The Notice Parties shall then have twenty (20) days from the date of receipt to review such invoices ("Notice Period"). During the Notice Period, any Notice Party may object to payment of Merritt Sadler's invoices in writing, which objection must be transmitted to Merritt Sadler by overnight mail and/or electronically and copied on each other Notice Party. To the extent an objection is not timely raised, the Debtors shall compensate Merritt Sadler in the amounts so requested. If an objection is timely raised, Merritt Sadler the Debtors shall compensate Merritt Sadler for any amounts set forth in the fee reports that are not disputed.

(e) If an objection is timely raised that is not resolved by the parties, Merritt Sadler shall not be entitled to payment of any disputed amount absent filing of an appropriate motion requesting payment for the disputed fees and/or expenses and entry of a further order.

12. As noted above, Merritt Sadler provided pre-petition services to the Debtors.

Merritt Sadler received **\$75,000** as compensation for services rendered and reimbursement of expenses in the amount of approximately **\$0** from the Debtors for the period from February, 2010 through the Petition Date. Merritt Sadler did not hold a retainer from the Debtors as of the Petition Date. Merritt Sadler has been paid in full for its pre-petition services and the Debtors had no amounts payable to Merritt Sadler as of the Petition Date.

13. To the best of the Debtors' knowledge and based on the Merritt Declaration, there are no arrangements between Merritt Sadler and any other entity to share compensation received or to be received in connection with this case, other than as permitted by section 504 of the Bankruptcy Code.

14. As additional consideration, the Engagement Agreement further provides that Debtors will indemnify, hold harmless and defend Merritt Sadler and its affiliates and its respective directors, officers, employees, agents, and its respective successors and assigns under

certain circumstances (such indemnification obligation being referred to as the “Indemnification Provisions”), which provisions are attached to and made a part of the Engagement Agreement.

15. The Debtors believe that the Indemnification Provisions are customary and reasonable for financial advisory engagements, both out-of-court and in chapter 11 cases. *See, e.g., In re FLYi, Inc.*, No. 05-20011 (MFW) (Bankr. D. Del. January 17, 2006) (order authorizing retention of Miller Buckfire & Co., LLC); *In re Foamex International, Inc.*, No. 05-12685 (PJW) (Bankr. D. Del. October 17, 2005) (order authorizing the retention of Miller Buckfire); *In re United Artists Theatre Company*, No. 00-3513-SLR (Bankr. D. Del. Dec. 1, 2000) (order authorizing indemnification of Houlihan, Lokey). The indemnification provisions are similar to other indemnification provisions that have been approved by bankruptcy courts elsewhere. *See, e.g., In re Comdisco, Inc.*, No. 02-C-1174 (N.D. Ill. September 23, 2002) (affirming order authorizing indemnification of Lazard Freres & Co. LLC and Rothschild, Inc. by debtors and official committee of unsecured creditors); *In re Joan & David Halpern, Inc.*, 248 B.R. 43 (Bankr. S.D.N.Y. 2000), *aff'd*, 2000 WL 1800690 (S.D.N.Y. Dec. 6, 2000).

D. Disinterestedness

16. To the best of the Debtor's knowledge, and as set forth in the Merritt Declaration, Merritt Sadler has not represented the Debtor's creditors, or any other party-in-interest, or its respective attorneys and accountants, or the United States Trustee in any matters relating to the Debtor or its estate.

17. To the best of the Debtor's knowledge, and as set forth in the Merritt Declaration, no professional of Merritt Sadler is related or connected to any United States Bankruptcy Judge for the District of Delaware or the United States Trustee or to any employee in the offices thereof.

18. To the best of the Debtors' knowledge, and as set forth in the Merritt Declaration, neither Merritt Sadler nor any officer or director of Merritt Sadler has any connection or relationship with the Debtors, their creditors, or other parties in interest that would conflict with the scope of Merritt Sadler's retention or would create any interest adverse to the Debtors' estates, any statutorily appointed committee or any other party in interest. The Debtors understand that Merritt Sadler has and will continue to represent clients in matters unrelated to these cases and has had and will continue to have relationship in the ordinary course of its business with certain professionals in connection with matters unrelated to these cases.

BASIS FOR RELIEF REQUESTED

19. Section 363(b) of the Bankruptcy Code provides, in part, that a debtor in possession "after notice and hearing, may use, sell or lease, other than in the ordinary course of business, property of the estate." 11 U.S.C. § 363 (b). Under applicable case law, in this and other circuits, if a debtor's proposed use of its assets pursuant to section 363(b) of the Bankruptcy Code represents a reasonable business judgment on the part of the debtor, such use should be approved. See, e.g., Comm. of Equity Sec. Holders v. Lionel Co. (In re Lionel Corp.), 722 F.2d 1063, 1070 (2d Cir. 1983); Stephen Indus., Inc. v. McClung, 789 F.2d 386, 390 (6th Cir. 1986); Myers v. Martin (In re Martin), 91 F.3d 389, 395 (3d Cir. 1996) (citing Fulton State Bank v. Schipper (In re Schipper) 933 F.2d 513, 515 (7th Cir. 1991)); In re Delaware & Hudson R.R. Co., 124 B.R. 169, 176 (D. Del. 1991) (courts have applied the "sound business purpose" test to evaluate motions brought pursuant to Section 363(b)); Committee of Asbestos-Related Litigants v. Johns-Manville Corp. (In re Johns-Manville Corp.), 60 B.R. 612, 616 (Bankr. S.D.N.Y. 1986) ("Where the debtor articulates a reasonable basis for its business decisions (as

distinct from a decision made arbitrarily or capriciously), courts will generally not entertain objections to debtor's conduct").

20. The retention of corporate officers is proper under section 363 of the Bankruptcy Code. Numerous courts have authorized retention of officers utilizing this provision of the Bankruptcy Code. Most importantly, the United States Bankruptcy Court for the District of Delaware has approved the retention of professionals to perform crisis management services and interim management services under section 363 of the Bankruptcy Code. See, e.g., In re Exide Technologies, Inc., et al., (Case No. 02-11125) (JCA) (Bankr. D. Del. May 10, 2002); Radnor Holdings Corporation, (Case No. 06-10894) (PJW) (Bankr. D. Del. Sept. 21, 2006); MediCor Ltd., (Case No. 07-10877) (MFW) (Bankr. D. Del. Aug. 24, 2007); Fedders North America, Inc., (Case No. 07-11176) (BLS) (Bankr. D. Del. Sept. 19, 2007).

21. The Debtors submit that the retention of Merritt Sadler and the employment of Mr. Merritt under the terms contained in the Engagement Agreement, as modified herein, will greatly benefit the Debtors' estates and creditors. In addition, the Debtors acknowledge that the J. Alix Protocol imposed by the U.S. Trustee and the Court barring a financial advisory firm from serving in multiple roles on behalf of a debtor in possession in a chapter 11 restructuring is applicable to this engagement. Thus, the Debtors further submit that the retention of Merritt Sadler and engagement of Mr. Merritt pursuant to the terms of the Engagement Agreement are, as modified herein and in the proposed order, in accordance with the J. Alix Protocol and that the proposed form of order attached as Exhibit C complies with the U.S. Trustee's suggested language with regard to the J. Alix Protocol.

REQUEST FOR APPROVAL OF RETENTION
NUNC PRO TUNC TO PETITION DATE

22. The Debtors request that Merritt Sadler's retention and the employment of Mr. Merritt be made effective, *nunc pro tunc* to the Petition Date, in order to allow Merritt Sadler to be compensated for the work performed for the Debtor following the Petition Date, but prior to the Court's consideration of this Application. With the filing of this chapter 11 case, Mr. Merritt must immediately turn his attention to urgent matters including, but not limited to, addressing a variety of day-to-day business issues of the Debtors. The Debtors submit that under the circumstances, and to avoid irreparable harm to the Debtors' estates that may occur if Mr. Merritt is not immediately retained, retroactive approval of the Petition Date is necessary and warranted. See, e.g., F/S Airlease II, Inc. v. Simon (In re F/S Airlease II, Inc.), 844 F.2d 99, 103 (3d Cir. 1988), cert. denied, 488 U.S. 852 (1988); Indian River Homes, Inc. v. Sussex Trust Co., 108 B.R. 46, 51 (D. Del. 1989) (approval of debtors' employment of attorney and real estate agent as of a prior date was not an abuse of discretion).

NOTICE

23. Notice of this Application has been served on (i) the Office of the United States Trustee for the District of Delaware; (ii) each of the Debtors' twenty largest unsecured creditors and/or their counsel; (iii) NexBank, as Administrative Agent and Collateral Agent for the Debtors' pre-petition secured lenders; (iv) the United States Department of Justice; (v) the Internal Revenue Service, (vi) the United States Environmental Protection Agency, and (vii) all parties that have requested special notice pursuant to Bankruptcy Rule 2002.

CONCLUSION

WHEREFORE, the Debtors respectfully request that this Honorable Court enter an order, substantially in the form attached hereto as Exhibit C, authorizing the Debtors to retain and compensate Merritt Sadler in accordance with the terms of the Engagement Agreement, as modified herein and in the proposed order, *nunc pro tunc* to the Petition Date, and granting such other or further relief to which Debtors are justly entitled.

Date: May 3, 2010
Wilmington, DE

SULLIVAN • HAZELTINE • ALLINSON LLC



William A. Hazeltine (No. 3294)
4 East 8th Street, Suite 400
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Proposed Attorneys for the Debtors and Debtors-in-Possession

EXHIBIT A

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

IN RE:) Chapter 11
)
MOLL INDUSTRIES, INC., *et al.*,¹) Case No. 10-11371 (MFW)
) Jointly Administered
Debtors.)

**DECLARATION OF JEFFREY C. MERRITT IN SUPPORT OF DEBTORS'
APPLICATION FOR AN ORDER PURSUANT TO SECTIONS 105(a)
AND 363(B) OF THE BANKRUPTCY CODE AUTHORIZING THE EMPLOYMENT
AND RETENTION OF MERRITT SADLER GROUP, LLP AND CERTAIN
EMPLOYEES THEREOF, INCLUDING JEFFREY C. MARRITT AS
CHIEF RESTRUCTURING OFFICER FOR THE DEBTORS AND
DEBTORS IN POSSESSION, NUNC PRO TUNC TO THE PETITION DATE**

I, Jeffrey C. Merritt, being duly sworn, state the following under penalty of perjury.

1. I am a Partner of Merritt Sadler Group, LLP ("Merritt Sadler"), a consulting company specializing in restructurings, crisis management, and business reorganizations with offices located in Dallas, Texas, and I make this Declaration on behalf of Merritt Sadler (the "Declaration"). I submit this Affidavit in support of the application (the "Application") of the above-captioned Chapter 11 Cases for entry of an order pursuant to Section 363 of the Bankruptcy Code authorizing and approving the employment and retention of Merritt Sadler, and certain employees thereof, including my employment as chief restructuring officer to the Debtors in these Chapter 11 cases *nunc pro tunc* to the Petition Date. Except as otherwise noted, I have personal knowledge of the matters set forth herein.

2. Prior to the Petition Date, in February, 2010, the Debtor Moll Industries, Inc. ("Moll") retained me as Moll's Chief Restructuring Officer. The Debtors may retain and employ

¹ The Debtors in these cases are as follows: Moll Industries, Inc., Case No. 10-11371 (MFW); Moll Holdings, Inc., Case No. 10-11372 (MFW); Moll Europe Holdings, LLC, Case No. 10-11373 (MFW); and Moll Latin America Holdings, LLC, Case No. 10-11374 (MFW).

other pursuant to the engagement agreement dated February 5, 2010 (the "Engagement Agreement") attached as Exhibit B to the Application. Merritt Sadler will serve the Debtors in these capacities during these chapter 11 cases.

3. The Debtors retention of Merritt Sadler will be subject to the following:

(a) Merritt Sadler shall not act in any other capacity (for example, and without limitation, as a financial advisor, claims agent/claims administrator, or investor/acquirer) in connection with the above captioned cases.

(b) In the event the Debtors seek to have Merritt Sadler personnel assume executive officer positions that are different than the position(s) disclosed in the Application, or to materially change the terms of the engagement by either (i) modifying the functions of personnel, (ii) adding new personnel, or (iii) altering or expanding the scope of the engagement, a motion to modify the retention shall be filed.

(c) Merritt Sadler shall file monthly with the Court, with copies to the United States Trustee for the District of Delaware (the "U.S. Trustee") and all official committees, a report of staffing on the engagement for the previous month. Such report shall include the names and functions filled and of the individuals assigned. All staffing shall be subject to review by the Court in the event an objection is filed.

(d) Pursuant to the "one hat" policy, after accepting an engagement in one capacity, Merritt Sadler and affiliates shall not accept another engagement for the same or affiliated debtors in another capacity. For a period of three years after the conclusion of the engagement, neither Merritt Sadler nor any of its affiliates shall make any investments in the Debtors or the Reorganized Debtors.

(d) No principal, employee, or independent contractor of Merritt shall serve as a director of the above-captioned Debtors during the pendency of their bankruptcy cases.

(e) Merritt Sadler shall disclose any and all facts that may have a bearing on whether the firm, its affiliates, and/or any individuals working on the engagement hold or represent any interest adverse to the Debtors, their creditors, or other parties in interest. The obligation to disclose identified in this subparagraph is a continuing obligation.

4. Merritt Sadler is a business advisory firm with expertise in restructurings, crisis management and business reorganization and is well-qualified to provide the Debtors advisory services in connection with these Chapter 11 cases. Merritt Sadler, and particularly Merritt, have advised on a wide variety of engagements including restructuring, turnarounds, acquisitions, and

the sale of assets and divisions/subsidiaries. Specifically, Mr. Merritt has most recently participated in the following business restructurings as outlined in the Representative Engagements section of the Merritt Sadler marketing information provided in Exhibit 1.

5. As noted above, Merritt Sadler provided pre-petition services to the Debtors. Merritt Sadler received \$75,000 as compensation for services rendered and reimbursement of expenses in the amount of approximately \$0 from the Debtors for the period from February, 2010 through the Petition Date. Merritt Sadler did not hold a retainer from the Debtors as of the Petition Date. Merritt Sadler has been paid in full for its pre-petition services and the Debtors had no amounts payable to Merritt Sadler as of the Petition Date.

6. Subject to the Engagement Agreement as modified by the Application, the Debtors shall pay a monthly fee to Merritt Sadler in the amount of \$30,000 for the services of Mr. Merritt. If the services of additional Merritt Sadler personnel are required, the Debtors shall compensate such personnel at the rate of \$350.00 per hour. The Debtors shall also reimburse Merritt for reasonable costs and expenses incurred in rendering services to the Debtors.

7. To the best of my knowledge and belief, and except as described herein, neither I nor Merritt Sadler nor any of its personnel has any connection or relationship with the Debtors that would conflict with the scope of Merritt Sadler's retention or would create any interest adverse to the Debtors' estates, any statutorily appointed committee or any other party in interest. Merritt Sadler has and will continue to represent clients in matters unrelated to these cases and has had and will continue to have relationship in the ordinary course of its business with certain professionals in connection with matters unrelated to these cases.

8. Merritt Sadler has reviewed its records regarding contacts and/or conflicts with the following: the Debtors, the members of Debtors' Board of Directors, the Debtors' executive

officers, professionals sought to be retained by the Debtors in this bankruptcy case, the Debtors' secured creditors, the Debtors' twenty (20) largest unsecured creditors and the Debtors' creditor matrix (excluding former employees) (collectively the "Potential Parties in Interest"). This inquiry has revealed that neither Merritt Sadler nor any of its personnel has represented or has had a relationship with any of the Potential Parties in Interest within the past five (5) years.

9. Based on the foregoing, to the best of my knowledge and belief, neither I nor Merritt Sadler holds or represents any interest adverse to the Debtors' estates and Merritt Sadler will not represent any other entity in connection with these chapter 11 cases.

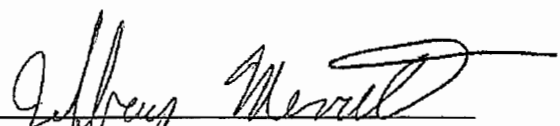
10. Based on the information available to me, I believe that Merritt Sadler is a "disinterested person" within the meaning of section 101(14) of the Bankruptcy Code and holds no interest adverse to the Debtors and their estates for the matters for the matters for which Merritt Sadler is to be employed.

11. I am not related or connected to and, to the best of my knowledge, no other professional of Merritt Sadler is related or connected to any United States Bankruptcy Judge for the District of Delaware or the United States Trustee or to any employee in the offices thereof.

12. There is no agreement or understanding between Merritt Sadler and any other person or entity for sharing compensation received or to be received for services rendered by Merritt Sadler in connection with these chapter 11 cases.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Executed on May 3, 2010



Jeffrey C. Merritt

EXHIBIT 1



ENGINEERING
FINANCIAL
SUCCESS

MERRITT SADLER
GROU, (P)

TURNAROUND CONSULTING
CRISIS MANAGEMENT
DISTRESSED M&A
FINANCIAL ADVISORY

For seventeen years, we have been an independent consulting and management resource specializing in the unique problems associated with troubled company management. We also provide a full range of financial advisory services.

As difficult as it is to navigate a thriving business, a complex turnaround or bankruptcy demands unique skills and techniques that defy conventional management practices. Professionals who understand how to put together broken companies play by a different set of rules.

We believe process shapes product. That the mechanics of doing anything directly impact the end result. We work closely with management not just to identify the problems, but to implement the solutions.

Even in the final stages of insolvency there is hope. If the business or segments of the business are still viable, we can enact a specific plan to effect immediate change.

211 N. Record Street, Suite 525
Dallas, TX 75202
Phone: 214-752-8476
Facsimile: 214-752-8452
email: jeff@merrittsadlergroup.com

TURNAROUND CONSULTING & CRISIS MANAGEMENT

It's not usually one big error in judgment or a wrong critical decision that leads to the failure of a business. More commonly, the causes of failure are several mistakes whose consequences were ignored or overlooked by company management. We work quickly to identify these mistakes and implement solutions. Our principals are knowledgeable and flexible and take a hands-on approach. We offer a range of financial and operational restructuring solutions.

■ CORPORATE RESTRUCTURING

Our experience in turnaround and crisis situations allows us to analyze core and non-core business segments to reorganize operations, restore the company to profitability, and secure long-term financial health. We develop and implement strategies to improve operations, sell or combine non-essential operations, reduce overhead and sell undervalued assets.

■ INTERIM MANAGEMENT

In a distressed company situation, with time a critical element, the company may need on-site, on-call support to stabilize operations and deal with employees, lenders and creditors. Management skills and knowledge needed during a turnaround may be counter-intuitive to normal management practices. Hiring an experienced interim manager to fill senior level executive positions enables the company to continue operations without interruption until a permanent replacement can be hired. Our managers have served in CEO, CFO, CRO and COO positions for a range of companies.

■ TURNAROUND PLANS

Leaders, creditors and investors in a distressed work-out situation want to know if the company is still a viable business that can be turned around. We provide an objective, independent assessment of the situation and identify business risks and opportunities. We have the ability to isolate the problems and develop solutions to improve stakeholders' positions. Our turnaround plans are aimed at:

- Stabilizing cash, cutting costs and creating liquidity
- Changing corporate structure and processes to improve financial performance
- Discontinuing or selling-off unprofitable or non-essential lines of business
- Selling-out undervalued assets
- Negotiating refinancing and recapitalization plans
- Defining a viable business strategy for the ongoing business

DISTRESSED M&A/FINANCIAL ADVISORY

There is no one solution for distressed businesses that will guarantee optimum value for all the parties-in-interest. The situation may require replacing or restructuring debt, divesting underperforming assets and business segments, or selling a company in or out of bankruptcy. We have served in a variety of financial advisory roles representing creditors, shareholders and business owners to assess and direct the best disposition strategy or financial restructuring serving their interests.

DISTRESSED M&A

In certain situations, the most effective way to maximize value in a distressed business is to sell to a financial or strategic buyer before the restructuring process can diminish the company's value. We provide a full range of financial advisory services associated with the sale of distressed businesses both in and out of bankruptcy court to help stakeholders maximize their return or recovery. We perform valuations, assist in establishing bidding procedures, target and qualify prospective buyers, perform bid analyses and coordinate the auction process.

FINANCIAL RESTRUCTURING

Financially distressed companies are often burdened with a debt level that can choke operations and threaten the company's survival. A successful financial restructuring will bring the capital structure back in line with current and future cash flows. We work with creditors and equity holders to renegotiate existing debt and equity as well as find and structure new or replacement capital. We have provided restructuring solutions through out-of-court workouts, bankruptcy plans of reorganization and DIP financing.

FINANCIAL ADVISORY

We provide a range of financial advisory services to both creditors and debtors in troubled company situations.

- ✓ In-depth operational and managerial reviews
- ✓ Assessment of turnaround and bankruptcy strategies
- ✓ Valuation analysis
- ✓ Workout consulting
- ✓ Litigation support
- ✓ Bankruptcy planning

MEHRTELLER
GROUP, L.P.



ENGINEERING
FINANCIAL
SUCCESS

REPRESENTATIVE CLIENT ENGAGEMENTS

- ☒ Interim CEO for a distressed automobile leasing company
- ☒ Interim CEO for a distressed food processing company
- ☒ Financial advisor for the sale of a chemical manufacturer pursuant to Section 363 of the Bankruptcy Code
- ☒ Financial advisor on the Plan of Reorganization in Chapter 11 of a convenience store chain
- ☒ Financial engagement to finance the purchase of a telecommunication provider pursuant to Section 363 of the Bankruptcy Code
- ☒ Crisis management of a computer reseller including corporate and financial restructuring, placement of new debt
- ☒ Interim CEO for a commercial printing company
- ☒ Crisis management for distressed concrete building manufacturer
- ☒ Engagement to financially restructure a trucking company, placement of new equity
- ☒ Financial engagement by lender to assess continued viability of a software company and to formulate a turnaround plan
- ☒ Financial engagement to finance and a distressed metal fabricator, perform out-of-court workout and placement of financing

MERRITT SADLER
GROUP, L.P.



ENGINEERING
FINANCIAL
SUCCESS

BIOGRAPHIES

JEFFREY C. MERRITT

As a turnaround specialist, Jeff Merritt has been responsible for the turn-around and crisis management of 30 companies in the Southwest. With broad experience in manufacturing, distribution, oil and gas, construction and service industries, Jeff is skilled in strategic planning and management, creditor negotiations, business divestitures, valuations and financial and corporate restructurings. He has served as interim CEO, CEO, CFO and financial advisor to boards of directors, owners and leaders for both financial and operational turnarounds. With his extensive knowledge and experience of the financial marketplace, he has actively structured and negotiated debt and equity financing with banks, asset-based lenders and institutional investors. Jeff has also acted as a financial advisor in bankruptcy exit-to-sell company operations, and to advise non-debtors and creditors on financial matters.

With twenty-four years experience in corporate finance and consulting, Jeff Merritt held previous financial executive positions in a privately held manufacturer with revenues of \$150 million and a venture capital firm prior to forming his own turnaround practice in 1992.

Jeff Merritt has a bachelor's degree in finance and has served on the Dallas Turnaround Management Association's Board of Directors for ten years and was the president for 2006.

SANDRA S. SADLER

Sandra Sadler has over 25 years of financial management experience in both the public and private sectors, ranging from Fortune 500 companies to manufacturing to one of the largest community foundations in the U.S. In the last 17 years as a principal and founding partner in Merritt Sadler Group, L.P., Ms. Sadler has proven successful in helping over 20 companies create and implement strategic and turnaround plans, focusing on management process, performance, manufacturing competitiveness and designing effective marketing and selling strategies for smaller and mid-sized companies.

Serving as an interim CFO and financial advisor, Ms. Sadler has worked to prepare business valuations, provide cash flow projections and financial management in crisis situations, improve internal financial and budgetary controls, streamline processes, reduce costs and analyze product and segment contribution to overall profitability.

Ms. Sadler has a bachelor's degree in accounting.

MERRILL SAMPSON
CORPORATION

ENGINEERING
FINANCIAL
SUCCESS

INDUSTRIES WE HAVE SERVED:

AUTO LEASING	INDUSTRIAL EQUIPMENT
AUTOMOTIVE OEM	METAL FABRICATION
COMPUTER HARDWARE	PAINTS & COATINGS
COMPUTER SOFTWARE	PAPER PRODUCTS
COMPARATIVE PRINTING	OFFICE SUPPLIES
CONSTRUCTION	PLASTICS
FINANCIAL INSTITUTIONS	SHIP BUILDING & REPAIR
FOOD PROCESSING	TELECOMMUNICATIONS
GLASS MANUFACTURING	TELEMARKETING
HEALTHCARE PRODUCTS	TRUCKING
HOSPITALITY INDUSTRY	WHOLESALE FURNITURE

MERRILL LYNCH
PIERCE FENNER & SMITH



ENGINEERING
FINANCIAL
SUCCESS

REPRESENTATIVE CLIENT MANAGERMENTS

PRECAST CONCRETE BUILDING MANUFACTURER

The situation: Our client had been losing money for four years and was in default on its \$12 million line of credit with its working capital lender. The lender had converted \$6 million of the line to a term loan with monthly principal payments that further constricted cash flow and stretched trade debt to its limit. The company had entered a forbearance agreement with the lender that would expire in 30 days, upon which time the lender was prepared to foreclose on the loan and force the company into bankruptcy.

Our role: We put together a plan immediately to increase cash flow and return the company to profitability, and negotiated with the existing lender to give us additional time to attract a replacement. To increase cash flow, we negotiated with the company's largest suppliers to convert their balances to longer terms while continuing to sell to the company under extended 60 day terms. We identified production processes that were creating a backlog and reduced production cycles, which brought the company back to profitability and increased cash flow by reducing WIP inventory by 50%. We negotiated with the existing lender to include additional collateral in the line to increase the borrowing base and to extend the forbearance agreement for 6 months to allow the company time to attract another lender. With competing bids from four lenders, we replaced the existing line of credit with a \$15 million line.

AUTOMOTIVE EQUIPMENT MANUFACTURER

The situation: When its largest customer, GM, shut down production of several plants, our client's sales deteriorated. The company sustained large operating losses but continued operating with a full labor force based on GM's optimistic reassurances that it would resume full production soon. This created excess inventory, and when the production shut-down lasted longer than anticipated, the company defaulted on its \$6 million revolving line of credit. Subsequently, the bank froze all lending.

Our role: Our immediate priority was to develop a short-term plan that increased cash flow while reducing the company's breakeven point. We changed the sales assumption model to reflect more realistic economic conditions and projection ranges, which gave our client a tool to manage labor requirements and inventory. We also analyzed existing contracts with customers to determine profitability and determined that one of these contracts was unprofitable. We worked with suppliers to increase credit limits and to extend payment terms that provided \$700,000 in additional cash flow. We negotiated with the bank to waive existing loan covenants and to continue lending based on the turnaround plan. Improved credit procedures increased cash by another \$250,000, while the sale of a small division netted an additional \$3 million.

EXHIBIT B

Jeffrey Merritt
Merritt Sadler Group, LLP
211 N. Record Street, Suite 525
Dallas, TX 75202

February 5, 2010

Chuck McQueary
Moll Industries, Inc.
13455 Noel Road
Suite 1310
Dallas, TX 75240

Dear Chuck:

This engagement agreement sets forth the terms and conditions of the engagement between Merritt Sadler Group, L.P. ("MSG") and Moll Industries, Inc. ("the Company") including the scope of the services to be performed and the basis of compensation for those services. Upon execution of this letter by each of the parties below and receipt of the retainer described below, this letter will constitute an agreement between the Company and MSG.

1. Description of Services

- a. Officers. In connection with this engagement, MSG shall make available to the Company Jeffrey Merritt to serve as the Chief Restructuring Officer (the "CRO") of the Company.
- b. Duties.
 - i. The CRO will begin the engagement by performing an assessment of the business to determine the financial viability of the Company;
 - ii. The CRO will assist in the identification and implementation of cost reduction and balance sheet cleanup;
 - iii. The CRO working with other Company officers and outside Company advisors, shall develop possible restructuring plans or strategic alternatives for maximizing the enterprise value of the Company and in the process, determine if an out of court workout is possible or a bankruptcy filing is necessary. The restructuring plan may include the possible sale of the Company or its assets;
 - iv. If it is determined that the Company will need to restructure through bankruptcy, the CRO will direct the process and assist management in developing a plan of reorganization; and
 - v. The CRO shall perform such other services as requested or directed by the Company's Board of Directors.
- c. Reporting. The CRO shall regularly report to the board, no less often than weekly.
- d. Employment by MSG. The CRO will continue to be employed by MSG and while rendering services to the Company, may continue to work with other personnel at MSG in connection with other unrelated matters, which will not unduly interfere with services

pursuant to this engagement.

- e. Projections: Reliance: Limitation of Duties. You understand that the services to be rendered by the CRO may include the preparation of projections and other forward-looking statements, and that numerous factors can affect the actual results of the Company's operations, which may materially and adversely differ from those projections and other forward-looking statements. In addition, the CRO will be relying on information provided by other members of the Company's management in the preparation of those projections and other forward-looking statements. Neither the CRO nor MSG makes any representation or guarantee that an appropriate restructuring proposal or strategic alternative can be formulated for the Company, that any restructuring proposal or strategic alternative presented will be more successful than all other possible restructuring proposals or strategic alternatives, that restructuring is the best course of action for the Company or, if formulated, that any proposed restructuring plan or strategic alternative will be accepted by any of the Company's creditors, shareholders and other constituents. Further, neither the CRO nor MSG assumes responsibility for the selection of any restructuring proposal or strategic alternative that any such officer assists in formulating and presenting, and the CRO shall be responsible for implementation only of the proposal or alternative approved by the Board and only to the extent and in the manner authorized and directed by the Board.
- f. Additional Responsibilities. Upon the mutual agreement of the Company and MSG, MSG may provide such additional personnel as the Company may request to assist in performing the services described above and such other services as may be agreed to, on such terms and conditions and for such compensation as the Company and MSG shall agree. Any additional personnel will serve under additional officer positions.

2. Compensation

- Increased to \$30,000/mo effective 3/15/2010 cwm*
- a. It is contemplated that the services performed will require an estimated 43 hours a month and that MSG will be paid for the services of the CRO on a fixed monthly retainer of \$15,000 providing the Company will provide sufficient support to reduce the time requirements of the CRO. In the event the Company cannot provide sufficient support to the CRO, and the CRO and MSG require more time to perform the services described above, the Company will compensate MSG for the additional time at the rate of \$350.
 - b. In addition, MSG will be reimbursed by the Company for the reasonable out-of pocket expenses of the CRO, and if applicable other MSG personnel, incurred in connection with the assignment, such as travel, lodging, duplications, computer research, messenger and telephone charges. In addition, MSG will be reimbursed by the Company for the reasonable fees and expenses of its counsel incurred in connection with enforcement of this Agreement.

3. Term

The engagement will commence as of the date hereof and may be terminated by either party without Cause by giving 15 days' written notice to the other party. In the event of any such termination, any fees and expenses due to MSG shall be remitted promptly (including fees and expenses that accrued prior to but were invoiced subsequent to such termination).

4. Confidentiality.

The CRO and MSG shall keep as confidential all non-public information received from the Company in conjunction with this engagement, except (i) as requested by the Company or its legal counsel; (ii) as required by legal proceedings or (iii) as reasonably required in the performance of this engagement. All obligations as to non-disclosure shall cease as to any part of such information to the extent that such information is or becomes public other than as a result of a breach of this provision.

5. Indemnification.

The Company shall indemnify and hold harmless the CRO and MSG and its employees or partners against any and all losses, claims, damages, expenses or liabilities whatsoever, joint or several, which may arise out of or in connection with the performance of this agreement, or the performance of MSG. This indemnification and hold harmless agreement shall not apply to any intentionally wrongful acts of the CRO or MSG or the gross negligence of the CRO or MSG, its employees or partners. The CRO shall be covered as an officer under the Company's existing director and officer liability insurance policy or equivalent acceptable to MSG. The termination of this agreement or the engagement shall not affect the indemnification, which shall survive termination.

6. Miscellaneous.

This Agreement shall be: (a) governed and construed in accordance with the laws of the State of Texas, regardless of the laws that might otherwise govern under applicable principles of conflict of laws thereof; (b) incorporate the entire understanding of the parties with respect to the subject matter thereof; and (c) may not be amended or modified except in writing executed by each of the signatories hereto. The Company and MSG agree to waive trial by jury in any action, proceeding or counterclaim brought by or on behalf of the parties hereto with respect to any matter relating to or arising out of the performance or non-performance of the Company or MSG hereunder.

If the foregoing is acceptable to you, kindly sign the enclosed copy to acknowledge your agreement with its terms.

Very truly yours,

Merritt Sadler Group, LLP

By: _____
Jeffrey Merritt
Managing Partner

Accepted and Agreed:

Moll Industries, Inc.:

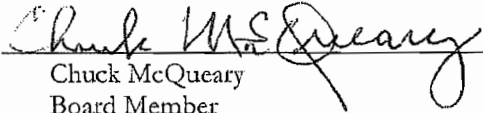
By: 
Chuck McQueary
Board Member



EXHIBIT C

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

IN RE:	)	Chapter 11
)	
MOLL INDUSTRIES, INC., <i>et al.</i> , ¹	)	Case No. 10-10-11371 (MFW)
	)	Jointly Administered
Debtors.)	
	)	Related Docket Item: _____

**ORDER PURSUANT TO SECTION 363 OF THE
BANKRUPTCY CODE AUTHORIZING THE EMPLOYMENT
AND RETENTION OF MERRITT SADLER GROUP, LLP AND CERTAIN
EMPLOYEES THEREOF, INCLUDING JEFFREY C. MARRITT AS
CHIEF RESTRUCTURING OFFICER FOR THE DEBTORS AND
DEBTORS IN POSSESSION, NUNC PRO TUNC TO THE PETITION DATE**

Upon the application (the “Application”) of Moll Industries, Inc. and its affiliated Debtors (the “Debtors”), debtors and debtors-in-possession in the above-captioned Chapter 11 cases, pursuant to section 363 of title 11 of the United States Code (the “Bankruptcy Code”), for authority to employ and retain Merritt Sadler² and certain employees, thereof including Jeffrey C. Merritt as President and Chief Restructuring Officer, effective as of the date of commencement of these Chapter 11 cases, as more fully set forth in the Declaration; and upon the declaration of Jeffrey C. Merritt, annexed to the Application (the “Merritt Declaration”); and the Court having been satisfied that Merritt Sadler does not hold or represent interests adverse to Debtors’ estates and that Merritt Sadler and Mr. Merritt are “disinterested persons” as such term is defined under section 101(14), as modified by section 1107(b), of the Bankruptcy Code; and the Court finding that (a) it has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (b) this matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2), and (c) notice of the

¹ The Debtors in these cases are as follows: Moll Industries, Inc., Case No. 10-11371 (MFW); Moll Holdings, Inc., Case No. 10-11372 (MFW); Moll Europe Holdings, LLC, Case No. 10-11373 (MFW); and Moll Latin America Holdings, LLC, Case No. 10-11374 (MFW).

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

Application was due and proper under the circumstances; and it appearing that the relief requested in the Application is in the best interests of the Debtors, their estates and creditors; and after due deliberation, and good and sufficient cause appearing therefore, it is hereby

ORDERED, ADJUDGED AND DECREED THAT:

1. The Application is GRANTED, as set forth herein.

2. The Debtors are hereby authorized pursuant to 11 U.S.C. § 363 to retain Merritt Sadler on the terms set forth in the Engagement Agreement attached hereto as Exhibit A (“Agreement”) as modified by this Order effective *nunc pro tunc* to the Petition Date, and subject to the following:

(a) Merritt Sadler shall not act in any other capacity (for example, and without limitation, as a financial advisor, claims agent/claims administrator, or investor/acquirer) in connection with the above captioned cases.

(b) In the event the Debtors seek to have Merritt Sadler personnel assume executive officer positions that are different than the position(s) disclosed in the Application, or to materially change the terms of the engagement, as modified herein, by either (i) modifying the functions of personnel, (ii) adding new personnel, or (iii) altering or expanding the scope of the engagement, a motion to modify the retention shall be filed.

(c) Merritt Sadler shall file monthly with the Court, with copies to the United States Trustee for the District of Delaware (the “U.S. Trustee”) and all official committees, a report of staffing on the engagement for the previous month. Such report shall include the names and functions filled and of the individuals assigned. All staffing shall be subject to review by the Court in the event an objection is filed.

(d) Pursuant to the "one hat" policy, after accepting an engagement in one capacity, Merritt Sadler and affiliates shall not accept another engagement for the same or affiliated debtors in another capacity. For a period of three years after the conclusion of the engagement, neither Merritt Sadler nor any of its affiliates shall make any investments in the Debtors or the Reorganized Debtors.

(d) No principal, employee, or independent contractor of Merritt Sadler shall serve as a director of the above-captioned Debtors during the pendency of their bankruptcy cases.

(e) Merritt Sadler shall disclose any and all facts that may have a bearing on whether the firm, its affiliates, and/or any individuals working on the engagement hold or

represent any interest adverse to the Debtors, their creditors, or other parties in interest. The obligation to disclose identified in this subparagraph is a continuing obligation.

3. The Debtors are authorized to retain and employ Jeffrey C. Merritt as their Chief Restructuring Officer and the Other Employees³ *nunc pro tunc* to the Petition Date, on the terms set forth in the Application and the Agreement as modified by this Order. Notwithstanding the foregoing, the Mr. Merritt shall remain employed by Merritt Sadler at all times.

4. The Debtors are authorized to compensate Merritt Sadler and to reimburse Merritt Sadler for all reasonable and necessary expenses it may incur, no more frequently than monthly, in accordance with the terms of the Agreement and the following terms of this Order:

(a) The Debtors shall pay a monthly fee to Merritt Sadler in the amount of \$30,000 for the services of Mr. Merritt. If the services of additional Merritt Sadler personnel are required, the Debtors shall compensate such personnel at the rate of \$350.00 per hour. The Debtors shall also reimburse Merritt for reasonable costs and expenses incurred in rendering services to the Debtors.

(b) Merritt Sadler shall prepare time reports which describe the services provided and the expenses incurred. Time records shall (i) be appended to the reports, (ii) contain entries describing the task(s) performed and (iii) be organized by project category. For Mr. Merritt and any other personnel providing services at a “flat” rate, the time entries shall be kept in hourly increments. Where personnel are providing services at an hourly rate, the time entries shall identify the time spent completing the task in 1/10 hour increments, and the corresponding charge (time multiplied by rate) for each task.

(c) Such reports shall be filed with the Bankruptcy Court and served on (i) counsel to the Debtors, Sullivan Hazeltine Allinson LLC, 4 East 8th Street, Suite 400, Wilmington, DE 19801, Attn: William A. Hazeltine, Esq.; (ii) counsel to Highland Capital Management, Haynes and Boone, LLP, 2323 Victory Avenue, Suite 700, Dallas, TX 75219, Attn: Mark X. Mullin, Esq. and Duane Morris LLP 1100 North Market Street, Suite 1200, Wilmington, DE 19801, Attn: Michael Lastowski; (iii) counsel to any Creditors’ Committee appointed in these cases; and (iv) the Office of the United States Trustee for the District of Delaware, J. Caleb Boggs Federal Building, Room 2207, 844 North King Street, Wilmington, DE 19801, Attn: David Buchbinder, Esq. (“Notice Parties”).

³ Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Application.

(d) The Notice Parties shall then have twenty (20) days from the date of receipt to review such invoices (“Notice Period”). During the Notice Period, any Notice Party may object to payment of Merritt Sadler’s invoices in writing, which objection must be transmitted to Merritt Sadler by overnight mail and/or electronically and copied on each other Notice Party. To the extent an objection is not timely raised, the Debtors shall compensate Merritt Sadler in the amounts so requested. If an objection is timely raised, Merritt Sadler the Debtors shall compensate Merritt Sadler for any amounts set forth in the fee reports that are not disputed.

(e) If an objection is timely raised that is not resolved by the parties, Merritt Sadler shall not be entitled to payment of any disputed amount absent filing of an appropriate motion requesting payment for the disputed fees and/or expenses and entry of a further order.

5. Notwithstanding anything in the Agreement to the contrary, no payments shall be made to Merritt Sadler except as set forth in this Order.

6. Success fees, transaction fees or other back-end fees shall be approved by the Court at the conclusion of the case on a reasonableness standard and are not being pre-approved by entry of this Order. No success fee, transaction fee or back-end fee shall be sought upon conversion of the case, dismissal of the case for cause or appointment of a trustee.

7. To the extent that this Order is inconsistent with the terms of the Application or the Agreement, the terms of this Order shall govern.

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

Dated: May __, 2010
Wilmington, Delaware

THE HONORABLE MARY F. WALRATH
UNITED STATES BANKRUPTCY JUDGE

File a Motion:10-11371-MFW Moll Industries, Inc.

Type: bk

Chapter: 11 v

Office: 1 (Delaware)

Assets: y

Judge: MFW

Case Flag: PlnDue, DsclsDue

U.S. Bankruptcy Court**District of Delaware**

Notice of Electronic Filing

The following transaction was received from William A. Hazeltine entered on 5/3/2010 at 3:09 PM EDT and filed on 5/3/2010

Case Name: Moll Industries, Inc.**Case Number:** 10-11371-MFW**Document Number:** 41**Docket Text:**

Application to Employ/Retain Merritt Sadler Group, LLC, including Jeffrey C. Merritt as Chief Restructuring Officer Filed by Moll Industries, Inc.. Hearing scheduled for 5/20/2010 at 03:00 PM at US Bankruptcy Court, 824 Market St., 5th Fl., Courtroom #4, Wilmington, Delaware. Objections due by 5/13/2010. (Attachments: # (1) Notice # (2) Exhibit A# (3) Exhibit B# (4) Exhibit C) (Hazeltine, William)

The following document(s) are associated with this transaction:

Document description:Main Document**Original filename:**C:\fakepath\Merritt Retention Application.pdf**Electronic document Stamp:**

[STAMP bkecfStamp_ID=983460418 [Date=5/3/2010] [FileNumber=8414257-0] [79ed0dfdfb618b57b55838e2eea1b3a671c6c33ce8bf9fcf35a792a47b8e567c700042daf3e0ac8a61b30ffbf2dcddf6dd715ddb5463da58e311a8ad0aa671d2]]

Document description:Notice**Original filename:**C:\fakepath\Notice of Merritt Retention Application.pdf**Electronic document Stamp:**

[STAMP bkecfStamp_ID=983460418 [Date=5/3/2010] [FileNumber=8414257-1] [1ff2b9b08062f38687c2afd5e5eaf184c66eb1ad8a769574623b72ca5ebc48a2362f85bfa5c5d86171c76c585e8b037a752a2793fd99929a118a8b3f6d0fb74e]]

Document description:Exhibit A**Original filename:**C:\fakepath\Merritt Retention Application - Ex A.pdf**Electronic document Stamp:**

[STAMP bkecfStamp_ID=983460418 [Date=5/3/2010] [FileNumber=8414257-2] [8190c052d201cc55e27732624511148940cead08cde77a728b31f1f1e338186abad8bef0fff0949e0f96295bdc50c5a5e88bc4c3f2e32bb6c6c218020f4dabdc]]

Document description:Exhibit B**Original filename:**C:\fakepath\Merritt Retention Application - Ex B.pdf**Electronic document Stamp:**