

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

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| IN RE: |) | Chapter 11 |
| |) | |
| MOLL INDUSTRIES, INC., <i>et al.</i> , ¹ |) | Case No. 10-10-11371 (MFW) |
| |) | Jointly Administered |
| Debtors. |) | |
| |) | Related Docket Item: 41 |

**ORDER PURSUANT TO SECTION 363 OF THE
BANKRUPTCY CODE AUTHORIZING THE EMPLOYMENT
AND RETENTION OF MERRIT 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.

(e) 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.

(f) 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.

(g) The Debtors are permitted to indemnify those persons serving as executive officers on the same terms as provided to the Debtors' other officers and directors under the corporate bylaws and applicable state law, along with insurance coverage under the Debtors' D & O policy.

(h) There will be no indemnification for Merritt Sadler or its affiliates.

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,

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

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.

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.

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

Dated: May 20, 2010
Wilmington, Delaware



THE HONORABLE MARY F. WALRATH
UNITED STATES BANKRUPTCY JUDGE