

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re : Chapter 11
Hostess Brands, Inc., *et al.*,¹ : Case No. 12-22052 (RDD)
Debtors. : (Jointly Administered)
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**ORDER GRANTING EMERGENCY MOTION OF DEBTORS AND DEBTORS IN
POSSESSION PURSUANT TO SECTION 1113(e) OF THE BANKRUPTCY CODE**

This matter coming before the Court on the Emergency Motion of Debtors and Debtors in Possession Pursuant to Section 1113(e) of the Bankruptcy Code [Docket No. 1711] (the "Motion"),² filed by the above-captioned debtors and debtors in possession (collectively, the "Debtors"); the Court having reviewed the Motion and all other filings and submissions related to the Motion, including the declarations filed in support of the Motion; and the Court having held an evidentiary hearing (the "Hearing"), at which testimony and documents were admitted into the evidentiary record and oral arguments were made; objections having been filed to the Motion by the International Union of Operating Engineers Local No. 39 [Docket No. 1729], the United Steel, Paper & Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union [Docket No. 1732], the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America and its Local 2828 [Docket No. 1734], Local 12 of the Office and Professional Employees International Union [Docket No. 1736], the International Association of Machinists and Aerospace Workers,

¹ The Debtors are the following six entities (the last four digits of their respective taxpayer identification numbers follow in parentheses): Hostess Brands, Inc. (0322), IBC Sales Corporation (3634), IBC Services, LLC (3639), IBC Trucking, LLC (8328), Interstate Brands Corporation (6705) and MCF Legacy, Inc. (0599).

² Capitalized terms not otherwise defined herein have the meanings given to them in the Motion.

AFL-CIO [Docket No. 1738], the Bakery, Confectionary, Tobacco Workers and Grain Millers International Union [Docket No. 1749], the Interstate Brands Corporation-International Brotherhood of Teamsters National Negotiating Committee [Docket No. 1750], the RWDSU, RWDSU Southeast Council and RWDSU Local Nos. 386, 441 and 1050 [Docket No. 1751] and the UFCW Local Nos. 2, 5, 8-Golden State, 21, 75, 367, 431, 555, 655, 700, 881, 1059, 1360 and 1546 [Docket No. 1752] and considered by the Court; and the Court having found that (I) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (II) this is a core proceeding pursuant to 28 U.S.C. § 157(b), (III) venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409 and (IV) notice of the Motion and the Hearing was sufficient under the circumstances; and the Court having determined that the legal and factual bases set forth in the Motion and all filings, submissions, exhibits, evidence admitted at the Hearing and proceedings made to and before the Court establish just cause for the relief granted herein;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein.
2. All objections to the entry of this Order or the relief granted hereby that have not been withdrawn, waived, settled or mooted by the modifications to the form of order made after the Motion was filed are hereby overruled on the merits.
3. Pursuant to 11 U.S.C. § 1113(e), the Debtors are authorized to modify the obligations set forth in their collective bargaining agreements until the earlier of (a) the date that the Debtors reach a consensual agreement with their unions to modify their collective bargaining agreements or (b) January 26, 2013, as set forth herein:
 - If necessary to implement the Winddown, the Debtors may offer work to Remaining Employees without being subject to the work rule and/or job classification restrictions contained in the Reorganization LBFOs or any collective bargaining agreement, and the Debtors may assign any work to any

Remaining Employee without regard to whether that work would otherwise be non-bargaining unit work for the Remaining Employee;

- If necessary to implement the Winddown, the Debtors may hire temporary employees and/or third party contractors to complete Winddown-related tasks without being subject to any applicable restrictions contained in the Reorganization LBFOs or any collective bargaining agreement;
- If necessary to implement the Winddown, the Debtors may select which Remaining Employees may perform Winddown-related tasks without being restricted by any restrictions contained in the Reorganization LBFOs or any collective bargaining agreement, including with respect to seniority.

4. Nothing in this Order shall constitute, or be deemed to constitute, an assumption under section 1113 or any other section of the Bankruptcy Code of, or a postpetition re-affirmation of, any of the collective bargaining agreements or any other agreement with the Debtors' unions or any of their locals or affiliates.

5. The Court retains exclusive jurisdiction with respect to all matters arising from or related to the interpretation, implementation and/or enforcement of this Order.

6. The effect of this Order shall survive the conversion, dismissal and/or closing of these chapter 11 cases, appointment of a trustee herein, confirmation of a plan of reorganization and/or the substantive consolidation of any of the Debtors.

7. This Order shall be binding on any subsequent chapter 11 or chapter 7 trustee that may be appointed or elected in these chapter 11 cases or any succeeding chapter 7 cases.

Dated: _____, 2012
White Plains, New York

HONORABLE ROBERT D. DRAIN
UNITED STATES BANKRUPTCY JUDGE