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U.S. BANKRUPTCY COURT
PATRICIA GRAY, CLERK

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEVADA

In re: WASHINGTON GROUP INTERNATIONAL, INC., et al., Debtors.	Case No. BK-N-01-31627-GWZ (Chapter 11) **FINAL STIPULATION AND ORDER AUTHORIZING AND RESTRICTING USE OF CASH COLLATERAL AND GRANTING ADEQUATE PROTECTION PURSUANT TO SECTIONS 361, 363, 364, 506, AND 552 OF THE BANKRUPTCY CODE** Hearing Date: June 13, 2001 Hearing Time: 9:30 a.m.

Upon the motion (the "Motion") dated May 13, 2001, of Washington Group International ("WGI"), and each of the above captioned debtors and debtors in possession (each individually a "Debtor" and, collectively the "Debtors"), (a) seeking, inter alia, this Court's authorization, pursuant to Bankruptcy Code § 363(c), to use the Cash Collateral, (as defined below) and, pursuant to Bankruptcy Code §§ 361, 363(e) and 364(d), to provide adequate

protection to the Prepetition Secured Lenders (as defined below) with respect to any diminution in the value of the Prepetition Secured Lenders' interest in the Prepetition Collateral (as defined below) resulting from the priming liens and security interests to be granted herein pursuant to Bankruptcy Code § 364(d) to secure the Postpetition Financing (as defined in the Final Order Authorizing Debtors in Possession to Enter into Postpetition Financing), the use of Cash Collateral, the use, sale or lease the Prepetition Collateral (other than the Cash Collateral) and the imposition of the automatic stay pursuant to Bankruptcy Code § 362(a), (b) seeking a preliminary hearing (the "Preliminary Hearing") on the Motion to consider entry of an interim order pursuant to Bankruptcy Rule 4001 (the "Interim Order") authorizing the Debtors, inter alia, to use Cash Collateral and (c) requesting that a final hearing (the "Final Hearing", together with the Preliminary Hearing, the "Hearings") be scheduled, and that notice procedures in respect of the Final Hearing be established by this Court to consider entry of a final order (this "Final Stipulation & Order") authorizing on a final basis, inter alia, the use of the Cash Collateral; and due and sufficient notice of the Motion and the Hearings having been given; and the Court having entered an order, authorizing and restricting use of Cash Collateral and granting adequate protection, at the conclusion of the Preliminary Hearing; and the Final Hearing on the Motion having been held before the Court on June 13, 2001; and upon the entire record made at the Hearings; and this Court having found good and sufficient cause appearing therefor,

THE COURT HEREBY FINDS:

A. On May 14, 2001 (the "Commencement Date"), each of the Debtors commenced a case under chapter 11 of title 11, United States Code (the "Bankruptcy Code") by filing a voluntary petition for relief with the United States Bankruptcy Court for the District of Nevada, Reno Division. The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

B. Pursuant to its authority under section 1102 of the Bankruptcy Code, the United States Trustee for the District of Nevada (the "U.S. Trustee") appointed the official unsecured creditors' committee (the "Creditors' Committee") on May 21, 2001.

C. On May 25, 2001, Mitsubishi Heavy Industries, Ltd., and Mitsubishi Heavy Industries America, Inc., filed a motion to appoint an examiner (the "Examiner Motion"). The Examiner Motion will be heard by the Court on June 13, 2001.

D. Prior to the Commencement Date, pursuant to that certain Prepetition Credit Agreement, dated as of July 7, 2000, by and among WGI, as borrower, CSFB, as Administrative and Collateral Agent (the "Prepetition Agent"), and the Prepetition Secured Lenders (the "Prepetition Credit Agreement"),[1] a copy of which is annexed hereto as Exhibit "A," the Prepetition Secured Lenders made loans and other financial accommodations to WGI and certain of its direct and indirect subsidiaries. As of the Commencement Date, WGI and the Debtors that are guarantors under the Prepetition Credit Agreement (the "Prepetition Loan Guarantors")[2] were obligated and indebted to the Prepetition Secured Lenders under the Prepetition Credit Agreement in the aggregate amount of $703,000,000 as follows: (i) in the principal amount of $400,000,000 in respect of Term Loans, together with accrued and unpaid interest thereon, and (ii) in the principal amount of $303,000,000 in respect of L/C Exposure, together with accrued and unpaid interest thereon.

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[1] Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed to them in the Prepetition Credit Agreement.

[2] Foreign entities, non-wholly owned subsidiaries, joint ventures and certain wholly owned domestic subsidiaries whose asset value was determined to be de minimis are not Prepetition Loan Guarantors.

E. As of the Commencement Date, WGI and the Prepetition Loan Guarantors were also obligated and indebted to the Prepetition Secured Lenders for certain costs, expenses, and fees under the Prepetition Credit Agreement and related documents (the "Prepetition Secured Lenders' Costs"), including, without limitation, the costs and expenses resulting from WGI's and the Prepetition Loan Guarantors' default of their obligations under the Prepetition Credit Agreement. The Term Loan Advances, the Letter of Credit Advances, the Prepetition Secured Lenders' Costs, and all other Obligations arising under or secured under the Loan Documents or by the Prepetition Collateral Documents, together with accrued and unpaid interest as of the Commencement Date, are hereinafter referred to as the "Prepetition Secured Indebtedness."

F. To secure the Prepetition Secured Indebtedness, WGI and the other Prepetition Loan Guarantors granted to the Collateral Agent (as defined in the Prepetition Credit Agreement), on behalf of and for the benefit of the Prepetition Agent and the Prepetition Secured Lenders, pursuant to various security agreements, pledge agreements and other agreements, pledges, liens and security interests (collectively, "Liens") in substantially[3] all of the value of their personal

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[3] The Prepetition Liens granted under the Prepetition Financing Documents were subject to certain exceptions, which are as follows:

(a) The Security Agreement stated: "provided that, to the extent that the grant by any Grantor of a security interest pursuant to this Agreement in its right, title, and interest in (i) any asset of such Grantor would violate any applicable law or, in the good faith judgment of the Administrative Agent, in consultation with the Borrower, the expense, tax or regulatory consequences or difficulty of obtaining such security interest would not, in light of the benefits to accrue to the Lenders, justify such grant or (ii) any contracts or any General Intangibles or Copyright Licenses, Patent Licenses or Trademark Licenses arising under such contracts is prohibited by such contracts without the consent of any other party thereto or would give any other party to such contracts the right to terminate its obligations thereunder or is permitted with consent if all necessary consents to such grant of a security interest have not been obtained from other parties thereto (it being understood that the foregoing shall not obligate such Grantor to obtain such consents), then, in the case of either clause (i) or clause (ii), a security interest in such right, title and interest shall not be granted pursuant to this Agreement; provided further that the limitation in the proceeding [sic] clause (ii) shall not affect, limit, restrict or impair the grant by such Grantor of a security interest pursuant to this Agreement in any Account or any money or other amounts due or to become due under any contracts."

property, assets, causes of action, and rights wherever located, then owned or thereafter acquired or arising, and the proceeds, products, rents and profits of all of the foregoing (all of the foregoing collateral generally described above, together with all of the proceeds, products, rents and profits thereof shall be referred to herein collectively as the "Prepetition Collateral" and such Liens shall be referred to herein as the "Prepetition Liens").

G. Without prejudice to the rights of any other party, the Debtors acknowledge and agree that substantially all of the Prepetition Liens constitute valid, binding, enforceable (other than in respect of the stay of enforcement arising from section 362 of the Bankruptcy Code) and perfected first priority Liens subject only to prior Liens described in or otherwise permitted by the Prepetition Credit Agreement, and are not subject to avoidance or subordination (except insofar as such Liens are subordinated to the Adequate Protection Liens (as hereinafter defined), the Postpetition Liens and the Carveout (each as defined in the Final Order Authorizing Debtors In Possession To Enter Into Postpetition Financing Pursuant To Section 364 of the Bankruptcy Code, and Granting Liens, Security Interests and Superpriority Claims, filed in this Court on June 13, 2001 (the "Final Order")) in accordance with the provisions of the Final Stipulation & Order), pursuant to the Bankruptcy Code or applicable non-bankruptcy law. Without prejudice to the rights of any other party, the Debtors acknowledge and agree that the Prepetition Secured

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(b) The Pledge Agreement provided that: "Pledge Equity Interests and Rights shall not include (i) Equity Interests in any inactive subsidiary that does not own any significant assets, (ii) any Equity Interests or Rights in any Person, not wholly owned (directly or indirectly) by the Borrower, the pledge of which is prohibited by any applicable joint venture agreement, equityholders' agreement or the like entered into with another Person holding any Equity Interest or Rights in such Person or by any applicable law, (iii) more than 65% of the issued and outstanding shares of voting stock of any Foreign subsidiary if adverse tax consequences would arise from a pledge of a greater percentage of such voting stock, (iv) to the extent that applicable law requires that a Subsidiary of such Pledgor issue directors' qualifying shares, such qualifying shares and (v) any other Equity Interests or Rights if, in the good faith judgment of the Administrative Agent and evidenced in writing, in consultation with the Borrower, the expense, tax or regulatory consequences or difficulty of obtaining a security interest in such Equity Interests or Rights would not, in light of the benefits to accrue to the Lenders, justify taking such action."

Indebtedness constitutes legal, valid and binding obligations of WGI and the Prepetition Loan Guarantors, enforceable in accordance with its terms (other than in respect of the stay of enforcement arising from section 362 of the Bankruptcy Code), no offsets, defenses or counterclaims to the Prepetition Secured Indebtedness exist, and no portion of the Prepetition Secured Indebtedness is subject to avoidance or subordination pursuant to the Bankruptcy Code or applicable non-bankruptcy law.

H. The Debtors require the use of the Prepetition Secured Lenders' Prepetition Collateral and the cash and cash equivalent proceeds from the Prepetition Collateral (the "Cash Collateral") for the maintenance and preservation of the Debtors' property, for the operation of their businesses in the ordinary course, and for payment of the expenses attendant thereto.

I. The Prepetition Secured Lenders are willing to consent to the limited use by the Debtors of the Cash Collateral, but only upon the terms and conditions of the Final Stipulation & Order, including, without limitation, the requirements of the budgetary process set forth herein.

J. The Prepetition Secured Lenders have also made a good faith request for adequate protection of their interests in the Prepetition Collateral. Pursuant to the Bankruptcy Code and in light of the foregoing, the Debtors are required to provide adequate protection to the Prepetition Agent and the Prepetition Secured Lenders in respect of their use of the Prepetition Collateral, the decline in value thereof and their granting of the priming Postpetition Liens. The treatment requested by the Debtors for the Prepetition Secured Lenders and provided by the Final Stipulation & Order will minimize disputes and litigation over collateral values, priming, use of Cash Collateral, and the need to segregate the Prepetition Collateral and the proceeds thereof from the Postpetition Collateral (as defined in the Final Order) and the proceeds thereof.

K. Based on the foregoing, the Prepetition Agent and Prepetition Secured Lenders are willing to allow the Debtors to use the Cash Collateral as described herein, subject to the terms and conditions set forth herein and the provisions of the Final Stipulation & Order assuring that the Adequate Protection Liens and other protections granted pursuant to the Final Stipulation & Order will not be affected by any subsequent reversal or modification of the Final Stipulation & Order or any other order, as provided in section 364(e) of the Bankruptcy Code, which is applicable to the use of Cash Collateral and the Adequate Protection Liens contemplated by the Final Stipulation & Order. The Prepetition Agent and each of the Prepetition Secured Lenders has acted in good faith in consenting to and in agreeing to provide the Debtors' use of funds and Cash Collateral contemplated by the Final Stipulation & Order and the reliance of the Prepetition Agent and each of the Prepetition Secured Lenders on the assurances referred to above is in good faith.

L. Notice of the Final Hearing and the relief requested in the Motion has been provided (by hand or telecopy) to counsel to the Prepetition Secured Lenders and the Prepetition Agent, the United States Trustee, the holders of the twenty largest unsecured claims against the Debtors, counsel to the Creditors' Committee and any party who filed a request for notices in the chapter 11 cases pursuant to Bankruptcy Rule 2002 prior to the date set forth in the Interim Order for service of notice of the Final Hearing. Such notice of the Final Hearing and the relief requested in the Motion complies with the requirements of Bankruptcy Code §§ 102(1), 364(c) and 364(d) and Bankruptcy Rules 2002 and 4001(c) and the notice procedures established pursuant to the Interim Order. Such notice constitutes sufficient and adequate notice and no other notice need be given.

M. The terms and conditions of the Debtors' use of funds and Cash Collateral are fair and reasonable under the circumstances and were negotiated in good faith at arm's length.

N. There is good cause, and it is in the best interests of the Debtors' estates and their creditors, that the Debtors be authorized to use the Cash Collateral, pursuant to the terms of and conditions of the Final Stipulation & Order.

O. The Debtors entered into a separate agreement with certain banks and financial institutions (the "Postpetition Lenders") for a Secured SuperPriority Debtor In Possession Revolving Credit Facility (the "Postpetition Credit Agreement"), dated as of May 14, 2001, a copy of which is annexed as Exhibit "A" to the Final Order, which agreement grants liens and security interests to the agent thereunder for the benefit of the Postpetition Lenders, that are senior in priority to the Prepetition Liens (the "Postpetition Liens").

P. The Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED, without in any way admitting or suggesting that the interests of the Prepetition Secured Lenders are adequately protected, by and among the Debtors, the Prepetition Agent, and the Prepetition Secured Lenders, as follows:

1. The Debtors shall not use Cash Collateral, except as authorized and permitted herein.

2. All Cash Collateral existing at the Commencement Date shall remain in or be transferred to the Debtors' concentration account with Bank of America into which

substantially all receivables are collected via lockbox accounts, wire transfers, deposits or ACH payments.

3. Without prejudice to the rights of any other party, the Debtors acknowledge and agree that substantially all of the Prepetition Liens constitute valid, binding, enforceable (other than in respect of the stay of enforcement arising from Bankruptcy Code section 362) and perfected first priority Liens subject only to prior Liens described in or otherwise permitted by the Prepetition Credit Agreement, and are not subject to avoidance or subordination (except insofar as such Liens are subordinated to the Postpetition Liens, the Adequate Protection Liens (as defined below) and the Carveout) pursuant to the Bankruptcy Code or applicable non-bankruptcy law. Without prejudice to the rights of any other party, the Debtors acknowledge and agree that the Prepetition Indebtedness and the guarantees thereof by the Prepetition Loan Guarantors (the "Guarantees") constitute legal, valid and binding obligations of WGI and the Prepetition Loan Guarantors, enforceable in accordance with their terms (other than in respect of the stay of enforcement arising from Bankruptcy Code section 362), no offsets, defenses or counterclaims to the Prepetition Indebtedness or Guarantees exist, and no portion of the Prepetition Indebtedness or Guarantees is subject to avoidance or subordination pursuant to the Bankruptcy Code or applicable non-bankruptcy law.

4. The Debtors shall furnish to the Prepetition Secured Lenders the Interim Budget and the Final Budget (collectively, the "Budget") on the same terms and conditions as required by the lenders under the Postpetition Credit Agreement (the "Postpetition Lenders").

5. As adequate protection for, and to the extent of, any diminution in the value of the Prepetition Collateral resulting from (i) the priming granted in the Final Order and the Postpetition Credit Agreement pursuant to Bankruptcy Code § 364(d), (ii) the use of the Cash

Collateral pursuant to § 363(c), (iii) the use, sale or lease of the Prepetition Collateral (other than the Cash Collateral) pursuant to Bankruptcy Code § 363(c), and (iv) the imposition of the automatic stay pursuant to Bankruptcy Code § 362(a):

a. the Prepetition Agent is hereby granted, for the sole benefit of itself and the Prepetition Secured Lenders, valid, binding, enforceable and perfected, replacement and additional Liens (the "Adequate Protection Liens") in all Postpetition Collateral (including actions for preferences, fraudulent conveyances, and other avoidance power claims and any recoveries under sections 506(c), 542, 544, 545, 547, 548, 549, 550, 552 (b) and 553 of the Bankruptcy Code) to secure the Prepetition Secured Indebtedness. The Adequate Protection Liens shall be allocated pro rata to the Prepetition Indebtedness. The Adequate Protection Liens are (a) subject only to (i) the Postpetition Liens, (ii) the Carveout, and (iii) any validly perfected liens that remain senior (after giving effect to the orders approving the Postpetition Liens) to the Postpetition Liens and (b) senior and superior pursuant to section 364(d) of the Bankruptcy Code to the Prepetition Liens;

b. the Prepetition Agent for the ratable benefit of the Prepetition Secured Lenders shall be and hereby is granted, pursuant to Bankruptcy Code § 364(c)(1) and in lieu of Bankruptcy Code § 507(b), claims with priority over any and all administrative expenses of the kinds specified in sections 503(b) or 507(b) of the Bankruptcy Code, junior only to (x) the Superpriority claims granted to the Postpetition Lenders and (y) the Carveout;

c. consistent with section 552 of the Bankruptcy Code, proceeds, products, rents, and profits of the Prepetition Collateral, and all property and assets of the Debtors which are of the same type or nature as the Prepetition Collateral, coming into existence or acquired by the Debtors on or after the Commencement Date (including, without limitation, all accounts receivable and inventory generated after the Commencement Date) are hereby deemed to be Prepetition Collateral, subject to the prepetition mortgages, security interests, and collateral documents for the Prepetition Secured Lenders, subject to the provisions contained in the Prepetition Credit Agreement and related documents; provided, however, during the 90 Day Review Period (as defined below), the foregoing is without prejudice to the Creditors' Committee's right to contest the Prepetition Secured Lenders' rights to the proceeds, products, rents and profits of the Prepetition Collateral under section 552. insert Rider 5(c)

d. the Debtors will not engage in any asset sales outside the ordinary course of business, or seek approval thereof by this Court, without first obtaining the approval (an "Approved Asset Sale") of the Required Prepetition Secured Lenders, as defined in the Prepetition Credit Agreement (the "Required Prepetition Secured Lenders"). To the extent that any Approved Asset Sale yields proceeds that exceed the amount owed by the Debtors pursuant to the Postpetition Credit Agreement (the "Excess Proceeds"), the Debtors shall immediately pay such Excess Proceeds to the Prepetition Secured Lenders; and

e. the Debtors will not use Cash Collateral with respect to any payments to the Debtors' directors, officers, employees and agents in connection with any retention agreements, retention bonuses, stay bonuses or severance agreements that have not been disclosed

Rider 5(c) to Stipulation

; provided, however, that the Creditors' Committee shall retain the right to contest or limit on any grounds (i) under section 552(a) of the Bankruptcy Code the right of the Prepetition Secured Lenders to assert an interest in such After-Acquired Property, (ii) under section 552(b) of the Bankruptcy Code the right of the Prepetition Secured Lenders to assert a continuing lien or security interest in proceeds, products, rents and profits of the Prepetition Collateral, and (iii) under section 363(o)(2) of the Bankruptcy Code the validity, priority or extent of the interest of the Prepetition Secured Lenders in such After-Acquired Property or such proceeds, products, rents and profits; provided, further that any action seeking to contest or limit the rights or interests of the Prepetition Secured Lenders in property of the Debtors' estates either before or after the Commencement Date under this subparagraph c shall be commenced during the 90 Day Review Period (as defined below) or any extension thereof.

to the professionals for the Prepetition Secured Lenders prior to the Commencement Date, except as consistent with the Budget and approved by a final order of the Court.

6. The liens and security interests granted to the Prepetition Secured Lenders herein shall be valid and perfected, as of the date of the Final Stipulation & Order, without the need for the execution or filing of any further document or instrument otherwise required to be executed or filed under applicable nonbankruptcy law. Notwithstanding that no documents need be executed or filed to create or perfect the liens and security interests granted hereunder, the Debtors, and their respective officers and agents on their behalf, are hereby directed to execute and deliver such further documents as the Prepetition Secured Lenders may request to evidence and give notice of the liens granted hereunder.

7. On or before the tenth (10th) day of each calendar month, the Debtors shall make payment to the Prepetition Agent and the Prepetition Secured Lenders of all reasonable fees and expenses payable under the Prepetition Credit Agreement, billed to the Debtors on or before the last day of the prior calendar month, including, without limitation, the reasonable fees and disbursements of counsel, financial advisors and consultants.

8. Notwithstanding any terms and provisions of the Final Stipulation & Order to the contrary, the Debtors may only use the Cash Collateral in accordance with the Budget.

9. The terms and provisions of the Final Stipulation & Order shall be binding upon the Debtors and their successors and assigns, including, but not limited to, any trustee appointed in these chapter 11 cases, in any superseding cases or any cases related hereto, and shall survive to the benefit of the Prepetition Secured Lenders.

10. The Prepetition Agent and any successor agents of the Prepetition Secured Lenders shall be given access to the books, records, and documents of the Debtors and their

affiliates during normal business hours and without interfering with the Debtors' operations, including, without limitation, the following: check registers (general disbursements, other disbursements), general ledgers, journal entries, payroll journals, cash activity reports, aged accounts receivable, aged accounts payable, bank reconciliations, canceled checks, bank debit and credit advances, bank statements, leases, and contracts.

11. The Debtors shall provide to the Prepetition Secured Lenders the following reports and information: (i) all documentation and reports, including monthly operating statements, required under the Postpetition Credit Agreement, (ii) such other information that the Prepetition Secured Lenders may from time to time reasonably request, and (iii) any documents or information provided to the Creditors' Committee appointed in these chapter 11 cases.

12. The automatic stay imposed by section 362 of the Bankruptcy Code shall be, and hereby is, lifted and vacated to the extent necessary, if any, to authorize any payment hereunder and to implement and effectuate the terms and conditions of the Final Stipulation & Order. The automatic stay, in all other respects, shall remain in effect during the pendency of these chapter 11 cases including the stay against the enforcement by the Prepetition Secured Lenders of their claims, pending further order of the Court.

13. The authority of the Debtors to use Cash Collateral shall terminate on the earlier to occur of (i) date of termination of the Postpetition Credit Agreement (as established thereunder) and (ii) an Event of Default.

14. Each of the following shall constitute an Event of Default: (a) entry of an order converting one or more of the Debtors' chapter 11 cases to a case under chapter 7 of the Bankruptcy Code which order is not stayed within ten (10) calendar days of the entry thereof, (b) entry of an order dismissing one or more of the Debtors' chapter 11 cases which order is not

stayed within ten (10) calendar days thereof, (c) failure of the Debtors to comply with any material terms, conditions, or covenants contained in the Final Stipulation & Order, ~~the Prepetition Credit Agreement (as modified herein), or the Postpetition Credit Agreement;~~ and (d) any Event of Default under the terms of the Postpetition Credit Agreement (as such term is defined in the Postpetition Credit Agreement).

15. Upon the occurrence and during the continuance of an Event of Default, the Debtors, upon written notice from the Prepetition Secured Lenders, shall immediately cease using Cash Collateral, and shall segregate and hold such Cash Collateral for the benefit of the Prepetition Secured Lenders, subject to further order of the Court.

16. The Debtors are authorized and directed to perform all acts and execute and comply with the terms of such other documents, instruments, and agreements necessary to effectuate the terms and conditions of the Final Stipulation & Order.

17. Nothing contained herein or in the Budget shall prejudice the Prepetition Secured Lenders or the Debtors with respect to any contested matter involving relief from the automatic stay, appointment of a trustee or examiner, the assumption or rejection of executory contracts, dismissal of the chapter 11 cases, or with respect to any other matter whatsoever. The Final Stipulation & Order shall in no way limit the rights of the Prepetition Secured Lenders to seek other or additional adequate protection, to seek relief from the automatic stay, or to take any action in the Debtors' chapter 11 cases.

18. Having been found to have acted in good faith in agreeing to the terms hereof, the Prepetition Agent and the Prepetition Secured Lenders shall be entitled to the full protection of Bankruptcy Code § 364(e) with respect to the Debtors' grant of the Adequate Protection Liens created or authorized by the Final Stipulation & Order in the event that the Final

Stipulation & Order or any authorization contained herein is stayed, vacated, reversed or modified on appeal. Any stay, modification, reversal or vacation of the Final Stipulation & Order shall not affect the validity of any obligation of the Debtors to the Prepetition Agent or Prepetition Secured Lenders incurred pursuant to the Final Stipulation & Order. Notwithstanding any such stay, modification, reversal or vacation, all uses of the Cash Collateral and all Adequate Protection Obligations incurred by the Debtors pursuant hereto prior to written notice to the Prepetition Agent of the effective date of such stay, modification, reversal or vacation shall be governed in all respects by the original provisions hereof and the Prepetition Agent and Prepetition Secured Lenders shall be entitled to all the rights, privileges and benefits, including, without limitation, the Adequate Protection Liens granted herein.

19. Notwithstanding anything herein or in the Final Order to the contrary, no Postpetition Indebtedness or any proceeds of Prepetition Collateral or Postpetition Collateral or Letters of Credit (collectively, "Lender Funds") may be used by any of the Debtors, any statutory committee or any other person or entity to object to or contest in any manner, or raise any defenses to, the validity, perfection, priority or enforceability of the Prepetition Indebtedness or the Prepetition Liens, or to assert or prosecute any action for preferences, fraudulent conveyances, other avoidance power claims or any other claims or causes of action against any of the Prepetition Secured Lenders or any of the Prepetition Agents; without limitation of the foregoing (i) at no time shall any such committee or other person or entity have the right to use Lender Funds to prosecute any such claims, causes of action, objections, contests or defenses (collectively, "Claims and Defenses"), provided, however, that such restriction does not extend to the investigation, research and negotiation relating to such Claims and Defenses, (ii) any such committee or other person or entity shall have the right to assert Claims and Defenses only in an action commenced in this Court on or before the 90th day following the Commencement Date

insert Rider 19(i)

Rider 19(i) to Stipulation
Rider 11(a) to Final Order

or to the bringing of an action by the Creditors' Committee under Bankruptcy Rule 7001(2) to determine the validity, priority, or extent of a lien or other interest in property under section 552 of the Bankruptcy Code or under applicable non-bankruptcy law as long as such action does not seek to avoid such lien or interest under sections 544 through 551 of the Bankruptcy Code or to subordinate such lien or interest under section 510(c) of the Bankruptcy Code.

(the "90 Day Review Period"), insert Rider 19(ii) (iii) if no such action is commenced on or before such date, all Claims and Defenses shall be deemed, immediately and without further action by the Prepetition Agent or the Prepetition Lenders, to have been forever relinquished and waived as to such committee and other person or entity, and (iv) if such an action is commenced on or before such date, all Claims and Defenses shall be deemed, immediately and without further action by the Prepetition Agent or the Prepetition Lenders, to have been forever relinquished and waived as to such committee and other person or entity, except with respect to Claims and Defenses that are expressly asserted in such action; provided, further, that as to the Debtors (but not binding on any other party), all such Claims and Defenses are hereby relinquished and waived as of the Effective Date. ~~Provided, no such period of limitation shall be extended without the written consent of the Postpetition Agent~~. In addition to the foregoing, no Lender Funds may be used by any of the Debtors, any statutory committee or any other entity to object to or contest in any manner the Postpetition Indebtedness or the Postpetition Liens or to assert or prosecute any actions, claims or causes of action against the Postpetition Agent or any of the Postpetition Lenders.

20. Notwithstanding anything contained herein, the entry of the Final Stipulation & Order is without prejudice to the right of the Creditors' Committee to assert (other than the Claims and Defenses (as defined in the Final Order) relating to the validity or priority of the Prepetition Liens and the enforceability of the debts of the Prepetition Secured Lenders), any challenge, objection, defense, or other ground or basis for denying confirmation of the Debtors' chapter 11 plan of reorganization (the "Plan") or any amendment, modification, or successor thereto, all of which rights, challenges, objections, defenses, or other grounds or bases are expressly reserved. The foregoing reservation of rights shall include all available equitable claims and defenses, other than the Claims and Defenses relating to the validity or priority of the Prepetition Liens and the enforceability of the debts of the Prepetition Secured Lenders, including

Rider 19(ii) to Stipulation
Rider 11(b) to Final Order

; provided, however, such 90 Day Review Period may be extended by the Court only upon a determination by the Court of a lack of cooperation by either the Debtors or the Prepetition Secured Lenders in providing necessary documents or information to the Creditors' Committee with respect to the Prepetition Secured Indebtedness (the "Extension for Cause") and any motion seeking an Extension for Cause must be brought no later than 20 days prior to the expiration of the 90 Day Review Period,

the right to object to confirmation of the Plan on the grounds that the Plan or any amendment, modification, or successor thereto, is not fair and equitable and discriminates unfairly against any holder of a claim or class of claims. Further, the Lender Funds or the assets of the Debtors' estates may be used by the Creditors' Committee in connection with the Debtors' chapter 11 plan of reorganization (the "Plan") process, including investigation, research, negotiation and confirmation litigation subject to section 19(i) above. ~~but excluding the Claims and Defenses~~.

21. Nothing in the Final Stipulation & Order shall be deemed to impair, affect, or modify the rights of owners, subcontractors, and materialmen to trust funds, if any (the "Trust Funds"), of which any of them are beneficiaries under applicable nonbankruptcy law or the Debtors' obligations with respect to such Trust Funds, if any, to the extent it is determined that any of the funds held in the Debtors' account were, on the Commencement Date or as thereafter received by the Debtors, Trust Funds. To the extent it is determined that any of the funds held in the Debtors' account were, on the Commencement Date or as thereafter received by the Debtors, Trust Funds, the trust fund beneficiaries shall be entitled to adequate protection for the Debtors' use of Trust Funds, which may, if the Court deems appropriate, include replacement liens and security interests effective from the date of the Final Stipulation & Order, with priority equal to the priority of the liens granted to the Prepetition Lenders hereunder, to provide relief for any diminution in the Trust Funds, if any, caused by such use.

22. Nothing in the Final Stipulation & Order shall terminate, diminish, or otherwise affect in any way the rights or interests of any person with respect to any property of the Debtors to the extent such rights or interests in such property are (i) created pursuant to any applicable law, (ii) accorded by such law a priority equal or senior to that of any right or interest

in such property asserted by the Prepetition Secured Lenders or their affiliates, and (iii) not subject to avoidance pursuant to section 545 or any other provision of the Bankruptcy Code.

Dated: June __, 2001
Reno, Nevada

WASHINGTON GROUP
INTERNATIONAL, INC., et al.,
as Debtors and Debtors in Possession
By: _____

CREDIT SUISSE FIRST BOSTON,
as Administrative Agent and
Collateral Agent
By: _____

AGREED AND ACCEPTED:
By: _____
LIONEL SAWYER & COLLINS
Attorneys for the Debtors in Possession
1100 Bank of America Plaza
50 W. Liberty St.
Reno, Nevada 89501

and

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IT IS SO ORDERED this 13th day of June, 2001

_____
HONORABLE GREGG W. ZIVE
UNITED STATES BANKRUPTCY JUDGE

AGREED AND ACCEPTED:
By _____
MURPHY SHENEMAN JULIAN & ROGERS
Attorneys for Official Creditors' Committee
101 California St
San Francisco CA 94111
(415) 398-4700

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