

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
(Alexandria Division)**

IN RE:

BECKY'S PET CARE, INC.

Debtor and Debtor-In-Possession.

Case No. 26-11295-KHK

Chapter 11

Subchapter V

**FINAL ORDER (I) AUTHORIZING THE USE OF CASH COLLATERAL, AND (II)
GRANTING ADEQUATE PROTECTION PURSUANT TO 11 U.S.C. §§ 361 AND 363**

UPON CONSIDERATION of the *Debtors' Motion for Entry of Interim Order Authorizing Use Cash Collateral and Granting Adequate Protection Pursuant to 11 U.S.C. §§ 361 and 363 and Scheduling Final Hearing* (the "Motion"), any objection filed thereto; and after a preliminary hearing on the Motion pursuant to Fed. R. Bankr. P. 4001(b)(2) having been held before the Court on June 2, 2026 (the "Preliminary Hearing") and a final hearing having been scheduled for June 30, 2026 (the "Final Hearing," and together with the Preliminary Hearing, the "Hearings") with objections due one day before the Final Hearing and no objections having been filed; and for the reasons stated on the record at the Preliminary Hearing and below,

IT IS HEREBY STIPULATED AND AGREED THAT:

1. On May 28, 2026 (the "Petition Date"), the Debtor filed a voluntary petition for relief under subchapter V of Chapter 11 of title 11 of the United States. Since the initiation of this bankruptcy case, the Debtor has remained in possession of its property and continues to manage its financial affairs as a debtor-in-possession pursuant to Sections 1107, 1108, 1183 and 1184 of the Bankruptcy Code.

2. This Court has subject matter jurisdiction to consider this matter pursuant to 28 U.S.C. § 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.

3. Notice of the Hearings and proposed entry of this Final Order was provided by the Debtor to (i) the twenty (20) largest creditors listed in the Debtor's case, (ii) the U.S. Trustee, (iii) United States Small Business Administration and (iv) all Potential Holders of Asserted Junior Liens¹, and those parties who requested notice in this bankruptcy case. Under the circumstances of these Hearings, the notice of the Hearings and proposed entry of this Final Order in this particular instance is adequate.

4. The United States Small Business Administration (the "SBA") asserts a secured claim against the Debtor pursuant to a term loan promissory note, and a UCC-1 Financing Statement filed with the District of Columbia Land Records. The SBA asserts an unpaid balance as of the Petition Date in the amount of approximately \$2,000,000.00 pursuant to a loan(the "Pre-Petition Indebtedness").

5. The Debtor's accounts and rights to payment constitute the SBAs' collateral are property of the Debtor's estate pursuant to Section 541 of the Bankruptcy Code and is cash collateral within the meaning of Section 363(a) of the Bankruptcy Code and may be used by the Debtor only with the consent of SBA or upon further Order of this Court.

6. The Potential Holders of Asserted Junior Liens are, for purposes of this Final Order only, deemed to be unsecured, and not entitled to adequate protection.

¹ Defined in the Motion as M&T Bank; On Deck Capital, Inc., Union Funding LLC, and Stripe Capital.

7. The Debtor has moved for authorization to use cash collateral. The immediate use of cash collateral by the Debtor is necessary to avoid immediate and irreparable harm to the Debtor's bankruptcy estate.

The Hearings having been held or scheduled by this Court and upon the record made by the Debtor and other parties-in-interest at the Preliminary Hearing, and after due deliberation and consideration and sufficient cause appearing therefore,

NOW THEREFORE, in consideration of the foregoing, it is, by the United States Bankruptcy Court for the Eastern District of Virginia, hereby:

ORDERED, That the Motion is GRANTED, subject to and conditioned upon the terms of this ORDER. This ORDER shall immediately become effective upon its entry; and it is further

ORDERED, That the Debtor is hereby authorized to use the Alleged Prepetition Collateral, including the cash collateral during the period from July 1, 2026 through and including August 31, 2026 (the "Expiration Date") for ordinary course purposes in accordance with the terms and conditions of this Final Order and the budget (the "Budget")²; provided, however, that the Debtor is granted adequate protection as hereinafter set forth and (b) except on the terms of this Order, the Debtor shall be enjoined and prohibited from at any time using the Alleged Prepetition Collateral, including the cash collateral; and it is further

ORDERED, that the Debtor shall make a \$4,500 adequate protection payment to the SBA in July 2026, and, if it has not a closed on the sale of its assets in July, a pro-rated \$4,500 adequate protection payment to the SBA in August 2026 (which shall be pro-rated based on the number of days in August the Debtor takes to sell substantially all of its assets).

²JFY II is also authorized to return security deposits to tenants in the ordinary course of business.

ORDERED, That to the extent the Cash Collateral is used by the Debtor and such use results in a diminution of the value of the Cash Collateral, the SBA is entitled, pursuant to sections 361(2) and 363(c)(2) of the Bankruptcy Code, a replacement lien in and to all post-petition assets of the Debtor, of any kind or nature whatsoever, real or personal, whether now existing or hereafter acquired, and the proceeds of the foregoing, to the same extent and with the same priority as the SBA's interest in the Alleged Prepetition Collateral; and it is further

ORDERED, That the liens and security interests granted hereby, including the Adequate Protection Liens, shall become and are duly perfected without the necessity for the execution, filing or recording of financing statements, security agreements and other documents which might otherwise be required pursuant to applicable non-bankruptcy law for the creation or perfection of such liens and security interests. Notwithstanding the foregoing, the SBA may, in its sole discretion, file such financing statements, security agreements, mortgages, deeds of trust, notices of lien, or similar instruments or otherwise confirm perfection of such liens, security interests, and mortgages consistent with this Order without seeking modification of the automatic stay under section 362 of the Bankruptcy Code, and all such documents shall be deemed to have been filed or recorded at the time of and on the Petition Date; and it is further

ORDERED, That notwithstanding any other provision hereof, the grants of adequate protection pursuant hereto are without prejudice to the rights of any party, including the Debtor, to seek modification thereof so as to provide different, additional or no adequate protection at all and to seek relief from the automatic stay, and without prejudice to the right of the Debtor to contest any such requested relief or modification. Except as expressly provided herein, nothing contained in this Order (including, without limitation, the authorization to use cash collateral) shall impair, waive or modify any rights, claims or defenses available in law or equity to the

Debtor, the Estate and its creditors, regarding, without limitation, the extent and validity of the Debtor's interest in the Debtor's revenues, rents, payments or Cash Collateral; and it is further

ORDERED, That the provisions of this Order and any actions taken pursuant hereto shall survive the entry of any order (i) confirming any plan of reorganization in the Chapter 11 case; (ii) converting the case to a Chapter 7 case; or (iii) dismissing the case, and the terms and provisions of this Final Order as well as the Adequate Protection Liens granted pursuant to this Order shall continue in full force and effect notwithstanding the entry of any such order, and such claims and liens shall maintain their priority as provided by this Final Order and to the maximum extent permitted by law; and it is further

ORDERED, That the Debtor's use of cash collateral pursuant to this Final Order shall terminate at the close of business on the Expiration Date (unless it has terminated prior thereto by order of the Court.

Date: Jun 30 2026

/s/ Klinette H Kindred

United States Bankruptcy Judge

Entered On Docket: Jun 30 2026

END OF ORDER

I ASK FOR THIS:

/s/ Justin P. Fasano

Justin P. Fasano (DC Bar MD21201)

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Counsel for Becky's Pet Care, Inc..

Local Rule 9022-1(C) Certification

The foregoing Order was endorsed by and/or served upon all necessary parties pursuant to Local Rule 9022-1(C).

/s/ Justin P. Fasano
Counsel

Copies to:

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In re Becky's Pet Care, Inc., case no. 26-11295(Bankr. E.D. Va.)
Budget for July/ August

BPC Budget	July	August
Income	\$ 185,000.00	\$ 185,000.00
Total	\$ 185,000.00	\$ 185,000.00
Expenses		
Rent	\$ 4,500.00	\$ 4,500.00
Copier Lease	\$ 500.00	\$ 500.00
Website	\$ 300.00	\$ 300.00
QB Hosting/SwizzNet	\$ 145.00	\$ 145.00
QB License	\$ 268.00	\$ 268.00
Bookkeeper	\$ 400.00	\$ 400.00
401K Management	\$ 800.00	\$ 800.00
401K Trustee	\$ 1,800.00	\$ 1,800.00
Business Software - Microsoft	\$ 250.00	\$ 250.00
Business Software - Precise	\$ 315.00	\$ 315.00
Business Software - Zoho	\$ 444.00	\$ 444.00
Health Insurance	\$ 6,500.00	\$ 6,500.00
Liability Insurance	\$ 450.00	\$ 450.00
WC Insurance		\$ 10,000.00
AFLAC Insurance	\$ 288.00	\$ 288.00
Paycom Payroll	\$ 160,000.00	\$ 150,000.00
SBA payment	\$ 4,500.00	\$ 4,500.00
Total	\$ 181,460.00	\$ 181,460.00