

IN THE UNITED STATES BANKRUPTCY  
COURT FOR THE NORTHERN DISTRICT OF  
ILLINOIS EASTERN DIVISION

In re:	)	Chapter 11
	)	
Binita & Sapna Corp, and	)	No. 16-2143
1511 North Avenue Corp.	)	No. 16-2146
	)	Jointly Administered
	)	
Debtors.	)	<i>Hon. Deborah L. Thorne</i>

**SEVENTH INTERIM ORDER AUTHORIZING DEBTORS'  
USE OF CASH COLLATERAL PURSUANT TO 11 U.S.C. §363**

THIS CAUSE coming on to be heard upon the Motions of the Joint Debtors, as debtors-in-possession, in the above-referenced Chapter 11 Case (the "Debtors"), for the entry of an interim order authorizing the use of cash collateral of Ridgestone Bank ("Ridgestone") pursuant to Sections 361 and 363 of the United States Bankruptcy Code ("Code"); written notice of the Motion having been given in accordance with Rule 4001 of the Federal Rules of Bankruptcy Procedure ("Bankruptcy Rules") to all of the Debtors' secured creditors, the Office of the United States Trustee ("Trustee") and all other parties claiming a security interest in the Debtors' assets.

The Court reviewed the Motion, heard the evidence presented at the hearing held on March 16, 2016, and received a status update from the Parties with regard to compliance as to the Court's previous Cash Collateral Order. Debtors and Ridgestone agreed that as of the commencement of the Chapter 11 Cases, the Debtors were indebted to Ridgestone in the approximate amount of \$711,000.00 plus additional accrued and unpaid interest and other amounts owing to Ridgestone under the applicable loan documents. Debtors do not dispute that Ridgestone holds a perfected, secured interest in substantially all of the Debtors' assets. The Debtors have asserted that the property securing Ridgestone's claims is valued at approximately \$298,850.00. Debtors have also asserted that an immediate need exists for use of certain of the proceeds of the collateral comprising

the cash collateral, as defined in Section 363(a) of the Bankruptcy Code (“Cash Collateral”), in order to continue the operation of the Debtors’ businesses. Without such funds, Debtors will not be able to pay for wages, related payroll taxes, insurances, utilities, and other operating expenses pending further hearings.

The parties have agreed that this Court has jurisdiction over this matter pursuant to 28 U.S.C. §157 and 1334. Venue is proper in this Court pursuant to 28 U.S.C. §§1408 and 1409. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(M).

**NOW THEREFORE, IT IS HEREBY ORDERED AS FOLLOWS:**

1. Debtors are authorized to use Cash Collateral conditioned on the following terms and conditions:

(a) Debtors must make a \$10,804.00 adequate protection payments to Ridgestone on or before September 23, 2016.

(b) Debtors must file Operating Reports required by the Office of the United States Trustee on or before September 21, 2016 and attach copies of August, 2016, bank statements, as an exhibit to the Operating Reports.

(c) Ridgestone is granted a replacement lien in the Debtors’ property to the extent that it currently holds a lien on any and all of the Debtors’ property.

(d) Debtors are authorized to pay from the funds in their Debtors-in-Possession operating accounts only: (i) those types of expenditures specified in the Budget, attached as Exhibit A hereto and made a part of this Order, with the exception of legal and accounting fees for professionals not yet Court employed pursuant to Court order (“Budget”), for the applicable periods set forth in the Budget and (ii) in the amounts set forth for each line item expenditure

in the Budget. Total expenditures may not exceed 10% over the proposed expenditures in the Budget.

(e) Debtors shall not use, sell or otherwise dispose of any of Debtors' assets, except in the ordinary course of its business, without further order of this Court;

(f) Debtors agree not to incur any further indebtedness other than in the ordinary course of business, grant or provide liens, or guaranty other obligations, without the prior written consent of Ridgestone and this Court.

2. Debtors shall maintain all insurance coverage requirements pursuant to the provisions of its existing agreements with Ridgestone, including, if applicable, identifying Ridgestone as loss payee under all required policies.

3. The occurrence of any of the following events, unless and until waived specifically in writing by Ridgestone, shall constitute an "Event of Default" hereunder which shall result in the termination of the Debtors' authority to use Cash Collateral upon 48 hours prior, written notice delivered to the (i) Debtors and their counsel, and (ii) any Committee appointed in this case, and its counsel:

(a) material non-compliance by Debtors with any of the terms or provisions of this Order including material non-authorized use of Cash Collateral;

(b) a trustee or examiner is appointed for either Debtor or a motion seeking such appointment is filed by the Trustee, or any other party in interest, alleging fraud, defalcation, criminal wrongdoing or intentional tort by the Debtor, which motion is not denied or withdrawn within fifteen (15) business days of its presentation;

(c) Debtors fails to keep its assets insured as provided herein;

- (d) an order modifying or terminating the automatic stay is entered by other entities without consent of Ridgestone;
- (e) consummation of the sale of all or substantially all of the Debtors' assets;
- (f) confirmation of any Chapter 11 Plan for the Debtors;
- (g) the Chapter 11 Case is dismissed;
- (h) Debtors fail to adhere to the Budget in any material respect; or
- (l) the occurrence of a material adverse change in the business of either Debtor.

4. Ridgestone shall provide the Debtors with written notice of any alleged post-petition Event of Default within its actual knowledge under this Order. If Debtors fail to cure an Event of Default within forty-eight (48) hours following receipt of written notice of such default, then the authorization to use Cash Collateral pursuant to this Order shall immediately be terminated, without prejudice to the Debtors' right to seek further use of Cash Collateral.

5. This Order is an Interim Order pursuant to Rule 4001(b) of the Federal Rules of Bankruptcy Procedure.

6. Any notice to be given or other written matter to be delivered pursuant to this Order shall be deemed received either upon personal or overnight courier delivery thereof to the respective recipient's addresses listed below:

*If to the Debtors:*

1511 North Avenue Corp.  
2729 Mannheim Road  
Franklin Park, IL 60131

and a copy to:

Timothy C. Culbertson  
1107 Lincoln Avenue  
Fox River Grove, IL 60021

Binita & Sapna Corp.  
2729 Mannheim Road  
Franklin Park, IL 60131

If to Ridgestone:

Ridgestone Bank  
10 N. Martingale Rd., Suite 100  
Schaumburg, IL 60173

and a copy to:

Michael W. Debre  
Chuhak & Tecson, P.C.  
30 South Wacker Drive, Suite 2600  
Chicago, IL 60606


7. Except as expressly set forth herein: (a) the loan documents between Ridgestone and Debtors ("Loan Documents") shall remain in full force and effect in accordance with their respective terms; and (b) nothing contained in this Order shall: (i) modify or alter any of the terms or provisions in the Loan Documents in any manner whatsoever; (ii) cure, waive, release or postpone any defaults now or hereafter existing under the Loan Documents; (iii) establish a custom between any of the parties hereto; or (iv) in any way waive, limit, or condition the rights or remedies of the Lenders and/or the Debtor under the Loan Documents or Illinois and Bankruptcy law.

8. Debtors may use Cash Collateral under the terms and conditions of this Order through and including October 5, 2016, subject to the terms and conditions of this Order.


9. A hearing on the Debtor's further use of Cash Collateral (the "Hearing") will be held before this Court on October 5, 2016, at 10:00 a.m. The Motion to Modify the Automatic Stay filed by Ridgestone will also be continued to October 5, 2016, at 10:00 a.m.


Dated: September 7, 2016

Enter:

  
U.S. Bankruptcy Judge

Approved :

  
Timothy C. Culbertson  
Attorney for the Debtors

  
Michael W. Debre  
Attorney for Ridgestone Bank

**EXHIBIT A - MONTHLY BUDGET**  
**Binita & Sapna Corp.**  
**16-2143**

Revenue:

Projected Monthly Sales	\$ 130,000.00
Lottery Commissions	<u>\$ 1,550.00</u>
	<b>\$ 131,550.00</b>

Expenses:

Liquor Purchases	\$ 78,930.00
Cash Purchases	\$ 1,815.00
Payroll	\$ 8,100.00
Taxes	\$ 1,700.00
Sales Tax	\$ 11,000.00
Payroll Tax	\$ 200.00
Rent	\$ 9,000.00
ComEd	\$ 1,050.00
Nicor	\$ 400.00
Garbage	\$ 220.00
Internet/Cable	\$ 475.00
Security Monitoring	\$ 155.00
Water/Sewer	\$ 80.00
License Fees	\$ 600.00
Insurance	\$ 1,000.00
Health Ins.	\$ 1,350.00
Accountant	\$ 175.00
Legal	\$ 2,000.00
Franchise Fees	\$ 350.00
Credit Card Fees	\$ 1,200.00
Ridgestone (including interest)	\$ 6,988.00
Bak Charges	\$ 500.00
Miscellaneous	<u>\$ 700.00</u>
	<b>\$ 127,998.00</b>
Projected Monthly Reserve	\$ 3,552.00

**EXHIBIT A - MONTHLY BUDGET  
1511 North Avenue Corp.  
16-2146**

Revenue:

Projected Monthly Sales	\$ 135,000.00
Lottery Commissions	\$ <u>1,750.00</u>

**\$ 136,750.00**

Expenses:

Liquor Purchases	\$ 81,014.00
Cash Purchases	\$ 2,313.00
Payroll	\$ 8,500.00
Taxes	\$ 1,900.00
Sales Tax	\$ 12,000.00
Payroll Tax	\$ 300.00
Rent	\$ 10,000.00
ComEd	\$ 1,150.00
Nicor	\$ 500.00
Garbage	\$ 235.00
Internet/Cable	\$ 475.00
Security Monitoring	\$ 155.00
License Fees	\$ 600.00
Insurance	\$ 1,000.00
Accountant	\$ 175.00
Legal	\$ 2,000.00
Franchise Fees	\$ 350.00
Credit Card Fees	\$ 1,100.00
Ridgestone (including interest)	\$ 3,816.00
Bak Charges	\$ 500.00
Miscellaneous	\$ <u>700.00</u>

**\$ 128,783.00**

<b>Projected Monthly Reserve</b>	<b>\$ 7,967.00</b>
----------------------------------	--------------------