UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK
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In re:

Chapter 11

CERA TILE, INC.,

Case No. 26-35243 (KYP)

Debtor.
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INTERIM ORDER
FOR USE OF CASH COLLATERAL

Before the Court is the interim hearing on the motion of debtor Cera Tile, Inc. (the "Debtor") seeking permission for the interim and final use of cash collateral (the "Motion"), dated March 9, 2026, The Motion is supported by the Declaration of Steven Wecera Pursuant to Local Bankruptcy Rule 1007-2 (the "Wecera Declaration") and the exhibits thereto, which includes a budget for the 30 day postpetiton period as Exhibit "H". A more detailed version of that budget is made Exhibit "1" to this Order.

The following are the Court's findings and conclusions for the limited purpose of the Debtor's interim use of cash collateral, in order to avoid irreparable harm to the Debtor and the bankruptcy estate, and are without prejudice to the claims and the rights of creditors in connection with any proposed final use of cash collateral in this case.

1. That Debtor is a closely held New York business corporation, and operates a specialty tile importing, distribution and sales business in Middletown, Orange County, New York.

2. That the Debtor projects gross revenue for the 30 day postpetition period of $133,115 and expenses of $121,819, or a projected surplus of $11,296, before taxes, depreciation and amortization.

3. That the Debtor requires the use of the revenues from business operations to pay necessary business expenses, including without limitation materiel purchases, utilities, insurance, gas and tolls, office supplies and software licensing, the deposit toward chapter 11 administration

expenses and payroll. Adequate protection payments to secured creditors are not provided for in the request for the interim use of cash collateral.

4. The Debtor's accounts are subject to blanket liens asserted by Santander Bank, N.A[1], Live Oak Banking Company ("Live Oak"), the U.S. Small Business Administration (the "SBA"), CHTD Company ("CHTD"), Citizens Bank, N.A. ("Citizens"), Corporation Service Company, as Representative ("CSC"),Aspire Fundings, LLC ("Aspire") and CT Corporation System, as Representative ("CTCS").

5. The Debtor seeks authority to use cash collateral on an interim basis, pursuant to Bankruptcy Code §§ 102(1)(A), 361, 363(c)(2)(B), 363(c)(3), 363(e) and Rules 4001(b), 9006, and 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules").

6. The Debtor requests that this Court authorize and approve the Debtor's use of cash collateral for the payment of its operating expenses as set forth in the budget attached hereto as Exhibit "1". The Debtor asserts that, in order to remain in possession of its property and continue its business activity in an effort to achieve a successful reorganization, the Debtor must be permitted to use cash collateral in its ordinary business operations. The Debtor further asserts that it currently has no alternative borrowing source from which it could obtain funding to operate its business.

7. That the expenses listed on Exhibit "1" to this Order are reasonable and necessary business expenses which must be paid in order to continue the Debtor's business.

8. That without the use of cash collateral, the Debtor's business will be seriously and irreparably harmed, resulting in significant losses to the Debtor's estate and creditors.

9. That pending a final hearing on the use of cash collateral, as adequate protection the Debtor tenders replacement lien(s) to all secured creditors pursuant to Bankruptcy Code §361(2) to the extent of any diminution in value of the collateral securing such lien(s), if, as and to the extent

[1] Santander's claim was assigned to Gulf Coast Bank & Trust Co. ("Gulf Coast").

such liens existed and are not avoidable before the Petition Date, and in the same order of priority, without prejudice to the Debtor's right to object to or seek to avoid such liens; (ii) that the Debtor shall make payroll tax deposits and timely file payroll tax returns as required by law; (iii) that the Debtor shall provide proof of comprehensive general liability and business loss insurance coverage upon request; and (iv) that the Debtor shall provide all secured creditors with copies of the Debtor's timely-filed monthly operating reports as required by the Office of the United States Trustee.

10. Accordingly, upon the Motion, the papers on file in this case, the representations of counsel and the record of the interim hearing held on the Debtor's Motion on 3/12/26, after due deliberation and for cause shown, it is hereby,

ORDERED, pursuant to Bankruptcy Code § 363(c)(2)(B), that the Debtor may use cash collateral in accordance with the budget (the "Budget") annexed to this Order as Exhibit "1" on an interim basis. Except in the event of emergency and then only upon the written consent of the Live Oak and Santander, no funds may be spent in excess of 110% of the amount set forth on Exhibit "1" without the further order of this Court. It is further,

ORDERED, that pursuant to Bankruptcy Code § 361(2), Gulf Coast, Live Oak, the SBA, CHTD, Citizens, CSC, Aspire and CTCS are hereby granted postpetition replacement liens in and to property of the estate of the kind securing their indebtedness prepetition, to the extent of any diminution in value of the collateral securing such lien(s), with the same priority and to the extent such property secured such indebtedness prepetition and such liens are not avoidable. Nothing herein shall be construed to constitute a determination by the Court, or an admission by the Debtor, of the validity, priority or extent of such liens and security interests. It is further,

ORDERED, that the Debtor shall timely pay payroll tax deposits and timely file payroll tax returns as required by law; (ii) shall provide proof of comprehensive general liability coverage on request to any secured creditor; and (iii) shall provide all secured creditors and their counsel appearing herein with financial reporting in the form of the Debtor's timely filed monthly operating reports as required by the Office of the United States Trustee. It is further,

ORDERED, that notwithstanding anything herein to the contrary, entry of this Order is without prejudice to, and does not constitute a waiver, expressly or implicitly of (a) the rights of Gulf Coast, Live Oak, the SBA, CHTD, Citizens, CSC, Aspire or CTCS to seek any other or supplemental relief with respect to the Debtor, including the right to seek additional adequate protection (without prejudice to any other person's right, including the Debtor, to object to or otherwise oppose such additional adequate protection and to use cash collateral for such opposition); (b) any of the rights of Gulf Coast, Live Oak, the SBA, CHTD, Citizens, CSC, Aspire or CTCS under the Bankruptcy Code or under non-bankruptcy law, including, without limitation, the right to (i) request modification of the automatic stay of section 362 of the Bankruptcy Code, (ii) request dismissal of the Chapter 11 case or successor case, conversion of the Chapter 11 case to one under Chapter 7, or to remove the debtor in possession; or (iii) any other rights, claims or privileges (whether legal, equitable, or otherwise), or any other person's right, including the Debtor, to object or otherwise oppose such rights, claims or privileges, if appropriate and to use cash collateral for such opposition.

/s/ Kyu Y. Paek

Dated: March 24, 2026
Poughkeepsie, New York

Hon. Kyu Y. Paek
U.S. Bankruptcy Judge