Entered: August 21st, 2026
Signed: August 21st, 2026

SO ORDERED

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND
(Greenbelt Division)

LORI S. SIMPSON
U.S. BANKRUPTCY JUDGE

In re:	*	
DR. LOUIS A. ESPEJO II, P.C. INC.	*	**Case No. 26-18945-LSS** **(Chapter 11, Subchapter V)**
	*	
Debtor.		

* * * * * * * * * * * * *

PRELIMINARY ORDER AUTHORIZING DEBTOR'S USE OF CASH COLLATERAL AND GRANTING ADEQUATE PROTECTION

Upon consideration of the Amended Emergency Motion For Entry of an Order Authorizing Use of Cash Collateral and Granting Adequate Protection and Request for Immediate Hearing Thereon (the "Motion"), filed by Dr. Louis A. Espejo II, P.C. Inc. (the "Debtor"), the Debtor having represented that the United States Small Business Administration ("SBA") and ReadyCap Lending, LLC ("ReadyCap") have asserted that they are the holders of liens on the Debtor's "cash collateral" within the meaning of 11 U.S.C. § 363(a) ("Cash Collateral"), and that the Debtor's use of Cash Collateral is necessary to avoid immediate and irreparable harm to the Debtor and its estate, and the Court having convened a hearing thereon, and the Debtor having served notice of the Motion and hearing overnight mail to all known parties who claim an interest in Cash Collateral, as well as to the United States Trustee and the Debtor's twenty largest unsecured creditors, and this Court, in the exercise of its discretion, having determined that (i) the relief requested is necessary, essential and appropriate for the continued operation of the Debtor's business and preservation of its assets, (ii) the amount of Cash Collateral proposed to be used is reasonable and necessary to avoid immediate and irreparable harm to the estate pending a final hearing, (iii) an immediate need exists for the Debtor to use Cash Collateral in order to continue the operation of its business without

interruption, since the Debtor will be unable to pay wages and meet other current and immediate operating expenses without the use of Cash Collateral, (iv) the SBA's and ReadyCap's respective interests in Cash Collateral will be adequately protected by the Debtor's proposal to use Cash Collateral under the terms of this Preliminary Order and the Budget attached to the Motion as **Exhibit "A"**, (v) good and adequate cause has been shown to justify the granting of the relief requested, which relief will minimize the disruption of the Debtor as a "going concern," facilitate a successful reorganization and further the best interests of the Debtor, its creditors and its estate, (vi) the relief requested by the Motion is of a genuinely urgent nature, and (vi) the notice provided by Debtor is sufficient under the circumstances herein pursuant to 11 U.S.C. §§ 102 and 363 and Fed. R. Bankr. P. 4001, it is, by the United States Bankruptcy Court for the District of Maryland, hereby

ORDERED that the Motion shall be, and hereby is, GRANTED; and it is further

ORDERED that the Debtor shall be, and hereby is, authorized to use Cash Collateral as set forth herein, through and including the date of the final hearing; and it is further

ORDERED that the Debtor may use Cash Collateral to pay its ordinary and necessary operating expenses, provided that the Debtor's total expenditures through and including the date of a final hearing on the Motion may not exceed by more than ten percent (10%) the total amount of expenses set forth in the schedule attached to this Preliminary Order as **Exhibit "1"**, which constitute the expenses the Debtor must pay during the term of this Preliminary Order to avoid immediate and irreparable harm; and it is further

ORDERED that, as adequate protection to the SBA and ReadyCap for the Debtor's use of Cash Collateral pursuant to this Preliminary Order and any diminution in value of the Cash Collateral of the SBA and ReadyCap, the SBA and ReadyCap shall be, and hereby are, granted

post-petition replacement liens in all of the Debtor's assets and any proceeds thereof (the "Collateral") which are or have been acquired or generated post-petition to the same extent and with the same validity and priority as their respective prepetition security interests in such property, and such liens shall be coextensive with, and valid, enforceable and unavoidable to the same extent as the respective liens in Cash Collateral of the SBA and ReadyCap on the Petition Date; provided, however, that such replacement liens shall not extend to: (a) any claims pursuant to 11 U.S.C. §§ 502(d), 510, 544, 547, 548, 549, 550 or 553 ("Avoidance Claims"); or (b) any proceeds or property recovered in connection with the successful prosecution or settlement of any Avoidance Claims. Any security interest asserted by the SBA and ReadyCap in Collateral (including any replacement lien granted to the SBA and ReadyCap pursuant to this Preliminary Order) shall be subject and without prejudice to any right of the Debtor to contest on any lawful grounds the validity, priority or extent of such liens or the claims allegedly secured thereby, which rights are hereby expressly reserved; and it is further

ORDERED that, as further adequate protection to the SBA for the use of Cash Collateral, the Debtor is authorized to make monthly interest payments, at the non-default rate stated in the Note (as that term is used in the Motion), to SBA in the amount of $2,546.00; and it is further

ORDERED that the terms and provisions of this Preliminary Order, as well as the priority and validity of the liens and security interests granted pursuant to this Preliminary Order, shall continue in this or any superseding case under the Bankruptcy Code, and each lien and security interest granted pursuant to this Preliminary Order shall maintain its priority as provided by this Preliminary Order until all indebtedness due and owing to the holder of such lien and security interest is satisfied and discharged; and it is further

ORDERED that the provisions of this Preliminary Order shall be binding upon the Debtor and any successor or assignee (including any trustee or other fiduciary hereafter appointed with respect to the property of the estate of the Debtor, whether under Chapter 11 of the Bankruptcy Code or any subsequent Chapter 7 case); and it is further.

ORDERED that a final hearing on the Motion shall be held at 10:00 a.m. on Thursday, October 15, 2026. Unless otherwise ordered by the Court, the hearing will be held via videoconference. For hearing access information, see www.mdb.uscourts.gov/hearings or call 410-962-2688.

Copies of the Preliminary Order as entered to all parties of record electronically and via first class US mail to the List of Twenty Largest Unsecured Creditors.

Schedule of Expenses During Preliminary Period		
8/8/2026	Eyefinity	$209.58
8/8/2026	Eyefinity	$209.58
8/14/2026	Payroll fee	$91.00
8/14/2026	Payroll	$19,228.60
8/14/2026	Payroll taxes	$10,876.69
8/21/2026	365 Data Center	$456.00
8/22/2026	Lenscrafters Rent	$2,100.00
8/22/2026	Lenscrafters Rent	$2,300.00
8/25/2026	Trustee fees	$1,000.00
8/25/2026	Myerson & Myerson	$450.00
8/28/2026	Payroll fee	$91.00
8/28/2026	Payroll	$19,228.60
8/28/2026	Payroll taxes	$10,876.69
9/2/2026	Carefirst	$3,786.00
9/3/2026	SBA	$2,546.00
9/3/2026	Merchant fees	$2,700.00
9/3/2026	Comcast	$328.48
9/8/2026	Eyefinity	$209.58
9/8/2026	Eyefinity	$209.58
9/11/2026	Payroll fee	$91.00
9/11/2026	Payroll	$19,228.60
9/11/2026	Payroll Taxes	$10,876.69
9/15/2026	Verizon	$363.04
9/15/2026	Johnson & Johnson	$9,462.99
9/20/2026	Myerson & Myerson	$1,310.00
9/21/2026	365 Data Center	$456.00
9/22/2026	Lenscrafters Rent	$2,100.00
9/22/2026	Lenscrafters Rent	$2,300.00
9/25/2026	Payroll fee	$91.00
9/25/2025	Payroll	$19,228.60
9/25/2026	Payroll taxes	$10,876.69
9/25/2026	Trustee fees	$1,000.00
10/2/2026	Carefirst	$3,786.00
10/3/2026	SBA	$2,546.00
10/3/2026	Merchant fees	$2,700.00
10/3/2026	Comcast	$328.48
10/8/2026	Eyefinity	$209.58
10/8/2026	Eyefinity	$209.58
10/9/2026	Payroll fee	$91.00
10/9/2026	Payroll	$19,228.60
10/9/2026	Payroll taxes	$10,876.69
10/15/2026	Johnson & Johnson	$30,036.53
10/15/2026	Verizon	$363.04
Total		**$224,657.49**



End of Order