

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:

Case No. 11-41414

ENIVA USA, INC.,

Chapter 11

Debtor.

**NOTICE OF HEARING AND MOTION FOR EXPEDITED HEARING
FOR INTERIM AND FINAL ORDERS AUTHORIZING
USE OF CASH COLLATERAL AND GRANTING ADEQUATE PROTECTION**

TO: Entities Specified in Local Rule 9013-3.

1. Eniva USA, Inc. f/k/a Eniva Corporation (“Debtor”), by and through its undersigned counsel, moves the Court for the relief requested below and gives notice of hearing.

PRELIMINARY HEARING

2. The Court will hold a preliminary hearing on this motion at **10:30 a.m. on March 9, 2011**, before the Honorable Robert J. Kressel, Courtroom 8 West, U.S. Courthouse, 300 South Fourth Street, Minneapolis, MN 55415.

3. Any response to this motion must be filed and served prior to the hearing. **Unless a response opposing the motion is timely filed, the Court may grant the motion without a hearing.**

FINAL HEARING

4. The Court will hold a **final** hearing on this motion at **1:30 p.m. on March 30, 2011**, before Judge Robert J. Kressel, Courtroom 8 West, U.S. Courthouse, 300 South Fourth Street, Minneapolis, MN 55415.

5. Any response to this motion must be filed and served not later than **March 25, 2011**, which is five (5) days before the time set for the Final Hearing (including Saturdays, Sundays, and holidays). **Unless a response opposing the motion is timely filed, the Court may grant the relief requested in the motion without a hearing.**

6. This Court has jurisdiction over this motion under 28. U.S.C. §§ 157 and 1334, Bankruptcy Rule 5005 and Local Rule 1070-1. This proceeding is a core proceeding. The petition commencing this case was filed on March 1, 2011 (the “Petition Date”). This case is now pending before this Court.

7. This motion arises under 11 U.S.C. § 363 and Bankruptcy Rule 4001(b). This motion is filed under Bankruptcy Rules 9014 and Local Rules 4001-2 and 9013. By this motion Debtor seeks authority for use of cash collateral through June 4, 2011 and to make interest payments and grant replacement liens as adequate protection (“Motion”).

BUSINESS OF DEBTOR

8. Debtor has been engaged in the development, production and sale of nutritional supplements since 1998. Debtor is a wholly owned subsidiary of Wellspring International, Inc. (“Wellspring”). The Debtor currently employs approximately sixty people in the development and production of its products. The Debtor sells its products throughout the United States through a network of approximately 25,000 active independent sales representatives, each under non-exclusive membership contract with the Debtor. The Debtor also sells its products in Mexico, Puerto Rico, Bermuda Canada and the U.K. through non Debtor affiliates owned by Wellspring.

9. The Debtor's business as measured by total revenues grew from \$12,000,000 to \$68,000,000 between 2003 and 2007 and then declined to \$15,000,000 between 2008 and 2010. In 2006 the Debtor leased 225,000 square feet in a large building located in Anoka, Minnesota and owned by Premier Anoka, LLC, an entity owned in part by the founders and principal officers of the Debtor ("Premier Anoka"). Northeast Bank and Austin Mutual Life Insurance Company commenced foreclosure proceedings against the Debtor in February 2011. Unable to reach agreement with the receiver for a rent reduction pending relocation of its business the Debtor filed a chapter 11 petition to avoid an interruption in product development and production.

10. The Debtor has stabilized revenues, reduced its cost structure and is positioned to operate profitably and confirm a reorganization plan following lease rejection and relocation of its business to a smaller, affordable facility. The Debtor's present intent is to enter into a new lease and complete a move before April 15, 2011.

11. Debtor is indebted to Home Federal Savings & Loan ("Home Federal") in the approximate principal amount of \$489,559 as of the Petition Date. Obligations owing Home Federal are secured by a lien in substantially all personal property of the Debtor, including without limitation, accounts, inventory, equipment and general intangibles. Home Federal has not consented to the use of cash collateral.

12. The Debtor is indebted to De Lage Landen Financial Services, Inc. ("De Lage") in the approximate amount of \$15,565 as of the Petition Date. Obligations owing De Lage are secured by a lien in specific equipment. De Lage has not consented to use of cash collateral.

13. The Debtor is indebted to Great America Leasing Corporation (“Great America”) in the approximate amount of \$22,015 as of the Petition Date. Obligations owing Great America are secured by a lien in specific equipment. Great America has not consented to use of cash collateral.

14. The Debtor is indebted to Northland Capital Financial Services, LLC (“Northland”) in the approximate amount of \$31,422 as of the Petition Date. Obligations owing Northland are secured by a lien in specific equipment. Northland has not consented to use of cash collateral.

15. The Debtor is indebted to Cisco Systems Capital Corporation (“Cisco”) in the approximate amount of \$106,857 as of the Petition Date. Obligations owing Cisco are secured by a lien in specific equipment. Cisco has not consented to use of cash collateral.

16. The Debtor seeks authority to use cash collateral for the purposes and in the approximate amounts set forth in the budget attached as **Exhibit A**.

ESTIMATED COLLATERAL VALUE

17. On the Petition Date and as of the date of the hearing on this Motion, the Debtor's collateral has the following estimated value:

Cash	\$ 11,812
Inventory	243,845
Accounts	35,566
Estimated Furniture Fixtures and Equipment (NBV)	<u>998,144</u>
Total	\$1,289,367

As of June 4, 2011, Debtor estimates that the Collateral's value, will be:

Cash	\$ 63,427
Inventory	245,000
Accounts	35,000
Estimated Furniture Fixtures and Equipment (NBV)	<u>998,000</u>
Total	\$1,241,427

ADEQUATE PROTECTION

18. Pursuant to the requirements of 11 U.S.C. § 363(e) and as more fully described below, the Debtor proposes as adequate protection for Home Federal, De Lage, Great America, Northland and Cisco (collectively, the Lenders") to grant (i) replacement liens in the Lender's collateral; and (ii) report cash collections and expenditures monthly.

19. As additional adequate protection for Home Federal, the Debtor proposes to make monthly payment of interest to Home Federal on the Home Federal debt at the prepetition note rates.

20. The Lenders have not consented to the use of cash collateral on the terms proposed herein.

21. Pending the final hearing, the Debtor has a need to use cash collateral through March 30, 2011 to pay operating expenses in the amounts identified in the Budget attached as **Exhibit A**. If the Debtor is not permitted to use cash collateral on an interim basis for the purposes set forth in the Budget from March 2, 2011 to March 30, 2011 in an amount not to exceed \$982,426 pending a final hearing the Debtor will suffer immediate and irreparable harm.

22. The Budget includes a cash contribution by Wellspring in the approximate amount of \$65,000 necessary to pay operating expenses in the ordinary course and one time

relocation expenses. The founders and officers of the Debtor and sole shareholders of Wellspring, Andy Baechler and Ben Baechler, shall cause Wellspring to make the cash equity contribution to the Debtor on or before March 19, 2011.

23. Prior to the final hearing on this Motion for an order authorizing use of cash collateral, and in settlement of any and all of the matters raised in this Motion, Debtor may enter into a stipulation or agreed order with Home Federal concerning use of cash collateral, adequate protection and other related matters. In the event Debtor enters into any such stipulation, Debtor will seek approval of the stipulation without further notice of hearing pursuant to Bankruptcy Rule 4001(d)(4), and **DEBTOR HEREBY GIVES NOTICE OF INTENT TO SEEK APPROVAL OF ANY SUCH STIPULATION.**

EXPEDITED RELIEF

24. In order to operate in the ordinary course, preserve the going concern value of its operations and avoid immediate and irreparable harm the Debtor must have immediate authority to use cash collateral pending a final hearing on March 30, 2011. There is good cause to consider the preliminary relief on an expedited basis.

25. The Debtor may offer additional evidence in support of this motion, including the testimony of Andrew J. Baechler, Debtor's Chief Executive Officer, or, Richard Gallagher, Debtor's financial advisor, if such is necessary in connection with this Motion.

WHEREFORE, the Debtor moves the Court for an order:

1. Authorizing use of cash collateral from the Petition Date through the final hearing on March 30, 2011 in an amount not to exceed \$982,426;

2. Authorizing use of cash collateral from the date of the final hearing through June 4, 2011; and

3. Authorizing the Debtor to grant adequate protection as set forth in the Motion.

Dated: March 7, 2011

RAVICH MEYER KIRKMAN McGRATH
NAUMAN & TANSEY,
A PROFESSIONAL ASSOCIATION

By /e/ Michael F. McGrath #168610
Will R. Tansey #323056
Michael D. Howard #391164

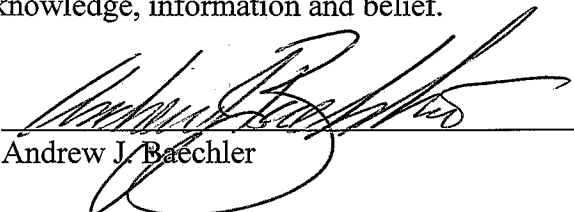
4545 IDS Center
80 South Eighth Street
Minneapolis, MN 55402
Telephone: (612) 332-8511
Facsimile: (612) 332-8302

ATTORNEYS FOR DEBTOR

VERIFICATION

I, Andrew J. Baechler, Chief Executive Officer of Debtor, declare under penalty of perjury that the facts set forth in the foregoing Notice of Hearing and Motion for Expedited Relief and for Order Authorizing Use of Cash Collateral and Granting Adequate Protection, are true and correct according to the best of my knowledge, information and belief.

Executed on: March 7, 2011



Andrew J. Baechler

EXHIBIT A

	Week Ending 12-Mar	Week Ending 19-Mar	Week Ending 26-Mar	Week Ending 2-Apr	Week Ending 9-Apr	Week Ending 16-Apr	Week Ending 23-Apr
Cash Flow Summary							
Beginning Cash	32,627	17,321	1,616	11,654	23,355	158,891	76,025
Cash Receipts	322,155	279,888	251,169	119,943	343,129	202,556	272,688
Cash Disbursements							
Cost of Goods Sold	44,869	38,569	38,569	38,569	38,569	38,569	38,569
Wages/Benefits	119,862	17,900	95,750	-	111,750	23,130	111,750
Independent Distributors	100,000	190,000	21,211	-	-	180,000	70,000
Utilities	13,000	7,000	7,000	7,000	7,000	-	-
Insurance	6,816	-	11,397	6,816	-	-	11,397
Interest	1,949	-	-	1,949	-	-	-
Leases/Rents	-	-	-	-	-	-	-
Moving Expenses	-	5,000	5,000	20,000	27,500	1,500	500
Other Vendor Payments	50,964	37,124	52,204	33,908	22,774	42,224	61,904
Legal/Acct/Trustee Fees	-	-	10,000	-	-	-	15,000
Total Disbursements	337,460	295,593	241,131	108,242	207,593	285,423	309,120
Ending Cash	17,321	1,616	11,654	23,355	158,891	76,025	39,592
Cash Flow Detail							
Cash Receipts							
Infusion from Wellspring	see note 13	65,000					
Domestic Revenues							
Regular Revenues	see note 1	149,008	149,632	134,596	108,870	171,433	157,348
Auto-Ship/Smart Ship Revenues	see note 2	164,036	56,145	107,462	1,962	162,585	106,229
Intl/Territorial Client Revenues	see note 3	9,111	9,111	9,111	9,111	9,111	9,111
Total Cash Inflows		322,155	279,888	251,169	119,943	343,129	272,688
Cost of Sales							
Raw Materials (Packaging & Ingredients)	see note 4	26,369	20,069	20,069	20,069	20,069	20,069
Shipping & Freight	see note 5	18,500	18,500	18,500	18,500	18,500	18,500
Independent Distributors	see note 6	100,000	190,000	21,211		180,000	70,000
Other Expenses							
Advertising & Promotion		11,400	876	876	876	876	876
Financial Service Fees		4,400			2,300		

		Week Ending 12-Mar	Week Ending 19-Mar	Week Ending 26-Mar	Week Ending 2-Apr	Week Ending 9-Apr	Week Ending 16-Apr	Week Ending 23-Apr
Merchant Proessing Fees		21,041	2,650		21,041		2,650	
Communications		3,220	2,650	1,725		3,220	2,650	1,725
Contracts for Service (IT, POS)		7,000	4,500	1,500	994		7,000	
Equipment Leases								
Insurance		6,816		11,397	6,816			11,397
Moving Expense	see note 7		5,000	5,000	20,000	27,500	1,500	500
Postage and Mailing		800	800	400	400	400	1,200	400
Printing		500	500	500	500	500	500	500
Professional Fees (Legal)	see note 8			10,000				15,000
Professional Fees (Accounting & Other)	see note 9		7,500	7,500	7,500	7,500	7,500	7,500
Rent	see note 10							
Repairs & Maint on Facility							2,000	1,000
Repairs & Maint Technical						100	100	100
Repairs & Maint IT						100	100	100
Repairs & Maint Equipment		980	274	980	774	980	274	980
Janitorial Supplies			300	300	1,200	300	300	300
Wages and Payroll Taxes	see note 14	100,862		95,750		111,750		111,750
Benefits		19,000	2,350				19,088	
Workers Compensation	see note 11		15,550				4,042	
Trash				300				300
Travel		1,000				1,000		
Office Supplies		279	279	279	279	279	279	279
Other Supplies		289	1,740	289	289	289	1,740	289
Uniforms		55	55	55	55	55	55	55
Utilities	see note 12	13,000	7,000	7,000	7,000	7,000		
Sales Tax			15,000	37,500			15,000	47,500
Bankruptcy fees						4,875		
Interest Payments								
Home Federal - SBA		1,476			1,476			
Home Federal - LOC		473			473			

	Week Ending 30-Apr	Week Ending 7-May	Week Ending 14-May	Week Ending 21-May	Week Ending 28-May	Week Ending 4-Jun
<i>Cash Flow Summary</i>						
Beginning Cash	39,592	41,173	62,089	86,020	3,572	138,568
Cash Receipts	139,156	223,335	309,611	217,764	238,738	158,349
<i>Cash Disbursements</i>						
Cost of Goods Sold	38,569	38,569	38,569	38,569	38,569	38,569
Wages/Benefits	-	109,100	19,088	110,792	-	109,100
Independent Distributors	50,000	-	180,000	70,000	50,000	-
Utilities	2,500	-	9,000	-	2,000	-
Insurance	-	6,816	-	11,397	-	6,816
Interest	-	1,949	-	-	-	1,949
Leases/Rents	33,333	-	-	-	-	33,333
Moving Expenses	-	-	-	-	-	-
Other Vendor Payments	13,173	45,984	39,023	54,454	13,173	43,723
Legal/Acct/Trustee Fees	-	-	-	15,000	-	-
Total Disbursements	137,575	202,418	285,680	300,212	103,742	233,490
Ending Cash	41,173	62,089	86,020	3,572	138,568	63,427

Cash Flow Detail

Cash Receipts

Infusion from Wellspring						
Domestic Revenues						
Regular Revenues	127,476	205,476	139,535	156,223	122,165	147,276
Auto-Ship/Smart Ship Revenues	2,569	8,748	160,965	52,430	107,462	1,962
Intl/Territorial Client Revenues	9,111	9,111	9,111	9,111	9,111	9,111
Total Cash Inflows	139,156	223,335	309,611	217,764	238,738	158,349

Cost of Sales

Raw Materials (Packaging & Ingredients)	20,069	20,069	20,069	20,069	20,069	20,069
Shipping & Freight	18,500	18,500	18,500	18,500	18,500	18,500
Independent Distributors	50,000		180,000	70,000	50,000	

Other Expenses

Advertising & Promotion	876	876	876	876	876	876
Financial Service Fees			2,300			

	Week Ending 30-Apr	Week Ending 7-May	Week Ending 14-May	Week Ending 21-May	Week Ending 28-May	Week Ending 4-Jun
Merchant Proessing Fees		21,041		2,650		22,000
Communications		3,220	2,650	1,725		
Contracts for Service (IT, POS)	1,500	994	7,500		1,500	994
Equipment Leases		7,850				7,850
Insurance		6,816		11,397		6,816
Moving Expense						
Postage and Mailing	400	400	800	800	400	400
Printing	500	500	500	500	500	500
Professional Fees (Legal)				15,000		
Professional Fees (Accounting & Other)	7,500	7,500	7,500	7,500	7,500	7,500
Rent	33,333					33,333
Repairs & Maint on Facility	500	500	500	500	500	500
Repairs & Maint Technical	100	100	100	100	100	100
Repairs & Maint IT	100	100	100	100	100	100
Repairs & Maint Equipment	774	980	274	980	774	980
Janitorial Supplies	300	300	300	300	300	300
Wages and Payroll Taxes		106,750		106,750		106,750
Benefits		2,350	19,088			2,350
Workers Compensation				4,042		
Trash				300		
Travel		1,000				1,000
Office Supplies	279	279	279	279	279	279
Other Supplies	289	289	289	289	289	289
Uniforms	55	55	55	55	55	55
Utilities	2,500		9,000		2,000	
Sales Tax			15,000	37,500		
Bankruptcy fees						
Interest Payments						
Home Federal - SBA		1,476				1,476
Home Federal - LOC		473				473

Footnotes to 90-Day Cash Forecast

Note 1

Regular revenues earn via member orders initiated through the call center via telephone, email, or fax and member orders initiated via the website. Regular revenue forecast assumes 5% reduction in sales from January 2011.

Note 2

Autoship revenues earned from monthly reoccurring orders placed on file by members. Autoship revenues forecast assumes no change versus January 2011 orders.

Note 3

Intl/Territorial client revenues are earned by sales in Canada, Puerto Rico, Mexico, and Europe. Eniva Canada and Eniva Puerto Rico are owned by Wellspring. 50% of Eniva Mexico equity is held by Wellspring. European sales are B2B sales to a distributor in the EU.

Note 4

Eniva produces over 60 SKU's, some with as many as 50 or more ingredients. Raw materials and packaging expenses are forecast at 8.6% of sales over the 90 day forecast. The relocation of business may affect the timing of material purchases.

Note 5

Shipping & Freight represents Eniva's inbound and outbound freight. Eniva ships directly to members via UPS. Eniva ships to its international/territory destinations via UPS or other LTL trucking companies.

Note 6

Eniva sells its product exclusively via independent distributors or members. The members are independent contractors. Eniva pays commissions on all domestic sales.

Note 7

Eniva intends to reject its lease and move to a different location on or before April 15th.

Note 8

Court approved counsel for Eniva and creditor's committee.

Note 9

Court approved financial advisor to the Debtor.

Note 10

Eniva intends to reject the facility lease in March 2011 and move on or before April 15th. Rent forecast assumes no rent payment until May 1.

Note 11

Eniva owes a \$15,550 payment for its worker's compensation insurance due in March with the balance paid over nine monthly payments of approximately \$4,000.

Note 12

The electricity utility service provider has agreed to accept one month's service as a deposit with electronic payment going forward. Eniva has negotiated with the service provide to make \$6,000 weekly payments to fund the deposit and pay current service provider invoices of approximately \$14,000 to \$18,000 each month.

Note 13

Wellspring will make equity contributions as needed to supplement cash flow and pay expenses per the Budget. Eniva projects a need for March contributions totaling approximately \$65,000.

Note 14

Andrew and Benjamin Baechler, the CEO and Treasurer of Eniva, have agreed to defer 100% of their March compensation until April to mitigate the impact of one time moving expenses on short term cash requirements.

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:

Case No. 11-41414

ENIVA USA, INC.,

Chapter 11

Debtor.

MEMORANDUM OF LAW

This memorandum of law is submitted in support of the Debtor's Motion for Interim and Final Orders Authorizing Use of Cash Collateral and Granting Adequate Protection. A preliminary hearing has been scheduled for **10:30 a.m. on March 9, 2011**. A final hearing is scheduled on **March 30, 2011 at 1:30 p.m.**

FACTS

The factual basis for this memorandum are set forth in the verified Motion and incorporated herein. All capitalized terms not defined herein have the meaning ascribed in the Motion.

LEGAL ARGUMENT

11 U.S.C. §363(c)(2) provides that a debtor may use cash collateral only with the consent of each entity that has an interest in such cash collateral, or if the court, after notice and a hearing, authorizes such use. Use of cash collateral must be restricted or conditioned as is necessary to provide adequate protection to any entity that has an interest in the property which the Debtor proposes to use. 11 U.S.C. §363(e). In this case, the Debtor proposes to use cash collateral through June 4, 2010, to the extent necessary to operate his business in the ordinary course according to the Budget attached to the Motion as Exhibit A. As adequate protection, the Debtor proposes to provide

replacement liens and reporting of information to secured parties. The Debtor also proposes to make certain interest payments to Home Federal.

The Eighth Circuit Court of Appeals has stated:

In any given case, the bankruptcy court must necessarily (i) establish the value of the secured creditor's interest, (ii) identify the risk to the secured creditor's value resulting from the debtor's request for use of cash collateral, and (iii) determine whether the debtor's adequate protection proposal protects value as nearly as possible against risks to that value consistent with the concept of indubitable equivalence.

In re Martin, 761 F.2d 472, 476-77 (8th Cir. 1985). The adequate protection offered by the Debtor satisfies the Bankruptcy Code requirements for adequate protection.

CONCLUSION

The Debtor respectfully requests that an order be entered granting his Motion authorizing the use of cash collateral in accordance with the terms of the Budget attached to the Motion and authorizing the Debtor to grant replacement liens as adequate protection as set forth in the Motion.

Dated: March 7, 2011

RAVICH MEYER KIRKMAN McGRATH
NAUMAN & TANSEY,
A PROFESSIONAL ASSOCIATION

By /e/ Michael F. McGrath #168610
Will R. Tansey #323056
Michael D. Howard #391164

4545 IDS Center
80 South Eighth Street
Minneapolis, MN 55402
Telephone: (612) 332-8511
Facsimile: (612) 332-8302

ATTORNEYS FOR DEBTOR

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re: Case No. 11-41414
ENIVA USA, INC., Chapter 11
Debtor.

UNSWORN CERTIFICATE OF SERVICE

I, Michael F. McGrath, declare under penalty of perjury that on March 7, 2011 I served copies of the attached:

1. Notice of Hearing and Motion for Expedited Hearing for Interim and Final Orders Authorizing Use of Cash Collateral and Granting Adequate Protection;
2. Memorandum of Law; and
3. Proposed Order Approving Interim and Final Orders Authorizing Use of Cash Collateral and Granting Adequate Protection;

were served by sending to each party a copy thereof as noted on the attached Service List.

Executed on: March 7, 2011

/e/ Michael F. McGrath, #168610

ELECTRONIC
ENIVA USA INC
ATTN ANDREW J. BAECHLER
1 ENIVA WAY
ANOKA MN 55303

ELECTRONIC
MICHAEL R. FADLOVICH
OFFICE OF US TRUSTEE
1015 US COURTHOUSE
300 SOUTH FOURTH STREET
MINNEAPOLIS, MN 55415

IRS DISTRICT COUNSEL
ATTN: OFFICER OR AGENT AUTHORIZED
TO ACCEPT SERVICE
380 JACKSON STREET, SUITE 650
ST. PAUL, MN 55101-4804

INTERNAL REVENUE SERVICE
ATTN: OFFICER OR AGENT AUTHORIZED
TO ACCEPT SERVICE
WELLS FARGO PLACE
30 E. SEVENTH STREET
MAIL STOP 5700
ST. PAUL, MN 55101

MN DEPARTMENT OF REVENUE
ATTN: OFFICER OR AGENT AUTHORIZED
TO ACCEPT SERVICE
COLLECTION ENFORCEMENT
551 BANKRUPTCY SECTION
PO BOX 64447
ST. PAUL, MN 55164

US ATTORNEY
ATTN: OFFICER OR AGENT AUTHORIZED
TO ACCEPT SERVICE
600 US COURTHOUSE
300 S. FOURTH STREET
MINNEAPOLIS, MN 55415

MINNESOTA DEPARTMENT OF REVENUE
C/O SALES & USE TAX PROCESSING
PO BOX 64622
ST. PAUL, MN 55164-0622

ELECTRONIC
HOME FEDERAL SAVINGS BANK
C/O RICHARD D. ANDERSON, ESQ.
BRIGGS AND MORGAN
80 S 8TH STREET, SUITE 2200
MINNEAPOLIS, MN 55402

VIA FEDERAL EXPRESS
DE LAGE LANDEN FINANCIAL SERVICES, INC.
ATTN: OFFICER OR AGENT AUTHORIZED
TO ACCEPT SERVICE
1111 OLD EAGLE SCHOOL ROAD
WAYNE, PA 19087

GREAT AMERICA LEASING CORPORATION
PO BOX 609
CEDAR RAPIDS, IA 52406

NORTHLAND CAPITAL FINANCIAL SERVICES, LLC
PO BOX 7278
ST. CLOUD, MN 56302

VIA FEDERAL EXPRESS
CISCO SYSTEMS CAPITAL CORPORATION
170 W. TASMAN DRIVE MS SJ13-3
SAN JOSE, CA 95134

ELECTRONIC
DAVE F. SENGER, ESQ.
MOSS & BARNETT
4800 WELLS FARGO CENTER
90 SOUTH SEVENTH STREET
MINNEAPOLIS MN 55402

PLOOSTER, LOWELL
16845 NINTH AVENUE NORTH
PLYMOUTH MN 55447

VIA FEDERAL EXPRESS
SWEDZINSKI, ROGER
713 HATHAWAY ROAD
FORT WAYNE IN 46845

VIA FEDERAL EXPRESS
US BANK
1010 S 7TH STREET EP-MN-TTGL
MINNEAPOLIS, MN 55415

VIA FEDERAL EXPRESS
JOHN LEAF
22428 HOLLER HILL
WINONA MN 55987

VIA FEDERAL EXPRESS
PETE WOODWORTH
702 MAIN STREET
WINONA MN 55987

VIA FEDERAL EXPRESS
UPS CORPORATE HEADQUARTERS
55 GLENLAKE PARKWAY NE
ATLANTA, GA 30328

VIA FEDERAL EXPRESS
FLAMM WALTON PC
794 PENNLLYN PIKE
BLUE BELL PA 19422

ELECTRONIC
ANDREW L. NELSON, ESQ.
FOLEY & LARDNER LLP
150 EAST GILMAN STREET
MADISON WI 53703

ELECTRONIC
RSM McGLADREY, INC.
ATTN: MICHAEL NELSON
801 NICOLLET AVENUE, 11TH FL
MINNEAPOLIS, MN 55402

VIA FEDERAL EXPRESS
McGLADREY & PULLEN LLP
5155 PAYSPPHERE CIRCLE
CHICAGO IL 60674

March 2, 2011

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:

Case No. 11-41414

ENIVA USA, INC.,

Chapter 11

Debtor.

**ORDER AUTHORIZING INTERIM USE OF CASH COLLATERAL
AND GRANTING ADEQUATE PROTECTION**

This matter came on for preliminary hearing on the Debtor's Motion for Expedited Hearing for Interim and Final Orders Authorizing Use of Cash Collateral and Granting Adequate Protection. Michael F. McGrath appeared for the Debtor and other appearances were noted in the record. Based on the pleadings, testimony and arguments of counsel, and having determined that the Debtor's offer of adequate protection constitutes adequate protection of the secured parties' interests under 11 U.S.C. §§ 361 and 363,

IT IS HEREBY ORDERED:

1. The Debtor's Motion is granted.
2. The Debtor's request for expedited relief is granted.
3. The Debtor is authorized to use cash collateral in accordance with the terms of the Budget filed in support of the Motion through March 30, 2011 in an amount not to exceed \$982,426.
4. The Debtor is authorized and directed to grant adequate protection to each of the lenders on the terms as set forth in the Motion. The replacement liens granted by the Debtor to

each of the lenders shall have the same dignity, priority and effect as the respective lender's prepetition interest, if any.

5. The final hearing authorizing use of cash collateral through June 4, 2011 will be held on **March 30, 2011 at 1:30 p.m.**

Dated:

Robert J. Kressel
United States Bankruptcy Judge