



SO ORDERED.

SIGNED this 15 day of July, 2026.

A handwritten signature in blue ink, reading "David M. Warren".

David M. Warren
United States Bankruptcy Judge

IN THE UNITED STATES BANKRUPTCY COURT FOR
THE EASTERN DISTRICT OF NORTH CAROLINA
WILMINGTON DIVISION

In re:	
ELECTRONIC LAB LOGS, INC.,	CASE NO. 26-02957-5-DMW
DEBTOR	CHAPTER 11
INTERIM ORDER (I) AUTHORIZING DEBTOR TO OBTAIN POST-PETITION FINANCING, (II) AUTHORIZING USE OF CASH COLLATERAL, (III) GRANTING LIENS AND SUPER-PRIORITY CLAIMS, (IV) GRANTING ADEQUATE PROTECTION TO LENDERS, AND (V) RELATED RELIEF	

This matter came before the Court on July 9, 2026, to consider the Motion For Entry Of Interim And Final Orders (I) Authorizing Debtor To Obtain Post-Petition Financing, (II) Authorizing Use Of Cash Collateral, (III) Granting Liens And Super-Priority Claims, (IV) Granting Adequate Protection To Lenders, And (V) Related Relief (the “Motion”) filed by Electronic Lab Logs, Inc. (the “Debtor”), by and through counsel, pursuant to sections 363 and 364 of title 11 of the United States Code, 11 U.S.C. §§ 101 et seq. (the “Bankruptcy Code”), and in accordance with Rule 4001 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”).

Based upon the evidence presented, the official record, and the comments of counsel, the Court makes the following findings of fact and conclusions of law:

1. The Debtor filed a voluntary petition seeking relief under Subchapter V of Chapter 11 of 11 U.S.C. §§ 101, *et seq.* (the “Bankruptcy Code”) on July 1, 2026 (the “Petition Date”). The Debtor continues in possession of its assets as a debtor-in-possession.

2. The Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334 and has statutory and constitutional authority to hear and determine and to issue final rulings in this constitutionally core proceeding under 28 U.S.C. § 157(b)(2). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The Motion was filed on all parties required to receive such notice, and no objections were filed.

4. The Debtor is a SaaS company located in Wilmington NC that helps labs through the use of its LabLogs software platform, which allows users to track all required Preventative Maintenance and Quality Control tasks electronically, thereby helping labs remain fully compliant for all audits (the “Business”).

5. Prior to the Petition Date, the Debtor obtained a series of loans (collectively, the “Bridge Loans”) from Rockmont Growthtech Fund I, LP and Rockmont Growthtech Fund I QP, LP (together, the “Lenders”), summarized as follows:

a. Rockmont Growthtech Fund I, LP made two loans: (i) \$101,500 on March 25, 2025, and (ii) \$60,900 on May 5, 2026. The aggregate amount

outstanding on these two loans is approximately \$176,226.25 as of June 30, 2026.

b. Rockmont Growthtech Fund I QP, LP made two loans: (i) \$898,500 on March 25, 2025, and (ii) \$539,100 on May 5, 2026. The aggregate amount outstanding on these two loans is approximately \$1,559,992.93 as of June 30, 2026.

6. The Bridge Loans are secured by a blanket lien upon all or substantially all the assets of the Debtor, the estimated value of which is estimated by the Debtor to be approximately equal to the aggregate amount outstanding on the Bridge Loans.

7. The Debtor's assets are not subject to any other liens or interests.

Post-Petition Financing

8. The Debtor holds title to its assets but appears to have little if any existing equity to offer as collateral to secure additional financing, and the ongoing business operations are insufficient to service the existing debt or pay the costs incurred to continue operating the Business.

9. The Debtor reports a prepetition attempt to obtain additional investment funds from existing shareholders, but the Debtor's proposal was not accepted by parties holding a sufficient number of shares in the various classes of preferred and common shares.

10. The Debtor appears to have no ability to obtain credit and financing from third-party sources, whether on a secured or unsecured basis, other than from

the Lenders who are willing to provide post-petition financing on the terms set forth below to further the Debtor's attempt to reorganize.

11. The business operations require ongoing expenditures to meet current operational expenses, and to implement changes to the Debtor's proprietary software which forms the basis for the business and future operations, all of which are necessary to preserve the business as a going concern pending confirmation of a plan of reorganization.

12. Absent approval of the requested financing, the Debtor will be unable to preserve and protect its assets during the Chapter 11 case, pay the costs incurred to continue operating the Business, or fund other costs of administration such as professional fees and court fees.

Post-Petition Financing

13. Section 364 of the Bankruptcy Code provides that if the Debtor is unable to obtain unsecured credit as an administrative expense, the Court may authorize the obtaining of credit or the incurring of debt (i) with priority over any or all administrative expenses of the kind specified in section 503(b) or 507(b), (ii) secured by a lien on property of the estate that is not otherwise subject to a lien, (iii) secured by a junior lien on property of the estate that is subject to a lien, and (iv) secured by a senior lien on property of the estate that is subject to a lien.

14. The Lenders have offered to provide post-petition debtor-in-possession financing (the "DIP Loan"), subject to approval by the Court, on the following terms:

a. The maximum amount to be advanced, absent further agreement and approval by the Court, is \$1,000,000.00.

b. Amounts advanced to the Debtor will bear interest at the rate of fifteen percent (15%) until paid in full.

c. No origination or similar fees will be charged, but the Debtor shall bear any costs of recording a financing statement and similar closing costs.

d. All outstanding principal and interest shall be due and payable on or before the earlier of (i) December 31, 2026, (ii) the effective date of any confirmed plan, (iii) conversion to Chapter 7, or (iv) dismissal of the case.

e. The DIP Loan will be evidenced by a Secured Promissory Note, a copy of which is attached to the Motion as **Exhibit A**, modified to conform to the terms of this Order.

f. The DIP Loan will be secured by a Security Agreement, a copy of which is attached to the Motion as **Exhibit B**, modified to conform to the terms of this Order.

g. The DIP Loan will (i) be secured by a lien on property of the estate that is not otherwise subject to a lien, and (ii) be secured by a first lien on all assets of the estate, excluding causes of action which may be brought by the Debtor pursuant to Chapter 5 of the Bankruptcy Code (“Bankruptcy Causes of Action”) or the proceeds thereof.

15. The Lenders, as holders of the existing Bridge Loans, have agreed to subordinate their existing liens securing the Bridge Loans to the new liens to be granted by the Debtor to secure the DIP Loan.

16. The terms of the financing, as summarized in the Motion and herein, are fair and reasonable, reflect the Debtor's exercise of prudent business judgment consistent with its fiduciary duties and constitute reasonably equivalent value and fair consideration.

17. The proposed financing is an exercise of sound and reasonable business judgment, no alternative financing is available, the proposed financing is in the best interests of the estate and its creditors, and no better proposals are before the Court.

Use of Cash Collateral

18. As stated in the Motion, the Lenders are holders of the Bridge Loans evidencing indebtedness in the aggregate amount of \$1,736,219.18, secured by a lien upon substantially all the assets of the estate, including accounts receivable, licenses, software and intellectual property, and the proceeds thereof.

19. Section 363(c)(2) of the Bankruptcy Code provides that a debtor may not use, sell, or lease cash collateral unless: "(a) each entity that has an interest in such cash collateral consents; or (b) the court, after notice and a hearing, authorizes such use, sale, or lease in accordance with the provisions of this section."

20. Additionally, section 363(e) of the Bankruptcy Code provides that "on request of an entity that has an interest in property . . . proposed to be used, sold, or leased, by the trustee, the court, with or without a hearing, shall prohibit or condition such use, sale or lease as is necessary to provide adequate protection of such interest."

21. The Debtor is requesting authority to use the full amount of the Lenders' cash collateral for the purposes and amounts set forth in the DIP Budget, a copy of which is attached hereto and incorporated by reference.

22. In addition to consenting to the senior/priming lien to secure the DIP Loan, the Lenders have consented to the use of their cash collateral to pay operating expenses pursuant to a DIP Budget acceptable to the Debtor and the Lenders, subject to the granting of the adequate protection and the other provisions set forth in this Interim Order.

Need for Interim Relief

23. Pending the Final Hearing, the Debtor requires the DIP Loan and immediate use of cash collateral for, among other things, the management of the assets and other working capital needs. It is essential that the Debtor maintain the value of the assets and pay for ordinary, post-petition operating expenses, in accordance with the DIP Budget.

24. Absent the DIP Financing and immediate use of cash collateral, the Debtor will be unable to pay ongoing post-petition expenses. Accordingly, if interim relief is not obtained, the Debtor's assets will be immediately and irreparably jeopardized, to the detriment of the estate, creditors and other parties-in-interest.

25. The Debtor requests that, pending the Final Hearing, the Court authorize post-petition financing and the use of cash collateral, in accordance with and pursuant to the terms and conditions contained in this Interim Order.

26. Further, the Debtor requests that the Court (i) set a date for the Final Hearing, (ii) fix the time and date prior to the Final Hearing for parties to file objections to this Motion, and (iii) waive the fourteen-day stay imposed by Bankruptcy Rule 4001(a)(3).

Based on the record before the Court, the terms of the proposed financing have been negotiated at arms' length and in "good faith" as that term is used in section 364(e), and are in the best interests of the Debtor, its estate and creditors. The Lenders are entitled to a finding of "good faith" pursuant to section 364(e) and entitled to the full protection and benefits of the provisions of section 364(e) in the event this Order, or any provision thereof is vacated, reversed, or modified, on appeal or otherwise.

It is in the best interests of the bankruptcy estate that the Debtor be allowed to obtain the proposed financing and use cash collateral, upon the bases and subject to the limitations, terms and conditions set forth herein. The relief requested by the Motion is necessary to avoid immediate and irreparable harm to the Debtor and the bankruptcy estate, and good, adequate and sufficient cause has been shown to justify the granting of the relief requested herein, and the entry of this Order.

Based upon the foregoing, it is hereby ORDERED as follows:

1. The Motion is granted as provided herein.

2. The Debtor is authorized to obtain the post-petition financing as set forth above, including but not limited to the following actions:

- a. Execute all documentation necessary to consummate the transaction.
- b. Borrow funds, incur debt and reimbursement obligations up to the aggregate amount shown in the DIP Budget for July 2024, and grant liens necessary to implement, evidence and secure the post-petition financing.

3. The Debtor is authorized to use cash collateral subject to the DIP Budget in accordance with the terms of this Interim Order. During the period this Interim Order is in effect, the Debtor is authorized to make expenditures for expenses as outlined in the DIP Budget, and the Debtor is further authorized to make additional expenditures, not to exceed ten percent (10%) of the aggregate monthly expenditures on a cumulative basis, should the need arise.

4. As adequate protection for the use of the Lenders' cash collateral, the Lenders are granted a lien upon post-petition accounts and the proceeds thereof, subordinate however to the lien securing the DIP Loan, but only to the extent of any diminution in the value of the Lenders' respective interests in their prepetition collateral, including cash collateral.

5. Notwithstanding any suspension or termination of the right to borrow funds under the DIP Loan or use cash collateral (a "Termination Date"), there shall be carved out from collateral or any replacement collateral an aggregate amount necessary to pay all Permitted Trailing Expenses. As used herein, the term

“Permitted Trailing Expenses” shall mean, on the Termination Date, the costs of operating and preserving the estate, including (i) allowed administrative fees, costs, or expenses, to the extent incurred post-petition and prior to such Termination Date, and (ii) other costs of operating and preserving the estate, but in the aggregate amount not to exceed one hundred ten percent (110%) of the aggregate amounts on a cumulative basis as set forth in the DIP Budget through such Termination Date.

6. In the event the Debtor fails to comply with the requirements set forth hereinabove, or if the Lenders, the Bankruptcy Administrator or any Committee subsequently appointed has any objection to any of the items paid or provided for as set forth in the monthly reports or other reports of operations filed or furnished by the Debtor, or objects to a proposed budget or to a specific manner in which cash collateral is being used, then said party may, upon five (5) business days’ notice to (i) the Debtor, (ii) Debtor’s counsel, (iii) counsel for the Committee, or if no committee has been appointed, the 20 largest unsecured creditors of the Debtor as reflected in the Debtor’s Schedules, and (iv) the Bankruptcy Administrator, on an expedited basis seek (i) an order of the Bankruptcy Court restraining such payments or usage as not being in conformity with this Motion; or (ii) an Order terminating further authority to borrow or use cash collateral altogether.

7. This Order shall remain in full force and effect until the earlier of (a) entry of an Order by the Court modifying the terms of this Order, (b) entry of an Order by the Court terminating the right to borrow or use cash collateral, (c) the

effective date of any confirmed plan, (d) conversion to Chapter 7, or (e) dismissal of the case.

8. If any or all of the provisions of this Order are hereafter reversed, modified, vacated or stayed, such reversal, modification, vacation or stay shall not affect (i) the validity of any obligations incurred pursuant to the Order or the loan documents, or (ii) the validity or enforceability of any claim or priority authorized or created hereby or pursuant to the loan documents with respect to such obligations. Notwithstanding any such reversal, modification, vacation or stay, any obligations by the Debtor pursuant to this Order shall be governed in all respects by the provisions of this Order and the loan documents, and the Lenders shall be entitled to all of the rights, remedies, protections and benefits granted under section 364(e) of the Bankruptcy Code, this Order and the loan documents.

9. The terms of this Order shall be binding upon any Committee (if formed), and upon any trustee subsequently appointed, including but not limited to a Chapter 11 trustee or a Chapter 7 trustee upon conversion of this case to a case under Chapter 7 of the Bankruptcy Code. In the event that any provision of this Order conflicts with any term of the loan documents, the terms and provisions of this Order shall govern and control.

10. This Court shall retain jurisdiction for the purpose of enforcing the claims, liens and security interests bestowed by the loan documents and described

herein, as well as any and all disputes regarding the construction and interpretation of the terms and provisions set forth in this Order.

11. Subject to the foregoing, the findings, conclusions, or orders set forth herein are made on an interim basis, shall not constitute a final decision on any legal or factual issue, and are without prejudice to the right of any party to raise, contest, or seek the same or a different outcome at any subsequent hearing.

12. A further hearing (which may be a final hearing) on the Motion will be held at 2:00 p.m. (Eastern) on July 28, 2026, at the Third Floor Courtroom, 300 Fayetteville St., Raleigh, NC, at which time the Court will further consider the Motion.

13. Any objections to the relief granted herein or to the entry of a further or final Order shall be made in writing, filed with the Court, and served on counsel for the Debtor at least three (3) days prior to such further hearing.

14. Counsel for the Debtor shall serve a copy of this Order upon all parties in interest and shall file a certificate of such service with the Clerk.

[End of Document]

MONTHLY BUDGET — CONTINUED OPERATIONS					
(\$)	Jul-26	Aug-26	Sep-26	Oct-26	Total
Revenue					
Cash Receipts on Recurring Revenue	\$57,920	\$47,873	\$56,511	\$46,088	\$208,391
One-Time Revenue	-	-	-	-	-
Total Revenue	\$57,920	\$47,873	\$56,511	\$46,088	\$208,391
Cost of Goods Sold					
COGS – Salaries & Benefits	\$22,217	\$22,217	\$22,217	\$33,325	\$99,975
Hosting (AWS)	\$14,871	\$14,871	\$14,871	\$14,871	\$59,484
COGS – Other Software	\$1,185	\$1,185	\$1,185	\$1,185	\$4,741
Total COGS	\$38,273	\$38,273	\$38,273	\$49,381	\$164,199
Gross Margin	\$19,647	\$9,600	\$18,238	(\$3,293)	\$44,192
<i>Gross Margin %</i>	<i>33.9%</i>	<i>20.1%</i>	<i>32.3%</i>	<i>-7.1%</i>	<i>21.2%</i>
Operating Expenses					
R&D – Salaries & Benefits	\$22,598	\$22,598	\$22,598	\$33,897	\$101,691
R&D – Outside Contractors	\$250,000	\$100,000	\$100,000	\$100,000	\$550,000
Total Research & Development	\$272,598	\$122,598	\$122,598	\$133,897	\$651,691
S&M – Salaries & Benefits	\$27,752	\$27,752	\$27,752	\$41,628	\$124,884
S&M – Software	\$1,753	\$1,753	\$1,753	\$1,753	\$7,013
S&M – Travel (conference, one-time)	\$20,000	-	-	-	\$20,000
<i>S&M – Advertising & Travel</i>	<i>\$7,000</i>	<i>\$7,000</i>	<i>\$7,000</i>	<i>\$7,000</i>	<i>\$28,000</i>
Total Sales & Marketing	\$56,505	\$36,505	\$36,505	\$50,381	\$179,897
G&A – Salaries & Benefits	\$7,434	\$7,434	\$7,434	\$11,150	\$33,451
CEO / Chief of Staff Salary	\$19,231	\$19,231	\$19,231	\$28,846	\$86,538
CEO / Chief of Staff Benefits	\$2,885	\$2,885	\$2,885	\$4,327	\$12,981
G&A – Outside Contractors	-	-	-	\$54,400	\$54,400
G&A – Software	\$3,940	\$3,940	\$3,940	\$3,940	\$15,761
Insurance	-	-	\$8,000	-	\$8,000
Legal & Professional (ongoing)	-	-	-	\$40,000	\$40,000
Restructuring & Bankruptcy Professional Fees	-	-	-	\$80,000	\$80,000
Merchant Fees	\$439	\$439	\$439	\$439	\$1,758
Rent	\$2,253	\$2,253	\$2,253	\$2,253	\$9,013
G&A – Office Supplies	\$1,431	\$1,431	\$1,431	\$1,431	\$5,724
<i>G&A – Travel & Other (cut)</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Total G&A	\$37,613	\$37,613	\$45,613	\$226,787	\$347,627
Total Operating Expenses	\$366,716	\$196,716	\$204,716	\$411,066	\$1,179,214
EBITDA	(\$347,069)	(\$187,116)	(\$186,478)	(\$414,359)	(\$1,135,023)
Interest Expense	(\$700)	(\$700)	(\$700)	(\$700)	(\$2,800)
Net Income / (Loss)	(\$347,769)	(\$187,816)	(\$187,178)	(\$415,059)	(\$1,137,823)
<i>Memo: Monthly Net Cash Burn / (Surplus)</i>	<i>\$347,769</i>	<i>\$187,816</i>	<i>\$187,178</i>	<i>\$415,059</i>	<i>\$1,137,823</i>
<i>Memo: Cumulative Cash Burn</i>	<i>\$347,769</i>	<i>\$535,585</i>	<i>\$722,764</i>	<i>\$1,137,823</i>	