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IT IS SO ORDERED.



Jeffery P. Hopkins
Jeffery P. Hopkins
United States Bankruptcy Judge

Dated: March 17, 2011

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF OHIO
WESTERN DIVISION

In re:) Chapter 11
)
GLC LIMITED,) Case No. 11-11090
)
Debtor.) Honorable Jeffery P. Hopkins
)
) Related Docket No. 9

FINAL ORDER (A) AUTHORIZING USE OF CASH COLLATERAL; (B) GRANTING ADEQUATE PROTECTION; AND (C) GRANTING RELATED RELIEF

THIS MATTER is before this Court upon the *Emergency Motion of the Debtor for Entry of Interim and Final Orders (A) Authorizing Use of Cash Collateral; (B) Granting Adequate Protection; and (c) Granting Related Relief* (Docket No. 9) (the “**Motion**”)¹ filed on February 28, 2011 by GLC Limited (the “**Debtor**”). Upon consideration of the Motion and all matters brought to this Court’s attention at the final hearing, which was held on March 14, 2011 (the “**Final Hearing**”), and after due deliberation and consideration, this Court hereby finds:

¹ Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

A. On February 28, 2011 (the “**Petition Date**”), the Debtor commenced this case by filing a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”). The Debtor is operating its business as a debtor-in-possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

B. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a “core” proceeding within the meaning of 28 U.S.C. §157(b)(2). The statutory predicates for the relief sought herein are, without limitation, sections 105, 361 and 363 of the Bankruptcy Code and Rule 4001(b) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”). Venue of this chapter 11 case in this District is proper pursuant to 28 U.S.C. §§1408 and 1409.

C. No trustee or examiner has been appointed in this chapter 11 case. On March 4, 2011, the Official Committee of Unsecured Creditors of the Debtor (the “**Committee**”) was formed and retained proposed counsel, subject to Court approval.

D. On March 8, 2011, this Court entered an *Interim Order (A) Authorizing Use of Cash Collateral; (B) Granting Adequate Protection; and (C) Granting Related Relief* (the “**Interim Order**”) (Docket No. 50), which authorized the Debtor to use the Cash Collateral (as defined hereafter) through the entry of this Final Order.

E. Notice of the Final Hearing and the relief requested in the Motion has been given to (i) the Office of the United States Trustee for the Southern District of Ohio (the “**U.S. Trustee**”), (ii) the Debtor’s 20 largest unsecured creditors; (iii) the Alleged Pre-Petition Lien Holders (as defined hereafter); (iv) proposed counsel for the Committee; (v) counsel for Gregory and Linda Crabtree; and (vi) any governmental unit listed in the Clerk’s Register of Federal and State Governmental Units as described in Local Rule 5003-1. Under the circumstances, such

notice of the Final Hearing and the relief requested in the Motion constitutes adequate and sufficient notice under, without limitation, sections 105, 361 and 363 of the Bankruptcy Code, and Bankruptcy Rules 2002 and 4001, and no other notice need be given.

F. As further described in the Motion and Exhibit A attached thereto, certain parties have asserted liens against certain pre-petition assets of the Debtor (the “**Alleged Pre-Petition Liens**”). The Alleged Pre-Petition Liens include, in sum, (i) certain liens asserted by judgment holders; and (ii) certain liens asserted by various taxing authorities (the “**Alleged Pre-Petition Lien Holders**”).

G. The Debtor has requested authorization to use cash collateral (the “**Cash Collateral**”) to pay for expenses incurred by the Debtor in the ordinary course of business and in connection with this chapter 11 case, as further described in the Motion.

H. The Debtor’s need for use of the Cash Collateral is immediate, and the Debtor has requested immediate entry of this Final Order. In the absence of entry of this Final Order and further authority to use the Cash Collateral, the continued operation of the Debtor’s businesses would not be possible, causing serious and irreparable harm to the Debtor and its estate.

I. This Court concludes that entry of this Final Order is in the best interests of the Debtor’s estate and creditors as its implementation will, among other things, provide the Debtor with the necessary liquidity to sustain the operation of the Debtor’s businesses. If the Debtor is not able to use the Cash Collateral as provided herein, it may be unable to fund operating expenses and expenses in connection with this chapter 11 case that are necessary to maintain the value of the Debtor’s estate and to enable the Debtor to attempt to maximize recoveries for all parties in interest.

Based upon the foregoing findings and conclusions, and good and sufficient cause appearing therefore, it is hereby **ORDERED, ADJUDGED AND DECREED** that:

1. The Motion is hereby granted, subject to the terms and conditions set forth in this Final Order. This Final Order is immediately valid and fully effective upon its entry.

2. The Debtor is authorized to use the Cash Collateral, subject to the terms and conditions set forth in this Final Order.

3. The Debtor may use the Cash Collateral to pay the expenses incurred by the Debtor in the ordinary course of business and in connection with this chapter 11 case, as outlined in the budget (the “**Budget**”) attached hereto as Schedule A.

4. The Debtor is authorized to amend and/or extend the Budget at any time (each, an “**Amendment**”) and any such Amendment shall not require approval by this Court to be effective. Notice of any such Amendment shall be filed with this Court and served on all parties entitled to notice in accordance with Bankruptcy Rule 4001(b). Following the filing of such notice of an Amendment (the “**Amendment Notice**”), the Committee or the U.S. Trustee may contest such Amendment by filing a motion (the “**Budget Amendment Challenge**”) with this Court within five (5) business days of the filing of the Amendment Notice. The timely filing and service of a Budget Amendment Challenge will temporarily stay the Amendment. Subject to the convenience of this Court’s calendar, the hearing on any Budget Amendment Challenge shall be within five (5) business days of the Committee or the U.S. Trustee’s filing of the Budget Amendment Challenge. If a Budget Amendment Challenge is not timely filed and served and the hearing is not timely sought, or if the relief sought in the Budget Amendment Challenge is denied, such Amendment shall become immediately effective.

5. As adequate protection for the Debtor's use of the Cash Collateral, to the extent of any actual diminution in value of any Alleged Pre-Petition Lien Holder's interest in its pre-petition collateral as a result of the Debtor's use of the Cash Collateral, such Alleged Pre-Petition Lien Holder is hereby granted replacement liens in the Debtor's post-petition assets to the extent that the post-petition assets are the same as the pre-petition collateral that is allegedly encumbered by the Alleged Pre-Petition Liens and further provided that such Alleged Pre-Petition Lien Holder had a valid, properly perfected, enforceable and non-avoidable lien in and to the Debtor's assets prior to the Petition Date (the "**Replacement Liens**"). Any Replacement Lien shall only extend to those assets of the Debtor that were specifically encumbered pre-petition by the applicable Alleged Pre-Petition Lien and shall not extend to any other asset of the Debtor not previously encumbered pre-petition by such applicable Alleged Pre-Petition Lien. The Replacement Liens shall be subject to all other validly and properly perfected, pre-petition liens in favor of third parties. The Replacement Liens shall have the same priority with respect to post-petition assets as the liens have with respect to pre-petition assets.

6. The Replacement Liens shall constitute sufficient adequate protection for the Alleged Pre-Petition Lien Holders under sections 361 and 363 of the Bankruptcy Code.

7. Notwithstanding any other provision in the Interim Order or this Final Order, this Court makes no determination as to the amount, extent, validity, perfection, priority and/or enforceability of the Alleged Pre-Petition Liens. Further, nothing contained in the Interim Order or this Final Order shall be construed as a concession or admission by the Debtor that the Alleged Pre-Petition Liens are valid and enforceable against the Debtor.

8. This Final Order is not intended nor shall it be construed as a waiver or limitation in any way by the Debtor of any rights or remedies under the Bankruptcy Code or other

applicable law which it may have, nor shall this Final Order limit the Debtor's right to request use of the Cash Collateral in the future.

9. The Debtor shall be authorized to use the Cash Collateral to pay all fees payable to the United States Trustee under 28 U.S.C. § 1930 as and when due.

10. Subject to further orders of this Court upon interim and final fee applications under sections 330 and 331 of the Bankruptcy Code, the Debtor is authorized to use the Cash Collateral to compensate retained professional persons pursuant to any duly executed order of this Court.

11. Except as otherwise provided herein, or as otherwise ordered by this Court, the terms of this Final Order shall be valid and binding upon the Debtor, all of its creditors, and all other parties in interest from and after the date of this Final Order.

12. The relief granted in this Final Order is effective *nunc pro tunc* to the Petition Date.

13. Rule 4001-2(b)(4) of the Local Rules is hereby waived and such documents shall be made available by the Debtor, upon request, and if in the Debtor's possession.

14. The requirement set forth in Rule 9013-1 of the Local Rules that any motion or other request for relief be accompanied by a memorandum of law is hereby deemed satisfied by the contents of the Motion or otherwise waived.

SO ORDERED.

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Copies to: Default List plus Additional Parties:

Frank DeBorde
Morris, Manning & Martin, LLP
1600 Atlanta Financial Center
3343 Peachtree Road, NE
Atlanta, Georgia 30326

L. David Duffield
Duffield, Lovejoy & Stemple, PLLC
522 9th Street
Huntington, WV 25710

CINLibrary 0121049.0583831 2268937v1

SCHEDULE A

GLC Limited - Sales Agent		Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Total	
Projected cash flow budget (2)		3/19/11	3/26/11	4/2/11	4/9/11	4/16/11	4/23/11	4/30/11	5/7/11	5/14/11	5/21/11	5/28/11	6/4/11	6/11/11	6/18/11	6/25/11	7/2/11	7/9/11	7/16/11	7/23/11	Total
For the week ending																					
Cash Inflow Detail																					
Sales		48,000	48,000	48,000	100,000	125,000	275,000	275,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	450,000	400,000	400,000	350,000	300,000	4,685,000
Other income		-	-	-	250,000	-	50,000	-	-	-	65,000	-	-	-	-	-	-	-	45,000	-	410,000
Total Inflows		48,000	48,000	48,000	350,000	125,000	325,000	275,000	250,000	250,000	315,000	250,000	250,000	250,000	250,000	450,000	400,000	400,000	395,000	300,000	5,095,000
Cash Outflow Detail																					
Payroll		-	21,000	-	19,500	-	2,000	-	2,000	-	2,000	-	2,000	-	2,000	-	2,000	-	2,000	1,000	80,763
Merchandise		2,250	4,250	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,700
Rent & lease		150	1,000	16,700	-	1,000	16,700	-	1,000	-	1,000	-	1,000	-	1,000	-	6,500	-	-	5,800	90,302
Vehicles & equipment loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities, including internet & phone		6,520	4,765	-	4,100	4,765	1,483	-	1,500	-	100	-	333	1,500	-	-	-	-	1,500	-	29,490
Taxes (Sales, Property, B&O)		6,795	1,150	333	-	-	6,500	-	-	-	4,500	-	-	-	-	4,500	-	-	-	-	18,400
Insurance		-	-	6,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	29,000
Contractor labor		-	-	-	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	18,000	18,000	15,000	12,000	10,000	10,000	5,000	3,500	283,500
Sales Consultant		-	-	-	12,000	15,000	33,000	33,000	30,000	30,000	30,000	30,000	30,000	27,000	30,000	54,000	48,000	48,000	42,000	36,000	528,000
US Trustee Fee's		-	-	-	4,875	-	-	-	-	-	-	-	-	-	-	-	4,875	-	-	-	10,789
Professional fees (1)		27,500	32,375	27,500	29,650	28,400	28,400	28,400	28,400	28,400	28,400	28,400	28,400	28,400	15,000	15,000	15,000	15,000	15,000	15,000	517,625
CRO Salary & Expenses (1)		10,200	10,200	10,200	9,850	8,850	8,100	8,850	6,800	6,800	6,250	6,250	5,750	5,750	3,150	3,150	3,150	3,150	3,150	3,150	143,550
Committee fees & expenses (1)		10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	210,000
Other		1,470	1,080	500	1,700	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	20,725
Total Outflows		64,885	85,820	71,733	111,575	91,250	120,390	128,683	101,700	101,200	104,750	102,183	102,183	95,650	75,650	100,150	100,957	86,650	79,150	78,450	1,974,776
Cash flow		(16,885)	(37,820)	(23,733)	238,425	33,750	196,317	148,300	148,800	148,850	210,250	147,817	147,817	129,350	174,350	349,850	299,043	313,350	315,850	221,550	3,123,224
Cash Remaining (at end of week)		(5,685)	(43,505)	(67,238)	171,187	204,937	359,547	555,864	704,164	852,964	1,001,814	1,212,064	1,359,881	1,489,231	1,663,581	2,013,431	2,312,474	2,625,824	2,941,674	3,163,224	-
Starting cash:																					

(1) All professional fees & expenses are subject to Bankruptcy Court approval
(2) Projected incoming and outgoing cash