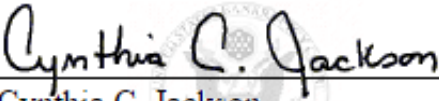


ORDERED.

Dated: September 12, 2019


Cynthia C. Jackson
United States Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION
www.flmb.uscourts.gov

In re:

JRND LLC

Debtor.

Case No.: 6:19-bk-00774-CCJ

Chapter 11

EIN: 81-1819909

**AGREED ORDER DENYING IN PART AND GRANTING IN PART
KAPITUS SERVICING, INC.'S MOTION TO PROHIBIT USE OF CASH
COLLATERAL AND PROHIBIT DEBTOR'S USE OF NON-ESTATE PROPERTY**

This case came on for hearing on July 25, 2019, at 2:00 pm, to consider Kapitus Servicing, Inc.'s ["KSI"] Motion to Prohibit Use of Cash Collateral and Prohibit Debtor's Use of Non-Estate Property [the "Motion"] (Doc. No. 36). For the reasons stated in Court, and being advised of the Agreement of the parties, it is

ORDERED:

1. The Motion is denied in part and granted in part.
2. KSI's request to prohibit Debtor's use of cash collateral and prohibit Debtor's use of non-estate property is denied without prejudice.
3. KSI's request for adequate protection of its interest in the Debtor's interest in the cash collateral is granted. As adequate protection for the interest of KSI in the Collateral,

(consisting of all personal property assets, including, without limitation, accounts, accounts receivable, cash, goods, chattel paper, inventory, equipment, instruments, documents, deposit accounts, general intangibles, investment property, and other property), commencing on August 1, 2019, and on the first (1st) day of each month thereafter, with a two (2) day grace period (the “Payment Due Date”), the Debtor shall pay to KSI the sum of \$3,500.00. Payments shall continue through the effective date of any confirmed plan of reorganization. All payments shall be made payable to Kapitus Servicing, Inc., c/o J. Ryan Yant, Esquire, CARLTON FIELDS, P.O. Box 3239, Tampa, FL 33601-3239.

4. Cash Collateral Authorization. Subject to the provisions of this order, the Debtor is authorized to use cash collateral to pay: (a) amounts expressly authorized by this Court, including payments to the United States Trustee for quarterly fees; (b) the current and necessary expenses set forth in the budget attached as Exhibit A, plus an amount not to exceed ten (10) percent for each line item; and (c) such additional amounts as may be expressly approved in writing by KSI. This authorization will continue until further order of the Court. Except as authorized in this order, the Debtor is prohibited from use of cash collateral. However, expenditures in excess of the line items in the budget or not on the budget will not be deemed to be unauthorized use of cash collateral, unless the recipient cannot establish that the expense would be entitled to administrative expense priority if the recipient had extended credit for the expenditure.

5. Debtor Obligations. Debtor shall timely perform all obligations of a debtor-in-possession required by the Bankruptcy Code, Federal Rules of Bankruptcy Procedure, and the orders of this Court.

6. Access to Records and Premises. Upon reasonable notice, and provided that it does not unreasonably interfere with the business of Debtor, Debtor shall grant to KSI access to Debtor's business records and premises for inspection.

7. Replacement Lien. Each creditor with a security interest in cash collateral shall have a perfected post-petition lien against cash collateral to the same extent and with the same validity and priority as the prepetition lien, without the need to file or execute any document as may otherwise be required under applicable non bankruptcy law.

As additional adequate protection for the use of Cash Collateral and for any diminution in value of the Prepetition Collateral and post-petition interest, costs, and fees ("Post-petition Indebtedness"), and as security of the Post-petition Indebtedness, KSI is granted a valid, perfected, unavoidable lien upon, and security interest in, to the extent and in order of priority of any valid lien pre-petition, all cash or other proceeds generated post-petition by the Prepetition Collateral. KSI's liens against Debtor's Cash Collateral shall extend to any account holding such Cash Collateral, regardless of whether KSI has control over such account, and encumbers any Cash Collateral held in debtor-in-possession accounts required by applicable law. KSI shall have a perfected post-petition replacement lien against Cash Collateral without the need to file or execute any document as may otherwise be required under applicable non-bankruptcy law.

8. Insurance. Debtor shall maintain insurance coverage for its property in accordance with the obligations under the loan and security documents with KSI.

9. Without Prejudice. This order is without prejudice to: (a) any subsequent request by a party in interest for modified adequate protection or restrictions on use of cash collateral; or (b) any other right or remedy which may be available to KSI.

10. Creditors Committee. The provisions of this Order are without prejudice to the rights of the United States Trustee to appoint a committee or any rights of a duly appointed committee to challenge the validity, priority or extent of any lien(s) asserted against cash collateral.

11. Enforcement. The Court shall retain jurisdiction to enforce the terms of this Order.

12. Default: Unless waived by KSI in writing, the Debtor shall immediately cease using Cash Collateral upon the occurrence of one of the following events (an “Event of Default”):

- a. If a trustee is appointed in this Chapter 11 case;
- b. If the Debtor breaches any term or condition of this Order or the Future Receivables Factoring Agreement (ACH) dated September 10, 2018 (the “Contract”), other than defaults existing as of the Petition Date;
- c. If the case is converted to a case under Chapter 7 of the Bankruptcy Code;
- d. If the case is dismissed.

Upon the filing of an appropriate motion, KSI shall be entitled to an emergency hearing, at which time it may seek relief, including, without limitation, the lifting of the automatic stay under 11 U.S.C. § 362 and permitting it to take possession of all or a part of the Prepetition Collateral.

13. The rights of any creditor, party in interest or committee, whether formal or informal, including a Creditors’ Committee, to dispute or challenge the validity, perfection, extent, amount and priority of KSI’s claim and lien and/or the right to dispute KSI’s right to any adequate protection payments authorized under this Order (collectively, a “Challenge”) are expressly preserved for sixty (60) days from the date of this Order (the “Challenge Period”). Upon the expiration of the Challenge Period (the “Challenge Period Deadline”), without the filing of a Challenge: (a) any and all such Challenges by any party (including, without limitation, any Creditors’ Committee, any chapter 11 trustee, and/or any examiner or other estate representative

appointed in this chapter 11 case, and any chapter 7 trustee and/or examiner or other estate representative appointed in any successor case), shall be deemed to be forever waived, released, and barred, and (b) all of the Debtor's stipulations, acknowledgements, waivers, releases, affirmations and other stipulations to the priority, extent, and validity of KSI's claim, liens, and interests shall be of full force and effect and forever binding upon KSI, the Debtor, the Debtor's bankruptcy estate and all creditors, interest holders, and other parties in interest in this chapter 11 case and any subsequent chapter 7 case.

14. This Order shall not effect a waiver or relinquishment of any rights that the Debtor or KSI may have under the Contract or at law including, but not limited to: (a) KSI's right to seek any other or supplemental relief in respect of the Debtor, including the right to seek additional adequate protection or restriction on Cash Collateral (without prejudice to any other person's right to object to or otherwise oppose such additional adequate protection or restriction on Cash Collateral); (b) KSI's right to object to impermissible use of Cash Collateral; (c) KSI's agreement, consent, or acquiescence to the terms of any plan of reorganization by virtue of any term or provision of this order; (d) KSI's right to assert any other rights, remedies, or defenses available to KSI and to respond to any motion, application, proposal, or other action, all such rights, remedies, defenses, and opportunities to respond being specifically reserved by KSI; or € any of the rights or remedies of KSI under the Bankruptcy Code or under non-bankruptcy law, including, without limitation, the right to (i) request modification of the automatic stay of the Bankruptcy Code § 362, and (ii) request dismissal or conversion of this chapter 11 case. Nothing herein shall be construed to impair KSI's right to seek the payment of default interest and payment of their attorney's fees and expenses from the Debtor.

15. Neither entry of this Order, nor consent to this Order shall constitute an agreement by KSI to the treatment of the Claim under any plan of reorganization.

16. This Order and any other cash collateral order of the Debtor shall be binding on a subsequently appointed Chapter 11 or Chapter 7 Trustee in bankruptcy.

17. Continued Hearing. The Court will hold a continued hearing regarding the use of cash collateral, on September 12, 2019 at 2:00 in Courtroom D, 6th Floor of the George C. Young Federal Courthouse, 400 W. Washington Street, Suite 5100, Orlando, Florida 32801.

Agreed to:

/s/ Jeffrey S. Ainsworth
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Attorney for Kapitus Servicing, Inc. f/k/a
Colonial Funding Network, Inc., as service
provider for Invision Funding, LLC

Attorney Jeffrey S. Ainsworth is directed to serve a copy of this order on interested parties and file a proof of service within 3 days of entry of the order.