UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE:	Chapter 11 Case
LEXORA INC.	Case No.: 26-10751 (LGB)
Debtor. /	

FIFTH INTERIM ORDER (I) AUTHORIZING DEBTOR TO ENTER INTO POST-PETITION FACTORING ARRANGEMENT WITH SOUTHSTAR FINANCIAL, LLC AND SELL CERTAIN ACCOUNTS RECEIVABLE PURSUANT TO 11 U.S.C. SECTIONS 363(B) AND (F), (II) GRANTING SOUTHSTAR SECURITY INTERESTS PURSUANT TO 11 U.S.C. SECTIONS 364(C) AND (D), AND (III) AUTHORIZING DEBTOR'S USE OF SOUTHSTAR'S CASH COLLATERAL PURSUANT TO 11 U.S.C. SECTION 363(C)(2)

TO THE HONORABLE LISA G. BECKERMAN,
UNITED STATES BANKRUPTCY JUDGE:

Upon the consideration of the motion (the "Motion")[1] [ECF Docket No. 7] of Lexora Inc. (the "Debtor") pursuant to sections 105, 261, 362, 363(b) and (f), and 364(c) and (d) of Title 11 of the United States Code (the "Bankruptcy Code") and Rules 4001, 6003, 6004, 9006(c) and 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and local rule 4001-2 of the Local Rules for the Bankruptcy Court of the Southern District of New York (the "Local Rules"), for entry of an order (this "Fifth Interim Order") authorizing the Debtor to: (i) enter into a post-petition factoring agreement and security agreement, together with certain related documents (collectively, the "Post-Petition Factoring Arrangement") with SouthStar Financial, LLC ("SouthStar"); (ii) sell certain accounts receivable to SouthStar in accordance with the Post-Petition Factoring Arrangement and to grant security interests to SouthStar; (iii) permit SouthStar

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

to continue to collect upon accounts receivable sold prepetition; and (iv) use the Cash Collateral (as defined below) of SouthStar, Dime Community Bank (the "Dime"), and Libertas Funding LLC ("Libertas", together with Southstar and Dime, the "Secured Creditors") in the ordinary course of its business affairs in accordance with the proposed Budget, attached as **Exhibit B** to the Motion;[1] and the Court having previously entered an interim order (the "First Interim Order") [ECF Docket No. 15], a second interim order (the "Second Interim Order") [ECF Docket No. 26], and a third interim order (the "Third Interim Order") [ECF Docket No. 29], each further authorizing the relief requested in the Motion on an interim basis; and all of the pleadings heretofore filed in this proceeding, it is hereby found and determined as follows:

A. On April 6, 2026 (the "Petition Date") the Debtor filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code (the "Chapter 11 Case") and has continued in possession of its property and the management of its businesses pursuant to Sections 1107 and 1108 of the Bankruptcy Code.

B. As of the date hereof, the Bankruptcy Court has not authorized the appointment of a creditors' committee as provided for in Section 1102 of the Bankruptcy Code. No trustee or examiner has been heretofore appointed in these proceedings.

C. The term "Cash Collateral" shall mean and include all "cash collateral," as that term is defined by 11 U.S.C. § 363.

D. The Debtor's use of Cash Collateral is essential to the continued preservation and maximization of the Debtor's estate.

---

[1] The Debtor filed two iterations of the Budget along with the Motion. The first version assumes cash flow without any factoring payments from SouthStar in connection with the Post-Petition Factoring Arrangement (the "Non-Factoring Budget"), while the second version assumes cash flow with payments related to factoring with SouthStar (the "Factoring Budget"). To the extent that the Debtor utilizes the Post-Petition Factoring Arrangement authorized herein, the Factoring Budget will apply, and to extent that the Debtor does not factor with SouthStar, the Non-Factoring Budget shall apply.

E. Without the relief sought in the Motion, including the ability to enter into the Post-Petition Factoring Arrangement and the use of the Secured Creditors' Cash Collateral, the Debtor's operations may cease and the Debtor will suffer immediate and irreparable harm.

F. To the extent they possess any security interest in the Debtor's Cash Collateral, the Secured Creditors are entitled to receive adequate protection within the meaning of, and pursuant to 11 U.S.C. § 363(e), for any decrease in the value since the Petition Date of any interest the Secured Creditors may possess in the Cash Collateral as set forth in this Fifth Interim Order.

G. Continued use of the Cash Collateral on an interim basis, pending a final hearing, is necessary to prevent immediate and irreparable harm to the Debtor's estate in that without authorization to use the Cash Collateral, the Debtor's ability to sustain its operations and meet its current, necessary, and integral business obligations will be impossible.

H. The value of Debtor's estate will be maximized by the continuation of the Debtor as a going business, the authority of the Debtor to enter into the Post-Petition Factoring Arrangement, and the use of the Cash Collateral is essential to such operation.

BASED UPON THE FOREGOING, it is hereby **ORDERED**, THAT:

1. The Motion is GRANTED on an interim basis as set forth herein.

2. This Court has jurisdiction over these proceedings and the parties and property affected hereby pursuant to 28 U.S.C. § 1334. This is a "core" proceeding pursuant to 28 U.S.C. § 157. Venue is proper in this Court pursuant to 28 U.S.C. § 1408. Notice of relief sought herein was adequate and appropriate in the current circumstances of this Chapter 11 Case as contemplated by 11 U.S.C. § 102(1)(A) and Federal Rule of Bankruptcy Procedure 4001(b)(2).

3. Effective immediately and continuing through and including **June 4, 2026** at 5:00 p.m. (the "Fifth Interim Period"), the Debtor shall be, and hereby is, authorized to sell accounts receivable to SouthStar, in accordance with the Post-Petition Factoring Arrangement, pursuant to

section 363(b) of the Bankruptcy Code, on an interim basis, having a face value of no greater than $150,000.00.

4. All accounts receivable sold or otherwise transferred from the Debtor to SouthStar in connection with this Fifth Interim Order shall be sold pursuant to and in accordance with the terms of the Post-Petition Factoring Arrangement (whose terms shall be similar to those in effect during the prepetition period), shall be the sole property of SouthStar, and shall be transferred free and clear of all liens, claims, and encumbrances, pursuant to section 363(f) of the Bankruptcy Code.

5. All obligations (as defined in the Post-Petition Factoring Arrangement and related documents) incurred in connection with the Post-Petition Factoring Arrangement shall hereinafter be referred to as the "Obligations". To secure the Obligations, SouthStar is hereby granted, pursuant to sections 364(c) and (d)(1) and (2) of the Bankruptcy Code: a valid, perfected and enforceable first priority security interest in and lien on all of the Debtor's pre-petition and post-petition assets and property of the Debtor's estate, of any kind or nature whatsoever, and all proceeds, rents, products or profits thereof, with the exception of: (a) statutory fees that may be owing to the Office of the United States Trustee pursuant to 28 U.S.C. Section 1930 and any interest accrued thereon pursuant to 37 U.S.C. Section 3717; (b) all actions, and any proceeds from any recoveries, under Sections 542 through 553 of the Bankruptcy Code; (c) the fees of a hypothetical Chapter 7 trustee to the extent of $10,000; or (d) any assets of the Debtor which may be subject to a purchase money security interest (collectively the "Collateral"), which liens and security interests shall at all times be senior to the rights of the Debtor or any successor trustee in this or any subsequent proceeding under the Bankruptcy Code.

6. In consideration of the accommodations made available pursuant to this Fifth Interim Order, pending the Final Hearing (as defined below) on the Motion, the Debtor irrevocably

waives any right, without SouthStar's prior written consent, to grant or impose, or request that any court grant or impose, under section 364 of the Bankruptcy Code or otherwise: (i) liens or security interests on any property which are superior or equal to SouthStar's liens against and security interests in that property; and (ii) to seek authority to use cash collateral as defined in section 363 of the Bankruptcy Code.

7. The automatic stay provisions of section 362(a) of the Bankruptcy Code are hereby modified to the extent necessary to permit SouthStar: (i) to receive payment directly from the party responsible for making payment against an invoice that has been sold to SouthStar (regardless of whether the invoice was sold before or after the date that the Debtor commenced its Chapter 11 case); (ii) to file any financing statements or other instruments and documents, if any, evidencing its security interests in and liens on the Collateral; (iii) to charge any fees accruing under the Post-Petition Factoring Arrangement to the Obligations (regardless of whether such fees are derived from invoices that were sold before or after the date the debtor commenced its Chapter 11 Case); and (iv) to take any or all of the actions permitted by the Post-Petition Factoring Arrangement in the event of a default or termination under the Post-Petition Factoring Arrangement including, without limitation, all rights and remedies of a secured creditor. No party in interest shall have the right to contest the enforcement of this Paragraph based on any assertion that SouthStar's interest in the Collateral is adequately protected or on any other ground, and no interested party shall have the right to seek injunctive relief against enforcement of, or in conflict with, the provisions of this Fifth Interim Order or the Post-Petition Factoring Arrangement.

8. Pursuant to Section 364(c) of the Bankruptcy Code, in addition to the liens granted to SouthStar herein and pursuant to the Post-Petition Factoring Arrangement, the Obligations of the Debtor to SouthStar that are incurred in connection with the interim sales made to SouthStar pursuant to this Fifth Interim Order shall constitute an administrative expense equivalent in priority

to a claim under section 364(c)(1) of the Bankruptcy Code, with priority over, other than the fees of the United States Trustee under 28 U.S.C. Section 1930 and any interest accrued thereon pursuant to 37 U.S.C. Section 1930 and the fees of a hypothetical Chapter 7 trustee to the extent of $10,000, all other costs and expenses of administration of the kinds specified in, or ordered pursuant to, sections 105, 326, 330, 331, 503(b), 507(a) or 507(b) (but not section 726) of the Bankruptcy Code, and shall at all times be senior to the rights of the Debtor and to the rights of any person claiming a lien or security interest in any assets of the Debtor.

9. To the extent necessary, the automatic stay provisions of section 362(a) of the Bankruptcy Code are hereby modified to the extent necessary to permit SouthStar to continue to collect on all accounts receivable sold pursuant to the Prepetition Financing Arrangement.

10. SouthStar is authorized and directed to collect outstanding accounts which have been: (i) sold before the date the Debtor filed its Chapter 11 petition or (ii) sold pursuant to this Fifth Interim Order during the Fifth Interim Period.

11. Fees and expenses incurred by SouthStar in connection with the Post-Petition Factoring Arrangement, including reasonable legal fees and expenses incurred in connection with the preparation and approval of this Fifth Interim Order and such further orders as may be entered in connection therewith, shall be charged and paid as provided in the Post-Petition Factoring Arrangement.

12. SouthStar shall be, and hereby is, authorized to withhold all costs and expenses (including, without limitation, all filing and recording fees and attorneys' fees and expenses) incurred by SouthStar in connection with: (i) the Post-Petition Factoring Arrangement and the Motion seeking approval thereof; (ii) the preservation and protection of SouthStar's rights hereunder and in connection with pre-petition obligations, if any; (iii) the defense of any claim or action asserted or brought against SouthStar by any person that arises from or relates to the Post-

Petition Factoring Arrangement or any and all matters in connection therewith; (iv) the commencement or defense of, or intervention in any court proceeding in this Chapter 11 Case or any subsequent proceeding under the Bankruptcy Code; (v) the filing of any petition, complaint, answer, motion or other pleading, or taking of any other action in or with respect to the Collateral; (vi) the protection, collection, lease, sale, taking possession of, liquidation or other disposition of any of the Collateral or SouthStar's interest therein; or (vii) any attempt to enforce any lien on or security interest in any of the Collateral from advances against accounts receivable. These costs and expenses shall be added to the Obligations.

13. The Debtor is hereby authorized to use proceeds of the sale of its accounts to SouthStar under the Post-Petition Factoring Arrangement, which proceeds are a part of the Collateral and constitute Cash Collateral pursuant to Section 363(c)(2) of the Bankruptcy Code and are subject to pre-petition liens, claims and security interests of SouthStar in the continuing validity and order of priority as existed as of the Petition Date (as defined in the Motion), in accordance with the applicable Budget, subject to a 10% variance or further consent of SouthStar or further order of the Bankruptcy Court.

14. Effective immediately and continuing through and including the Fifth Interim Period, the Debtor is authorized to use the Cash Collateral on an interim basis subject to the terms of this Fifth Interim Order and in accordance with the applicable Budget, subject to a 10% variance or further order of this Court. At the Final Hearing (as defined below), the Court will consider the Debtor's request to use Cash Collateral after the Interim Period and on a final basis.

15. In addition to the existing rights and interests of the Secured Creditors in the Debtor's Cash Collateral and for the purpose of adequately protecting the Secured Creditors from Collateral Diminution, the Secured Creditors are hereby granted replacement liens ("Replacement Liens"), to the extent that their purported pre-petition liens were valid, perfected, and enforceable

as of the Petition Date, and such Replacement Liens shall be in the same continuing order of priority that existed as of the Petition Date, to the extent of, and as security for, any decrease in the value of the Secured Creditors' interest in the Cash Collateral since the Petition Date in, to and upon, all existing and hereafter-acquired property of Debtor of any kind or nature including, but not limited to, Debtor's real, personal, tangible and intangible property, as well as any and all proceeds, products, offspring, rents and profits thereof, in the same validity, order, and priority as their purported pre-petition liens, subject, in accordance with the priority as set forth herein, and subordinate only to: (i) United States Trustee fees pursuant to 28 U.S.C. Section 1930 and 31 U.S.C. Section 3717 and any Clerk's filing fees; (ii) the fees and commissions of a hypothetical Chapter 7 trustee in an amount not to exceed $10,000. In addition, the Replacement Liens granted hereby shall not attach to any actions, or proceeds of any recoveries therefrom, from estate causes of action under Sections 542 through 553 of the Bankruptcy Code.

16. As further adequate protection for Dime, the Debtor is authorized and directed to make the following payments from Cash Collateral or proceeds of the Post-Petition Factoring Arrangement: (i) clear current post-petition arrears owing to Dime on or before May 28, 2026; and (ii) monthly adequate protection payments of $17,280.00 to Dime on the 6th of each month hereafter beginning June 6, 2026, all consistent with the terms agreed upon by the Debtor and Dime.

17. All of the Debtor's expenditures shall be specifically accounted for in detailed monthly operating reports which the Debtor shall file with the Bankruptcy Court.

18. The security interests and liens herein granted and regranted, including the Replacement Liens: (i) are and shall be in addition to, and not in substitution of, all security interests, liens, encumbrances, and rights of set-off existing in favor of the Secured Creditors on the Petition Date, or other rights of theirs currently existing or hereinafter arising; (ii) shall secure,

in whole or in part, the payment of indebtedness to the Secured Creditors; and (iii) shall be deemed to be perfected without the necessity of any further action by the Secured Creditors or the Debtor. Without limitation, therefore, the Secured Creditors shall not be required to file financing statements or other documents in any jurisdiction or take any other action to validate or perfect the liens and security interests granted by this Fifth Interim Order. This Fifth Interim Order shall be sufficient and conclusive evidence of the validity of the Replacement Liens.

19. The Secured Creditors shall have the right to assert a superpriority claim pursuant to 11 U.S.C. § 507(b), and the Debtor shall have the right to all defenses to such a claim(s).

20. The Debtor shall maintain all necessary insurances, including, without limitation, liability and workmen's compensation as may be required, and obtain such additional insurances in an amount as is appropriate for the businesses in which the Debtor is engaged.

21. The right of Debtor to use the Cash Collateral shall terminate immediately upon the occurrence of any of the following events:

a) The entry of an order of the Court converting or dismissing the Chapter 11 Case;

b) The entry of an order of the Court confirming a plan of reorganization in the Chapter 11 Case;

c) The failure of the Debtor: (i) to perform any of its obligations under this Order (a "Default"), and (ii) to cure such Default within ten (10) business days after the giving of written notice thereof to SouthStar, Dime, and Libertas, the United States Trustee, and any official committee appointed in the Chapter 11 Case (the "Cure Period");

d) The amendment, supplementation, waiver, or other modification of all or part of this Fifth Interim Order without SouthStar, Dime, and Libertas having been given at least seventy-two (72) hours advance, written notice, by overnight service upon them (unless otherwise prescribed by the Bankruptcy Court having jurisdiction over Debtor's case); or

e) The termination of all or substantially all of the operations of the Debtor, whether by voluntary act(s) or omission(s) of the Debtor, or otherwise.

22. Nothing contained in this Fifth Interim Order shall be construed to create rights of third parties for or against the Secured Creditors not otherwise provided by law

23. To evidence the obligations of the Debtor to SouthStar, the creation of the security interests and liens and all terms and provisions evidencing the Post-Petition Factoring Arrangement between the Debtor and SouthStar, the Debtor is authorized and directed to execute and deliver to SouthStar, in addition to the agreements evidencing the Post-Petition Factoring Arrangement, all such financing statements, notices, schedules, agreements, instruments, guarantees and all other documents as may be necessary or required to evidence its obligations to SouthStar, to consummate the terms and provisions of this Fifth Interim Order, the Post-Petition Factoring Arrangement, and to evidence the perfection of the liens and security interests to be given to SouthStar pursuant hereto and thereto, including, without limitation, any other documents SouthStar may request to be executed in connection with the Post-Petition Factoring Arrangement.

24. The provisions of this Fifth Interim Order shall be binding upon and inure to the benefit of SouthStar, the Debtor, and its respective successors and assigns, including any trustee hereinafter appointed as a representative of the Debtor's estate in this or in any subsequent proceeding under the Bankruptcy Code.

25. The Debtor shall not seek to modify, vacate, or amend this Fifth Interim Order. If any or all of the provisions of this Fifth Interim Order are hereafter modified, vacated, or stayed by subsequent order of this Court or any other court, such stay, modification, or vacatur shall not affect the validity of any Obligation to SouthStar incurred pursuant to this Fifth Interim Order prior to the effective date of such stay, modification, or vacatur, or the validity and enforceability of any lien or priority authorized hereby with respect to any such Obligation to SouthStar. Notwithstanding any such stay, modification, or vacatur, any advances made pursuant to this Fifth Interim Order by SouthStar prior to the effective date of that modification, stay, or vacatur, to or for the benefit of the Debtor, shall be governed in all respects by the provisions of this Fifth Interim Order and the Post-Petition Factoring Arrangement, and SouthStar shall be entitled to all rights,

privileges and benefits, including, without limitation the security interests and priorities granted herein, with respect to all such purchases of accounts receivable.

26. The Court has considered and determined the matters addressed herein pursuant to its power under Sections 363(b) and (f) and 364(c) and (d) of the Bankruptcy Code to authorize the Debtor to obtain funds on the terms agreed to by and between the Debtor and SouthStar, and thus, each of such terms and conditions, as part of an authorization under such section, is subject to the protection contained in section 364(e) of the Bankruptcy Code.

27. The provisions of this Fifth Interim Order shall remain in full force and effect unless modified or vacated by subsequent order of this Court with the consent of SouthStar and the Debtor. If any or all of the provisions of this Fifth Interim Order are hereafter modified, vacated, or stayed by subsequent order of this Court or any other court, such stay, modification or vacatur shall not affect the validity and enforceability of any lien, priority, or benefit with respect to any indebtedness of the Debtor to SouthStar.

28. This Fifth Interim Order shall be binding upon any subsequently appointed or elected trustee in a successor case under Chapter 7 of the Bankruptcy Code.

29. The Bankruptcy Court shall retain jurisdiction with respect to all matters pertaining to this Fifth Interim Order.

30. Objections to the final relief requested in the Motion shall be made in writing, filed with the Bankruptcy Court at the Court's website www.nysb.uscourts.gov (log in and password required), with a copy delivered directly to the chambers of the Honorable Lisa G. Beckerman and served upon Davidoff Hutcher & Citron LLP, 120 Bloomingdale Road, Suite 100, White Plains, NY 10605, Attn: Robert L. Rattet, Esq., Email: rlr@dhclegal.com so as to be received no later than **June 4, 2026 at 4:00 p.m. (EST)**.

31. A hearing (the "Final Hearing") to consider the relief requested in the Motion on a final basis shall be conducted on **June 9, 2026 at 10:00 a.m.** before the Honorable Lisa G. Beckerman, United States Bankruptcy Judge, Southern District of New York.

32. To obtain relief on a final basis at the Final Hearing, the Debtor must file on the Court's public docket any applicable factoring agreement and related documents (the "Post-Petition Factoring Agreement") related to the Post-Petition Factoring Arrangement at least nine (9) days prior to the Final Hearing.

33. Except as otherwise provided herein, or by Order of the Court, all demands, notices, requests, consents, reports, or other communications provided for hereunder shall be made in writing, and shall be deemed to have been given either upon: (i) personal delivery, by courier or messenger service, and acknowledgment, by any officer (or authorized recipient of deliveries to the office) of the party to whom given, as of the date and time so acknowledged, or (ii) due deposit into the United States mail, by first class mail. In all cases, such demands, notices, requests, consents, reports, or other communications shall be dispatched to the following addresses (or such other addresses as may be furnished hereafter, by written notice given in accordance with the terms of this paragraph): In the case of Debtor:

Robert L. Rattet, Esq.
Davidoff Hutcher & Citron LLP
120 Bloomingdale Road, Suite 100
White Plains, NY 10605
Phone: (914) 381-7400
Fax: (914) 381-7406
Email: rlr@dhclegal.com

Signed: New York, New York
May 28, 2026

/s/ Lisa G. Beckerman
UNITED STATES BANKRUPTCY JUDGE
HON. LISA G. BECKERMAN