CLERK, U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS

ENTERED

THE DATE OF ENTRY IS ON
THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.

Signed May 28, 2026

United States Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

IN RE:	§	**CASE NO. 26-31817-SWE-11**
	§	
THE LAUNDRY BAR, LLC	§	
	§	**CHAPTER 11**
DEBTOR	§	**[Subchapter V Case]**
	§	

FINAL ORDER AUTHORIZING USE OF CASH COLLATERAL, GRANTING ADEQUATE PROTECTION, AND GRANTING RELATED RELIEF

Upon consideration of the Debtor's Emergency Motion for Authority to Use Cash Collateral [Dkt. No. 4] (the "Motion") filed by The Laundry Bar, LLC (the "Debtor"), and after reviewing the Motion and the 90-Day Operating Projection attached as Exhibit A thereto, and after notice and final hearing, the Court finds that:

IT IS THEREFORE ORDERED THAT:

The Motion is GRANTED on a final basis pursuant to the terms of this Order.

USE OF CASH COLLATERAL

1. The Debtor has established that continued use of cash collateral is necessary to preserve the going concern value of the estate and avoid immediate and irreparable harm. The Debtor operates a laundromat and wash-and-fold business that generates daily revenue from customer machine usage and laundry services. Continued use of cash collateral is essential to the Debtor's ability to maintain operations, fund payroll, pay rent and utilities, maintain insurance, service and repair laundry equipment, and continue operations for the benefit of the estate and creditors.

2. The Debtor is authorized to use cash collateral solely for ordinary and necessary operating expenses incurred in the ordinary course of business, including expenses necessary to maintain ongoing laundromat and wash-and-fold operations, preserve estate value, maintain customer services, fund payroll and payroll taxes, pay rent and occupancy expenses, maintain utilities and water services, maintain insurance coverage, service and repair laundry equipment, purchase ordinary operating supplies, pay merchant processing fees, and pay allowed Subchapter V: Trustee fees, United States Trustee fees, and professional fees and expenses approved by the Court.

3. The Debtor shall not exceed the Projection by more than fifteen percent (15%) for any individual line item, provided that total aggregate disbursements do not exceed the total projected disbursements without further Order of the Court or written agreement from CLF.

ADEQUATE PROTECTION

4. As adequate protection for CLF's interest in cash collateral, CLF is granted valid, enforceable replacement liens on all post-petition assets of the Debtor of the same type and nature as the prepetition collateral, to the extent of any diminution in value of such collateral, subject to the Carve-Out (defined below) and excluding avoidance actions under Chapter 5 of the Bankruptcy Code. Such replacement liens shall have the same validity, priority, and enforceability as CLF's prepetition liens.

5. The Debtor shall make monthly adequate protection payments to CLF in the amount of $4,200.00 commencing on June 1st, 2026, following entry of this Order and continuing on the first business day of each calendar month thereafter unless otherwise ordered by the Court. CLF shall not be prejudiced by this Order from seeking additional adequate protection or relief from the automatic stay.

6. The Debtor shall maintain insurance on all collateral in accordance with the requirements of the CLF Secured Promissory Note and Agreement, naming CLF as the lender's loss payee.

CARVE-OUT

7. The replacement liens granted to CLF are subject to a carve-out for: (a) all fees required to be paid to the Clerk of the Court and to the Office of the United States Trustee under 28 U.S.C. section 1930(a); (b) reasonable fees and expenses up to $25,000 incurred by professionals

retained by the Debtor pursuant to sections 327, 328, or 363 of the Bankruptcy Code, as approved by the Court; and (c) reasonable fees and expenses up to $10,000 incurred by the Subchapter V Trustee or professionals retained by the Subchapter V Trustee pursuant to sections 327 or 1195 of the Bankruptcy Code.

REPORTING OBLIGATIONS

8. The Debtor shall provide to CLF, the Subchapter V Trustee, and the U.S. Trustee, within seven (7) days after the end of each calendar month, a written statement comparing actual receipts and disbursements to the Projection, and such additional financial information as may be reasonably requested.

TERMINATION EVENTS

9. This authorization shall terminate upon the earliest of: (a) the Debtor's failure to make an adequate protection payment within five (5) business days after the due date and written notice; (b) use of cash collateral in a manner materially inconsistent with this Order or the Projection; (c) the Debtor's failure to provide required financial reports within ten (10) days after written notice; (d) entry of an order dismissing or converting this case; or (e) the appointment of a Chapter 7 trustee.

RESERVATION OF RIGHTS

10. Nothing in this Order shall constitute a finding or ruling regarding the validity, extent, perfection, or priority of any lien or security interest, valuation, or adequacy of adequate protection or shall prejudice any party's rights with respect thereto.

11. Nothing contained herein shall constitute a waiver of any claims, defenses, causes of action, offsets, counterclaims, or rights of the Debtor, the estate, CLF, or any other party in interest, including any rights under Bankruptcy Code sections 502, 506, 544, 547, 548, 549, 550, 552, or 553.

MISCELLANEOUS

12. This Court shall retain jurisdiction to interpret and enforce the terms of this Order.

13. This Order is effective immediately upon entry. The fourteen (14) day stay imposed by Federal Rule of Bankruptcy Procedure 6004(h) is hereby waived, as the Court finds such relief is necessary to prevent immediate and irreparable harm to the Debtor's estate.

END OF ORDER

Submitted By:

Respectfully Submitted,

HERRIN LAW, PLLC
/s/ C. Daniel Herrin
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90-Day Cash Collateral Budget

Exhibit A

The Laundry Bar LLC

Debtor	The Laundry Bar LLC
Premises	5525 N FM 129, Santo, Texas 76472
Period covered	Days 1 through 90 (May 1, 2026 - July 30, 2026)

Projected Income and Operating Expense Summary

Item	Month 1 (May)	Month 2 (June)	Month 3 (July)	90-Day Total
Projected Income	$16,961.34	$16,961.34	$16,961.34	$50,884.02
Carryover Balance	$27,062.58	$27,177.15	$27,291.72	$27,062.58
Total Available Cash	**$44,023.92**	**$44,138.49**	**$44,253.06**	**$77,946.60**
Operating Expenses				
Bank & Merchant Fees	$503.39	$503.39	$503.39	$1,510.17
Insurance (Progressive commercial)	$652.22	$652.22	$652.22	$1,956.66
Payroll (reduced by half)	$2,694.96	$2,694.96	$2,694.96	$8,084.88
Rent Expense	$4,758.25	$4,758.25	$4,758.25	$14,274.75
Software & Subscriptions	$646.51	$646.51	$646.51	$1,939.53
Utilities	$2,391.44	$2,391.44	$2,391.44	$7,174.32
Subchapter V Trustee Fee	$1,000.00	$1,000.00	$1,000.00	$3,000.00
Adequate Protection - Clean Laundry Funding	$4,200.00	$4,200.00	$4,200.00	$12,600.00
Total Operating Expenses	**$16,846.77**	**$16,846.77**	**$16,846.77**	**$50,540.31**
Balance After Expenses	**$27,177.15**	**$27,291.72**	**$27,406.29**	**$27,406.29**

All figures in U.S. dollars. Carryover Balance represents cash on hand at the start of the period. Total Available Cash = Carryover Balance + Projected Income. Balance After Expenses = Total Available Cash - Total Operating Expenses.

Narrative in Support of Use of Cash Collateral

Continuity of operations.

This budget reflects the Debtor immediate operating needs and is based on March 2026 actual operating figures, adjusted to reflect a reduced payroll (cut by half) and a tightened expense structure. The Debtor will continue to honor all essential vendor obligations - rent, utilities, payroll, insurance, and merchant processing -

in full and on time, ensuring uninterrupted laundry service to its customers and preservation of the going-concern value of the business.

This budget is prepared in support of the Debtor Motion for Authority to Use Cash Collateral and is subject to amendment upon court order or material change in circumstances.