

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

In re:

LONERO ENGINEERING CO., INC.,

Debtor.

Case No. 25-40041-lsg

Chapter 11

Hon. Lisa S. Gretchko

**ORDER APPROVING STIPULATION REGARDING FINAL ORDER
AUTHORIZING DEBTOR'S USE OF CASH COLLATERAL, PROVIDING
ADEQUATE PROTECTION, AND GRANTING RELATED RELIEF**

This matter came before the Court upon the stipulation ("Stipulation"; ECF No. 119) among the Debtor, Bridge Business Credit, LLC, f/k/a Great Lakes Business Credit, LLC ("Lender"), the Official Committee of Unsecured Creditors of the Debtor ("Statutory Committee"), and the United States Trustee consenting to the terms of this order. The Court has reviewed the Final Order Authorizing Debtor's Use of Cash Collateral, Providing Adequate Protection, and Granting Related Relief ("Final Cash Collateral Order"; ECF No. 94), the Stipulation, and other pertinent pleadings. Based upon the Stipulation, the Court finds cause to enter this order.

NOW, THEREFORE, IT IS HEREBY ORDERED AS FOLLOWS:

1. The Stipulation is approved to the extent provided in this order.

2. Notwithstanding anything to the contrary in the Final Cash Collateral Order¹ the following assets (and the proceeds thereof) might not be Prepetition Collateral or Postpetition Collateral and might not be subject to the Prepetition Liens or any other lien claimed by the Lender (collectively, the “Alleged Unencumbered Property”): (a) any commercial tort claims of the Debtor; (b) any licenses or other permits to the extent that a pledge of such licenses or permits is otherwise prohibited by the terms thereof or applicable non-bankruptcy law, and such prohibition is valid and enforceable in this Case; (c) Money² held by the Debtor as of the Petition Date (other than identifiable proceeds of Prepetition Collateral held by the Debtor on such date); (d) deposit accounts maintained by the Debtor at any bank or financial institution that is not the Lender or that had not entered into a control agreement with the Lender; provided that, in either event, the Prepetition Collateral does include funds in deposit accounts that constitute the identifiable proceeds of other Prepetition Collateral; (e) any of the Debtor's vehicles or other equipment as to which a certificate of title (whether a paper title certificate, an electronic certificate, or other evidence of title under applicable law) for such vehicle or equipment does not indicate, as of the Petition Date, the security interest of the Lender, where such notation on the certificate or other evidence of title under applicable law is the only method of perfection or enforcement by the Lender; and (f) any of the Debtor's

¹ Capitalized terms used but not defined in this order shall have the meaning ascribed to them in the Final Cash Collateral Order.

² "Money" has the meaning set forth in section 1-201(b)(24) of the Uniform Commercial Code as in effect from time to time.

insurance policies that are not subject to assignment in favor of the Lender or in respect of which the Lender is not a loss payee or additional insured, or the proceeds thereof, provided that, in each case, the Prepetition Collateral does include the proceeds of insurance arising from a loss of property in which the Lender otherwise has perfected liens.

3. Except as expressly set forth in paragraph 2 above (“Preserved Challenges”) and, then, only with respect to the Statutory Committee and only to the extent any Preserved Challenge is brought prior to June 30, 2025: (a) the Statutory Committee shall not seek to invalidate, subordinate or otherwise challenge in any way or manner, whether directly or indirectly, the Debtor's Stipulations, the Prepetition Liens, the Postpetition Liens, or the Prepetition Obligations, or assert any other Challenge or otherwise contest the Debtor's stipulations or releases in the Final Cash Collateral Order or any other provisions in the Final Cash Collateral Order; and (b) nothing herein shall diminish, extend or otherwise alter or affect the Challenge Period or the Challenge Period Termination Date in paragraph 15 of the Final Cash Collateral Order, except, in the sole case of the Statutory Committee, with respect to Preserved Challenges pursuant to the Stipulation or this order approving the Stipulation only.

4. Nothing in the Stipulation or in this order approving the Stipulation shall be deemed an admission as to the validity of the Preserved Challenges in paragraph 2 above, or as to the extent or value of any Alleged Unencumbered Property, if any, and all rights of the Statutory Committee and the Lender in those regards are reserved.

5. For the avoidance of doubt, all rights of the Statutory Committee or any successor trustee to object to, or the rights of the Lender to assert and defend, the amount of any asserted Diminution in Value or Section 507(b) Claims by the Lender are reserved.

6. The rights to prosecute any Preserved Challenge with respect to the matters expressly set forth in paragraph 2 above shall, to the extent otherwise provided in, and (except for the June 30, 2025 deadline contained in paragraph 3 above in this order) subject to the requirements of, paragraph 15 of the Final Cash Collateral Order, reside exclusively in the Statutory Committee and in no other Challenge Party.

Signed on March 19, 2025



/s/ Lisa S. Gretchko

Lisa S. Gretchko
United States Bankruptcy Judge