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

Signed May 19, 2026

United States Bankruptcy Judge

IN THE UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION

IN RE:	**Case No.:** **26-41730-mxm11**
Matthew W. Cerniglia, DPM, PA 20-3819033 816 Towne Court, Suite 100 Fort Worth, TX 76179 **Debtor.**	**Chapter:** **11**

ORDER AUTHORIZING FINAL USE OF CASH COLLATERAL

On this day came on for consideration the *Debtor's Motion for Order Authorizing the Interim and Final Use of Cash Collateral [11 U.S.C. §§ 105, 361, and 363]* (the "**Motion**"). The Motion is made pursuant to 11 U.S.C. §§ 105, 361 and 363 and Federal Rules of Bankruptcy Procedure 4001 and 9014: (a) authorizing **Matthew W. Cerniglia, DPM, PA**, debtor and debtor in possession in the above-styled and numbered case ("**Debtor**") to use cash collateral of certain **Secured Lenders**[1] and granting adequate protection to **Secured Lenders** for the use of its cash collateral; and (b) prescribing the form and manner of notice and setting the time for the final hearing (the "**Final Hearing**") on the Motion. The Court having previously entered its *Order Authorizing Interim Use of Cash Collateral* [Doc. 25] (the "**First Interim Order**") and having scheduled a further hearing (the "**Second Interim Hearing**") on the Motion; and upon review of the Motion and consideration of the agreement by and between the Debtor and Simmons Bank, and the evidence presented, the Court hereby makes the following findings of fact and conclusions of law:

A. Adequate and sufficient notice of the Motion and the Interim Hearing, under the circumstances, has been provided to all persons entitled thereto pursuant to Rules 2002 and 4001 of the Federal Rules of Bankruptcy Procedure.

B. This matter constitutes a "core proceeding" within the meaning of 28 U.S.C. § 157.

C. This Court has jurisdiction over the parties and the subject matter of this proceeding pursuant to 28 U.S.C. §§ 1334 and 157.

D. Debtor commenced this bankruptcy case on **April 20, 2026,** (the "**Petition Date**") by the filing of a petition for relief under chapter 11 of the Bankruptcy Code.

E. **Secured Lenders** assert they are secured in substantially all Debtor's Equipment, Inventory and Accounts, as more particularly delineated in the Motion (collectively, the "**Prepetition Collateral**") and the proceeds thereof (the "**Cash Collateral**"). The Prepetition Collateral and the Cash Collateral are collectively referred to as the "Collateral."

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[1] Secured Lenders are defined herein as the Small Business Administration and Simmons Bank.

ACCORDINGLY, IT IS ORDERED THAT:

1. Debtor is permitted to use Cash Collateral, in accord with the budget attached hereto as **Exhibit "1"** (the "**Budget**"), provided, Debtor may exceed the Budget by up to ten percent (10%). The Budget may be updated and modified through the date of the Final Hearing by agreement of Debtor and **Secured Lenders** subject to further order of this Court.

2. Debtor's right to use Cash Collateral under the Final Order shall commence on the date of entry of the Final Order and expire on the earlier of: (a) the entry of a subsequent interim cash collateral order; or (b) the entry of a Final Order.

3. Thereafter, as to the subsequent use of cash collateral, Debtor shall apply the following procedure as to the use of cash collateral for each succeeding 30 day period:

a. Debtor will file a proposed budget with the Court seven (7) days prior to **June 29, 2026**, which date would be **June 22, 2026**. The proposed budget will be for the next month's operational expenses (the "**Monthly Budget Filing**").

b. If no Secured Lender timely objects to the Monthly Budget Filing by close of business two (2) days prior to **June 29, 2026**, which would be **June 27, 2026**, then the proposed Monthly Budget Filing shall become the budget for the next calendar month period.

c. If a Secured Lender timely objects to Monthly Budget Filing, then cash collateral use shall be allowed in accordance with the prior month's budget until the Court can hear the objection. Nothing prohibits Debtor from seeking emergency relief if the effect of the objection and the continuance of the prior month's budget would jeopardize business operations.

d. Each subsequent month, the Monthly Budget Filing shall be submitted seven (7) days prior to the end of the applicable monthly cycle as set forth above and the deadline for objecting to the proposed use of cash collateral shall be two (2) business days prior to the end of the applicable monthly cycle. The time frame for objection and the procedure for hearing will be the same for each period, until further order of the Court.

e. Nothing in this procedure would prohibit Secured Lender from seeking to require that a different procedure be used solely for cash collateral budgeting purposes, provided Secured Lender makes such known by filing an objection to the procedure fourteen (14) days or more before Debtor's deadline to file the next Monthly Budget Filing.

4. As adequate protection of **Secured Lenders'** interest, if any, in the Cash Collateral pursuant to sections 361 and 363(e) of the Bankruptcy Code to the extent of any diminution in value from the use of the Collateral the Court hereby grants **Secured Lenders** replacement security liens on and replacement liens on all of Debtor's Equipment, Inventory and Accounts (the "**<u>Replacement Liens</u>**"), whether such property was acquired before or after the Petition Date.

5. Such Replacement Liens are exclusive of any avoidance actions available to the Debtor's bankruptcy estate pursuant to sections 544, 545, 547, 548, 549, 550, 553(b) and 724(a) of the Bankruptcy Code and the proceeds thereof.

6. Further, such Replacement Liens shall be equal to the aggregate diminution in value of the respective Collateral, if any, that occurs from and after the Petition Date. The Replacement Liens shall be of the same validity and priority as the liens of **Secured Lenders** on the prepetition Collateral.

7. **Secured Lenders** shall not be required to file or serve financing statements, notices of liens or similar interests which otherwise may be required under federal or state law in any jurisdiction, or take any action, including taking possession, to validate and perfect such Replacement Liens.

8. The Replacements Liens shall be subject and subordinate to: (a) professional fees and expenses of the attorneys, financial advisors and other professionals retained by any statutory committee if and when one is appointed; and (b) any and all fees payable to the United

States Trustee pursuant to 28 U.S.C. § 1930(a)(6), the Subchapter V Trustee, and the Clerk of the Bankruptcy Court (collectively, the "**Carve Out**").

9. As additional adequate protection for Simmons Bank, the Debtor, by the 15th of each month (or the next business day, if such date falls on a weekend or federal holiday) shall deliver payment in the amount of **$1,000** (the "**Adequate Protection Payment**") to Simmons Bank. The Adequate Protection Payment shall be made on a monthly basis, with the first such payment being due on or before **May 15, 2026**.

10. This Final Order is without prejudice to the rights of any party-in-interest, including the Debtor, to contest the priority, validity and enforceability of **Secured Lenders'** liens and security interests in and to the Prepetition Collateral.

11. Debtor waives any and all rights to surcharge the Collateral pursuant to 11 USC 506.

12. Debtor's authority to use Cash Collateral pursuant to this Order shall terminate upon the occurrence and continuation of any of the following events past the applicable cure period, if any, each of which shall constitute an "Event of Default":

(a) The Debtor's Chapter 11 Case is converted to a case under Chapter 7 of the Bankruptcy Code or is dismissed or Simmons Bank is granted relief from the automatic stay; or

(b) This Court removes the Debtor as debtor-in-possession under 11 U.S.C. § 1181(a), provided, however, that it shall not be an event of default for the Court to remove the Debtor from possession on the request of Simmons Bank;

(c) Any default under, breach of or failure to comply with, any provisions of this

Order, which breach is not cured within five business days after the Debtor's receipt of written notice thereof.

13. Upon the occurrence and continuation of any Event of Default past the applicable cure period, Simmons Bank shall be entitled to the following rights and remedies, which are cumulative in nature:

(a) Simmons Bank may immediately, without any notice to Debtor, terminate its consent to the use of its Cash Collateral.

(b) Simmons Bank may seek relief from the automatic stay to exercise all rights and remedies with respect to its Collateral upon an expedited basis with at least 72 hours' notice of the hearing.

14. Upon entry of an order lifting the automatic stay under section 362, the Debtor shall assemble and deliver all Collateral to Simmons Bank.

15. Notwithstanding any provision of this Order to the contrary, nothing in this Order shall constitute or be deemed to constitute a waiver of any rights, remedies, claims or defenses Simmons Bank may have pursuant to its respective loan documents or the Collateral, provided for by the Bankruptcy Code or applicable non-bankruptcy law, including the right to move for relief from the automatic stay or to seek a reversal, modification, or vacation of this Order. The rights and obligations of the Debtor and the rights and security interests of Simmons Bank arising out of this Order are in addition to and are not intended as a waiver or substitution for any right, remedy, lien or security interest granted under the parties' respective loan documents including the Collateral. Nothing in this Order shall in any way affect Simmons Bank's, or the Debtor's right

to later challenge the extent, validity, or priority of any lien, claim, or encumbrance asserted by any party against any of the Debtor.

16. This Final Order is and shall be fully effective upon its entry.

END OF ORDER

ORDER SUBMITTED BY:

/s/ Robert T. DeMarco
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Proposed **Counsel for Debtor and Debtor in Possession**

	Week Ending					
	5/22	5/29	6/5	6/12	6/19	Total
Beginning Cash Balance	$ -					
CASH IN						
From Existing A/R	16,000	16,000	16,000	16,000	16,000	80,000
Total Cash In	**$ 16,000**	**$ 16,000**	**$ 16,000**	**$ 16,000**	**$ 16,000**	**$ 80,000**
CASH OUT						
Accounting / Bookkeeping Services	300	300	300	300	300	1,500
Attorney Fees (Debtor's Counsel)	-	-	-	-	-	-
Building Rent	925	925	925	925	925	4,625
Credit Card Processing Fees / POS Fees	450	450	450	450	450	2,250
Equipment Rent	550	575	550	575	550	2,800
Fuel / Gas	250	300	250	300	250	1,350
Insurance (General Liability / Product)	825	850	825	850	825	4,175
Inventory Replenishment	750	900	1,000	800	1,000	4,450
Marketing	375	375	375	375	375	1,875
Maintenance	375	375	375	375	375	1,875
Office Supplies	400	350	500	450	400	2,100
Payroll						
Contractors	600	600	600	600	600	3,000
Gross Wages	7,850	7,850	7,850	7,850	7,850	39,250
Employee Health Insurance - Employer Portion	75	75	75	75	75	375
POS Fees	-	-	-	-	-	-
Sales Tax Payments	-	-	-	-	-	-
Shipping	-	-	-	-	-	-
Software Licenses / Web Services	750	750	750	750	750	3,750
Taxes						
Payroll Tax Payments	800	800	800	800	800	4,000
Sales Tax Payments	-	-	-	-	-	-
Telephone	100	100	100	100	100	500
Trustee Fee (U.S. Trustee)						-
Warehousing Costs	-	-	-	-	-	-
Utilities	150	150	150	150	150	750
ADEQUATE PROTECTION PAYMENTS	-	-	-	-	-	-
Total Cash Out	**$ 15,525**	**$ 15,725**	**$ 15,875**	**$ 15,725**	**$ 15,775**	**$ 78,625**
Net Cash Flow	**$ 475**	**$ 275**	**$ 125**	**$ 275**	**$ 225**	**$ 1,375**
Cumulative Net Cash Flow	**$ 475**	**$ 750**	**$ 875**	**$ 1,150**	**$ 1,375**	**$ 1,375**

EXHIBIT "1"