

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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| In re: | : | Chapter 11 |
| | : | |
| Phoenix Payment Systems, Inc., | : | Case No. 14-11848 (MFW) |
| | : | |
| Debtor. | : | Re: Docket Nos. 149, 358 & 454 |
| | : | |
| | : | |

**ORDER APPROVING STIPULATION AUTHORIZING AND CONSENTING TO (I)
USE OF CASH COLLATERAL PURSUANT TO REVISED BUDGET, AND (II) GRANT
OF ADDITIONAL ADEQUATE PROTECTION TO THE BANCORP BANK**

The above-captioned debtor (the “**Debtor**”) and The Bancorp Bank (the “**Bank**”) having entered into the *Stipulation Authorizing and Consenting to (I) Use of Cash Collateral Pursuant to Revised Budget, and (II) Grant of Additional Adequate Protection to The Bancorp Bank* (the “**Stipulation**”), a copy of which is attached hereto as **Exhibit 1**; and the Court having reviewed the Stipulation, and having determined that good cause has been demonstrated for approving the Stipulation;

NOW, THEREFORE, IT IS HEREBY ORDERED as follows:

1. The Stipulation attached hereto as **Exhibit 1** is approved.
2. This Court shall retain jurisdiction to resolve all matters relating to the interpretation and implementation of this Order.

Dated: December 22, 2014
Wilmington, Delaware


THE HONORABLE MARY F. WALRATH
UNITED STATES BANKRUPTCY JUDGE

Exhibit 1

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FOR THE DISTRICT OF DELAWARE**

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| In re: | : | Chapter 11 |
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| Phoenix Payment Systems, Inc., | : | Case No. 14-11848 (MFW) |
| | : | |
| Debtor. | : | Re: Docket Nos. 149 & 358 |
| | : | |
| | : | |

**STIPULATION AUTHORIZING AND CONSENTING TO (I) USE OF CASH
COLLATERAL PURSUANT TO REVISED BUDGET, AND (II) GRANT OF
ADDITIONAL ADEQUATE PROTECTION TO THE BANCORP BANK**

The above-captioned debtor, Phoenix Payment Systems, Inc. (the “**Debtor**”), and The Bancorp Bank (the “**Bank**”), by and through their undersigned counsel, hereby stipulate as follows:

WHEREAS, on September 3, 2014, the Court entered the *Final Order (I) Authorizing the Debtor (A) to Obtain Postpetition Financing on a Senior Secured [Basis] and Granting Priming Liens and (B) to Utilize Cash Collateral; (II) Granting Adequate Protection to the DIP Lender; And (III) Granting Related Relief* [D.I. 149] (the “**Final DIP Order**”);²

WHEREAS, pursuant to the Final DIP Order, the Debtor (i) was authorized to use Cash Collateral pursuant to sections 361, 362 and 363 of the Bankruptcy Code, and other collateral in which the Bank has an interest (together with the Cash Collateral, the “**Prepetition Collateral**”) and (ii) agreed to provide adequate protection with respect to any diminution in the value of the Bank’s interests in the Prepetition Collateral resulting from the use of the Cash Collateral and the use, sale or lease of the Prepetition Collateral (other than the Cash Collateral) or imposition of

² Capitalized terms used but not defined herein shall have the meanings given to them in the Final DIP Order.

the automatic stay pursuant to section 362 of the Bankruptcy Code, all as more fully set forth in the Final DIP Order;

WHEREAS, on November 10, 2014, the Court entered its *Order Approving Stipulation and Consenting to Continued (I) Use of Cash Collateral, and (II) Grant of Adequate Protection to The Bancorp Bank* [D.I. 358] (the “**Cash Collateral Order**”);

WHEREAS, pursuant to the Cash Collateral Order, the Court approved a stipulation (the “**Cash Collateral Stipulation**”) that authorized the Debtor to continue (i) to use the Bank’s Cash Collateral subject to the terms of a budget that was attached to the Cash Collateral Order as **Exhibit 2** thereto (the “**Budget**”); (ii) the grant of adequate protection to the Bank that was provided for in the Final DIP Order; and (iii) certain other terms of the Final DIP Order, in each case, after the Termination Date that was provided for in the Final DIP order;

WHEREAS, pursuant to Paragraph 17 of the Final DIP Order and Paragraph 2 of the Cash Collateral Stipulation, the Bank is authorized to request further or different adequate protection from the Debtor;

WHEREAS, the Bank has requested, and the Debtor has agreed to provide, the Bank with additional adequate protection in the form of the Debtor (i) making a cash payment in the amount \$131,287.58, as reflected on the revised Budget attached hereto as **Exhibit A** (the “**Revised Budget**”), to replenish the reserve fund (the “**Bank HELOC Reserve**”) held by the Bank on account of the Debtor’s guaranty of Raymond Moyer’s home equity line of credit (the “**Equity Line**”) and (ii) allowing the Bank to draw down on the Bank HELOC Reserve to satisfy the monthly principal and interest payments due on the Equity Line from and after September 1, 2014; and

WHEREAS, the Debtor and the Bank have agreed on the Revised Budget and the Bank has consented to the Debtor using the Bank's Cash Collateral pursuant to the Revised Budget.

NOW, THEREFORE, the parties hereto, by and through their respective counsel, hereby agree as follows:

1. *Additional Adequate Protection.* As additional adequate protection to the Bank, (i) the Debtor shall make a cash payment in the amount of \$131,287.58 to replenish the Bank HELOC Reserve on account of the Equity Line and (ii) the Bank shall be permitted to draw down on the Bank HELOC Reserve to satisfy the monthly principal and interest payments due on the Equity Line from and after September 1, 2014.

2. *Use of Cash Collateral.* Subject to the terms of the Final DIP Order, as modified by the Cash Collateral Order, the Debtor is authorized to use the Bank's Cash Collateral pursuant to the terms of the Revised Budget. While the parties agree that the Debtor is not required to adhere to each line item amount set forth in the Revised Budget, the Debtor shall not use the Bank's Cash Collateral in excess of the total amount of disbursements set forth in the Revised Budget absent the Bank's consent.

3. *Final DIP Order in Effect.* Except as is expressly set forth herein, the terms of the Final DIP Order, as modified by the Cash Collateral Order, shall remain in full force and effect.

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4. *Execution.* This *stipulation* may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Dated: December 19, 2014

RICHARDS, LAYTON & FINGER, P.A.

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Exhibit A

