



Honorable Laurel E. Davis
United States Bankruptcy Judge



Entered on Docket
December 05, 2016

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*Proposed Attorneys for Debtor
and Debtor in Possession*

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA**

In re:
REGIS GALERIE, INC., a Nevada
corporation,

Debtor.

BK-16-14899 - LED

Chapter 11

**SECOND SUPPLEMENTAL ORDER
AUTHORIZING USE OF CASH
COLLATERAL**

Hearing Date: November 29, 2016
Hearing Time: 9:30 a.m.

Upon the continued hearing on the motion [Docket No. 24] (the "Motion") of Regis Galerie, Inc., a Nevada corporation, debtor and debtor in possession (the "Debtor"), pursuant to Sections 105(a), 361 and 363 of title 11 of the United States Code (the "Bankruptcy Code"), Rules 2002, 4001, and 9014 of the Federal Rules of Bankruptcy Procedure, and Local Rule

1 4001 of the Local Rules for the United States Bankruptcy Court for the District of Nevada, for
2 the immediate entry of an interim order and, after further notice and a hearing, the entry of a
3 final order authorizing the Debtor to (a) use the cash collateral (as defined in section 363(a) of
4 the Bankruptcy Code) in which Wells Fargo Bank, N.A. (“Wells Fargo”) and/or American
5 Express Bank, FSB (“American Express”) may hold an interest (the “Cash Collateral”); and (b)
6 provide and grant replacement and security interests and other adequate protection and relief to
7 Wells Fargo and/or American Express; the Court having entered an Interim Cash Collateral
8 Order on September 16, 2016; the Court having entered a Supplemental Order Authorizing Use
9 of Cash Collateral on October 6, 2016; and upon consideration of the Motion, the Declaration
10 of Issac Dweck in Support of First Day Motions, the entire record of this case, and any
11 evidence presented or statements of counsel at the continued hearing; and good and sufficient
12 cause appearing therefore;

13 IT IS HEREBY FOUND AND DETERMINED THAT:

14 A. The Debtor filed for relief under Chapter 11 of the Bankruptcy Code on
15 September 5, 2016 and continues to manage its business and property as a debtor in possession
16 pursuant to sections 1107 and 1108 of the Bankruptcy Code. No official statutory creditors’
17 committee has been appointed in this case.

18 B. The Debtor’s continued use of Cash Collateral is necessary to allow the Debtor
19 to continue to maintain its operations and reorganize the Debtor’s assets and liabilities, thereby
20 maximizing creditor recoveries.

21 C. This Court concludes that entry of this Order is in the best interests of the
22 Debtor’s estate and creditors.

23 D. The Court’s consideration of the Motion is a core proceeding as defined in 28
24 U.S.C. §§ 157(b)(2)(A) and (M).

1 Based upon the foregoing findings and conclusions, **IT IS HEREBY ORDERED** that:

2 1. The Debtor is authorized to use Cash Collateral to and through March 5, 2017 in
3 accordance with the Budget attached hereto as Exhibit A, with an allowed variance for each
4 line item of ten percent (10%), and as otherwise authorized by this Order.

5 2. All other provisions of the Supplemental Order Authrozing Use of Cash
6 Collateral shall remain in effect.

7 3. A continued hearing on the Motion will be held on **February 28, 2017 at 9:30**
8 **a.m.** before the Honorable Laurel E. Davis, United States Bankruptcy Judge, in Courtroom 3,
9 300 N. Las Vegas Blvd., 3rd Floor, Las Vegas, Nevada, 89101.

10 4. This Order shall be effective immediately upon entry by the Court.

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12 **IT IS SO ORDERED.**

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1 Prepared and Submitted by:

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3 ARNSTEIN & LEHR LLP

4 By: /s/ Kevin H. Morse

5 Michael L. Gesas (Illinois Bar No. 6186924)

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LR 9021 CERTIFICATION

In accordance with LR 9021, counsel submitting this document certifies that the order accurately reflects the court’s ruling and that (check one):

The court has waived the requirement set forth in LR 9021(b)(1).

No party appeared at the hearing or filed an objection to the motion.

I have delivered a copy of this proposed order to all counsel who appeared at the hearing, and any unrepresented parties who appeared at the hearing, and each has approved or disapproved the order, or failed to respond, as indicated below:

Michael F. Lynch APPROVED
3613 S. Eastern Ave.
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Michael@LynchLawPractice.com
Counsel for Wells Fargo Bank, N.A.

Ivan M. Gold (California Bar No 121486) APPROVED
Three Embarcadero Center, 12th Floor
San Francisco, CA 94111-4074
igold@allenmatkins.com
Counsel for Landlord
Grand Canal Shops II, LLC

United States Trustee FAILED TO RESPOND
300 Las Vegas Boulevard South
Suite 4300
Las Vegas, NV 89101
Attn: Athanasios Agelakopoulos, Esq.

I certify that this is a case under Chapter 7 or 13, that I have served a copy of this order with the motion pursuant to LR 9014(g), and that no party has objected to the form or content of the order.

I declare under penalty of perjury that the foregoing is true and correct.

ARNSTEIN & LEHR LLP

By: /s/ Kevin H. Morse
Kevin H. Morse (Illinois Bar No. 6297244)

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Regis Galerie Inc Budget

	TOTAL													
	Dec 5 - Dec 11	Dec 12 - Dec 18	Dec 19 - Dec 25	Dec 26 - Jan 1	Jan 2 - Jan 8	Jan 9 - Jan 15	Jan 16 - Jan 22	Jan 23 - Jan 29	Jan 30 - Feb 5	Feb 6 - Feb 12	Feb 13 - Feb 19	Feb 20 - Feb 26	Feb 27 - Mar 5	Dec 5, 16 - Mar 5, 17
* Does not reflect prior due items not yet paid														
Beginning Cash	300,000.00													
Projected Sales	166,000.00	159,000.00	140,000.00	212,000.00	214,500.00	207,500.00	193,500.00	213,500.00	197,000.00	197,000.00	187,000.00	192,000.00	172,000.00	2,451,000.00
Projected Consignment Sales	6,000.00	3,000.00	2,000.00	10,000.00	8,000.00	5,000.00	4,000.00	4,000.00	5,000.00	10,000.00	3,000.00	5,000.00	5,000.00	70,000.00
Total Projected Sales	172,000.00	162,000.00	142,000.00	222,000.00	222,500.00	212,500.00	197,500.00	217,500.00	202,000.00	207,000.00	190,000.00	197,000.00	177,000.00	2,521,000.00
Money Held For Others "Consignment"	2,500.00	1,200.00	800.00	3,500.00	2,500.00	1,500.00	1,200.00	1,200.00	2,000.00	3,500.00	1,000.00	1,500.00	1,500.00	23,900.00
Total Cash From Projected Sales	469,500.00	160,800.00	141,200.00	218,500.00	220,000.00	211,000.00	196,300.00	216,300.00	200,000.00	203,500.00	189,000.00	195,500.00	175,500.00	2,797,100.00
Operating Expense														
New Merchandise Purchase	40,000.00		40,000.00		30,000.00		40,000.00		40,000.00			30,000.00		220,000.00
Accounting											10,000.00			10,000.00
Alarm			420.00			420.00				420.00				1,260.00
Appraisal	1,200.00	1,400.00	1,400.00	1,600.00	1,800.00	1,800.00	1,600.00	1,600.00	1,400.00	1,400.00	1,600.00	1,600.00	1,500.00	19,900.00
Automobile	1,113.00	1,113.00	685.00	5,028.00	1,113.00	1,113.00			3,932.00	1,113.00			3,932.00	18,029.00
Client Accommodations	4,500.00			2,000.00	2,000.00	2,000.00		1,500.00				2,000.00	1,500.00	15,500.00
Bank Service Charges					100.00				100.00				100.00	300.00
Credit Card Processing Fee		1,500.00	1,400.00	2,000.00	8,500.00	2,200.00	1,900.00	2,150.00	9,000.00	2,000.00	1,800.00	1,900.00	9,000.00	43,350.00
Freight	13,123.00	5,917.00	6,889.00	6,819.00	17,771.00	4,170.00	7,236.00	5,021.00	13,507.00	10,393.00	7,100.00	4,615.00	13,017.00	115,578.00
Insurance		2,531.00		2,293.00		1,351.00	1,180.00		2,293.00		2,531.00		2,293.00	14,472.00
Insurance Health	5,406.00			7,000.00		5,406.00			7,000.00	5,406.00			7,000.00	37,218.00
Insurance Worker Comp.			800.00			5,000.00	800.00				800.00			7,400.00
Internet		320.00				320.00								960.00
Legal Fees	15,000.00		45,000.00				45,000.00			45,000.00	55,000.00			205,000.00
Payroll	47,500.00	47,500.00	47,500.00	57,500.00	57,500.00	47,500.00	47,500.00	47,500.00	47,500.00	47,500.00	47,500.00	47,500.00	47,500.00	637,500.00
Payroll Commission	4,000.00	2,000.00	4,000.00	4,000.00	20,000.00	15,000.00	8,000.00	10,000.00	8,000.00	4,000.00	6,000.00	84,000.00	4,000.00	173,000.00
Payroll Tax	4,635.00	4,455.00	4,635.00	5,535.00	6,975.00	5,625.00	4,995.00	5,175.00	4,995.00	4,635.00	4,815.00	11,835.00	4,635.00	72,945.00
Phone	20.00		450.00	630.00	20.00		450.00	370.00		20.00		450.00	370.00	2,780.00
Postage and Delivery	400.00					100.00					120.00			620.00
Printing	1,000.00					600.00							800.00	2,400.00
U.S Trustee Fees								9,750.00						9,750.00
Maintenance	1,500.00		350.00				350.00					350.00		2,550.00
Rent	7,000.00				272,948.00				265,948.00	7,000.00			265,948.00	818,844.00
Repairs Merchandise		100.00					100.00					100.00		300.00
Sales Tax				8,000.00				10,000.00				8,000.00		26,000.00
Supplies	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	800.00	300.00	4,400.00
Wells Fargo		27,297.76				27,297.76					27,297.76			81,893.28
Total Expense	146,697.00	94,433.76	153,829.00	102,705.00	417,914.00	120,202.76	159,411.00	93,366.00	403,975.00	131,187.00	165,633.76	193,370.00	359,225.00	2,541,949.28
Net Cash Flow	322,803.00	66,366.24	-12,629.00	115,795.00	-197,914.00	90,797.24	36,889.00	122,934.00	-203,975.00	72,313.00	23,366.24	2,130.00	-183,725.00	255,150.72
Cash Balance	322,803.00	389,169.24	376,540.24	492,335.24	294,421.24	385,218.48	422,107.48	545,041.48	341,066.48	413,379.48	436,745.72	438,875.72	255,150.72	255,150.72