

UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF OKLAHOMA

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In re: :  
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Sanders Nursery & Distribution Center, Inc., : Chapter 11  
 :  
Debtor and Debtor in Possession. : Case No. 15-81312  
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**MOTION TO EXTEND TERM OF EXISTING ORDER  
TO PERMIT RENEWAL OF POST-PETITION FINANCING  
AND RELATED RELIEF**

Sanders Nursery & Distribution Center, Inc., debtor and debtor-in-possession (“Sanders Nursery”), submits this motion (“Motion”) to extend the term of an existing order of this Court, and provide other relief as necessary. In support of this Motion, Sanders Nursery states as follows:

1. This Court has jurisdiction pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding under 28 U.S.C. § 157(b)(2).
2. Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.
3. On December 4, 2015, Sanders Nursery filed in this Court its voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”).
4. Sanders Nursery continues to operate its business as a debtor-in-possession pursuant to §§ 1107(a) and 1108 of the Bankruptcy Code.

5. An Official Committee of Unsecured Creditors (the “Committee”) was appointed in this case by the Office of the United States Trustee on December 29, 2015. The Committee is represented by Mac Finlayson of Eller & Detrich.

6. On May 23, 2016, Sanders Nursery filed its *First Amended Plan of Reorganization* [Dkt. #160] (the “Plan”) and corresponding *Disclosure Statement to Accompany Debtor’s First Amended Plan of Reorganization* [Dkt. #161]. The Disclosure Statement has been approved and Plan constituents have been solicited. All ballots were cast in favor of the Plan, except for the ballots of BFN Operations, LLC d/b/a Zelenka Farms (“BFN”).

7. The deadline for filing objections to confirmation of the Plan was August 8, 2016. No objections to confirmation were filed, except that of BFN [Dkt. #192].

8. An evidentiary confirmation hearing is scheduled for March 28, 2017.

9. On February 12, 2016, Sanders Nursery filed its *Motion for Final Order Authorizing Post-Petition Financing and Use of Cash Collateral, and Granting Adequate Protection* [Dkt. #103] (the “Original Motion”).

10. After due notice, objection, and party negotiation concerning the Original Motion, the Court entered the *Agreed Order (i) Authorizing Obtaining of Credit and Use of Cash Collateral, and Granting Adequate Protection, and (ii) Maintenance of Existing Bank Accounts* [Dkt. #119] (the “Existing Order”).

11. The Existing Order provided, *inter alia*, for Sanders Nursery to enter into a post-petition revolving credit arrangement (the “Revolver”) with International Bank of Commerce (“IBC”).<sup>1</sup>

12. The Revolver matures by its terms on March 1, 2017.

13. The Revolver is critical to maintaining Sanders Nursery as a going concern. It increases the possibilities for a successful reorganization and is in the best interests of Sanders Nursery, its creditors, and its bankruptcy estate generally.

14. It is not clear under the Existing Order that renewal of the Revolver is authorized for a term beyond March 1, 2017.

15. This Motion is presented simply for the purpose of renewing and extending the Revolver for an additional period of one year beyond March 1, 2017, upon the terms and conditions as provided for and permitted by the Existing Order (the “Extended Revolver”), so that Sanders Nursery may maintain its operations undiminished through, at least, the Court’s consideration of its plan of reorganization.

16. Sanders Nursery has made reasonable efforts, under the circumstances, to obtain credit from IBC and other potential lenders, upon terms as favorable as possible to Sanders Nursery; and it is unable to obtain, in the ordinary course of business or otherwise, financing of the type contemplated hereby, either in the form of unsecured credit allowable

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<sup>1</sup> The Revolver was to be governed by, and subject to, the terms and conditions contained herein and in an *Extension and/or Modification and Release Agreement - Commercial Indebtedness* and related instruments that were appended as Exhibits to the Existing Order.

under § 503(b)(1) of the Bankruptcy Code as an administrative expense (under either circumstances stated in § 364(a) or (b) of the Bankruptcy Code), or credit secured in the manner provided herein.

17. Sanders Nursery has been able to obtain extended secured credit from IBC, pursuant to § 364(c), on the terms and conditions contained in the Existing Order. After considering all the alternatives, Sanders Nursery has concluded, in the exercise of its best and reasonable business judgment, that such financing represents the best source of liquidity available to it.

18. The terms and conditions of the Extended Revolver have been negotiated in good faith and at arm's length.

WHEREFORE, Sanders Nursery respectfully requests that this Court enter an order, in the form attached as **Exhibit "A"**, extending the term and viability of the Existing Order:

(a) authorizing Sanders Nursery to extend its existing credit arrangement with IBC by entering into an agreement for the Extended Revolver as described herein; and

(b) to the extent necessary to maintain their viability during this case, extending for an additional one-year period the terms and provisions of the Existing Order respecting:

(i) use of the cash collateral of IBC; and

(ii) maintenance of the deposit accounts of Sanders Nursery at IBC.

Respectfully submitted,

*/s/ Brandon C. Bickle*

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**Exhibit "A"**

**UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF OKLAHOMA**

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**In re:** :  
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**Sanders Nursery & Distribution Center, Inc.,** : **Chapter 11**  
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**Debtor and Debtor in Possession.** : **Case No. 15-81312**  
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**ORDER EXTENDING TERM OF EXISTING ORDER  
PERMITTING RENEWAL OF POST-PETITION FINANCING**

This matter comes before the Court on the *Motion to Extend Term of Existing Order to Permit Renewal of Post-Petition Financing and Related Relief* (the "Motion") filed by the debtor and debtor-in-possession, Sanders Nursery & Distribution Center, Inc. (the "Debtor"). The Court finds and concludes that notice of the Motion was proper and sufficient under the circumstances, the time for filing responses to the Motion has expired, and no responses were timely filed. Accordingly, for good cause shown, the Motion should be GRANTED.

IT IS THEREFORE ORDERED that Sanders Nursery is authorized to renew and extend its existing post-petition revolving credit arrangement with International Bank of Commerce (“IBC”) for one year beyond March 1, 2017, upon the same terms and conditions as provided for and permitted by the Court’s *Agreed Order (i) Authorizing Obtaining of Credit and Use of Cash Collateral, and Granting Adequate Protection, and (ii) Maintenance of Existing Bank Accounts* [Dkt. #119] (the “Existing Order”); and

IT IS FURTHER ORDERED that those provisions of the Existing Order respecting the use of the cash collateral of IBC and maintenance of the deposit accounts of Sanders Nursery at IBC are likewise extended for one year beyond March 1, 2017.

IT IS SO ORDERED.

THE MOVANT SHALL NOTIFY ALL INTERESTED PARTIES

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Submitted by:

/s/ Brandon C. Bickle

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