UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF ALABAMA

IN RE:	)	
	)	Case No. 26-11395-HAC
SUMMER FUN POOLS, INC.	)	Chapter 11, Subchapter V
	)	
Debtor.	)	

INTERIM ORDER (1) AUTHORIZING THE DEBTOR TO USE CASH COLLATERAL AND (2) GRANTING ADEQUATE PROTECTION TO PRACTICAL POOLS & PONDS, LLC

This matter came before the Court on May 22, 2026, for hearing on the Emergency Motion for Entry of Interim and Final Orders Authorizing Debtor-in-Possession to Use Cash Collateral (Doc. 12) (the “Motion”) filed by Summer Fun Pools, Inc. (the “Debtor”). Practical Pools & Ponds, LLC (“Practical”) filed a Limited Objection to the Motion (Doc. 27). The Debtor and Practical announced at the hearing an agreement resolving Practical’s objection on an interim basis, subject to the terms set forth in this Order.

The Court, having considered the Motion, the Limited Objection, the agreement of the Debtor and Practical, the statements of counsel, and the record in this case, finds that due and sufficient notice of the Motion and the hearing was provided; that the interim use of Cash Collateral on the terms set forth herein is necessary to avoid immediate and irreparable harm to the Debtor’s estate; and that the relief granted herein is fair, reasonable, and in the best interests of the Debtor, its estate, and creditors.

Accordingly, it is ORDERED as follows:

1. The Motion is GRANTED on an interim basis as set forth herein.

2. The Debtor is authorized to use Cash Collateral, as defined by 11 U.S.C. § 363(a), on an interim basis and only in accordance with the four-week interim budget filed by the Debtor (Doc. 26-1) and the terms of this Order.

3. The Debtor shall not use Cash Collateral except in accordance with the budget approved by this Order. The Debtor shall be permitted a line-item variance of no more than fifteen percent (15%); provided, however, that there shall be no variance for adequate protection payments, insider compensation, professional fees, non-ordinary-course expenses, or prepetition claims absent the prior written consent of Practical or further order of this Court.

4. The Debtor acknowledges that Practical holds a petition-date claim in the amount of $56,801.33 and that Practical is fully secured by the Debtor's prepetition collateral, including without limitation cash, deposit accounts, accounts, accounts receivable, inventory, equipment, general intangibles, contract rights, vehicles, machinery, furniture, tools, and proceeds, to the same extent, validity, priority, and enforceability as Practical's prepetition liens and security interests.

5. Practical's collateral position is not limited to petition-date cash or cash collateral only; for purposes of this interim Order, "Prepetition Collateral" means all property and assets of the Debtor covered by Practical's UCC financing statement, including without limitation cash, deposit accounts, accounts, accounts receivable, inventory, equipment, general intangibles, contract rights, vehicles, machinery, furniture, tools, and proceeds, products, substitutions, and replacements thereof, to the extent subject to Practical's valid, perfected, and enforceable prepetition liens and security interests.

6. Adequate Protection. As adequate protection for the Debtor's use of Cash Collateral and for any diminution in value of Practical's interest in the Prepetition Collateral from and after the Petition Date, Practical is granted the adequate protection set forth in this Order.

7. The Debtor shall make monthly adequate protection payments to Practical in the amount of $1,500.00 per month. The first payment shall be due on or before June 10, 2026. Each subsequent monthly payment shall be due on or before the 10th day of each month thereafter until the effective date of a confirmed plan, unless otherwise ordered by the Court or agreed in writing by the Debtor and Practical. Payments are to be sent Practical at 15641 Camellia Road Silverhill, Alabama 36576. Practical shall apply the adequate protection payments to principal only. Such application shall be without waiver of Practical's rights to interest, attorney's fees, costs, expenses, charges, and all other amounts recoverable under the Note, UCC documents, 11 U.S.C. § 506(b), or applicable law.

8. Replacement Liens. As further adequate protection, Practical is granted valid, binding, continuing, enforceable, and automatically perfected postpetition replacement liens and security interests in all postpetition assets and proceeds of the Debtor, including without limitation cash, deposit accounts, accounts, accounts receivable, inventory, equipment, general intangibles, contract rights, vehicles, machinery, furniture, tools, and proceeds, products, substitutions, and replacements thereof, to the same extent, validity, priority, and enforceability as Practical's prepetition liens and security interests. The replacement liens granted to Practical under this Order shall be deemed automatically perfected upon entry of this Order without the necessity of Practical filing financing statements, amendments, continuation statements, notices, or other documents; provided, however, that the Debtor shall execute and deliver any documents reasonably requested by Practical to evidence or further perfect the replacement liens granted herein, although no such filing or act shall be necessary for perfection.

9. The adequate protection provided to Practical under this Order protects against diminution in the value of Practical's interest in the Prepetition Collateral, and not merely

diminution in cash collateral. To the extent the adequate protection provided under this Order, including the adequate protection payments and replacement liens, proves insufficient to compensate Practical for any diminution in the value of Practical's interest in the Prepetition Collateral resulting from the Debtor's use of Cash Collateral, the continuation of the automatic stay, or the Debtor's postpetition operations, Practical shall have a superpriority administrative expense claim under 11 U.S.C. § 507(b), subject only to the Carveout defined in this Order.

10. For purposes of this Order, the "Carveout" shall mean: (a) statutory fees payable to the Clerk of Court and Bankruptcy Administrator, if any; (b) reasonable fees and expenses of the Subchapter V Trustee approved by the Court; and (c) allowed fees and expenses of Court approved professionals, but only to the extent such fees and expenses are approved by the Court and included in a budget approved by the Court or otherwise authorized by separate order.

11. The Debtor shall provide Practical and its counsel monthly postpetition reporting, with reports due between the 1st and 5th day of each month for the immediately preceding reporting period. Such reports shall include, to the extent available and applicable: bank statements or transaction reports; cash receipts and disbursements; accounts receivable aging; accounts payable aging; payroll detail; budget-to-actual reporting; insurance status; and such other financial reporting reasonably requested by Practical to monitor the Debtor's operations and Practical's collateral.

12. The Debtor and Practical shall work together in good faith to develop a 13-week cash collateral budget before the final hearing on the Motion. Practical reserves all rights to object to any proposed final cash collateral budget, any final cash collateral order, and any proposed use of Cash Collateral not acceptable to Practical.

13. The Debtor shall maintain insurance customary and necessary for its business and collateral, including insurance on all property and vehicles used in the business, and shall provide proof of insurance to Practical upon reasonable request.

14. Nothing in this Order shall constitute a waiver, release, or adjudication against Practical of any rights, claims, liens, priorities, remedies, defenses, guaranty claims, attorney's fee claims, or state law rights. Practical expressly reserves all rights to seek additional adequate protection, seek stay relief, object to any plan, object to any sale or financing, object to any further use of Cash Collateral, and assert all claims against the Debtor and any non-debtor parties.

15. Practical reserves all rights to assert that it is oversecured and entitled to recover postpetition interest, attorney's fees, costs, and expenses under 11 U.S.C. § 506(b), the Note, the guaranty, the UCC documents, and applicable law. Nothing in this Order shall constitute a waiver of such rights. The Debtor's acknowledgment that Practical is fully secured is without prejudice to Practical's right to assert oversecured status if the Debtor's schedules or other evidence show that the value of Practical's collateral exceeds the amount of Practical's claim.

16. Practical's prepetition liens, replacement liens, and related rights shall not be released, impaired, or modified unless and until Practical is paid in full, Practical consents in writing, or further order of this Court is entered after notice and opportunity for hearing.

17. This Order is interim in nature and shall not constitute a final determination of plan treatment, interest rate, amortization, maturity, claim classification, or any other issue reserved for confirmation or further order of this Court.

18. Either the Debtor or Practical may request amendments, modifications, or additional terms in connection with any final cash collateral order. All rights of the Debtor,

Practical, the Subchapter V Trustee, the Bankruptcy Administrator, and any party in interest are reserved except as expressly set forth herein.

19. This Order shall be effective immediately upon entry and shall not be stayed under Bankruptcy Rules 4001(a)(3), 6004(h), 7062, 9014, or otherwise.

20. The Court shall retain jurisdiction to interpret, enforce, and modify this Order.

Dated: May 26, 2026

Henry A. Callaway

HENRY A. CALLAWAY
U.S. BANKRUPTCY JUDGE