UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF KENTUCKY
LOUISVILLE DIVISION

In re:	)	Chapter 11, Subchapter V
TRAUD ELECTRIC, LLC,[1]	)	Case No.
Debtor.	)	

ORDER GRANTING FIRST DAY MOTION OF THE DEBTOR AND DEBTOR IN POSSESSION FOR ENTRY OF AN ORDER UNDER 11 U.S.C. §§ 105, 361, 362, 363 AND 364 AND BANKRUPTCY RULE 4001 (I) AUTHORIZING THE DEBTOR'S USE OF CASH COLLATERAL ON AN INTERIM BASIS, (II) GRANTING ADEQUATE PROTECTION TO THE DEBTOR'S PREPETITION SECURED CREDITOR, AND (III) SCHEDULING A FINAL HEARING TO CONSIDER THE DEBTOR'S USE OF CASH COLLATERAL

This matter coming before the Court on the *First Day Motion of the Debtor and Debtor in Possession for Entry of an Order Under 11 U.S.C. §§ 105, 361, 362, 363 and 364 and Bankruptcy Rule 4001 (I) Authorizing the Debtor's Use of Cash Collateral on an Interim Basis, (II) Granting Adequate Protection to the Debtor's Prepetition Secured Creditor, and (III) Scheduling a Final Hearing to Consider the Debtor's Use of Cash Collateral* (the "Motion"), filed by the debtor and debtor in possession ("Debtor")[2] in the above-captioned Chapter 11 Case, the Court having reviewed the Motion; the Court having found that (i) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (ii) venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409, (iii) this is a core proceeding pursuant to 28 U.S.C. § 157(b), and (iv) notice of the Motion was sufficient under the circumstances; and the Court having determined that good and sufficient cause having been shown;

[1] The last four digits of Traud Electric, LLC's taxpayer identification number is 9319. The Debtor's mailing address is P.O. Box 91007, Louisville, KY 40291-0007.

[2] Capitalized terms not otherwise defined herein shall have the same meaning ascribed to them as in the Motion.

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED.

2. The Debtor is authorized on an interim basis to use Cash Collateral for those purposes and in those amounts set forth in the Budget, subject to reasonable variances, attached to the Motion as **Exhibit A** (the "Budget"), as and when such expenses become due and payable.

3. The Bank is granted a replacement lien (the "Replacement Lien") on and in all property, owned, acquired, or generated postpetition by the Debtor and its continued operations to the same extent and priority and of the same kind and nature as the Bank had prior to the commencement of the Chapter 11 Case (the "Postpetition Collateral"). The Postpetition Collateral excludes all proceeds of property recovered or transfers avoided by or on behalf of the Debtor, its estate, or any subsequently appointed trustee, pursuant to sections 544 through 550 of the Bankruptcy Code (the "Avoidance Actions").

4. The Replacement Lien shall be junior and subordinate to (a) fees due the United States Trustee pursuant to 28 U.S.C. § 1930(a)(6); (b) fees due the subchapter V trustee; (c) fees due the Clerk of Court; (d) court-approved fees and expenses due to the Debtor's professionals in the amount set forth in the Budget; (e) any court-approved Superpriority Claim; and (f) following a Termination Event (as defined in the Motion), up to $20,000 in fees and expenses incurred by the Debtor's professionals (collectively, the "Carve-Out").

5. The Replacement Lien in the Postpetition Collateral are deemed to be valid and perfected to the same extent as existed as of the Petition Date without need for the execution, filing, or recording of any further documents or instruments otherwise required to be executed or filed under non-bankruptcy law.

6. The Bank will receive a $1,500 monthly adequate protection payment according to the attached Exhibit A.

7. Nothing in this Order is intended to be a determination of the extent, validity, or priority of the lien rights of the Bank, the value of collateral purporting to secure the indebtedness due from the Debtor to any of the Bank's pre-petition claims, or the need for additional adequate protection to the Bank.

8. Notwithstanding anything to the contrary contained herein, the Bank may move this Court for entry of an order terminating the Debtor's use of Cash Collateral upon an Event of Default (as defined below). This Court will hold an expedited hearing on such motion.

9. The Debtor's right to use Cash Collateral shall terminate upon (a) the entry of an order directing the appointment of a trustee for the Debtor, (b) the entry of an order dismissing or converting this case to a case under chapter 7 of the Bankruptcy Code, (c) the failure to pay, when due, any postpetition taxes, or (d) the entry of an order determining that the Debtor is in default of its obligations under this Final Cash Collateral Order or a future order granting the Motion for the continued use of Cash Collateral (any of (a), (b), (c) and (d) an "Event of Default").

10. Nothing contained herein shall be construed as a waiver of the Bank's rights in the event the terms and conditions of this Order prove insufficient to adequately protect the Bank's security interest.

11. The Court retains jurisdiction for the purpose of interpreting and enforcing this Order. A final hearing will be set for September 22, 2026 at 11:00 am (Eastern Time) in Courtroom #2, Fifth Floor, Gene Snyder Courthouse, 601 W. Broadway, Louisville, Kentucky

Charles R. Merrill
United States Bankruptcy Judge
Dated: August 20, 2026

Tendered by:

/s/ April A. Wimberg

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