



SO ORDERED.

SIGNED March 30, 2011.

**ROBERT SUMMERHAYS
UNITED STATES BANKRUPTCY JUDGE**

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF LOUISIANA
LAFAYETTE DIVISION**

IN RE: * **CHAPTER 11**
*
ZEUS INVESTMENTS, LLC * **CASE NO. 11-50406**
*
DEBTOR. *
*

**INTERIM ORDER PURSUANT TO SECTIONS 361 AND 363 OF THE
BANKRUPTCY CODE AND BANKRUPTCY RULE 4001: (1) AUTHORIZING USE OF
CASH COLLATERAL; (2) GRANTING ADEQUATE PROTECTION; (3)
AUTHORIZING THE WORKING CAPITAL LOAN; (4) SCHEDULING AND
APPROVING THE FORM AND METHOD
OF NOTICE FOR A FINAL ORDER; AND (5) FOR RELATED RELIEF**

Upon consideration of the emergency motion (the "Motion")¹ of the above-captioned debtor and debtor in possession (collectively, the "Debtor") [P-6] seeking entry of an order pursuant to sections 361 and 363 of title 11 of the Bankruptcy Code and Rule 4001 of the Bankruptcy Rules: (1) authorizing the Debtor to use cash collateral; (2) granting adequate protection; 3) authorizing the Debtor to enter into the Working Capital Loan (defined below);

¹ Each capitalized term used, but not otherwise defined herein, shall have the meaning ascribed thereto in the Motion.

(4) scheduling and approving the form and method of notice of the final hearing on the Motion; and (5) for other related relief as necessary; a hearing to consider the emergency interim relief requested in the Motion having been held and concluded (the “Interim Hearing”); all objections, if any, to the interim relief requested in the Motion having been withdrawn, resolved or overruled by the Court; it appearing to the Court that granting the interim relief requested is necessary to avoid immediate and irreparable harm to the Debtor pending the Final Hearing and otherwise is fair and reasonable and in the best interest of the Debtor, its estate and its creditors and is essential for the continued operation of the Debtor’s business; upon consideration of the evidence presented or proffered at the Interim Hearing; and after due deliberation and consideration and good and sufficient cause appearing therefor;

IT IS HEREBY FOUND AND DETERMINED THAT:

A. On March 24, 2011 (the “Petition Date”), the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code and thereby commenced a case thereunder (the “Chapter 11 Case”). The Debtor is now operating its business and managing its property as a debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No request has been made for the appointment of a trustee or examiner and no official committee of unsecured creditors has been appointed in the Chapter 11 Case.

B. This Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue of the Chapter 11 Case and the Motion in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

C. Under the circumstances, the notice of the Motion and the Interim Hearing constitutes due and sufficient notice thereof and complies with Bankruptcy Rules 4001(b) and (c).

D. The Secured Lender asserts that certain prepetition obligations were, as of the Petition Date, secured by valid, enforceable and properly perfected liens on and security interests in substantially all of the Property, including cash held in certain accounts and other assets (collectively, the “Prepetition Collateral”), and that the funds of the Debtor held in certain bank accounts, rents, credit card deposits, accounts receivables and the proceeds of such cash maintained by Debtor on the Petition Date constitute “cash collateral” within the meaning of section 363(a) of the Bankruptcy Code (the “Cash Collateral”).

E. The Debtor has requested that the Court authorize the Debtor’s use of cash which may constitute Cash Collateral for the purposes set forth in the Budget that is attached as Exhibit 1 hereto (which may be supplemented, modified or extended by agreement of the Debtor and the Secured Lender or upon approval by the Court).

F. The Debtor has requested immediate entry of this Interim Order pursuant to Bankruptcy Rule 4001(b)(1). Absent the relief sought by this Interim Order, the Debtor’s estate will be immediately and irreparably harmed. Use of cash which may constitute Cash Collateral in accordance with this Interim Order is therefore in the best interest of the Debtor’s estate.

G. Subject to compliance with the conditions of this Interim Order, the Debtor is permitted to use cash which may constitute Cash Collateral during the period of and in the amounts set forth in the Budget (and as set forth in the Motion) and in accordance herewith.

H. This Interim Order is entered pursuant to, and shall be construed and be consistent with, sections 361 and 363 of the Bankruptcy Code and Bankruptcy Rule 4001(b)(2).

I. The Working Capital Loan was negotiated in good faith and at arms’ length by and among the Debtor, and the Working Capital Lenders. Any debtor-in-possession loans and/or

other financial accommodations made to the Debtor by the Working Capital Lenders pursuant to this Interim Order shall be deemed to have been extended by the Working Capital Lenders in good faith, as that term is used in section 364(e) of the Bankruptcy Code, and the Working Capital Lenders shall be entitled to all protections afforded thereunder. The terms of the Working Capital Loan are fair and reasonable, reflect the Debtor's exercise of prudent business judgment, and are supported by reasonably equivalent value and fair consideration.

Based on the foregoing, upon the record made before this Court at the Interim Hearing, and good and sufficient cause appearing therefor,

IT IS HEREBY ORDERED AND ADJUDGED THAT:

1. The Motion is **GRANTED** on an interim basis, as set forth herein.
2. All objections to the Motion or the relief requested therein that have been made and have not been withdrawn, waived or settled, and all reservations of rights included therein, hereby are overruled on the merits.
3. The Debtor shall be, and hereby is, authorized to use cash which may constitute Cash Collateral on the terms and conditions set forth in this Interim Order. The Debtor is authorized to use cash which may constitute Cash Collateral in accordance with the Budget; provided, however, that the Debtor may exceed each line item in the Budget by up to twenty percent (20%), so long as the aggregate amount of the Budget on a monthly basis is not exceeded by more than twenty percent (20%). In addition, subject to the foregoing, any budgeted amount for expenditures which are not made in a particular monthly period may be used in any other period. In the event the Debtor's use of Cash Collateral is terminated, the Debtor is authorized after termination to continue to use cash which may constitute Cash Collateral to pay any

expenses pursuant to the Budget that were incurred prior to the termination of the use of cash which may be cash collateral.

4. To protect against any diminution in value to the extent such diminution is entitled to adequate protection under the Bankruptcy Code, the Secured Lender shall have a super-priority administrative expense claim in the amount of such insufficiency as provided in and to the full extent allowed by Sections 503(b) and 507(b) of the Bankruptcy Code (the “Superpriority Claims”), subject and subordinate only to the Carve-Out (defined below).

5. As additional adequate protection, the Secured Lender is granted, effective immediately and without the necessity of the execution by the Debtor of financing statements, mortgages, security agreements, or otherwise, in accordance with section 361(2) of the Bankruptcy Code, replacement and continued security interests in and liens on (the “Adequate Protection Liens”) all post-Petition Date assets of the Debtor and its estate on which the Secured Lender held valid and perfected liens as of the Petition Date and all proceeds, rents and products of all of the foregoing and all distributions thereon (collectively, the “Post-Petition Collateral”), in the same respective priority it held prior to the Petition Date, and subject to (a) the Carve-Out (defined below) and (b) valid, perfected, enforceable and nonavoidable liens and security interests granted by law or by the Debtor to any person or entity that were superior in priority to the prepetition security interests and liens held by the Secured Lender, and only to the extent such prepetition senior liens are not otherwise subject to avoidance or subordination, which Adequate Protection Liens are granted to secure the amount of any Superpriority Claim. Notwithstanding the foregoing or anything herein to the contrary, the Post-Petition Collateral shall not include any claims, causes of action and proceeds thereof arising under sections 510, 544, 545, 546, 547, 548, 549, 550 and 551 of the Bankruptcy Code.

6. To the extent, a party, other than the Secured Lender, asserts a lien on cash which may constitute Cash Collateral, to protect against any diminution in value to the extent such diminution is entitled to adequate protection under the Bankruptcy Code, that party is granted a replacement lien on post-Petition Date assets having the same respective priority as its prepetition liens, subject and subordinate to (a) the Carve-Out and (b) the Superpriority Claims and Adequate Protection Liens granted herein to the Secured Lender. As additional adequate protection to protect against any diminution in value to the extent such diminution is entitled to adequate protection under the Bankruptcy Code, any party asserting a lien on cash which may constitute Cash Collateral is granted a Superpriority Claim, subject and subordinate to (x) the Carve-Out and (y) the Superpriority Claims and Adequate Protection Liens granted herein to the Secured Lender.

7. In addition to the Carve-Out, expenses paid pursuant to the Budget under this Order shall, upon payment thereof, be free and clear of any Superpriority Claims and/or Adequate Protection Liens granted herein and shall not be subject to recovery by Secured Lender or any Chapter 7 or 11 trustee or other person or entity on account of any unpaid Superpriority Claims or Adequate Protection Liens.

8. The Debtor is authorized to use Cash Collateral to pay the management fees owed to HMC Hospitality Operating Company for March 2011 in the ordinary course of business and to continue to pay the management fees set forth in the Budget in the ordinary course of business.

9. In addition to the expenses set forth in the Budget, the Debtor is further authorized, but not required, to pay in the ordinary course of business, the prepetition claims of those third parties the Debtor deems are essential to the uninterrupted function of the Debtor's business

operations (the “Critical Vendors”) up to an amount not to exceed \$15,000. Nothing contained in this Order constitutes (i) a waiver of the Debtor’s right to dispute any claim or the prepetition amount owed to any Critical Vendor, or an approval or assumption of any agreement, contract or lease; or (ii) a ruling as to the validity of any claim of any Critical Vendor.

10. The pre-petition liens, and the Adequate Protection Liens and Superpriority Claims granted to the Secured Lender and any other lender claiming an interest in the Debtor’s cash which may constitute Cash Collateral should be subject to the right of payment of unpaid fees, expenses and costs (the “Carve-Out”), of the following:

(a) Court costs and U.S. Trustee’s fees; and

(b) \$65,000 for bankruptcy counsel and other professionals retained by the Debtor; and

(c) \$10,000 for any professionals retained by any official committee of unsecured creditors or other similar committee appointed by the Bankruptcy Court.

11. The Debtor is authorized to obtain a loan in the amount of \$50,000 (“Working Capital Loan”) from the members of the Debtor (“Working Capital Lenders”). The Working Capital Loan shall bear interest at a rate of twelve (12%) percent per annum and shall include a provision for the payment of reasonable attorney’s fees of the holder in the event an attorney is retained for the collection thereof. The Working Capital Loan shall be payable in full on the earliest of: (i) 120 days after the Petition Date, (ii) the effective date of a plan of reorganization, (iii) the entry of an order appointing a trustee or examiner with expanded powers, (iv) the conversion or dismissal of the Debtor’s Chapter 11 Case, or (v) the lifting of the automatic stay with respect to the Property.

12. Pursuant to Sections 503(b)(1)(A) and 507(a)(1)(C), the Working Capital Lenders are granted an administrative priority claim in the amount of the Working Capital Loan, plus interest and all legal fees incurred by the Working Capital Lenders (“Working Capital Lenders Claim”). The Superpriority Claims of the Secured Lender and any other party asserting a lien on cash which may constitute Cash Collateral shall not be entitled to preference over the Working Capital Lenders Claim.

13. Notwithstanding anything in this Order to the contrary, all rights, claims and causes of action of any sort of the Debtor and its estate against the Secured Lender or any other lender or creditor, including, without limitation, the rights of the Debtor or its estate to challenge the validity, extent or priority of such parties’ security interests in and liens upon the Prepetition Collateral and the Post-Petition Collateral, are specifically reserved.

14. This Order is entered pursuant to section 364 of the Bankruptcy Code and Bankruptcy Rules 4001(b) and (c), granting the Working Capital Lenders all protections afforded by section 364(e) of the Bankruptcy Code. If any or all of the provisions of this Interim Order are hereafter reversed, modified, vacated or stayed, that action will not affect (i) the validity of any obligation, indebtedness or liability incurred as authorized in this Interim Order by the Debtor to the Working Capital Lenders prior to the date of receipt by the Working Capital Lenders of written notice of the effective date of such action; or (ii) the validity and enforceability of any lien or priority authorized or created under this Interim Order. Notwithstanding any such reversal, stay, modification or vacatur, any post-petition indebtedness, obligation or liability incurred by the Debtor to the Working Capital Lenders prior to written notice to the Working Capital Lenders of the effective date of such action shall be governed in all respects by the original provisions of this Interim Order, and the Working Capital Lenders shall be entitled to all

the rights, remedies, privileges and benefits granted herein, with respect to all such indebtedness, obligations or liability.

15. Notwithstanding any conversion or dismissal of the Debtor's Chapter 11 Case, this order shall remain in full force and effect.

16. The entirety of this Order shall constitute findings of fact and conclusions of law and shall take effect immediately upon execution hereof. To the extent any rule imposes a stay of this Order, such rule is hereby and expressly waived.

17. The Debtor shall forthwith serve by first-class United States Mail a copy of this Interim Order (which shall constitute adequate notice of the Final Hearing) on the Secured Lender and/or upon its respective counsel, all other possible secured creditors of record, the Office of the United States Trustee, the Debtor's twenty (20) largest creditors, and any party having filed a request to receive service in the Chapter 11 Case.

18. The Hearing to consider the entry of a Final Order on the Motion authorizing and approving the use of Cash Collateral and providing adequate protection is hereby scheduled for **May 24, 2011 at 10:00 a.m.** All objections to the entry of such Final Order shall be filed in accordance with the local rules of this Court, and served upon counsel to the Debtor, counsel to any statutorily-appointed committee and the Office of the United States Trustee.

19. The Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Interim Order.

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This order was prepared and is being submitted by:

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EXHIBIT 1

Budget



	Apr Forecast	May Forecast	Jun Forecast	Jul Forecast
P & L SUMMARY				
Occupancy	42.1%	51.0%	44.9%	49.6%
Average Rate	\$82.58	\$82.74	\$82.23	\$82.55
Available Rooms	8,700	8,990	8,700	8,990
Occupied Rooms	3,663	4,586	3,902	4,460
Total Revenue	408,815	464,961	401,292	453,393
Gross Operating Inc.	251,465	299,026	249,888	291,927
	61.5%	64.3%	62.3%	64.4%
IBFC	79,671	129,894	86,874	122,802
	19.5%	27.9%	21.6%	27.1%
Net Profit/Loss	42,264	54,658	52,230	81,980
	10.3%	11.8%	13.0%	18.1%
Cash Flow from Oper.	42,264	54,658	52,230	81,980
	10.3%	11.8%	13.0%	18.1%
Net Cash Flow	12,014	18,958	44,230	81,980
	2.9%	4.1%	11.0%	18.1%
ROOMS				
Revenue	302,488	379,423	320,863	368,162
Payroll & Burden	39,935	48,324	42,683	46,266
Other Expenses	38,306	44,814	40,424	43,762
Dept. Profit(Loss)	224,246	286,285	237,756	278,134
	74.1%	75.5%	74.1%	75.5%
FOOD				
Outlet Sales	18,968	23,714	20,195	23,067
Banquet Sales	53,725	30,812	32,049	31,470
Total Food Sales	72,693	54,525	52,245	54,536
Banquet Room Rent	7,814	5,861	5,616	5,863
Audio Visual	4,173	5,217	4,443	5,075
Service Charges	9,631	5,739	5,895	5,843
Other Sales	0	0	0	0
Total Revenue	94,311	71,342	68,199	71,317
Cost of Sales	21,941	16,306	15,444	16,285
Payroll & Burden	28,963	29,944	27,990	28,876
Other Expenses	18,716	16,536	15,313	16,345
Dept. Profit(Loss)	24,691	8,556	9,452	9,811
	26.2%	12.0%	13.9%	13.8%
BEVERAGE				
Outlet Sales	8,974	11,219	9,649	11,022
Banquet Sales	1,142	640	586	618
Total Beverage Sales	10,116	11,859	10,235	11,640
Service Charges	0	0	0	0
Other Sales	0	0	0	0
Total Revenue	10,116	11,859	10,235	11,640
Cost of Sales	2,332	2,734	2,363	2,687
Payroll & Burden	5,227	5,229	5,231	5,214
Other Expenses	832	850	833	847
Dept. Profit(Loss)	1,725	3,045	1,808	2,892
	17.1%	25.7%	17.7%	24.8%
TELEPHONE				
Revenue	55	69	59	67
Cost of Sales	714	717	715	717
Payroll & Burden	0	0	0	0
Other Expenses	0	0	0	0
Dept. Profit(Loss)	(659)	(648)	(656)	(650)
	-1198.2%	-939.1%	-1111.9%	-970.1%
MINOR DEPTS				
Revenue	1,584	1,980	1,687	1,926
Cost of Sales	384	480	409	467
Other Expenses	0	0	0	0
Dept. Profit(Loss)	1,200	1,500	1,278	1,459
OTHER INCOME				
Dept. Profit(Loss)	261	288	250	281
Gross Operating Income	251,465	299,026	249,888	291,927
	61.5%	64.3%	62.3%	64.4%



	Apr	May	Jun	Jul
ADMIN & GENERAL				
Payroll & Burden	24,832	23,531	25,675	23,402
Other Expenses	16,929	17,639	17,734	17,338
Total Dept Expense	41,761	41,170	43,409	40,740
SALES & MARKETING				
Payroll & Burden	34,267	28,823	28,968	28,118
Other Expenses	28,502	21,536	18,806	21,242
Franchise Fees	12,100	15,177	12,835	14,726
Total Dept Expense	74,869	65,536	60,609	64,086
ENGINEERING				
Payroll & Burden	13,162	13,936	13,569	13,867
Other Expenses	12,753	12,753	12,753	12,753
Energy Costs	29,249	35,736	32,675	37,679
Total Dept Expense	55,164	62,425	58,997	64,299
Total Overhead Depts	171,794	169,131	163,015	169,125
	42.0%	36.4%	40.6%	37.3%

IBFC	79,671	129,894	86,874	122,802
	19.5%	27.9%	21.6%	27.1%

CAPITAL				
Taxes	0	0	0	0
Insurance	8,552	8,552	8,552	8,552
Interest	0	0	0	0
Rent/Lease	810	810	810	810
Management Fee	10,220	11,624	10,032	11,335
Asset Management Fee	0	0	0	0
Incentive Management Fee	0	0	0	0
Total Capital Expense	19,582	20,986	19,394	20,697
	4.8%	4.5%	4.8%	4.6%
Non-Operating Items	0	0	0	0
Partnership Expense	17,825	54,250	15,250	20,125
Depreciation & Amortization	0	0	0	0
NET PROFIT (LOSS)	42,264	54,658	52,230	81,980
	10.3%	11.8%	13.0%	18.1%
Plus Depr/Amortization	0	0	0	0
Less Principal Paid	0	0	0	0
CASH FLOW FROM OPS	42,264	54,658	52,230	81,980
	10.3%	11.8%	13.0%	18.1%
Less Capital Adds:	30,250	35,700	8,000	0
Less FF & E Reserve	0	0	0	0
NET CASH FLOW	12,014	18,958	44,230	81,980
	2.9%	4.1%	11.0%	18.1%

APRIL:
 Attorney Fees = \$15,000
 US Trustee Fee = \$325
 2010 Fed Income Tax Prep = \$2,500

MAY:
 Attorney Fees = \$15,000
 Misc. Partnership Exp = \$250
 Utility Deposits = \$39,000

JUNE:
 Attorney Fees = \$15,000
 Misc. Partnership Exp = \$250

JULY:
 Attorney Fees = \$15,000
 US Trustee Fee = \$4,875
 Misc. Partnership Exp = \$250

STARTING CASH BALANCE * 3/31/2011	37,800	49,814	68,772	113,002
NET CASH FLOW	12,014	18,958	44,230	81,980
USEABLE CASH	49,814	68,772	113,002	194,982

* Includes owner loan of \$50,000

Crown Plaza Lafayette
Bankruptcy Cash Report

Assumption Footnotes:

1. March 31st beginning cash balance includes a loan of \$50,000 from ownership immediately after filing bankruptcy.
2. Minimum working capital of \$50,000 is necessary to maintain positive cash balances in the bank and cover the float time for cash deposits & credit card deposits.
3. Financial projections are based on operations starting on April 1st; there will obviously be approximately 7 days of post bankruptcy activity in March, however the overall cash flow impact from this time period will not be material to this report.
4. Financial projections for April through July are based on a combination of cash & accrual accounting.
5. Partnership expenses are detailed out on the cash flow report model for review.
6. This report does not reflect the payment of any vendor payable amounts due prior to the bankruptcy filing date.
7. This report does not reflect the payment of any past due taxes incurred by the Debtor prior to the bankruptcy filing date. This includes, but is not limited to, payroll, sales, occupancy, and property taxes.
8. The payments of pre-petition amounts owed to the franchisor (IHG) under the franchise agreement are not reflected in this report. The projections reflect the payment of post petition amounts owed to IHG. The Debtor assumes that the pre-petition amounts will be paid in connection with a cure payment upon assumption of the franchise agreement at confirmation.
9. Insurance expense is reflected based on cash accounting with approximately 30% of the annual expense having been recognized in March, prior to the bankruptcy filing date. All monthly expenditures going forward are tied to the monthly installment due to the carrier.
10. Property Tax expense for calendar year 2011 has not been accrued in this projection. It is expected to be recognized at the time the actual tax payment is due to the taxing authorities rather than on a monthly accrual basis. No monthly tax escrow payment is reflected in this report.