

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

ZLOOP, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 15-11660 (KJC)

(Joint Administration Requested)

Re D.I. 9

**INTERIM ORDER GRANTING MOTION OF MOTION OF DEBTORS FOR ENTRY
OF INTERIM AND FINAL ORDERS (I) AUTHORIZING THE USE OF
CASH COLLATERAL, (II) FINDING ADEQUATE PROTECTION IS
NOT REQUIRED, AND (III) SCHEDULING A FINAL HEARING**

Upon the motion (the "Motion")² of the above-captioned debtors (collectively, the "Debtors") for entry of this order pursuant to sections 105, 361, 362 and 363 of title 11 of the United States Code, 11 U.S.C. §§ 101, *et. seq.* (the "Bankruptcy Code"), Rules 2002, 4001, 6003, and 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rule 4001-2 of the Local Bankruptcy Rules for the U.S. Bankruptcy Court for the District of Delaware (the "Local Rules"): (i) authorizing the Debtors to use Cash Collateral (as defined below), (ii) finding that neither Mosing nor ERS is entitled to adequate protection in connection with the Debtors' use of Cash Collateral, and (iii) scheduling a final hearing thereon; the Court having reviewed the Motion and the Boston Declaration and having considered the statements of counsel and the evidence adduced with respect to the Motion at a hearing before the Court (the "Hearing"); and 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

¹ The Debtors in these Chapter 11 Cases and the last four digits of each Debtors' federal tax identification numbers are: ZLOOP, Inc. (2960); ZLOOP Nevada, LLC (7516); and ZLOOP Knitting Mill, LLC (7098). The location of the Debtors' headquarters and the service address for each of the Debtors is 816 13th Street NE, Hickory, NC 28601.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

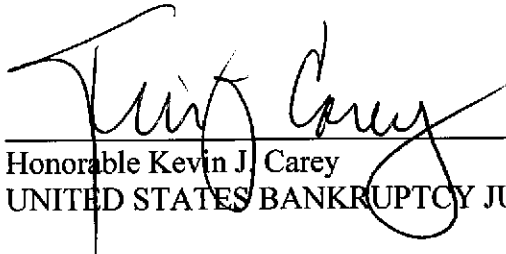
this district pursuant to 28 U.S.C. §§ 1408 and 1409, (iii) this is a core proceeding pursuant to 28 U.S.C. § 157(b), (iv) notice of the Motion was sufficient under the circumstances, and after due deliberation the Court having determined that the relief requested in the Motion is in the best interests of the Debtors, their estates and their creditors; and good and sufficient cause having been shown; and (v) there is no entity with a valid, enforceable, perfected interest in the Debtors' Cash Collateral;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED, as set forth herein.
2. Subject to entry of the Final Order, the Debtors are permitted to use Cash Collateral for the duration of these chapter 11 cases.
3. In the event and to the extent that the Court determines by a final order that a creditor holds a valid, enforceable and perfected interest in Cash Collateral, such a creditor shall be granted a replacement lien in the same type of post-petition property and to the same extent as existed as of the Petition Date, but only to the extent of the diminution of such creditor's interest resulting from the use of Cash Collateral.
4. A final hearing on the relief sought in the Motion shall be conducted on Oct 14, 2015 at 2:00 p.m., Eastern Time. The deadline by which objections to the Motion and the proposed Final Order must be filed is Sept 14, 2015 at 4:00 p.m., Eastern Time. If no objections are filed to the Motion, this Court may enter the Final Order without further notice or a hearing.
5. The Debtors are authorized and empowered to take all actions necessary to implement the relief granted in this Order.

6. The Court shall retain jurisdiction over any and all matters arising from the interpretation or implementation of this Order.

Dated: August 11, 2015
Wilmington, Delaware



Honorable Kevin J. Carey
UNITED STATES BANKRUPTCY JUDGE