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UNITED STATES BANKRUPTCY COURT DISTRICT OF ARIZONA

In re

CORNBREAD VENTURES, LP, a Texas limited partnership,

EIN 47-4482094

Debtor

Chapter 11

Case No. 2:17-bk-12877 BKM

EMERGENCY MOTION FOR STIPULATED ORDER AUTHORIZING USE OF CASH COLLATERAL AND GRANTING ADEQUATE PROTECTION

Cornbread Ventures, LP, debtor-in-possession in this Chapter 11 case, respectfully moves the Court for entry of the stipulated *Order Authorizing and Approving the Debtor's Use of Cash Collateral* (the "Stipulated Order") attached to this motion as Exhibit A. With exception of a few provisions discussed below, the Debtor and JPMorgan Chase Bank, N.A. ("JPMC") have agreed to the terms and uses of the Debtor's cash collateral set forth in the Stipulated Order, which authorizes the Debtor to use its cash to continue operating its business in the ordinary course and grants adequate protection to JPMC pending a final hearing in accordance with § 363, and Rules 4001(a) and 9014. While there is presently a handful of final points being negotiated and the Stipulated Order remains subject to

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¹ Unless otherwise indicated, all chapter and "section" or "§" references in this motion are to the Bankruptcy Code, 11 U.S.C. §§ 101 *et seq*. All "Rule" references are to the Federal Rules of Bankruptcy Procedure.

final comment and approval by JPMC, the Debtor fully expects the parties will reach a final agreement on all terms of the Stipulated Order before the November 20th hearing on this motion.

Accordingly, and in order to ensure this motion is heard at the November 20th hearing, the Debtor files this motion now and requests the Court enter the Stipulated Order on an interim basis under Bankruptcy Rule 4001(b)(2) to allow the Debtor to use cash collateral in accordance with the operating budget attached to the proposed Stipulated Order as Exhibit 1 (the "Budget"). The relief requested in this motion is necessary to avoid immediate and irreparable harm to the Debtor's business operations, the estate, and the creditors. In accordance with Local Bankruptcy Rule 4001-4(b)(6), please note that the Stipulated Order includes carve-out rights for fees incurred by estate professionals, including professionals for an official committee of creditors. Those carve-out rights can be found in full in paragraph 17 of this motion.

This motion is supported by the entire record before the Court, the *Declaration* of *Michael Stone in Support of First Day Pleadings* (the "**Stone Declaration**") [DE 10] filed on October 30, 2017, and by the following points and authorities.

BACKGROUND

Jurisdiction and Venue

- 1. On October 30, 2017 (the "**Petition Date**"), the Debtor filed in this Court a voluntary petition for relief under Chapter 11 of the Bankruptcy Code.
- 2. The Debtor operates its business and manages its assets as a debtor-in-possession under Bankruptcy Code §§ 1107 and 1108.
- 3. This Court has jurisdiction over this Chapter 11 case under 28 U.S.C. §§ 157 and 1334. This is a core proceeding under 28 U.S.C. § 157(b)(2).

4. The Debtor is a Texas limited partnership whose principal places of business are in Phoenix, Arizona and Austin, Texas, with the majority of its principal assets located in Maricopa County, Arizona. Venue is proper in this district under 28 U.S.C. §§ 1408 and 1409.

Background Facts Concerning the Debtor

5. In support of this Motion, the Debtor offers the factual statements contained in the Stone Declaration.

Debtor's Prepetition Indebtedness & Collateral

- 6. On or about October 19, 2015, JPMC made loans to the Debtor: (i) in the original principal amount of \$2,000,000 for a term loan (the "Term Loan"); and (ii) in the principal amount not to exceed \$500,000 for a revolving line of credit loan (the "RLC Loan"). The Term Loan and the RLC Loan are evidenced by, among other things: (i) a *Credit Agreement* by and between the Debtor and JPMC dated October 19, 2015 (as amended, the "Credit Agreement"); (ii) the *Term Note* by the Debtor in favor of JPMC dated October 19, 2015 (the "Term Note"); (iii) the *Line of Credit Note* by Debtor in favor of JPMC dated October 19, 2015 (the "First RLC Note"); and (iv) the *Line of Credit Note* by the Debtor in favor of JPMC dated October 31, 2016 (the "Second RLC Note").
- 7. On or about December 9, 2015, the Debtor and JPMC entered into a *Business Card Agreement and Application*, under which the Debtor incurred additional indebtedness to JPMC through the use of Business Credit Cards (the "Credit Card Loan" and the "Credit Card Loan Documents"). The Credit Agreement, the Term Note, the First RLC Note, the Second RLC Note and the Credit Card Loan Documents are collectively referred to as the "Loan Documents."

- 8. As of the Petition Date, the Debtor's indebtedness to JPMC under the Loan Documents (collectively, the "**Prepetition Indebtedness**") may be summarized as follows:
- a. <u>Term Loan Indebtedness</u>: Principal in the amount of \$1,374,999.95, accrued and accruing interest, and additional fees and costs
- b. <u>RLC Loan Indebtedness</u>: Principal in the amount of \$461,000, accrued and accruing interest, and additional fees and costs.
- c. <u>Credit Card Indebtedness</u>: Principal in the amount of \$69,506, accrued and accruing interest, and additional fees and costs
- 9. The Prepetition Indebtedness is secured by, among other things, a valid, perfected, first and prior lien on: (i) all or substantially all of the personal property owned by Borrower, including (without limitation) all inventory, accounts, equipment, and general intangibles under the *Continuing Security Agreement* by the Debtor in favor of JPMC dated October 19, 2015 (the "Security Agreement" and, collectively, the "Personal Property Collateral"); and (ii) the Debtor's ground leasehold interest in the real property, buildings, structures and improvements located at the property commonly known as 7221 West Ray Road, Chandler, Arizona 85226, all as more particularly described in the *Ground Leasehold Deed of Trust, Assignment of Leases and Rents Security Agreement and Financing Statement* dated October 19, 2015 (the "Deed of Trust" and, collectively, the "Ground Lease Collateral").
- 10. The Debtor acknowledges and agrees that cash in its possession on the Petition Date included proceeds in which JPMC has a perfected security interest. The proposed Stipulated Order reflects the agreement reached by the Debtor and JPMC regarding the Debtor's use of the cash collateral held by the Debtor or generated by the Debtor's business.

NEED FOR IMMEDIATE RELIEF

11. The Debtor believes that its business operations and reorganization efforts will suffer immediate and irreparable harm if it is not allowed to use cash collateral on the terms provided in the proposed Stipulated Order both before and after an initial hearing on this motion. The expenditures in Budget will not only protect and preserve the Debtor's assets by maintaining the business as a going concern, but will also enhance the value of the business (and JPMC's collateral) by generating additional revenue and positive net cash flow.

12. Rule 4001(b)(2) permits the Court to "authorize the use of only that amount of cash collateral as is necessary to avoid immediate and irreparable harm to the estate pending a final hearing." The Court should authorize the Debtor's continued and immediate use of its cash in accordance with the Budget and the terms set forth in the proposed Stipulated Order. Without immediate access to its cash, the Debtor's ability to meet payroll or pay its ordinary course operating expenses will be eliminated resulting in the abrupt cessation of the Debtor's operations and irreparable harm to the Debtor's estate by destroying going concern value.

STIPULATED TERMS AND USE OF CASH COLLATERAL

13. JPMC consents to the Debtor's limited use of the cash collateral on the terms and conditions of the proposed Stipulated Order including, without limitation, the requirements of the Budget, and the providing of adequate protection as described below. The following summary is subject in its entirety to all provisions of the Stipulated Order.

14. The Debtor has provided JPMC with a copy of the Budget for weekly cash receipts and expenditures for the thirteen weeks ending January 21, 2018. The Budget sets forth the Debtor's estimates of the expenses the Debtor will be required to pay from cash collateral to operate its business without interruption, replenish inventory, pay employees, and pay other ordinary and necessary operating expenses

in order to (a) avoid disruption of its workforce; (b) maintain customer relations and loyalty; (c) maintain its market presence; and (d) preserve its going concern value.

15. The Debtor and JPMC are continuing to negotiate a handful of terms, such as the term of the Budget, the notice provision associated with any monetary default, and a discrete number of specific line items in the Budget. Although those negotiations are ongoing, the Debtor expects a final agreement to be reached within a few days. Notwithstanding, the Debtor files this motion now consistent with the Court's directive at the hearing held on November 1, 2017, to ensure that this motion is heard at the already-scheduled November 20th hearing in this case.

16. In accordance with the proposed Stipulated Order and subject to the following sentence, the Debtor may only use the cash collateral in accordance with the Budget, with unused amounts for each weekly period being carried forward to the next weekly period cumulatively, and within a variance of no more than 115% per line item in any monthly period without JPMC's express written consent. Nonetheless, the Debtor must pay liabilities and expenses incurred with respect to items described in line items "JPMC Payment" and "US Trustee Fees" as and when due. The Debtor's authority to use cash collateral under the proposed Stipulated Order will terminate on the earlier to occur of (i) end of business on January 21, 2018; (ii) any later date JPMC agrees upon in writing; (iii) the date upon which a chapter 11 or chapter 7 trustee is appointed in this case; and (iv) Debtor's default under any term or provision of the Stipulated Order after five days' written notice to the Debtor and any statutory committee of unsecured creditors (if such committee is appointed, the "Committee") and opportunity to cure.

Carve-Out

17. The proposed Stipulated Order includes a carve-out (as defined in the Stipulated Order, the "Carve-Out") from the replacement liens and super-priority administrative claims to be granted to JPMC for: (a) the aggregate allowed unpaid

fees and expenses payable under §§ 330 and 331 to professionals retained under an order of this Court by the Debtor or the Committee not to exceed \$200,000; (b) quarterly fees required to be paid under 28 U.S.C. § 1930(a)(6); and (c) the payment of fees and expenses up to \$10,000 for a trustee appointed under Chapter 7 or 11 of the Code; *provided, however*, that the Carve-Out will not be available to pay professional fees or reimburse professional expenses incurred in connection with any adversary proceeding or the assertion of any claims or causes of action against JPMC, including, without limitation, any avoidance action under chapter 5 of the Bankruptcy Code, any objection or other challenge to the amount, validity or enforceability of any of JPMC's claims or liens, or formal discovery proceedings (including, but not limited to, document production and examinations under Bankruptcy Rule 2004) in anticipation thereof. So long as no default under the Stipulated Order has occurred and continues, and subject to the Budget, the Debtor may pay compensation and reimbursement of expenses allowed and payable under §§ 330 and 331 or Court order without reducing the Carve-Out.

Adequate Protection

18. As adequate protection for any diminution in value of JPMC's interest in property of the Debtor's estate as a result of the entry of the Stipulated Order and the use of cash collateral, the Debtor must make all monthly payments of interest only in accordance with the Prepetition Loan Documents and the Budget on a current and ongoing basis as they become due after the Petition Date (the "Adequate Protection Payments").

19. In addition, notwithstanding anything in § 552 to the contrary, JPMC would be granted a replacement lien on assets acquired by the Debtor after the Petition Date of the same type as the assets on which JPMC held a lien on the Petition Date (the "**Replacement Liens**"). JPMC's Replacement Liens would secure JPMC to the

extent necessary to adequately protect JPMC from any diminution in value of its interests in property of the Debtor's estate as a result of the entry of the Stipulated Order and the use of cash collateral, and would have the same validity, priority, and enforceability as JPMC's liens on the Debtor's assets on the Petition Date.

20. The Replacement Liens would not extend to claims and causes of action under chapter 5 of the Bankruptcy Code or any other avoidance or similar action under the Bankruptcy Code or similar state law.

21. To the extent the Adequate Protection Payments and Replacement Liens granted to JPMC in the Stipulated Order do not provide Lender with adequate protection of its interests in the cash collateral, JPMC would have a super-priority administrative expense claim under § 507(b) as necessary to fully compensate JPMC for the use of its cash collateral by the Debtor (the "Super-Priority Claims"). Subject only to the Carve-Out, the Super-Priority Claims of JPMC would have priority over all administrative expenses incurred in the Bankruptcy Case of any kind, including such administrative expenses of the kinds specified in, or allowable under, sections 105, 326, 330, 331, 503(b), 506(c), 507(a), 507(b) or 726 of the Bankruptcy Code. Subject only to the Carve-Out, no costs or expenses of administration which have been or may be incurred in the case, any conversion of this case under § 1112, or in any other related proceeding, and no priority claims are, or would be, prior to or on a parity with the Super-Priority Claims of JPMC.

22. As discussed above and in the Stone Declaration, the Debtor utilizes prepetition Business Credit Cards issued by JPMC. The Debtor uses the Business Credit Cards in the ordinary course of its business to make spot and emergency purchases that arise in the course of operations. The prepetition balance on the Business Credit Cards was \$69,506 and is fully secured as part of the JPMC Indebtedness. Under the Budget, the Debtor proposes to pay \$20,000 per month toward the Business Credit Cards. That monthly payment will be applied first to any

postpetition ordinary course charges incurred by the Debtors on the Business Credit Cards. To the extent \$20,000 exceeds the postpetition ordinary course charges incurred by the Debtor, any excess will be applied to the prepetition balance on the Business Credit Cards. The Business Credit Cards are an important source of liquidity and short term float for the Debtors, and the proposed \$20,000 monthly payment will ensure the Debtor's continued ability to utilize the Business Card Cards. Conversely, terminating access to the Business Credit Cards would be disruptive to the Debtor's normal, ordinary course operations. In addition, the proposed \$20,000 monthly payments on account of the Business Credit Cards will reduce the high interest and fee obligations associated with Business Credit Cards.

Committee Challenge Period

23. The Debtor's stipulations and admissions contained in the Stipulated Order would be binding on the estate and all other parties-in-interest, including, without limitation, any Committee, unless the Committee brings an adversary proceeding or contested matter (subject to the limitations contained in the Stipulated Order) no later than 60 days after the appointment of the Committee in this case, or such later date as has been agreed to, in writing, by JPMC, or as ordered by the Court in respect of challenges initiated against JPMC (A) challenging the validity, enforceability, priority or extent of the Prepetition Indebtedness or (B) otherwise asserting or prosecuting any avoidance actions or any other claims, counterclaims, causes of action, objections, contests, or defenses (collectively, the "Claims and **Defenses**") against JPMC or its respective agents, affiliates, subsidiaries, directors, officers, representatives, attorneys or advisors in connection with matters related to the Prepetition Loan Documents, the Prepetition Indebtedness, or the Collateral, and there is a final order in favor of the plaintiff sustaining any such Claims and Defenses. JPMC and the Debtor agree that the Committee has standing to bring Claims and Defenses on behalf of the estate.

Other Stipulated Terms

24. If a timely objection to the Stipulated Order is not filed after a full notice period, then the Stipulated Order will be a final order without the necessity of any further notice, hearing or order of this Court.

25. The Debtor will make available to JPMC, its counsel, and consultants, on reasonable request, the Debtor's books and records and other financial information. The Debtor will also provide the following to JPMC and any Committee: (i) a weekly budgeted versus actual cash flow report by no later than seven business days following the prior week end; and (ii) monthly balance sheets and income statements by no later than thirty days after the end of the preceding month.

RELIEF REQUESTED

26. The Debtor seeks authorization to use cash collateral under § 363(c) and Rules 4001(a) and 9014.

27. The Debtor meets the five-part test for immediate use of cash collateral as set forth in the Committee Note following Bankruptcy Rule 4001: (a) this motion sets forth the amount of cash collateral sought to be used; (b) it identifies the entities the Debtor believes has or claims an interest in the cash collateral (*i.e.*, JPMC); (c) it identifies the entities that are in control of the cash collateral (*i.e.*, the Debtor); (d) it sets forth the facts demonstrating the immediate need for the use of cash collateral; and (e) it sets forth the adequate protection being offered to JPMC.

28. Moreover, § 363(c)(1) authorizes a debtor in possession to use property of the estate in the ordinary course of business. To use cash collateral, however, one of two conditions must be satisfied: (1) each entity with an interest in the cash collateral must consent to its use or (2) the court, after notice and a hearing, authorizes its use. Section 363(e) requires the court to prohibit or condition the use of cash collateral as is necessary to provide adequate protection for the interests of the secured party who

demands adequate protection for the use of cash collateral. ² Here, JPMC has consented—subject to the few remaining points to be negotiated discussed above and subject to final approval—to the use of cash collateral consistent with the terms set forth in the proposed Stipulated Order.

CONCLUSION

For the foregoing reasons, the Debtor respectfully requests that the Court enter the Stipulated Order, substantially the form attached to this motion as **Exhibit A**: (a) authorizing the Debtor to use its cash in accordance with the terms agreed to by JPMC; (b) granting adequate protection to JPMC; and (e) granting any further appropriate relief.

November 10, 2017

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² See In re Mellor, 734 F.2d 1396, 1400 (9th Cir. 1984); see also In re Scottsdale Med. Pavilion, 159 B.R. 295, 302 (B.A.P. 9th Cir. 1993) (stating § 363(c)(2) "requires either consent by the creditor to the use of its cash collateral, or a court order authorizing its use ... [, but] in all cases the debtor must provide adequate protection of the creditor's interest as a condition of using cash collateral").

EXHIBIT A

STIPULATED ORDER

IN THE UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF ARIZONA

In re:

CORNBREAD VENTURES, LP, a Texas
limited partnership,

EIN 47-4482094

Debtor.

Case No. 2:17-bk-12877-BKM

ORDER AUTHORIZING AND
APPROVING THE DEBTOR'S
CONTINUED USE OF CASH
COLLATERAL

Hearing Date:
Hearing Time:

.m.

This matter came before the Court pursuant to the *Debtor's Emergency Motion for Interim and Final Orders Authorizing Use of Cash Collateral, Granting Adequate Protection and Setting Final Hearing* (the "Motion") filed by the above-captioned debtor (the "Debtor") with the Court on November 10, 2017. Pursuant to the Motion, the Debtor seeks the entry of this Order with the consent of JPMorgan Chase Bank, N.A. ("Lender"). Based on the Motion and the entire record before the Court,

THE COURT HEREBY FINDS AND CONCLUDES as follows:

- A. On October 30, 2017 (the "<u>Petition Date</u>"), the Debtor filed a voluntary petition for relief under chapter 11, thereby commencing its chapter 11 case (the "<u>Bankruptcy Case</u>").
- B. This Court has jurisdiction over the Bankruptcy Case and the Motion pursuant to 28 U.S.C. §§ 157(b) and 1334. The Motion presents a core proceeding as defined in 28 U.S.C. § 157(b)(2).

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- C. On or about October 19, 2015, Lender made loans to Borrower: (i) in the original principal amount of \$2,000,000 for a term loan (the "Term Loan"); and (ii) in the principal amount not to exceed \$500,000 for a revolving line of credit loan (the "RLC Loan"). The Term Loan and the RLC Loan are evidenced by, among other things: (i) that certain Credit Agreement by and between Borrower and Lender dated October 19, 2015 (as amended, the "Credit Agreement"); (ii) that certain Term Note by Borrower in favor of Lender dated October 19, 2015 (the "Term Note"); (iii) that certain Line of Credit Note by Borrower in favor of Lender dated October 19, 2015 (the "First RLC Note"); and (iv) that certain Line of Credit Note by Borrower in favor of Lender dated October 31, 2016 (the "Second RLC Note").
- D. On or about December 9, 2015, Lender and Borrower entered into that certain Business Card Agreement and Application, pursuant to which Borrower incurred additional indebtedness to Lender through the use of Business Credit Cards (the "Credit Card Loan" and the "Credit Card Loan Documents"). The Credit Agreement, the Term Note, the First RLC Note, the Second RLC Note and the Credit Card Loan Documents hereinafter shall be collectively referred to as the "Loan Documents."
- E. As of the Petition Date, Borrower's indebtedness to Lender under the Loans (collectively, the "Prepetition Indebtedness") may be summarized as follows:
 - Term Loan Indebtedness: Principal in the amount of \$1,374,999.95, (i) accrued and accruing interest, and additional fees and costs.
 - (ii) RLC Loan Indebtedness: Principal in the amount of \$461,000.00, accrued and accruing interest, and additional fees and costs.
 - (iii) Credit Card Indebtedness: Principal in the amount of \$69,506.00, accrued and accruing interest, and additional fees and costs.
- F. The Prepetition Indebtedness is secured by, among other things, a valid, perfected, first and prior lien on: (i) all or substantially all of the personal property owned by Borrower, including (without limitation) all inventory, accounts, equipment, and general intangibles pursuant to that certain Continuing Security Agreement by Borrower in favor of

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Lender dated October 19, 2015 (the "Security Agreement" and, collectively, the "Personal Property Collateral"; and (ii) Borrower's ground leasehold interest in the real property, buildings, structures and improvements located at the property commonly known as 7221 West Ray Road, Chandler, Arizona 85226, all as more particularly described in that certain Ground Leasehold Deed of Trust, Assignment of Leases and Rents Security Agreement and Financing Statement dated October 19, 2015 (the "Deed of Trust" and, collectively, the "Ground Lease Collateral").

- G. The Prepetition Indebtedness is guaranteed by Gary Manley, Michael Pottorff, and Michael Stone ("Guarantors") pursuant to their respective Continuing Guaranties dated October 19, 2017, as executed by each Guarantor in favor of Lender (collectively, the "Guaranties").
- H. The Loan Documents, the Security Agreement, the Deed of Trust, the Guaranties, and all other agreements, documents, and instruments evidencing, securing, or otherwise relating to the Loans are hereinafter referred to collectively as the "Prepetition Loan Documents."
- I. The Debtor admits that, as security for repayment of the Prepetition Indebtedness, Lender holds valid, perfected, enforceable and unavoidable liens in all of the Personal Property Collateral and the Ground Lease Collateral (collectively, the "Collateral").
- The Debtor further admits that: (a) all of the amounts owing to Lender pursuant to the Prepetition Loan Documents are due and owing, are legally binding and enforceable obligations of the Debtor, and are not subject to any offset, defense, claims, counterclaims or any other diminution of any type, kind or nature whatsoever; (b) the Prepetition Loan Documents are valid and enforceable against the Debtor in accordance with their terms, are not subject to any offset, defense, claim, counterclaim or diminution of any type, kind or nature whatsoever, and are not subject to avoidance pursuant to applicable state or federal laws; (c) the liens of Lender in, to, and against all of the Collateral are valid, enforceable and properly perfected, and are not subject to avoidance under any state and federal law; and (d) there are no existing claims or causes of action of the Debtor, breaches of contract or other liabilities, whether liquidated or

- K. Lender's Collateral includes all of the Debtor's revenue, cash proceeds and other cash equivalents, and all cash and cash equivalent proceeds of the Collateral, all of which constitute cash collateral within the meaning of 11 U.S.C. § 363(a) (the "Cash Collateral"). The Cash Collateral serves as additional security for repayment of the Prepetition Indebtedness.
- L. The Debtor does not have sufficient available sources of working capital and financing to carry on the operation of its business without the use of Cash Collateral. The Debtor's ability to pay employees, maintain business relationships with vendors and suppliers, purchase new inventory, and otherwise finance its operations is essential to the Debtor's continued viability; and the Debtor's critical need for use of Cash Collateral is immediate. Without the use of Cash Collateral, the continued operation of the Debtor's business would not be possible, and serious and irreparable harm to the Debtor and its estate would occur.
- M. The Debtor previously requested that Lender consent to the interim and limited use of Cash Collateral. Lender provided its consent by written consent. The Debtor undertook arm's-length negotiations with Lender with respect to the limited use of Cash Collateral addressed pursuant to the terms of this Order.
- N. Lender is willing to allow the Debtor to continue using its Cash Collateral through [January 21, 2018], pursuant to the terms and conditions set forth in this Order. The terms and conditions of the proposed use of Cash Collateral pursuant to this Order are fair and reasonable, were negotiated by the parties in good faith at arm's length, and the parties otherwise acted in good faith. Lender has not agreed to any further use of Cash Collateral for any other purpose except as set forth in this Order.
- O. The Debtor has provided sufficient notice of the Court's initial hearing resulting in the entry of this Order. Sufficient and adequate notice under the circumstances of the Motion and the relief granted in this Order has been given pursuant to Bankruptcy Code §§ 102(1) and 363(c), and Bankruptcy Rules 2002 and 4001.

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- P. Based on the record before this Court, there is good cause for the Court to authorize the Debtor's limited use of Cash Collateral under the terms and conditions stated herein (and not otherwise).
- O. Each of the foregoing findings by the Court will be deemed a finding of fact if, and to the extent, that it contains factual findings and a conclusion of law if, and to the full extent, that it makes legal conclusions.

Based upon the foregoing findings and conclusions, and good and sufficient cause appearing therefor,

IT IS HEREBY ORDERED as follows:

- The paragraphs contained in the foregoing findings and conclusions of this Order are incorporated herein by reference, and the Debtor and Lender consent and stipulate to the facts and findings contained in such preamble and to the entry of this Order.
- 2. Pursuant to Bankruptcy Code § 363(c), the Debtor shall be, and hereby is, authorized to use the Cash Collateral upon (and only upon) the terms and conditions set forth in this Order.
- 3. The Debtor's use of Cash Collateral is limited to payment of the authorized expenses pursuant to the budget attached hereto as Exhibit 1 (the "Budget") and for no other purpose without the prior written consent of Lender. The Debtor is hereby authorized to use the Cash Collateral only to pay the post-petition operating expenses of the Debtor as set forth on the Budget. With respect to all budgeted expenses, the Debtor is authorized to pay, and Lender consents, to a line item variance of 115% of each monthly expenditure line item within each budget period; provided, however: (1) the Debtor shall not exceed the 115% of the cumulative line item expense amount set forth in the Budget for any monthly budgeted period; and (2) Professional Fees/Reimbursements (defined below) shall be measured on a cumulative basis from the Petition Date for each professional pursuant to the Carve-Out (defined below). Any unused amounts from each weekly or monthly period in the Budget carry forward to the next weekly or monthly period cumulatively.

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Unless extended further with the written consent of Lender (confirmed by the

- 5. As adequate protection for any diminution in value of Lender's interest in property of the Debtor's estate as a result of the entry of this Order and the use of Cash Collateral, the Debtor must make all monthly payments of interest only in accordance with the Prepetition Loan Documents and the Budget on a current and ongoing basis as they become due after the Petition Date (the "Adequate Protection Payments"). The automatic stay imposed by Bankruptcy Code § 362 is modified to the extent necessary to authorize any payment under, and to implement the terms and conditions of, this Order.
- 6. Notwithstanding anything in section 552 of the Bankruptcy Code to the contrary, Lender shall have, and is hereby granted, a replacement lien on assets acquired by the Debtor after the Petition Date of the same type as the assets on which Lender held a lien on the Petition Date (the "Replacement Liens"). Lender's Replacement Liens shall secure Lender to the extent necessary to adequately protect Lender from any diminution in value of its interests in property of the Debtor's estate as a result of the entry of this Order and the use of Cash Collateral authorized hereby, and shall have the same validity, priority, and enforceability as Lender's liens

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on the Debtor's assets on the Petition Date. Notwithstanding anything in the Order to the contrary, the Replacement Liens do not extend to claims and causes of action under chapter 5 of the Bankruptcy Code or any other avoidance or similar action under the Bankruptcy Code or similar state law.

- 7. Lender's Replacement Liens shall be, and hereby are, granted in the property referenced in Paragraph 5 above (effective and perfected as of the date of the above-referenced hearing and without the necessity of the execution by the Debtor of any security agreement, pledge agreement, financing statement or any other documents) to the extent necessary to adequately protect Lender from any diminution in value of its interests in property of the Debtor's estate as a result of the entry of this Order and the use of Cash Collateral authorized hereby.
- 8. Subject to the Budget, the Debtor is authorized to pay JPMC \$20,000 per month toward Business Credit Cards. That monthly payment will be applied first to any postpetition ordinary course charges incurred by the Debtors on the Business Credit Cards. To the extent the \$20,000 monthly payment exceeds the postpetition ordinary course charges incurred by the Debtor, any excess will be applied to the prepetition balance on the Business Credit Cards.
- 9. To the extent the Adequate Protection Payments and Replacement Liens granted to Lender hereunder and in the Order do not provide Lender with adequate protection of its interests in the Cash Collateral, Lender shall have a super-priority administrative expense claim under Bankruptcy Code § 507(b) as necessary to fully compensate Lender for the use of its Cash Collateral by the Debtor (the "Super-Priority Claims"). Subject only to the Carve-Out (defined below), the Super-Priority Claims of Lender shall have priority over all administrative expenses incurred in the Bankruptcy Case of any kind, including such administrative expenses of the kinds specified in, or allowable under, sections 105, 326, 330, 331, 503(b), 506(c), 507(a), 507(b) or 726 of the Bankruptcy Code. Subject only to the Carve-Out (defined below), no costs or expenses of administration which have been or may be incurred in these proceedings, any conversion of this proceeding pursuant to section 1112 of the Bankruptcy Code, or in any other

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proceeding related hereto, and no priority claims are, or will be, prior to or on a parity with the Super-Priority Claims of Lender.

- 10. The Replacement Liens and Super-Priority Claims granted to Lender pursuant to this Order shall be subject only to the following (collectively, the "Carve-Out"): (a) the aggregate allowed unpaid fees and expenses payable under Bankruptcy Code §§ 330 and 331 to professionals retained under an order of this Court by the Debtor or the Committee not to exceed \$200,000; (b) quarterly fees required to be paid pursuant to 28 U.S.C. \ 1930(a)(6) (the "UST <u>Fees</u>"); and (c) the payment of fees and expenses up to \$10,000 for a trustee appointed under Chapter 7 or 11 of the Code; provided, however, that the Carve-Out will not be available to pay Professional Fees/Reimbursements incurred in connection with any adversary proceeding or the assertion of any claims or causes of action against Lender, including, without limitation, any avoidance action under chapter 5 of the Bankruptcy Code, any objection or other challenge to the amount, validity or enforceability of any claims or liens of Lender, or formal discovery proceedings (including, but not limited to, document production and examinations pursuant to Bankruptcy Rule 2004) in anticipation thereof. So long as no default under this Order has occurred and continues, and subject to the Budget, the Debtor may pay compensation and reimbursement of expenses allowed and payable under Bankruptcy Code §§ 330 and 331 or Court order without reducing the Carve-Out.
- 11. None of the Cash Collateral subject to liens in favor of Lender (notwithstanding the Carve-Out) may be used to: (i) object to or contest in any manner, or raise any defenses to the allowance, validity, priority, perfection, or enforceability of the Prepetition Indebtedness, or the liens in favor of Lender securing the Prepetition Indebtedness; (ii) object to or contest in any manner, or raise any alleged defenses to the validity, priority, perfection, or enforceability of the Prepetition Indebtedness owing to Lender, or the liens in favor of Lender securing the Prepetition Indebtedness; (iii) assert any claims or causes of action against Lender of any type, including, without limitation, any avoidance actions under chapter 5 of the Bankruptcy Code, or any claim or cause of action related to the Prepetition Loan Documents or otherwise; or (iv) prepare or

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prosecute any adversary proceeding in which Lender is named as a defendant. Nothing in this Order will prohibit the Debtor's use of Cash Collateral in connection with the Debtor's valuation and treatment of claims in accordance therewith. Nothing in this Order prohibits the Debtor's use of Cash Collateral to fund payments to the Debtor's professionals in accordance with the Budget in connection with valuation disputes, stay relief, or plan confirmation litigation in opposition to Lender; provided, however, that Lender reserves the right to object to the interim or final allowance and payment of such professional fees under section 330 of the Bankruptcy Code.

- 12. Lender shall not be required to file a proof of claim in the Bankruptcy Case. The Debtor's stipulations set forth herein shall be deemed to constitute a timely filed proof of claim for the Lender upon final approval of this Order, and Lender shall be treated under section 502(a) of the Bankruptcy Code as if it had filed a proof of claim. Notwithstanding any order entered by the Court in relation to the establishment of a bar date in this Bankruptcy Case, Lender is hereby authorized and entitled, in its sole discretion, but not required, to file (and amend and/or supplement) a proof of claim in the Bankruptcy Case.
- 13. The Debtor shall make available to Lender, its counsel, and consultants, upon reasonable request, the Debtor's books and records and other financial information. The Debtor shall also provide the following to Lender and any Committee: (i) a weekly budgeted versus actual cash flow report by no later than seven (7) business days following the prior week end; and (ii) monthly balance sheets and income statements by no later than thirty (30) days after the end of the preceding month.
- 14. Neither the Debtor nor any other person or entity will be permitted to surcharge the Collateral under Bankruptcy Code § 506(c). The Debtor expressly waives the right to surcharge the Collateral.
- 15. The provisions of this Order shall be binding upon and inure to the benefit of Lender, the Debtor and its bankruptcy estate, and their respective successors and assigns, including any trustee hereafter appointed in the Bankruptcy Case.

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- 16. Nothing in this Order will be deemed or construed as an admission or waiver by Lender as to adequate protection, or any other issue in this Bankruptcy Case. Nothing in this Order shall prejudice Lender's right to seek an order of this Court prohibiting Debtor's use of Cash Collateral or seek any other relief that may deem necessary and appropriate under the circumstances; and nothing in this Order prejudices the Debtor's or any other party in interest's right to oppose such relief requested by Lender.
- 17. The provisions of this Order and any actions taken pursuant hereto shall survive the entry of an order converting the Bankruptcy Case.
- 18. The Debtor's stipulations and admissions contained in this Order shall be binding on the estate and all other parties-in-interest, including, without limitation, any Committee, unless the Committee brings an adversary proceeding or contested matter (subject to the limitations contained in this Order) no later than 60 days after the appointment of the Committee in this case, or such later date as has been agreed to, in writing, by the Lender, or as ordered by the Court in respect of challenges initiated against the Lender (A) challenging the validity, enforceability, priority or extent of the Prepetition Indebtedness or (B) otherwise asserting or prosecuting any avoidance actions or any other claims, counterclaims, causes of action, objections, contests, or defenses (collectively, the "Claims and Defenses") against the Lender or its respective agents, affiliates, subsidiaries, directors, officers, representatives, attorneys or advisors in connection with matters related to the Prepetition Loan Documents, the Prepetition Indebtedness, or the Collateral, and there is a final order in favor of the plaintiff sustaining any such Claims and Defenses. The Lender and Debtor agree that the Committee has standing to bring such Claims and Defenses on behalf of the estate.
- 19. This Order shall be immediately effective as an interim order. The Debtor shall promptly serve a copy of this Order on: (i) the Office of the United States Trustee; (ii) all creditors the Debtor knows either have, or may assert, liens or other charges against the Debtor's assets; (iii) the List of Twenty Largest Unsecured Creditors; and (iv) any other party or counsel that has filed a request for special notice with this Court. Any objection to this Order must be

Bryan Cave LLP Two North Central Avenue, Suite 2200 Phoenix, Arizona 85004-4406 (602) 364-7000

Exhibit 1

Budget Consolidated Stores + Admin 2017 Reorg_Budget_v18.xlsx

Budget Start Date: 10/30/2017																								-	40.00				
	Week 1 10/30—11/05		Week 2 11/06—11/12		Week 3 W			Week 4 11/20—11/26		Week 5 11/27—12/03		Week 6 12/04—12/10		Week 7 W 12/11—12/17		Week 8 12/18—12/24		Week 9 12/25—12/31		Week 10 01/01—01/07		Week 11 01/08—01/14		Week 12 01/15—01/21		Week 13 01/22—01/28		13 Weeks 10/30/2017-1/28/2017	
	10/30—11/03		11/00—11/12		11/13-11/19		11/20-11/20		11/2/—12/03		12/04—12/10		12/11—12/17		12/10—12/24		12/25—12/51		01/01—01/07		\$ %		\$ %		\$ %		\$ %		
Net Sales Deposits	253,437		268,405		271,057		258,517		191,888		260,354		263,701		271,880		200,719		221,338		219,307		255,598		268,011		3,204,212		
Sales Tax Collected CC Tips Collected	20,993 43,212	8.3% 17.1%	22,211 45,762	8.3% 17.0%	22,400 46.197	8.3% 17.0%	21,390 44.056	8.3% 17.0%	15,895 32,711	8.3% 17.0%	21,490 44.385	8.3% 17.0%	21,781 44.960	8.3% 17.0%	22,459 46.352	8.3% 17.0%	16,638 34,247	8.3% 17.1%	18,339 37.739	8.3% 17.1%	18,182 37.400	8.3% 17.1%	21,191 43.590	8.3% 17.1%	22,229 45.676	8.3% 17.0%	265,198 546,288	8.3% 17.0%	
GROSS RECEIPTS	317,641	125.3%	336,378	125.3%	339,654	125.3%	323,964	125.3%	240,494	125.3%	326,230	125.3%	330,442	125.3%	340,690	125.3%	251,604	125.4%	277,416	125.3%	274,889	125.3%	320,379	125.3%	335,917	125.3%	4,015,698	125.3%	
																											•		
FOOD SALES FOOD COST	184,965 56,423	71.3% 30.5%	189,846 53,735	71.4% 28.3%	180,977 49,717	71.3% 27.5%	148,005	71.2% 0.0%	174,848	71.1% 0.0%	183,773 39,770	71.2% 21.6%	191,535 46,967	71.2% 24.5%	149,633 49,405	70.9% 33.0%	170,554 51,488	70.8% 30.2%	149,401 40,229	70.8% 26.9%	176,442 45,887	70.8% 26.0%	182,900 40,190	70.8% 22.0%	202,916 47,428	70.7% 23.4%	2,285,793 521,240	71.2% 22.8%	
FOOD COST	56,423	30.5%	55,735	20.3%	49,717	21.5%		0.0%	-	0.0%	39,770	21.0%	40,907	24.5%	49,405	33.0%	51,400	30.2%	40,229	20.9%	45,007	26.0%	40,190	22.0%	47,420	23.4%	521,240	22.0%	
LIQUOR SALES	52,293	20.2%	53,561	20.1%	51,267	20.2%	41,697	20.1%	49,401	20.1%	51,828	20.1%	53,935	20.0%	41,611	19.7%	47,598	19.8%	41,861	19.8%	49,160	19.7%	51,210	19.8%	57,041	19.9%	642,463	20.0%	
BEER SALES	12,034	4.6%	12,268	4.6%	11,528	4.5%	10,035	4.8%	11,804	4.8%	12,094	4.7%	12,664	4.7%	9,818	4.7%	10,939	4.5%	9,996	4.7%	11,534	4.6%	12,281	4.8%	13,822	4.8%	150,817	4.7%	
WINE SALES	8,629	3.3%	8,880	3.3%	8,702	3.4%	6,974	3.4%	8,296	3.4%	8,970	3.5%	9,306	3.5%	8,039	3.8%	9,526	4.0%	7,962	3.8%	9,597	3.9%	9,664	3.7%	10,578	3.7%	115,122	3.6%	
LIQUOR COST	7,126	13.6%	7,283	13.6%	6,954	13.6%	5,724	13.7%	6,753	13.7%	7,049	13.6%	7,347	13.6%	5,732	13.8%	6,530	13.7%	5,792	13.8%	6,763	13.8%	7,079	13.8%	7,914	13.9%	88,046	13.7%	
BAR MIX COST	1,741	2.4%	1,786	2.4%	1,723	2.4%	1,372	2.3%	1,627	2.3%	1,719	2.4%	1,787	2.4%	1,384	2.3%	1,598	2.3%	1,385	2.3%	1,634	2.3%	1,689	2.3%	1,877	2.3%	21,323	2.3%	
BEER COST	2,888	24.0%	2,943	24.0%	2,759	23.9%	2,401	23.9%	2,824	23.9%	2,886	23.9%	3,024	23.9%	2,351	23.9%	2,611	23.9%	2,397	24.0%	2,764	24.0%	2,949	24.0%	3,318	24.0%	36,115	23.9%	
WINE COST	2,168	25.1%	2,232	25.1%	2,187	25.1%	1,757	25.2%	2,102	25.3%	2,276	25.4%	2,359	25.4%	2,025	25.2%	2,407	25.3%	2,005	25.2%	2,429	25.3%	2,442	25.3%	2,662	25.2%	29,051	25.2%	
OTHER SALES	1,437	0.6%	1,499	0.6%	1,512	0.6%	1,129	0.5%	1,423	0.6%	1,587	0.6%	1,634	0.6%	1,855	0.9%	2,216	0.9%	1,896	0.9%	2,349	0.9%	2,392	0.9%	2,542	0.9%	23,471	0.7%	
OTHER COST	-	0.0%	-	0.0%		0.0%	-	0.0%	-	0.0%	-	0.0%		0.0%		0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	
Kitchen Wages	33,418	18.1%	21,502	11.3%	32,155	17.8%	21,343	14.4%	28,697	16.4%	17,456	9.5%	30,553	16.0%	22,386	15.0%	29,594	17.4%	16,584	11.1%	29,497	16.7%	16,503	9.0%	50,871	25.1%	350,557	15.3%	
Front-of-House Wages	31,101	12.0%	12,847	4.8%	30,266	11.9%	12,736	6.1%	26,940	11.0%	10,429	4.0%	28,705	10.7%	13,356	6.3%	27,949	11.6%	9,700	4.6%	27,978	11.2%	9,835	3.8%	41,930	14.6%	283,773	8.8%	
Miscellaneous Wages	342	0.1%	197	0.1%	331	0.1%	196	0.1%	295	0.1%	160	0.1%	314	0.1%	206	0.1%	306	0.1%	151	0.1%	306	0.1%	151	0.1%	508	0.2%	3,462	0.1%	
Training Wages CC Tips Disbursed	2,146 44,209	0.8% 17.0%	1,238 45,362	0.5% 17.0%	2,146 43.286	0.8% 17.0%	1,238 35,442	0.6% 17.1%	2,146 41.894	0.9% 17.0%	1,238 44,024	0.5% 17.0%	2,146 45.870	0.8% 17.0%	1,238 35.997	0.6% 17.1%	2,146 41.063	0.9% 17.1%	1,238 35.997	0.6% 17.1%	2,146 42.466	0.9% 17.0%	1,238 44.063	0.5% 17.0%	2,146 48.923	0.7% 17.1%	22,451 548,597	0.7% 17.1%	
Management Salary	60.851	23.5%	25,226	9.5%	60,851	24.0%	25,226	12.1%	60,851	24.8%	25,226	9.8%	60,851	22.6%	25,226	12.0%	58.151	24.1%	25,226	11.1%	58,151	23.3%	25,226	9.8%	58.151	20.3%	569,213	17.1%	
Employee Benefits/Taxes	22448	8.7%	91049	34.2%	22448	8.8%	11390	5.5%	22448	9.1%	11390	4.4%	22448	8.3%	11390	5.4%	22448	9.3%	11390	5.4%	22448	9.0%	11390	4.4%	22448	7.8%	305,140	9.5%	
Bonus TOTAL LABOR	194,515	0.0% 75.0%	197.421	0.0% 74.2%	191.484	0.0% 75.4%	107.572	0.0% 51.8%	183.271	0.0% 74.6%	109.923	0.0% 42.6%	190.888	0.0% 70.9%	109.799	0.0% 52.0%	181.657	0.0% 75.4%	100.287	0.0% 47.5%	182,992	0.0% 73.5%	108.407	0.0% 41.9%	224.977	0.0% 78.4%	2.083.194	0.0% 64.9%	
TOTAL LABOR	194,515	75.0%	197,421	14.2%	191,404	75.4%	107,572	31.0%	103,271	74.0%	109,923	42.0%	190,000	70.9%	109,799	52.0%	101,007	75.4%	100,207	47.5%	102,992	73.5%	100,407	41.9%	224,911	70.4%	2,063,194	64.9%	
CASH O/S	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	
Supplies Discount Food/LBW Credit	7,224 2,939	2.8% 1.1%	7,396 3,086	2.8% 1.2%	7,093 3,128	2.8% 1.2%	5,907 3.000	2.8% 1.4%	6,875 2,210	2.8% 0.9%	7,201 2.994	2.8% 1.2%	7,478 3,061	2.8% 1.1%	5,981 3,144	2.8% 1.5%	6,749 2,330	2.8% 1.0%	5,982 2.533	2.8% 1.2%	6,957 2,505	2.8% 1.0%	7,187 2.922	2.8% 1.1%	7,906 3,018	2.8% 1.1%	89,936 36,871	2.8% 1.1%	
Repair/Maintenance	3,763	1.5%	3,876	1.5%	3,733	1.5%	3,023	1.5%	3,578	1.5%	3,812	1.5%	3,964	1.5%	3,050	1.4%	3,519	1.5%	3,018	1.4%	3,597	1.4%	3,679	1.4%	4,060	1.4%	46,672	1.5%	
Janitorial	3,204	1.2%	3,285	1.2%	3,137	1.2%	2,590	1.2%	3,025	1.2%	3,174	1.2%	3,315	1.2%	2,568	1.2%	2,919	1.2%	2,562	1.2%	2,995	1.2%	3,107	1.2%	3,476	1.2%	39,358	1.2%	
Utilities	9,870	3.8%	-	0.0%	-	0.0%	40,000	19.2%	39,761	16.2%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	36,878	17.5%	-	0.0%	-	0.0%	-	0.0%	126,510	3.9%	
Valet Credit Card Processing Fees	879	0.3% 0.0%	919 39,236	0.3% 14.7%	877	0.3% 0.0%	679	0.3% 0.0%	855	0.3% 0.0%	943 36,060	0.4% 14.0%	978	0.4% 0.0%	627	0.3% 0.0%	740	0.3% 0.0%	609 34,470	0.3% 16.3%	804	0.3% 0.0%	786	0.3% 0.0%	792	0.3% 0.0%	10,491 109,766	0.3% 3.4%	
Delivery Service Fees	2,094	0.8%	1,891	0.7%	1,959	0.8%	1,935	0.9%	1,528	0.6%	1,805	0.7%	1,981	0.7%	2,054	1.0%	1,509	0.6%	1,795	0.9%	1,468	0.6%	1,784	0.7%	1,765	0.6%	23,566	0.7%	
Other	2,812	1.1%	2,881	1.1%	2,743	1.1%	2,248	1.1%	2,659	1.1%	2,783	1.1%	2,902	1.1%	2,333	1.1%	2,659	1.1%	2,344	1.1%	2,758	1.1%	2,874	1.1%	3,195	1.1%	35,192	1.1%	
Rent & Property Tax	115,805	44.7%	-	0.0%	-	0.0%	-	0.0%	119,236	48.5%	-	0.0%	-	0.0%	-	0.0%	59,818	24.8%	115,805	54.9%	-	0.0%	-	0.0%	-	0.0%	410,664	12.8%	
LIABILITY INSURANCE Total Location Expenses	14,811 163,402	5.7% 63.0%	62.571	0.0% 23.5%	22.669	0.0% 8.9%	59.382	0.0% 28.6%	14,349 194.076	5.8% 79.0%	58.773	0.0% 22.8%	23.680	0.0% 8.8%	19,757	0.0% 9.4%	80.243	0.0% 33.3%	14,811 220.809	7.0% 104.6%	21,085	0.0% 8.5%	22.339	0.0% 8.6%	24.213	0.0% 8.4%	43,971 972,998	1.4% 30.3%	
									(11)								(= 1)		(()										
Operating Profit	(110,621)	-42.7%	8,407	3.2%	62,160	24.5%	145,755	70.1%	(150,159)	-61.1%	103,833	40.2%	54,389	20.2%	150,239	71.2%	(74,929)	-31.1%	(95,489)	-45.2%	11,334	4.6%	135,285	52.3%	23,527	8.2%	263,730	8.2%	
TABC TAX Disbursements	-	0.0%	-	0.0%	-	0.0%	9,796	4.7%	-	0.0%	-	0.0%	-	0.0%	6,892	3.3%	-	0.0%	-	0.0%	-	0.0%	7,073	2.7%	-	0.0%	23,761	0.7%	
Sales Tax Disbursements	-	0.0%	-	0.0%	-	0.0%	134,957	64.9%		0.0%		0.0%	-	0.0%	87,438	41.4%	-	0.0%	-	0.0%	-	0.0%	89,696	34.7%	-	0.0%	312,091	9.7%	
PACA/503b Travel	1.000	0.0% 0.4%	1,000	0.0% 0.4%	1.000	0.0% 0.4%	1.000	0.0% 0.5%	40,000 1,000	16.3% 0.4%	25,000 1,000	9.7% 0.4%	25,000 1.000	9.3% 0.4%	25,000 1.000	11.9% 0.5%	12,334 1,000	5.1% 0.4%	15,000 1.000	7.1% 0.5%	1.000	0.0% 0.4%	1.000	0.0% 0.4%	1.000	0.0% 0.3%	142,334 13.000	4.4% 0.4%	
Marketing	2,080	0.8%	1,000	0.0%	17,500	6.9%	1,000	0.0%	1,000	0.0%	1,000	0.0%	17,500	6.5%	1,000	0.0%	1,000	0.0%	1,000	0.0%	1,000	0.0%	17,500	6.8%	1,000	0.0%	54,580	1.7%	
Accounting Fees		0.0%		0.0%	27,000	10.6%		0.0%		0.0%		0.0%	27,000	10.0%		0.0%		0.0%		0.0%		0.0%	27,000	10.4%		0.0%	81,000	2.5%	
Postage	50	0.0%	50	0.0%	50	0.0%	50	0.0%	50	0.0%	50	0.0%	50	0.0%	50	0.0%	50	0.0%	50	0.0%	50	0.0%	50	0.0%	50	0.0%	650	0.0%	
Other Professional Fees		0.0% 0.0%	4,000	1.5% 0.0%	_	0.0% 0.0%		0.0% 0.0%		0.0% 0.0%	4,000 70,000	1.5% 27.1%		0.0% 0.0%		0.0% 0.0%	70,000	0.0% 29.1%	4,000	1.9% 0.0%		0.0% 0.0%		0.0% 0.0%	70,000	0.0% 24.4%	12,000 210,000	0.4% 6.5%	
US Trustee Fees		0.0%		0.0%		0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%		0.0%	-	0.0%		0.0%		0.0%	10,400	4.0%	7 0,000	0.0%	10,400	0.3%	
JPMC Payment	-	0.0%	-	0.0%	8,101	3.2%	-	0.0%	14,323	5.8%		0.0%	8,101	3.0%		0.0%	-	0.0%	-	0.0%	8,101	3.3%	-	0.0%	-	0.0%	38,627	1.2%	
JPMC Legal Fees	1,200	0.5%		0.0%	20.000	0.0%		0.0%	7,500	3.1%		0.0%	20.000	0.0%		0.0%	5,000	2.1%	5,000	2.4%	20.000	0.0%		0.0%		0.0%	18,700	0.6%	
Credit Card Debt Payment Other Fees	1,058	0.0% 0.4%	1,058	0.0% 0.4%	20,000 1,058	7.9% 0.4%	1,058	0.0% 0.5%	1,058	0.0% 0.4%	1,058	0.0% 0.4%	20,000 1,058	7.4% 0.4%	1,058	0.0% 0.5%	1,058	0.0% 0.4%	1,058	0.0% 0.5%	20,000 1,058	8.0% 0.4%	1,058	0.0% 0.4%	1,058	0.0% 0.4%	60,000 13,754	1.9% 0.4%	
Leased Equipment	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%		0.0%	-	0.0%	-	0.0%	
Total Other Expenses	5,388	2.1%	6,108	2.3%	74,709	29.4%	146,861	70.7%	63,931	26.0%	101,108	39.2%	99,709	37.1%	121,438	57.6%	89,442	37.1%	26,108	12.4%	30,209	12.1%	153,777	59.5%	72,108	25.1%	990,896	30.9%	
Net Income	(116,009)	-44.7%	2,299	0.9%	(12,549)	-4.9%	(1,105)	-0.5%	(214,090)	-87.1%	2,725	1.1%	(45,320)	-16.8%	28,800	13.7%	(164,371)	-68.3%	(121,597)	-57.6%	(18,876)	-7.6%	(18,492)	-7.2%	(48,581)	-16.9%	(727,166)	-22.6%	

367,653.53 \$ 251,644.07 \$ 251,644.07 \$ 253,942.77 \$ (292,439.79) \$ (310,931.44) \$ (310,931.44) (359,512.74)