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6 ISRAEL DISCOUNT BANK OF NEW  
YORK



7 **CHANGES MADE BY COURT**

8 UNITED STATES BANKRUPTCY COURT

9 CENTRAL DISTRICT OF CALIFORNIA

10 LOS ANGELES DIVISION

11 In re:  
12  
13 B&B Bachrach, LLC,  
14  
15 Debtor and Debtor in Possession.

16 Case No. 2:17-bk-15292-NB

17 Chapter 11

18 **FINAL ORDER PURSUANT TO 11 U.S.C.**  
19 **§§ 105, 361, 362, AND 363 AUTHORIZING**  
20 **DEBTOR'S USE OF CASH**  
21 **COLLATERAL, AND GRANTING**  
22 **ADEQUATE PROTECTION TO THE**  
23 **DEBTOR'S SENIOR PREPETITION**  
24 **SECURED LENDER, AND SCHEDULING**  
25 **CONTINUED HEARING AND STATUS**  
26 **CONFERENCE**

27 Hearing Date:

28 Date: August 8, 2017

Time: 2:00 PM

Place: Courtroom 1545  
255 E. Temple Street  
Los Angeles, CA 90012

24 B&B Bachrach, LLC, (the "Debtor") having filed an emergency motion (the "Cash  
25 Collateral Motion") [Dkt. No. 4], pursuant to Sections 105, 361, 362, and 363, of title 11 of the  
26 United States Code (the "Bankruptcy Code") and Rule 4001 of the Federal Rules of Bankruptcy  
27 Procedure (the "Bankruptcy Rules" and each a "Bankruptcy Rule"), for entry of interim and final  
28

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1 orders: (i) approving the *Stipulation Authorizing Debtor's Interim Use of Cash Collateral and*  
2 *Granting Adequate Protection to the Debtor's Prepetition Secured Lender* (the "Stipulation"),  
3 attached to the Cash Collateral Motion as Exhibit A, and entered into between the Debtor and its  
4 senior secured creditor, Israel Discount Bank of New York ("IDB"), authorizing the Debtor's use  
5 of IDB's Cash Collateral<sup>1</sup> on the terms and conditions set forth in the Stipulation and budget  
6 attached thereto [Dkt. Nos. 49, 67] (the "Initial Budget"), (ii) authorizing the permissive use of  
7 junior creditors CC Funding's and Opportunity Fund's cash collateral pursuant to the Initial  
8 Budget, (iii) scheduling a final hearing on the Cash Collateral Motion pursuant to Bankruptcy  
9 Rule 4001(b), and (iv) granting related relief; the Cash Collateral Motion having come before the  
10 Court for a hearing on May 4, 2017; the Court having entered an order on May 4, 2017 [Dkt No.  
11 50]: (i) granting the Cash Collateral Motion and approving the Stipulation on an interim basis,  
12 effective *nunc pro tunc* to the Petition Date, subject to the clarifications and conditions set forth in  
13 the Court's *Order Memorializing the Court's Tentative Rulings for "First Day" Motions and*  
14 *Initial Status Conference* [Dkt. Nos. 46, 47] and as modified or supplemented on the record and  
15 (ii) scheduling a hearing for May 23, 2017 (the "Hearing") to consider granting the relief  
16 requested in the Cash Collateral Motion on a final basis (the "Interim Cash Collateral Order");  
17 counsel for IDB, counsel for the Debtor, and counsel for the Official Committee of Unsecured  
18 Creditors (the "Committee") having announced at the Hearing an agreement between the parties  
19 whereby IDB would consent to the Debtor's continued use of Cash Collateral through June 8,  
20 2017, pursuant to certain modifications of the Initial Budget; the Court having entered the *Second*  
21 *Interim Order Pursuant to 11 U.S.C. §§ 105, 361, 362, and 363 Authorizing Debtor's Interim Use*  
22 *of Cash Collateral, Granting Adequate Protection to Debtor's Senior Prepetition Secured*  
23 *Lender, and Scheduling Continued Hearing* (the "Second Interim Cash Collateral Order") on May  
24 26, 2017 [Dkt. No. 123], pursuant to which: (i) the Debtor's continued use of Cash Collateral was  
25 approved through and including June 8, 2017 on the terms and conditions set forth therein, (ii) the  
26 Debtor was directed to file a revised Initial Budget with the Court no later than May 30, 2017,

27 \_\_\_\_\_  
28 <sup>1</sup> Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Second Interim Cash Collateral Stipulation.

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1 and (iii) a hearing to consider the relief requested in the Cash Collateral Motion on a final basis  
2 was scheduled for June 8, 2017 (the “June 8 Cash Collateral Hearing”); the Debtor having filed a  
3 revised Initial Budget on May 30, 2017 [Dkt. No. 125], which was further amended by Exhibit A  
4 (the “Amended Budget”) to the *Final Stipulation Authorizing Debtor’s Interim Use of Cash*  
5 *Collateral and Granting Adequate Protection to the Debtor’s Prepetition Senior Secured Lender*,  
6 filed on June 2, 2017 [Dkt. No. 136] (the “Second Interim Cash Collateral Stipulation”); certain  
7 landlords and the Committee having filed the following objections to the Cash Collateral Motion  
8 and Amended Budget: (i) *Amended Limited Objection Of General Growth And Taubman*  
9 *Landlords To (1) Entry Of Final Order Authorizing Use Of Cash Collateral And Granting*  
10 *Adequate Protection To The Debtor’s Senior Prepetition Secured Lender, And (2) Amended*  
11 *Budget Regarding Use Of Cash Collateral* [Dkt. 131] filed by certain landlords affiliated with  
12 GGP, Inc. and the Taubman Company, LLC, (ii) *Limited Objection Of Various Landlords To*  
13 *Final Order For Use Of Cash Collateral* [Doc. 134] filed by the Forbes Company, Centennial  
14 Real Estate, and Starwood Retail Partners, LLC, and (iii) *Supplemental Reply To Objection Of*  
15 *Israel Discount Bank Of New York To Debtor’s Continued Use Of Cash Collateral* [Dkt. 132]  
16 filed by the Committee (the foregoing collectively referred to as the “Cash Collateral  
17 Objections”); IDB and the Debtor having responded to the Cash Collateral Objections on June 6,  
18 2017, by filing the *Reply of Israel Discount Bank of New York to Cash Collateral Objections*  
19 *Filed by the Official Committee of Unsecured Creditors and Certain Landlords* [Dkt. No. 148]  
20 and *Debtor’s Combined Reply to Responses and Objections to Debtor’s Use of Cash Collateral*  
21 [Dkt. No. 150]; the Court having entered the *Third Interim Order Pursuant to 11 U.S.C. §§ 105,*  
22 *361, 362, and 363 Authorizing Debtor’s Interim Use of Cash Collateral, Granting Adequate*  
23 *Protection to the Debtor’s Senior Prepetition Secured Lender, and Scheduling Continued*  
24 *Hearing and Status Conference* on June 12, 2017 [Dkt. No. 156] (the “Third Interim Cash  
25 Collateral Order”) pursuant to which: (i) the Second Interim Cash Collateral Stipulation and  
26 Amended Budget were approved, effective as of June 8, 2017, (ii) the Debtor’s continued use of  
27 Cash Collateral was approved through and including June 20, 2017, subject to the terms and  
28 conditions of the Second Interim Cash Collateral Stipulation and Amended Budget, and (iii) the

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1 Court continued to June 20, 2017, the final hearing on the relief requested in the Cash Collateral  
2 Motion (the “June 20 Cash Collateral Hearing and Status Conference”); the Court having entered  
3 the *Fourth Interim Order Pursuant to 11 U.S.C. §§ 105, 361, 362, and 363 Authorizing Debtor’s*  
4 *Interim Use of Cash Collateral, Granting Adequate Protection to the Debtor’s Senior Prepetition*  
5 *Secured Lender, and Scheduling Continued Hearing and Status Conference* on June 16, 2017  
6 [Dkt. No. 164] (the “Fourth Interim Cash Collateral Order”) pursuant to which: (i) the June 20  
7 Cash Collateral Hearing and Status Conference was vacated, (ii) the Debtor’s continued use of  
8 Cash Collateral was approved through and including July 11, 2017, subject to the terms and  
9 conditions of the Second Interim Cash Collateral Stipulation and Amended Budget, and (iii) the  
10 Court scheduled a joint hearing and status conference on July 11, 2017 to consider the relief  
11 requested in the Cash Collateral Motion on a final basis; the Court having entered the *Fifth*  
12 *Interim Order Pursuant to 11 U.S.C. §§ 105, 361, 362, and 363 Authorizing Debtor’s Interim Use*  
13 *of Cash Collateral, Granting Adequate Protection to the Debtor’s Senior Prepetition Secured*  
14 *Lender, and Scheduling Continued Hearing and Status Conference* on July 13, 2017 [Dkt. No.  
15 194] (the “Fifth Interim Cash Collateral Order”) and together with the Fourth Interim Cash  
16 Collateral Order, Third Interim Cash Collateral Order, Second Interim Cash Collateral Order, and  
17 Interim Cash Collateral Order, the “Cash Collateral Orders”) pursuant to which (i) the Debtor’s  
18 continued use of Cash Collateral was approved through and including August 8, 2017, (ii) the  
19 Court approved the Second Amended Budget attached as Exhibit A thereto, and (iii) the Court  
20 scheduled a hearing on August 8, 2017, at 2:00 PM (Pacific Time) to consider the relief requested  
21 in the Cash Collateral Motion on a final basis; the Debtor and IDB having agreed to extend the  
22 Debtor’s use of Cash Collateral through and including August 31, 2017, the anticipated effective  
23 date of the *Debtor’s Combined Chapter 11 Plan of Reorganization and Disclosure Statement, as*  
24 *Modified*, [Dkt. Nos. 197, 241] as modified by that certain *Stipulation By and Between the Debtor*  
25 *and Israel Discount Bank of New York Amending the Debtor’s Combined Chapter 11 Plan of*  
26 *Reorganization and Disclosure Statement, as Modified* [Dkt. No.250] and as may be further  
27 modified with the consent of IDB (the “Combined Plan and Disclosure Statement”), subject to the  
28 terms and conditions of the Second Interim Cash Collateral Stipulation and a further revised

1 Amended Budget (the “Third Amended Budget”) attached hereto as Exhibit A, and the terms set  
2 forth herein,; after due deliberation and good cause appearing to grant the relief requested in the  
3 Cash Collateral Motion on a final basis; and based on the findings of fact and conclusions of law  
4 stated orally and recorded in open court:

5 **IT IS HEREBY ORDERED THAT:**

- 6 1. The Cash Collateral Motion is granted on a final basis.
- 7 2. The Third Amended Budget attached hereto as Exhibit A is approved.
- 8 3. Subject to the terms and conditions of the Second Interim Cash Collateral  
9 Stipulation and the Third Amended Budget, the Debtor is authorized to use Cash Collateral  
10 through and including August 31, 2017, solely to pay the expenditures set forth in the Third  
11 Amended Budget (as may be modified, supplemented or updated from time to time with express  
12 written consent of IDB), provided that such use shall not be in excess of the Debtor’s Net  
13 Receipts.
- 14 4. The Cash Collateral Orders shall remain in effect pursuant to the terms contained  
15 therein, except to the extent modified by this Final Order.
- 16 5. The Second Interim Cash Collateral Stipulation and Third Amended Budget shall  
17 be valid and binding upon the Debtor, all successors-in-interest to the Debtor including the  
18 reorganized Debtor, all creditors of the Debtor, the Committee, all equity holders, any trustee  
19 appointed in this or any superseding Chapter 7 Bankruptcy Case, and all other parties-in-interest  
20 from and after the Petition Date.
- 21 6. Any stay, modification, reversal or vacation of this Final Order shall not affect the  
22 validity of any obligation of the Debtor to IDB incurred pursuant to the Second Interim Cash  
23 Collateral Stipulation. Notwithstanding any such stay, modification, reversal or vacation, all use  
24 of Cash Collateral and all obligations incurred by the Debtor pursuant to the Second Interim Cash  
25 Collateral Stipulation prior to the effective date of such stay, modification, reversal or vacation,  
26 shall be governed in all respects by the Second Interim Cash Collateral Stipulation and IDB shall  
27 be entitled to all the rights, privileges and benefits, including without limitation, the Adequate  
28 Protection Obligations and Superpriority Claim granted therein.

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1           7.       The provisions of this Final Order, and any actions taken pursuant hereto or the  
2 Second Interim Cash Collateral Stipulation, shall survive entry of any order which may be entered  
3 (i) confirming any plan of reorganization in the Chapter 11 Case, (ii) converting the Chapter 11  
4 Case to a chapter 7 case, or (iii) dismissing the Chapter 11 Case, and the terms and provisions of  
5 the Second Interim Cash Collateral Stipulation, as well as the Adequate Protection Obligations  
6 and Superpriority Claim granted pursuant thereto, shall continue in full force and effect  
7 notwithstanding the entry of such order, and such Adequate Protection Obligations and  
8 Superpriority Claim shall maintain their priority as provided by the Second Interim Cash  
9 Collateral Stipulation.

10           8.       Nothing contained in this Final Order or the Second Interim Cash Collateral  
11 Stipulation shall constitute a waiver by IDB of its rights (if any) to seek other or additional  
12 adequate protection, or other or additional relief from the Court as the circumstances may dictate,  
13 including, but not limited to, the right to seek additional adequate protection, relief from the  
14 automatic stay, dismissal or conversion of the Chapter 11 Case, or the appointment of a trustee or  
15 examiner (including a trustee or examiner with duties in addition to those set forth in sections  
16 1106(a)(3) and (a)(4) of the Bankruptcy Code).

17           9.       The Debtor and IDB are authorized to execute all further documents and perform  
18 such further acts as may reasonably be required to effectuate the purpose and intent of this Final  
19 Order and the Second Interim Cash Collateral Stipulation.

20           10.       Notwithstanding any provision herein or in the Cash Collateral Orders, Stipulation  
21 or Second Interim Cash Collateral Stipulation, the Carve Out Amount (as such term is defined in  
22 the Combined Plan and Disclosure Statement) shall not exceed \$802,000.00.

23           11.       The Debtor is directed to immediately serve a copy of this Final Order by first  
24 class U.S. Mail, postage prepaid on (1) the Office of the United States Trustee; (2) the Committee;  
25 (3) Israel Discount Bank of New York; (4) CC Funding; (5) Opportunity Fund; and (6) any party  
26 that files with the Court and serves upon the Debtor requests for notice of all matters in  
27 accordance with Bankruptcy Rule 2002.  
28

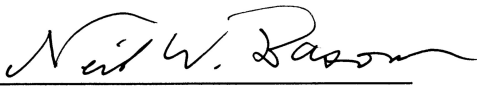
1 12. The Bankruptcy Court shall retain jurisdiction to hear and determine all matters  
2 arising from the implementation and interpretation of this Final Order.

3 13. Notwithstanding any provision in the Bankruptcy Rules to the contrary, including  
4 Bankruptcy Rule 6004(h): (i) this Final Order shall be effective immediately and enforceable  
5 upon its entry and (ii) the Debtor is not subject to any stay in the implementation, enforcement, or  
6 realization of the relief granted in this Final Order.

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Date: August 11, 2017

  
Neil W. Bason  
United States Bankruptcy Judge

**Exhibit A**  
**Third Amended Budget**



B&B BACHRACH AUG & SEPT WEEKLY BUDGET	14 8/6/2017	15 8/13/2017	16 8/20/2017	17 8/27/2017	9/3/2017	9/10/2017	9/17/2017	9/24/2017	10/1/2017
<b>SALES</b>									
SALES 15 ONGOING & WEB	\$ 226,034	234,956	228,856	236,556	207,567	266,233	231,514	212,766	247,530
SALES 5 CLOSING	29,648	30,726	25,037	16,794	4,311	-	-	-	-
WHOLESALE CORP						-	-	-	-
SALES TAX 7.5%	(19,834)	(17,794)	(18,106)	(17,922)	(20,534)	(21,344)	(18,247)	(17,427)	(19,625)
CASH AFTER SALES TAX	\$ 235,848	247,888	235,787	235,428	191,344	244,890	213,268	195,338	227,905
Total Expenses & Sales Tax	205,699	227,829	200,408	221,174	151,973	229,931	222,084	203,137	239,356
<i>Expenses as % of Revenue</i>	80.5%	85.8%	78.9%	87.3%	71.7%	86.4%	95.9%	95.5%	96.7%
PURCHASES	\$ -	10,000	5,000	-	15,000	-	5,000	5,000	5,000
FREIGHT IN 3.0%	-	-	-	-	1,817	8,457	7,177	6,596	7,673
CASH AFTER PURCHASES	\$ 235,848	237,888	230,787	235,428	174,527	236,433	201,091	183,743	215,231
<b>OPERATING EXPENSES</b>									
PAYROLL 15, WEB & CORP	\$ -	159,710	-	159,710	-	159,710	-	159,710	-
PAYROLL 5 CLOSING	-	16,486	-	8,165	-	-	-	-	-
RENT 15, WEB & CORP	91,325	10,568	162,030	23,105	6,250	-	104,682	-	177,284
RENT 5 CLOSING	-	-	-	-	27,897	-	-	-	-
OPERATING EXP 15, WEB & CORP	22,587	11,185	13,185	10,185	48,092	2,000	32,400	21,000	12,448
OPERATING EXP 5 CLOSING	1,489	2,087	2,087	2,087	1,500	-	-	-	-
	\$ 115,401	200,035	177,302	203,251	83,739	161,710	137,082	180,710	189,732
CASH AFTER OPERATING EXPENSES	\$ 120,447	37,853	53,485	32,177	90,788	74,723	64,008	3,033	25,500
<b>DEBT SERVICE</b>									
NEW 1M TERM LOAN PAYMENT	\$ -	-	-	-	-	-	-	-	-
NEW 1M LOAN INTEREST (6%)	-	-	-	-	-	-	-	-	-
IDB REVOLVER INTEREST	35,464	-	-	-	32,700	-	-	-	-
NEW LOAN INTEREST @7.25% & \$3K Fee	-	-	-	-	-	-	-	-	-
	\$ 35,464	-	-	-	32,700	-	-	-	-
CASH AFTER DEBT SERVICE	\$ 84,983	37,853	53,485	32,177	58,088	74,723	64,008	3,033	25,500
<b>EXIT COSTS</b>									
ACCRUED UNPAID PROFESSIONAL FEES	\$ -	-	-	-	-	-	20,000	-	-
POST CONFIRMATION PROFESSIONAL FEE	-	-	-	-	-	-	-	-	-
CCF	-	-	-	-	-	-	-	-	-
OPPORTUNITY FUND	-	-	-	-	-	-	-	-	-
503(B)(783K over 36 moths)	-	-	-	-	-	-	21,755	-	-
INVENTORY ADMIN (447K)	-	-	-	-	-	12,422	-	-	-
SAS	-	-	-	-	-	-	-	-	-
TRUSTEE FEES	-	-	-	-	-	-	-	-	-
SECURED TAX CLAIMS	-	-	-	-	-	4,455	-	-	-
PRIORITY TAX CLAIMS	-	-	-	-	-	-	-	-	-
CURE COST (441K)	-	-	-	-	-	25,000	-	-	25,000
NEW LOAN COSTS	35,000	-	-	-	-	-	-	-	-
UNSECURED CLAIMS (300K)	-	-	-	-	-	5,000	20,000	-	-
	\$ 35,000	-	-	-	-	46,877	61,755	-	25,000
CASH AFTER EXIT COSTS	\$ 49,983	37,853	53,485	32,177	58,088	27,846	2,253	3,033	500
<b>NEW LOAN</b>									
NEW LOAN BEGINNING BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,579,056
NET BORROWING (REPAYMENT)	-	-	-	-	-	-	-	-	(500)
ENDING BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,578,557
NEW TERM LOAN	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
<b>IDB BANK LOAN</b>									
BEGINNING BALANCE	\$ 8,793,849	\$ 8,743,866	\$ 8,706,013	\$ 8,652,528	\$ 9,422,351	\$ 9,364,263	\$ 9,336,417	\$ 9,334,164	\$ -
NET BORROWING (REPAYMENT)	(49,983)	(37,853)	(53,485)	(32,177)	(58,088)	(27,846)	(2,253)	(3,033)	-
ENDING BALANCE	\$ 8,743,866	\$ 8,706,013	\$ 8,652,528	\$ 8,620,351	\$ 9,364,263	\$ 9,336,417	\$ 9,334,164	\$ 9,331,131	\$ -
Unpaid Prof. Fee (Debtor)	\$ 652,000	\$ 702,000	\$ 752,000	\$ 802,000	\$ -	\$ -	\$ -	\$ -	-
Unpaid Prof. Fee (Lender)	117,925	117,925	117,925	117,925	117,925	117,925	167,925	167,925	-
ADJ ENDING BALANCE	\$ 9,513,791	\$ 9,525,938	\$ 9,522,453	\$ 9,540,276	\$ 9,482,188	\$ 9,454,342	\$ 9,502,089	\$ 9,499,056	-
BEGINNING INVENTORY	10,128,219	10,056,521	9,981,163	9,984,484	9,937,914	9,858,577	10,100,030	10,276,856	10,396,457
(+) PURCHASES	-	-	75,000	25,000	-	321,000	260,720	200,000	-
(-) SALES AT COST	71,698	75,358	71,679	71,570	79,337	79,547	83,895	80,399	82,150
INVENTORY BALANCE	10,056,521	9,981,163	9,984,484	9,937,914	9,858,577	10,100,030	10,276,856	10,396,457	10,314,307
<b>OVER ADVANCE</b>									
Eligible Inventory (less 6,700)	10,049,821	9,974,463	9,977,784	9,931,214	9,851,877	10,093,330	10,270,156	10,389,757	
NOLV @69%	6,934,376	6,882,380	6,884,671	6,852,538	6,797,795	6,964,398	7,086,407	7,168,932	
90% NOLV	6,240,939	6,194,142	6,196,204	6,167,284	6,118,016	6,267,958	6,377,767	6,452,039	
Wholesale @85%	-	-	-	-	-	-	-	-	
Over Advance	(2,502,927)	(2,511,871)	(2,456,325)	(2,453,068)	(3,246,247)	(3,068,459)	(2,956,397)	(2,879,092)	
Unpaid Prof Fees Accumulated	\$ 769,925	\$ 819,925	\$ 869,925	\$ 919,925	\$ 117,925	\$ 117,925	\$ 167,925	\$ 167,925	
Adjusted Over Advance	(3,272,852)	(3,331,796)	(3,326,250)	(3,372,992)	(3,364,172)	(3,186,384)	(3,124,322)	(3,047,017)	