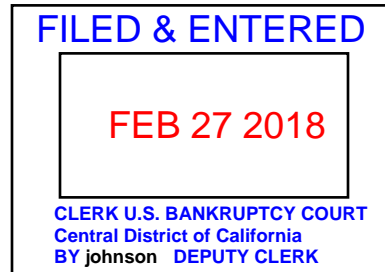


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8 Shiekh Shoes, LLC

CHANGES MADE BY COURT

9 **UNITED STATES BANKRUPTCY COURT**
10 **CENTRAL DISTRICT OF CALIFORNIA, LOS ANGELES DIVISION**

11 In re
12
13 SHIEKH SHOES, LLC,
a California limited liability company,
14
15 Debtor.

Case No. 2:17-bk-24626-VZ

Chapter 11

**INTERIM ORDER ON DEBTOR'S
NOTICE OF MOTION AND MOTION
FOR ORDER:**

**(1) AUTHORIZING DEBTOR TO OBTAIN
SECOND POSTPETITION TERM LOAN
SECURED BY JUNIOR LIEN UNDER 11
U.S.C. § 364;**

**(2) AUTHORIZING DEBTOR'S
CONTINUED USE OF CASH
COLLATERAL UNDER 11 U.S.C. § 363;**

**(3) SCHEDULING FINAL HEARING ON
MOTION; AND**

(4) GRANTING RELATED RELIEF

[Relates to Dkt. No. 484]

Date: February 27, 2018
Time: 1:30 p.m.
Place: Courtroom 1368
255 East Temple Street
Los Angeles, CA 90012

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1 The “Notice Of Motion And Motion For Interim And Final Orders: (1) Authorizing
2 Debtor to Obtain Second Postpetition Term Loan Secured by Junior Lien Under 11 U.S.C. § 364;
3 (2) Authorizing Debtor’s Continued Use of Cash Collateral Under 11 U.S.C. § 363; (3)
4 Scheduling Final Hearing on Motion; And (4) Granting Related Relief” [Dkt. No. 484] (the
5 “**Motion**”), filed by Shiekh Shoes, LLC, the debtor and debtor in possession in the above-
6 captioned case (the “**Debtor**”), came on for hearing on an shortened notice on February 27, 2018,
7 at 1:30 p.m., before the Honorable Vincent P. Zurzolo, United States Bankruptcy Judge, in
8 Courtroom 1368 of the above-entitled Court, at 255 East Temple Street, Los Angeles, California
9 90012. Appearances were as noted on the record of the hearing.

10 The Motion filed in the above-captioned chapter 11 case (the “**Chapter 11 Case**”) seeks
11 the entry of this interim order (this “**Order**”) and a final order (“**Final Order**”): (1) authorizing
12 the Debtor to obtain a junior secured postpetition term loan in the principal amount of up to
13 \$11,000,000 (the “**Second Term Loan**”) pursuant to section 364 of title 11 of the United States
14 Code, 11 U.S.C. §§ 101, et seq. (the “**Bankruptcy Code**”), from (i) 10 Brothers Holdings LLC,
15 whose sole member is the Shiekh S. Ellahi 2009 Family Trust Dated October 5, 2017, in which the
16 Debtor's principal Shiekh S. Ellahi has an interest, and (ii) Anjum Shiekh (collectively, the
17 “**Second Term Lender**”), pursuant to the terms of this Order and that certain “Junior Secured
18 Debtor in Possession Term Loan And Security Agreement”, dated as of February 27, 2018, by and
19 between the Debtor and the Second Term Lender in substantially the form attached to the “Notice
20 of Filing of: (A) Revised Proposed Form of Interim Order on Debtor’s Motion For Interim And
21 Final Orders: (1) Authorizing Debtor to Obtain Second Postpetition Term Loan Secured by Junior
22 Lien Under 11 U.S.C. § 364; (2) Authorizing Debtor’s Continued Use of Cash Collateral Under 11
23 U.S.C. § 363; (3) Scheduling Final Hearing on Motion; And (4) Granting Related Relief; And (B)
24 Redlined Revised Form of Related Second Term Loan Documents” [Dkt. No. 531] as Exhibit 2
25 (as the same may be amended, restated, supplemented or otherwise modified from time to time,
26 the “**Second Term Loan Agreement**”)¹; (2) authorizing the Debtor to use the proceeds of Second
27 _____

28 ¹ Capitalized terms used but not defined herein shall have the meaning assigned to such terms in the Motion or the
Second Term Loan Agreement (as the case may be).

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1 Term Loan as and in an amount necessary to pay operating and administrative expenses of the
2 Debtor in accordance with a proposed updated budget to extend the current Court-approved
3 budget that expires February 27, 2018 (the “**Extended Budget**”); (3) authorizing the Debtor to
4 execute, deliver, and enter into the Second Term Loan Agreement and other Second Term Loan
5 Documents (as defined in paragraph 2 below) and to perform such other and further acts as may be
6 required in connection with the Second Term Loan Documents; (4) granting junior security
7 interests and liens pursuant to sections 364(c)(3) of the Bankruptcy Code to the Second Term
8 Lender to secure all obligations of the Debtor under the Second Term Loan, subject to the
9 payment of: (i) fees of the United States Trustee as required under 28 U.S.C. § 1930(a)(6) fees (the
10 “**UST Fees**”); and (ii) allowed fees and expenses of each of the Court-approved professionals of
11 the Debtor and the Official Committee of Unsecured Creditors (the “**Committee**”) employed in
12 this case (collectively, the “**Professional Fees**”); (5) approving the Extended Budget appended
13 hereto as Exhibit A, which updates the budget previously approved by the Court (the “**Prior**
14 **Budget**”) in connection with the prior postpetition senior secured term loan in the amount of
15 \$5,000,000 (the “**First Term Loan**”) from Anjum Shiekh (the “**First Term Lender**”); (6)
16 authorizing the Debtor’s continued use of Cash Collateral (as defined in paragraph F below) to pay
17 ordinary and necessary operating and administrative expenses pursuant to the Extended Budget,
18 with the same flexibility permitted in connection with the Prior Budget; (7) maintaining all forms
19 of adequate and other protections afforded to the First Term Lender and Comvest Capital II, L.P.,
20 as administrative and collateral agent for itself and various lenders more specifically identified in
21 the related prepetition credit agreement, and to such lenders (collectively, “**Comvest**”), under the
22 First Term Loan Orders (defined in paragraph D below); (8) modifying the automatic stay
23 imposed under section 362 of the Bankruptcy Code to the extent necessary to implement,
24 effectuate, and perform under the terms and provisions of the Second Term Loan Documents and
25 this Order; (9) setting an expedited interim hearing (the “**Interim Hearing**”) on the Motion,
26 pursuant to Rule 4001 of the Federal Rules of Bankruptcy Procedure (“**FRBP**”) and applicable
27 Local Bankruptcy Rules of this Court, to be held before this Court to consider entry of this Order;
28 (10) finding that adequate notice of the Motion has been provided; (11) finding that the Second

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1 Term Loan is made in “good faith” under 11 U.S.C § 364(e); (12) pursuant to Bankruptcy Rules
2 4001(b)(2) and 4001(c)(2) and the applicable Local Bankruptcy Rules of this Court, scheduling a
3 final hearing (the “**Final Hearing**”) on the Motion as set forth in paragraph 26 below to consider
4 entry of the Final Order authorizing the Second Term Loan under the Second Term Loan
5 Documents on a final basis; (13) waiving any applicable stay and authorizing the immediate
6 effectiveness of this Order; and (14) granting related and ancillary relief; and the Interim Hearing
7 having been held before this Court on February 27, 2018; and this Court having considered the
8 Motion and all pleadings related thereto, any oppositions or other responses to the Motion, the
9 record in this case, and the evidence, representations, statements, and arguments presented by
10 counsel at the Interim Hearing; and after due deliberation and consideration, and for the reasons
11 set forth on the record at the Interim Hearing, and good and sufficient cause appearing therefor:

12 **THIS COURT HEREBY FINDS AND CONCLUDES AS FOLLOWS:**²

13 A. Commencement of Case. On November 29, 2017 (the “**Petition Date**”), the
14 Debtor filed with this Court a voluntary petition for relief under chapter 11 of the Bankruptcy
15 Code. The Debtor is continuing to operate its business and manage its properties as a Debtor-in-
16 possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No request has been
17 made for the appointment of a trustee or examiner. On or about December 11, 2017, the United
18 States Trustee appointed the Committee in this Chapter 11 Case.

19 B. Jurisdiction; Venue. This Court has jurisdiction over the Chapter 11 Case and the
20 Motion pursuant to 28 U.S.C. §§ 157(b) and 1334. Consideration of the Motion constitutes a core
21 proceeding pursuant to 28 U.S.C. § 157(b)(2). The statutory predicates for the relief sought herein
22 are sections 105, 361, 362, 363, and 364 of the Bankruptcy Code and Rules 2002, 4001 and 9014
23 of the Federal Rules of Bankruptcy Procedure. Venue of the Chapter 11 Case in this District is
24 proper pursuant to 28 U.S.C. §§ 1408 and 1409.

25 C. Adequate Notice. On February 21, 2018, the Debtor filed the Motion with this
26 Court and pursuant to Bankruptcy Rules 2002, 4001 and 9014, and the Local Bankruptcy Rules of

27 _____

28 ² Pursuant to Bankruptcy Rule 7052, any findings of fact contained herein that may be construed as matters of law shall be treated as conclusions of law as if set forth below, and vice versa.

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1 this Court, the Debtor has provided notice of the Motion and the Interim Hearing by the Court’s
2 NEF System, electronic mail, facsimile, hand delivery, or overnight delivery to the following
3 parties and/or to their counsel as indicated: (i) the Office of the United States Trustee for this
4 District (the “**U.S. Trustee**”); (ii) the Committee; (iii) Comvest; (iv) the First Term Lender; (v) all
5 other known parties with liens of record on assets of the Debtor as of the Petition Date; (vi) the
6 local office for the Internal Revenue Service; and (vii) all other parties required to receive notice
7 under the Court’s order limiting notice [Dkt. No. 69] (collectively, the “**Notice Parties**”). Given
8 the nature of the relief sought in the Motion, this Court concludes that the foregoing notice was
9 sufficient and adequate under the circumstances and complies with the Bankruptcy Code, the
10 Bankruptcy Rules, and any other applicable law, and no further notice relating to this proceeding
11 is necessary or required.

12 D. The First Term Loan Orders. On January 18, 2018, this Court entered its “Interim
13 Order: (1) Authorizing Debtor to Obtain Postpetition Replacement Term Loan Secured by Senior
14 Lien Pursuant to 11 U.S.C. § 364 to Pay State Bank And Trust Company; (2) Authorizing
15 Debtor’s Use of Cash Collateral Pursuant to 11 U.S.C. § 363; (3) Granting Adequate Protection to
16 Prepetition Junior Secured Creditor Pursuant to 11 U.S.C. §§ 361, 362, 363, And 364; (4)
17 Scheduling Final Hearing on Motion; And (5) Granting Related Relief” [Dkt. No. 331] (the “**First**
18 **Term Loan Interim Order**”). On February 15, 2018, this Court entered its “Final Order on
19 Debtor’s Motion For Interim And Final Orders: (1) Authorizing Debtor to Obtain Postpetition
20 Replacement Term Loan Secured by Senior Lien Pursuant to 11 U.S.C. § 364 to Payoff State
21 Bank And Trust Company; (2) Authorizing Debtor’s Use of Cash Collateral Pursuant to 11 U.S.C.
22 § 363; (3) Granting Adequate Protection to Prepetition Junior Secured Creditor Pursuant to 11
23 U.S.C. §§ 361, 362, 363, And 364; (4) Scheduling Final Hearing on Motion; And (5) Granting
24 Related Relief” [Dkt. No. 439] (the “**First Term Loan Final Order**,” and together with the First
25 Term Loan Interim Order, the “**First Term Loan Orders**”).

26 E. Nike Vendor Financing Orders. On January 31, 2018, this Court entered its
27 “Interim Order on Debtor’s Emergency Motion For Interim And Final Orders: (1) Authorizing
28 Debtor to Obtain Short-Term Vendor Financing From Nike USA, Inc., Secured by Senior Lien

1 Under 11 U.S.C. § 364; (2) Authorizing Use of Cash Collateral Under 11 U.S.C. § 363; (3)
2 Scheduling Final Hearing on Motion; And (4) Granting Related Relief” [Dkt. No. 386] (the “**Nike**
3 **Vendor Financing Interim Order**”). On February 15, 2018, the Court entered its “Final Order
4 on Debtor’s Emergency Motion For Interim And Final Orders: (1) Authorizing Debtor to Obtain
5 Short-Term Vendor Financing From Nike USA, Inc., Secured by Senior Lien Under 11 U.S.C. §
6 364; (2) Authorizing Use of Cash Collateral Under 11 U.S.C. § 363; (3) Scheduling Final Hearing
7 on Motion; And (4) Granting Related Relief” [Dkt. No. 440] (the “**Nike Vendor Financing Final**
8 **Order**,” and together with the Nike Vendor Financing Interim Order, the “**Nike Vendor**
9 **Financing Orders**”).

10 F. Cash Collateral. For purposes of this Order, the term “**Cash Collateral**” shall
11 mean and include all “cash collateral” as defined by section 363(a) of the Bankruptcy Code and
12 shall include and consist of, without limitation, all of the respective cash proceeds of the collateral
13 for the First Term Loan (the “**First Postpetition Collateral**”), the collateral for the Second Term
14 Loan, and the Comvest Collateral (as defined in the First Term Loan Interim Order). As more
15 particularly set forth therein, the First Term Loan Orders authorized the Debtor’s use of Cash
16 Collateral pursuant to the budget attached to the First Term Loan Interim Order as Exhibit “A”
17 (the “**Prior Budget**”).

18 G. Exigent Circumstances. The Debtor has an immediate and critical need to obtain
19 postpetition funding under the Second Term Loan and to continue use Cash Collateral in order to
20 ensure, among other things, payment of rent to landlords for February, 2018, to finance the
21 ordinary costs of its operations, make payroll, satisfy other working capital and operational needs,
22 and satisfy the administrative expenses in this Chapter 11 Case. The Debtor’s access to sufficient
23 working capital and liquidity through the incurrence of postpetition funding under the Second
24 Term Loan and the continued use of Cash Collateral under the terms of this Order is vital to the
25 preservation and maintenance of the value of the Estate. Consequently, without access to the
26 Second Term Loan and the continued use of Cash Collateral, to the extent authorized pursuant to
27 this Order, the Debtor and its Estate would suffer immediate and irreparable harm.

28 H. No Alternative Sources of Funding. Given the Debtor’s current financial condition

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1 and capital structure, the Debtor is unable to obtain: (i) adequate unsecured credit allowable either
2 (a) under sections 364(b) and 503(b)(1) of the Bankruptcy Code or (b) under section 364(c)(1) of
3 the Bankruptcy Code; (ii) adequate credit secured by (x) a senior lien on unencumbered assets of
4 its estate under section 364(c)(2) of the Bankruptcy Code and (y) a junior lien on encumbered
5 assets under section 364(c)(3) of the Bankruptcy Code, or (iii) secured credit under section
6 364(d)(1) of the Bankruptcy Code, from sources other than the Second Term Lender on more
7 favorable terms than those of the Second Term Loan. The only source of secured credit available
8 to meet the Debtor's current needs and on an immediate basis is the Second Term Loan. The
9 Debtor requires both additional financing under the Second Term Loan and the continued use of
10 Cash Collateral under the terms of this Order in order to satisfy its post-petition liquidity needs.
11 After considering all of its alternatives, the Debtor has concluded, in an exercise of its sound
12 business judgment, that the financing to be provided by the Second Term Lender pursuant to the
13 terms of this Order and the Second Term Loan Documents represents the best financing presently
14 available to the Debtor.

15 I. Willingness of Second Term Lender. The Second Term Lender has indicated a
16 willingness to provide the Debtor with a loan, but solely on the terms and conditions set forth in
17 this Order and in the Second Term Loan Documents.

18 J. Good Cause Shown. Good cause has been shown for immediate entry of this Order
19 pursuant to Bankruptcy Rules 4001(b)(2) and (c)(2) and such relief is in the best interest of the
20 Debtor, its Estate and creditors. In particular, the authorizations granted herein for the Debtor to
21 execute the Second Term Loan Documents, to use the Cash Collateral, and to obtain interim
22 financing, including on a junior lien basis, are necessary to avoid immediate and irreparable harm
23 to the Debtor and its Estate, are fair and reasonable, reflect the Debtor's exercise of prudent
24 business judgment consistent with its fiduciary duties, and are supported by reasonably equivalent
25 value and fair consideration.

26 K. Section 364(e); Good Faith. The Second Term Loan, Second Term Loan
27 Documents, and use of Cash Collateral have been negotiated in good faith and at arm's-length
28 among the Debtor and the Second Term Lender. Accordingly, any credit extended and loans

1 made to, Cash Collateral used by, and adequate protection provided by, the Debtor pursuant to this
2 Order shall be, and hereby are, deemed to have been extended, issued, made, used or provided, as
3 the case may be, in “good faith” as required by, and within the meaning of, section 364(e) of the
4 Bankruptcy Code.

5 Based upon the foregoing findings, stipulations, and conclusions, and upon the record
6 made before this Court at the Interim Hearing, and good and sufficient cause appearing therefor,

7 **IT IS HEREBY ORDERED AS FOLLOWS:**

8 1. Motion Granted. The Motion is approved on an interim basis on the terms and
9 conditions set forth in this Order. This Order shall become effective immediately upon its entry.
10 To the extent any provisions in this Order conflict with any provisions of the Second Term Loan
11 Documents, the provisions of this Order shall control and govern to the extent of such conflict.
12 All objections to the entry of this Order have been withdrawn or overruled.

13 2. Second Term Loan Documents. The terms and conditions of the Second Term
14 Loan are hereby approved. The Debtor is hereby authorized to enter into and deliver the Second
15 Term Loan Agreement and such additional documents, instruments, notes and agreements as may
16 be reasonably required by the Second Term Lender to implement the terms or effectuate the
17 purposes of this Order (as such additional documents, instruments, notes and agreements may be
18 amended, restated, supplemented or otherwise modified from time to time, together with the
19 Second Term Loan Agreement, the “**Second Term Loan Documents**”). The Debtor is hereby
20 authorized to borrow money under the Second Term Loan Agreement, in accordance with the
21 terms of this Order and the Second Term Loan Documents. Upon execution and delivery thereof
22 by the Debtor, the Second Term Loan Documents shall be incorporated by reference as part of this
23 Order and shall constitute valid and binding obligations of the Debtor, enforceable against the
24 Debtor (and its Estate, successors and assigns) in accordance with the terms thereof.

25 3. Amendments. The Debtor, subject to the Committee’s consent, is hereby
26 authorized, without further notice, motion or application to, order of, or hearing before, this Court,
27 to enter into agreements with the Second Term Lender providing for any non-material
28 modifications to the Second Term Loan Agreement, or of any other modifications to the Second

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1 Term Loan Agreement necessary to conform the Second Term Loan Agreement to this Order, and
2 the Debtor may make any non-material modifications to the Extended Budget; provided, however,
3 that notice of any material modification or amendment to the Extended Budget or the Second
4 Term Loan Agreement shall be provided to counsel to the Committee, counsel to Comvest, and
5 counsel to the U.S. Trustee, each of whom shall have three (3) days from the date of such notice
6 within which to object in writing to such material modification or amendment. If the Committee,
7 Comvest, or the U.S. Trustee timely objects in writing served on counsel for the Debtor to any
8 material modification or amendment to the Extended Budget or the Second Term Loan
9 Agreement, then such modification or amendment shall only be permitted pursuant to an order of
10 this Court.

11 4. Permitted Use.

12 (a) Notwithstanding anything in this Order to the contrary, the Debtor shall,
13 and is authorized to, use the proceeds of the Second Term Loan, and may continue to use Cash
14 Collateral, to pay any and all ordinary and necessary operating and administrative expenses of the
15 Debtor, in accordance with the Second Term Loan Documents, this Order, and the Extended
16 Budget, with the same flexibility afforded to the Prior Budget in the First Term Loan Orders,
17 including, but not necessarily limited to, paragraphs 4 and 7 to the First Term Loan Interim Order;
18 except that, absent either further agreement between the Debtor and Comvest, or order of the
19 Court, the Debtor's use of Cash Collateral is permitted: (i) only with respect to the first week of
20 the Extended Budget, *i.e.*, the week ending March 2, 2018 (the "**First Budgeted Week**"); (ii)
21 beyond the First Budgeted Week, only with respect to the payment of rent for March 2018 as
22 reflected in the Extended Budget; and (iii) payment to Gordon Brothers as reflected in the
23 Extended Budget in an amount not greater than \$140,000.00. In the event the Debtor and
24 Comvest reach an agreement regarding the further use of Cash Collateral pursuant to the Extended
25 Budget, the Debtor shall file a notice to this effect with the Court and the Extended Budget shall
26 be deemed approved in its entirety. In the event the Debtor and Comvest reach an agreement
27 regarding the further use of Cash Collateral pursuant to a budget modified from the Extended
28 Budget ("**Modified Extended Budget**"), such Modified Extended Budget shall be subject to the

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1 consent of the Committee and, upon obtaining such consent, such Modified Extended Budget shall
2 be deemed approved upon the filing of a notice and copy thereof with the Court. If neither of such
3 agreements is reached by 12:00 p.m. (PST), on March 2, 2018, the Court shall hold a hearing with
4 respect to the Extended Budget or Modified Extended Budget (as the case may be), on March 5,
5 2018, at 2:00 p.m. Any objection of Comvest to the Extended Budget must be **served and** filed
6 no later than 12:00 p.m. (PST), on March 2, 2018, **with a judge's copy delivered by the same**
7 **deadline.**

8 (b) Nothing in this Order is intended to modify or alter in any way the Nike
9 Vendor Financing Orders. The Second Term Loan shall mature and be payable in full at the
10 earlier of: (1) the first business day that is nine months after closing of the Second Term Loan; (2)
11 confirmation of a chapter 11 plan in this Chapter 11 Case; (3) conversion of the Chapter 11 Case
12 to a case under chapter 7 of the Bankruptcy Code; (4) dismissal of the Chapter 11 Case; (5)
13 appointment of a chapter 11 trustee in this Chapter 11 Case; or (6) a sale of all or substantially all
14 of the assets of the Estate. Notwithstanding anything to the contrary in this Order or the Second
15 Term Loan Documents, the terms of the Second Term Loan, including, but not limited to its,
16 repayment and maturity, may be modified under the Debtor's chapter 11 plan that is confirmed.

17 5. Second Postpetition Obligations. For purposes of this Order, the term "**Second**
18 **Postpetition Obligations**" shall mean all amounts owing under the Second Term Loan Agreement
19 and other Second Term Loan Documents.

20 6. Interest, Fees, Costs and Expenses. The Second Postpetition Obligations shall bear
21 interest at the rates, and be due and payable (and paid), as set forth in, and in accordance with the
22 terms and conditions of, this Order and the Second Term Loan Documents, in each case without
23 further notice, motion or application to, order of, or hearing before, this Court.

24 7. Extended Budget. The Extended Budget attached hereto as Exhibit A is a 5-week
25 budget, which reflects on a line-item basis the Debtor's anticipated cumulative cash receipts, and
26 expenditures on a weekly basis and all necessary and required cumulative expenses which the
27 Debtor expects to incur during each week of the Extended Budget, is approved subject to the
28 provisions of section 4(a) above. The Extended Budget may be modified or supplemented from

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1 time to time by additional budgets (covering any time period covered by a prior budget or
2 covering additional time periods) prepared by the Debtor, in each case without further notice,
3 motion or application to, order of, or hearing before, this Court (except as required by paragraph 3
4 above). The Debtor shall be afforded the same flexibility afforded to the Prior Budget as set forth
5 in the First Term Loan Orders, including, but not necessarily limited to, paragraphs 4 and 7 to the
6 First Term Loan Interim Order.

7 8. Second Postpetition Liens. Effective only upon Closing of the Second Term Loan,
8 as security for the full and timely payment of the Second Postpetition Obligations, the Second
9 Term Lender is hereby granted, pursuant to sections 364(c)(3) of the Bankruptcy Code, valid,
10 binding, enforceable, unavoidable and fully perfected security interests, liens and mortgages
11 (collectively, the “Second Postpetition Liens”) in and upon all prepetition and postpetition real
12 and personal, tangible and intangible property and assets of the Debtor of any kind or nature
13 whatsoever, wherever located, whether now existing or hereafter acquired or arising, including,
14 without limitation, all of the collateral that secures the First Term Loan, cash (including all Cash
15 Collateral wherever held), cash equivalents, bank accounts, accounts, other receivables, chattel
16 paper, contract rights, inventory, instruments, documents, securities (whether or not marketable),
17 equipment, goods, fixtures, real property interests, intellectual property, general intangibles,
18 investment property, supporting obligations, letter of credit rights, one hundred percent (100%) of
19 the capital stock of the Debtor’s direct and indirect domestic and foreign subsidiaries, all inter-
20 company notes held by the Debtor, copyrights, trademarks, trade names, licenses, and rights to
21 payment including tax refund claims and the proceeds, products, offspring, rents and profits of all
22 of the foregoing, including insurance proceeds (all of the foregoing, the “Postpetition
23 Collateral”); provided, however, that the Postpetition Collateral shall not include commercial tort
24 claims, actions for preferences fraudulent conveyances, and other avoidance power claims under
25 sections 544, 545, 547, 548, 549 and 550 of the Bankruptcy Code and state law equivalents, (the
26 “Avoidance Actions”), other prepetition causes of action, or the proceeds of the foregoing
27 (“Excluded Asset Proceeds”). Such Second Postpetition Liens shall not be released except to the
28 extent that Full Payment (as defined in Second Term Loan Agreement) of the Second Postpetition

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1 Obligations has occurred in cash and the Second Term Lender has received a release from the
2 Debtor and its Estate in form and substance reasonably acceptable. Notwithstanding the
3 foregoing, any Second Postpetition Liens with respect to any of the Debtor's leasehold rights shall
4 constitute a lien on the proceeds from the sale of such leasehold rights and not a direct lien on the
5 actual leasehold rights. In addition, the Second Postpetition Liens are subordinate to any Prior
6 Liens (as that term is defined in paragraph 9 to the First Term Loan Interim Order), any and all
7 liens of the First Term Lender (as set forth in and provided under the First Term Loan Orders (the
8 "**First Term Loan Liens**"), and any and all liens of Comvest (the "**Comvest Liens**") and the
9 Second Postpetition Obligations are subordinate to the Postpetition Obligations (as defined in the
10 First Term Loan Interim Order).

11 9. Other Priority Matters. Subject to the Carve-Out, the Second Postpetition Liens:
12 (a) shall constitute security interests in and liens on all Postpetition Collateral that is not otherwise
13 subject to any Prior Lien; and (b) shall, pursuant to section 364(c)(3) of the Bankruptcy Code, be
14 immediately junior in priority to any and all Prior Liens, all First Term Loan Liens, all Comvest
15 Liens, and all liens granted to Nike USA, Inc. ("**Nike**") under the Nike Vendor Financing Orders
16 (collectively, the "**Senior Liens**") on or in the Postpetition Collateral. Other than the Carve-Out,
17 and the Senior Liens, the Second Postpetition Liens shall at all times be senior to the following
18 (collectively, the "**Subordinate Liens and Related Rights**"): (i) any inter-company claim of the
19 Debtor or any domestic or foreign subsidiary or affiliate of the Debtor, and (ii) any security
20 interest or lien which is avoided or otherwise preserved for the benefit of the Estate under section
21 551 or any other provision of the Bankruptcy Code. The Second Postpetition Liens shall be
22 deemed legal, valid, binding, enforceable, and perfected liens, not subject to subordination,
23 impairment or avoidance, for all purposes in the Chapter 11 Case or any other subsequent
24 proceedings under the Bankruptcy Code, including, without limitation, any Chapter 7 proceeding
25 if any of the Chapter 11 Case are converted to a case under Chapter 7 of the Bankruptcy Code
26 (collectively, the "**Successor Case**"). Any claim the Second Term Lender may have on account of
27 the Second Term Loan shall be junior to the Carve-Out, any claims afforded to the First Term
28 Lender under the First Term Loan Orders, all liens and claims granted to Nike under the Nike

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1 Vendor Financing Orders, and any Adequate Protection Junior Claim (as defined in the First Term
2 Loan Final Order) (collectively, the “**Senior Claims**”). Other than the Carve-Out and the Senior
3 Liens, no other liens or security interests, whether for adequate protection or otherwise, shall be
4 senior or equal to or *pari passu* with the Second Postpetition Liens in this Chapter 11 Case or any
5 Successor Case without the express written consent of the Second Term Lender given in
6 accordance with the Second Term Loan Agreement (which consent may be withheld in its sole
7 discretion).

8 10. No Reduction or Impairment. No obligation or liability owed, or payment, transfer
9 or grant of security, to Second Term Lender under this Order or any other Second Term Loan
10 Document shall be stayed, restrained, voidable, impaired, or recoverable under the Bankruptcy
11 Code or under any applicable law (including, without limitation, under section 502(d) or 548 of
12 the Bankruptcy Code or under any applicable state Uniform Fraudulent Transfer Act, Uniform
13 Fraudulent Conveyance Act or similar statute or common law). The Postpetition Obligations,
14 once paid by the Debtor, shall be non-refundable.

15 11. Carve-Out.

16 (a) Generally. Notwithstanding anything to the contrary contained in this
17 Order, the liens and claims granted to the Second Term Lender in this Order and/or any of the
18 Second Term Loan Documents shall be subject to the payment of the allowed fees, expenses, and
19 claims (collectively, the “**Carve-Out**”), but only to the extent that there are not sufficient,
20 unencumbered funds in the Estate to pay such amounts and/or from any retainers held by any
21 Retained Professionals (as defined below):

22 (i) the claims of (x) professionals of the Debtor whose retention is
23 approved by this Court during the Chapter 11 Case pursuant to Sections 327 and 328 of the
24 Bankruptcy Code (the “**Debtor’s Professionals**”) for unpaid fees and expenses which were
25 incurred on and after the Petition Date; and (y) professionals of any statutory committees
26 appointed in the Chapter 11 Case whose retention is approved by this Court during the Chapter 11
27 Case pursuant to Section 1103 of the Bankruptcy Code (the “**Committee’s Professionals**”) and
28 together with the Debtor’s Professionals, the “**Retained Professionals**”) for unpaid fees and
expenses which were incurred on and after the Petition Date; provided that, in each case, such fees
and expenses of the Retained Professionals are ultimately allowed on a final basis by this Court
under sections 330 and 331 of the Bankruptcy Code; and

(ii) unpaid fees payable to the United States Trustee and Clerk of the
Bankruptcy Court pursuant to Section 1930 of Title 28 of the United States Code.

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1 (b) Reservation of Rights. Payment of any fees and expenses of the Retained
2 Professionals pursuant to the Carve-Out shall not, and shall not be deemed to, (i) reduce the
3 Debtor's obligations owed to the Second Term Lender or (ii) modify, alter, or otherwise affect any
4 of the liens and security interests of the Second Term Lender in the Postpetition Collateral (or its
5 claims against the Debtor). The Second Term Lender shall not be responsible for the direct
6 payment or reimbursement of any fees or disbursements of any Retained Professionals (or of any
7 other Person) incurred in connection with the Chapter 11 Case or any Successor Case, and nothing
8 in this Order or otherwise shall be construed to obligate such parties in any way to pay
9 compensation to or to reimburse expenses of any Retained Professional or any other Person, or to
10 ensure that the Debtor has sufficient funds to pay such compensation or reimbursement. Nothing
11 herein shall impair, or be construed to impair, the ability of any party to object to any of the fees,
12 expenses, reimbursement or compensation of the Retained Professionals.

13 12. Continuing Effectiveness of The First Term Loan Orders. Nothing in this Order or
14 any of the Second Term Loan Documents is intended to, nor shall, modify, alter, or supersede, in
15 any manner or to any extent, the First Term Loan Interim Order (or any portion or provisions
16 thereof) or the First Term Loan Final Order (or any portion or provisions thereof). Any and all
17 adequate protection or other forms of protections afforded to each of the First Term Lender and
18 Comvest under either of the First Term Loan Orders shall continue and remain in full force and
19 effect, without modification, pursuant to such orders, notwithstanding anything to the contrary in
20 this Order or any of the Second Term Loan Documents.

21 13. Continuing Effectiveness of Nike Vendor Financing Orders. Nothing in this Order
22 or any of the Second Term Loan Documents is intended to, nor shall, modify, alter, or supersede,
23 in any manner or to any extent, the Nike Vendor Financing Interim Order (or any portion or
24 provisions thereof) or the Nike Vendor Financing Final Order (or any portion or provisions
25 thereof). Any and all adequate protection or other forms of protections afforded to Nike under the
26 Nike Vendor Financing Orders shall continue and remain in full force and effect, without
27 modification, pursuant to such orders, notwithstanding anything to the contrary in this Order or
28 any of the Second Term Loan Documents. Until the Debtor's obligations to Nike pursuant to the

1 Nike Vendor Financing orders are paid in full, the Second Term Lender and the obligations under
2 the Second Term Loan are subordinate to Nike and the obligations under the Nike Vendor
3 Financing Orders.

4 14. Waivers. Except for the Carve-Out, the Senior Liens, and the Senior Claims,
5 absent the written consent of the Second Term Lender, no claim or lien having a priority superior
6 to or *pari passu* with those granted pursuant to this Order to the Second Term Lender, shall be
7 granted or allowed while any portion of the Second Term Loan (or any refinancing thereof) or the
8 Postpetition Obligations remain outstanding. Notwithstanding anything to the contrary in this
9 Order or any of the Second Term Loan Documents, except upon further order of this Court, the
10 Debtor and the Estate retain, and do not waive, any and all rights under sections 105, 506(c), or
11 552 of the Bankruptcy Code, or otherwise, against the Second Term Lender.

12 15. Automatic Perfection.

13 (a) The Second Postpetition Liens shall not be subject to challenge and,
14 immediately upon becoming effective as set forth in this Order, shall attach and become valid,
15 perfected, enforceable, non-avoidable and effective by operation of law as of the Petition Date
16 without any further notice, act or action of or by any Person or entity, and without the necessity of
17 execution by the Debtor, or the filing or recordation, of any financing statements, security
18 agreements, vehicle lien applications, mortgages, filings with the U.S. Patent and Trademark
19 Office, or other documents. If the Second Term Lender hereafter requests that the Debtor execute
20 and deliver to it any financing statements, security agreements, collateral assignments, mortgages,
21 or other instruments and documents considered by such party to be reasonably necessary or
22 desirable to further evidence the perfection of the liens and security interests provided under this
23 Order, then the Debtor is hereby authorized and directed, at its sole cost and expense, to promptly
24 execute and deliver such financing statements, security agreements, mortgages, collateral
25 assignments, instruments, and documents, and the Second Term Lender is hereby authorized to
26 file or record such documents in their respective discretion, in which event all such documents
27 shall be deemed to have been filed or recorded at the time and on the date of entry of this Order,
28 but with the priorities as set forth herein. The Second Term Lender may (in its sole discretion),

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1 but shall not be required to, file a certified copy of this Order in any filing or recording office in
2 any state, county or other jurisdiction in which the Debtor has real or personal property and such
3 filing or recording shall be accepted and shall constitute sufficient evidence of perfection of such
4 party's interests in the Postpetition Collateral at the time and on the date of entry of this Order, but
5 with the priorities as set forth herein.

6 (b) To the extent that any applicable non-bankruptcy law would otherwise
7 restrict the grant, scope, enforceability, attachment or perfection of the security interests and liens
8 authorized or created under or in connection with this Order or the Second Term Loan Documents,
9 or otherwise would impose filing or registration requirements or fees and charges with respect
10 thereto, such law is hereby pre-empted to the maximum extent permitted by the United States
11 Constitution, the Bankruptcy Code, applicable federal law, and the judicial power of the United
12 States Bankruptcy Court; provided that the Second Term Lender may still take such steps as it
13 wishes to perfect its respective security interests and liens under otherwise applicable state law
14 without waiving the benefits of this provision of this Order.

15 16. Default Under Other Documents.

16 (a) The Second Term Lender shall have all rights and remedies with respect to
17 the Debtor and any other rights, remedies, benefits and privileges as are set forth in this Order and
18 the Second Term Loan Documents (as applicable). Except as otherwise expressly provided
19 herein, no provision contained in any prepetition or postpetition agreement to which the Debtor is
20 a party, or under which the Debtor is obligated or bound, that restricts, conditions, prohibits, limits
21 or impairs in any way the Debtor from (i) granting the Second Term Lender the postpetition
22 security interests or liens upon any of its assets (subject to the limitations with respect to the
23 Debtor's leasehold interest set forth in paragraph 8 above), or (ii) otherwise entering into and
24 complying with all of the terms, conditions and provisions of this Order and the Second Term
25 Loan Documents, shall be enforceable against the Debtor.

26 (b) Notwithstanding anything contained herein to the contrary, and without
27 limiting any other rights or remedies of the Second Term Lender contained in this Order or the
28 Second Term Loan Documents, or otherwise available at law or in equity, the rights of the Second

1 Term Lender to enter onto the Debtor's leased premises shall be limited to (i) any such rights
2 agreed to in writing by the applicable landlord pursuant to any separate agreement by and between
3 such landlord and the Second Term Lender, if any, (ii) any rights that the Second Term Lender has
4 under applicable non-bankruptcy law, if any, and (iii) such rights as may be granted by the Court
5 on a separate motion with notice to the applicable landlords of the leased premises and an
6 opportunity for such landlords to respond and be heard.

7 17. Successors and Assigns. The provisions of this Order and the Second Term Loan
8 Documents shall, as applicable, be binding upon and inure to the benefit of the Second Term
9 Lender and the Debtor and its Estate, and their respective successors and assigns, including,
10 without limitation, any trustee or other fiduciary hereafter appointed as a legal representative of
11 the Debtor or its Estate, whether in this Chapter 11 Case or any Successor Case.

12 18. Survival. The provisions of this Order and any actions taken pursuant thereto: (a)
13 shall survive the entry of any order: (i) converting the Chapter 11 Case to a case under chapter 7 of
14 the Bankruptcy Code; or (ii) dismissing or closing the Chapter 11 Case; and (b) shall continue in
15 full force and effect notwithstanding the entry of any such order.

16 19. Section 364(e); Effect of Modification or Appeal. Based on the findings set forth
17 in this Order and on the record of the Interim Hearing, in consideration for the financing provided
18 under Second Term Loan, the Second Term Lender is entitled to, and hereby is granted, the full
19 rights, benefits, privileges and protections of, and provided by, section 364(e) of the Bankruptcy
20 Code with respect to the Postpetition Obligations (and related liens, claims, rights, remedies and
21 benefits) created or authorized by this Order in the event that this Order or any authorization or
22 approval contained herein is subsequently stayed, vacated, reversed, amended or modified on
23 appeal. Any subsequent stay, modification, reversal, amendment or vacation of this Order shall
24 not alter, modify or affect the validity, priority, perfection or enforceability of any claim, lien, or
25 security interest of the Second Term Lender authorized, created or granted pursuant to this Order
26 and outstanding immediately prior to the actual receipt of written notice by the Second Term
27 Lender of the effective date of such stay, modification, reversal, amendment or vacation.
28 Notwithstanding any such stay, modification, reversal, amendment or vacation, all obligations and

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1 other financial accommodations made pursuant to this Order, all Postpetition Obligations incurred
2 and uses of Cash Collateral permitted by the Debtor pursuant hereto prior to the actual receipt of
3 written notice by the Second Term Lender of the effective date of such stay, modification,
4 reversal, amendment or vacation, shall be governed in all respects by the original provisions of
5 this Order and the Second Term Lender shall be entitled to all of the rights, privileges, remedies,
6 protections and benefits contained or granted in section 364(e) of the Bankruptcy Code, the
7 Second Term Loan Documents and this Order (as applicable), including, without limitation, the
8 Second Postpetition Liens.

9 20. Modification of Automatic Stay; Other Remedies.

10 (a) Subject to sub-paragraph (c) below, the automatic stay pursuant to section
11 362 of the Bankruptcy Code is hereby lifted and vacated as to the Second Term Lender to the
12 extent necessary to permit it to perform in accordance with, provide any notice under, and
13 exercise, enjoy and enforce its rights, benefits, privileges and remedies pursuant to this Order and
14 the other Second Term Loan Documents, in each case without further notice, motion or
15 application to, order of, or hearing before, this Court. Subject to sub-paragraph (c) below,
16 regardless of any change in circumstances (whether or not foreseeable), neither section 105 of the
17 Bankruptcy Code nor any other provision of the Bankruptcy Code or applicable law shall be
18 utilized to prohibit the Second Term Lender's exercise, enjoyment and enforcement of any of such
19 rights, benefits, privileges and remedies as and to the extent provided in this Order.

20 (b) Subject to sub-paragraph (c) below, the Second Term Lender is hereby
21 authorized and granted leave from the automatic stay under section 362 of the Bankruptcy Code to
22 do the following on and after the occurrence and continuation of an Event of Default under the
23 Second Term Loan Agreement, in each case without further notice, motion or application to, order
24 of, or hearing before, this Court:

25 (i) terminate any obligation of Second Term Lender to make loans or
26 other extensions of credit under the Second Term Loan Documents or this Order; and

27 (ii) declare all Postpetition Obligations immediately due and payable in
28 full in cash.

(c) On and after the occurrence and continuation of an Event of Default under

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1 the Second Term Loan Agreement, and after obtaining Court approval upon notice and hearing,
2 the Second Term Lender shall be entitled to foreclose or otherwise enforce its respective liens on
3 any or all of the Postpetition Collateral and/or to exercise any other default-related rights and
4 remedies under the Second Term Loan Documents, this Order, and applicable law to the extent not
5 already permitted pursuant to sub-paragraph (b) above. The parties shall use their best efforts to
6 schedule and attend an expedited Court hearing within three (3) business days of notice of the
7 Event of Default being given to the Debtor and its counsel, the U.S. Trustee, counsel for the
8 Committee, counsel for Comvest, counsel for Centennial Real Estate Company, LLC, Passco
9 Companies, LLC, Starwood Retail Partners LLC, The Macerich Company, Vintage Real Estate,
10 LLC, and Westfield, LLC, counsel for landlords affiliated with GGP Limited Partnership and The
11 Taubman Company, and counsel for Rouse Properties, LLC.

12 21. No Waiver of Rights.

13 (a) Generally. The Second Term Lender does not waive, and expressly
14 reserves, any and all claims, causes of action, defenses, rights and remedies it has or may have
15 pursuant to any or all of the Second Term Loan Documents, the Bankruptcy Code, and/or under
16 applicable law against or with respect to the Debtor and any other Person or entity.

17 (b) Additional Rights Preserved. Without limiting the generality of this
18 paragraph 21, the Second Term Lender may petition this Court for any such additional protection
19 they may reasonably require, including, without limitation, their rights to request additional
20 adequate protection of its interests in the Postpetition Collateral, as applicable. Except as
21 otherwise set forth herein, entry of this Order shall not in any way constitute agreement, consent,
22 or acquiescence by any the Second Term Lender to the terms of any plan of reorganization filed in
23 the Chapter 11 Case.

24 22. No Liability to Third Parties. In making decisions to advance loans to the Debtor,
25 in administering any loans, in permitting the Debtor to use Cash Collateral, in approving any
26 budget or in taking any actions permitted by this Order or the Second Term Loan Documents, as
27 applicable, the Second Term Lender shall not (i) be deemed to be in control of the operations of
28 the Debtor or to be acting as a “controlling person,” “responsible person” or “owner or operator”

1 with respect to the operation or management of the Debtor, and/or (ii) owe any fiduciary duty to
2 the Debtor, its creditors or its Estate, and its relationship with the Debtor shall not constitute or be
3 deemed to constitute a joint venture or partnership with the Debtor.

4 23. Payments Held in Trust. Except as expressly permitted in this Order or the Second
5 Term Loan Documents, in the event that any person or entity other than parties holding Senior
6 Liens receives any payment on account of a security interest in Collateral, receives any Collateral
7 or any proceeds of Collateral or receives any other payment with respect thereto from any source
8 prior to the indefeasible payment in full in cash of all Postpetition Obligations, and termination of
9 the Second Term Loan in accordance with the Second Term Loan Documents, such person or
10 entity shall be deemed to have received, and shall hold, any such payment or proceeds of
11 Collateral in trust for the benefit of the Second Term Lender and shall immediately turn over such
12 proceeds to the Second Term Lender for application to the Postpetition Obligations, or as
13 otherwise instructed by the Court, for application in accordance with the Second Term Loan
14 Documents and this Order.

15 24. Additional Defaults. In addition and without limitation of the Events of Default set
16 forth in and defined in the Second Term Loan Documents, this Order, or any Final Order, it shall
17 be a default hereunder (and constitute an “Event of Default” under the Second Term Loan
18 Agreement and this Order) if (a) a sale of substantially all assets is proposed by the Debtor without
19 the written consent of the Second Term Lender that would not indefeasibly pay the Postpetition
20 Obligations in full in cash, (b) any other motion is filed by the Debtor for any relief directly or
21 indirectly affecting the Postpetition Collateral in a material manner and contrary to this Order
22 unless all Postpetition Obligations have been indefeasibly paid in final, in full, in cash, and
23 completely satisfied upon consummation of the transaction contemplated thereby and such motion
24 is otherwise approved of in writing by the Second Term Lender, (c) the Debtor fails to comply
25 with any of the terms of this Order, or (d) at the option of the Second Term Lender in its sole
26 discretion, the occurrence of any Event of Default under the Second Term Loan Agreement. Any
27 order for dismissal or conversion shall be automatically deemed to preserve the rights of the
28 Second Term Lender under this Order. No order providing for the sale of substantially all of the

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1 assets of the Debtor under section 363 of the Bankruptcy Code shall be entered by the Court
2 unless, upon the closing of such transaction, all liens securing the Postpetition Obligations are
3 transferred to the proceeds of such sale. If an order dismissing any of these Chapter 11 Case under
4 section 305 or 1112 of the Bankruptcy Code or otherwise is at any time entered (i) the claims,
5 security interests, liens and claims granted to or for the benefit of the Second Term Lender shall
6 continue in full force and effect and shall maintain their priorities as provided in this Order, as
7 applicable, until all Postpetition Obligations shall have been paid and satisfied in full (and that
8 such claims and liens, shall, notwithstanding such dismissal, remain binding on all parties in
9 interest) and (ii) this Court shall retain jurisdiction, notwithstanding such dismissal, for the
10 purposes of enforcing such claims and liens.

11 25. Proofs of Claim. The Second Term Lender will not be required to file a proof of
12 claim in any of the Chapter 11 Case or any Successor Case, and the provisions of this Order
13 relating to the amount of the Postpetition Obligations shall constitute a timely filed proof of claim
14 in the Chapter 11 Case.

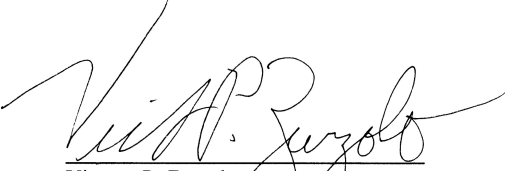
15 26. Payment of Rent. Within the later of three business days of the entry of this Order
16 or the funding of the loan to the Debtor approved by this Order, the Debtor shall pay all
17 outstanding rent and related charges due for the month of February 2018 for each of its unexpired
18 leases of nonresidential real property not previously rejected. Pursuant to section 365(d)(3) of the
19 Bankruptcy Code, the Debtor shall timely perform all obligations under each of its unexpired
20 leases of nonresidential real property through the effective date of the assumption, assignment, or
21 rejection of each such lease.

22 27. Final Hearing; Procedure for Objections to and Entry of Final Order. The Motion
23 is set for a Final Hearing before this Court at 10:00 a.m (PST) on March 15, 2018, at which time
24 any party in interest may present any timely filed objections to the entry of the Final Order, which
25 order shall be in form and substance acceptable to the Second Term Lender in its sole discretion.
26 The Debtor may file and serve (**including a judge's copy**) on the Notice Parties any further
27 papers in support of the Motion and entry of a Final Order **no later than 12:00 noon PST** on
28 March 9, 2018 (the "**Supplemental Papers**"). Any objection, opposition, or other response to any

1 such Supplemental Papers or to the entry of a Final Order shall be filed and served on the Debtor's
2 counsel and the U.S. Trustee (**and a judge's copy**) so that they are received no later than **12:00**
3 **noon PST** on March 13, 2018 (the "**Objection Deadline**"). The Debtor may file and serve
4 (**including a judge's copy**) any reply papers so that they are received no later than **12:00 noon**
5 **PST on March 14, 2018**. The Debtor shall, in accordance with the Bankruptcy Code,
6 Bankruptcy Rules and Local Bankruptcy Rules of this Court, promptly serve a notice of the Final
7 Hearing, the Objection Deadline, and entry of this Order, together with a copy of this Order, by
8 the Court's NEF system, electronic mail, facsimile, hand delivery, or overnight delivery to the
9 Notice Parties. Any objections by creditors or other parties-in-interest to any of the provisions of
10 the Final Order shall be deemed forever waived and barred unless timely filed and served in
11 accordance with this paragraph.

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24 Date: February 27, 2018



Vincent P. Zurzolo
United States Bankruptcy Judge

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EXHIBIT A

Shiekh Shoes, LLC

Weekly Cash Flow Forecast / Cash Collateral Budget

Date: Through Week Ending 3/30/2018

	Fcst 1	Fcst 2	Fcst 3	Fcst 4	Fcst 5	Total
	Forecast Period					
Week Ending:	3/2/18	3/9/18	3/16/18	3/23/18	3/30/18	
Operating Activity:						
Receipts	\$ 4,077,387	\$ 2,619,899	\$ 2,445,336	\$ 2,414,876	\$ 2,209,000	\$ 13,766,498
Operating Disbursements	(7,246,217)	(8,414,061)	(1,407,746)	(411,866)	(5,198,602)	(22,678,492)
Total Operating Net Cash Flow	(3,168,830)	(5,794,162)	1,037,590	2,003,010	(2,989,601)	(8,911,994)
Investing Activity:						
Leasehold Improvement ("LI")	-	-	-	-	-	-
Total Investing Activity	-	-	-	-	-	-
Bankruptcy Activity:						
Store Closing Expenses	-	(320,000)	(38,480)	-	-	(358,480)
Key Employee Incentive Plan	-	-	-	-	-	-
Fees and Interest	-	(21,875)	(180,000)	-	-	(201,875)
Professional Fees:						
Debtor - Legal	(105,000)	(45,000)	(45,000)	(45,000)	(45,000)	(285,000)
Debtor - Financial Advisory	(105,000)	(35,000)	(35,000)	(35,000)	(35,000)	(245,000)
UCC - Legal & Financial Advisory	(100,000)	(100,000)	(100,000)	(100,000)	(340,000)	(740,000)
Total Bankruptcy Activity	(310,000)	(521,875)	(398,480)	(180,000)	(420,000)	(1,830,355)
Net Cash Flow (before Financing Activity)	(3,478,830)	(6,316,037)	639,110	1,823,010	(3,409,601)	(10,742,349)
Financing Activity:						
Beginning Term Loans Balance	5,000,000	11,000,000	11,000,000	11,000,000	11,000,000	5,000,000
Plus: Borrowings	6,000,000	-	-	-	5,000,000	11,000,000
Less: Repayments	-	-	-	-	-	-
Ending Term Loans Balance	11,000,000	11,000,000	11,000,000	11,000,000	16,000,000	16,000,000
Cash Balance:						
Beginning Cash Balance	4,263,723	6,784,893	468,856	1,107,966	2,930,975	4,263,723
Net Cash Flow (after Financing Activity)	2,521,170	(6,316,037)	639,110	1,823,010	1,590,399	257,651
Ending Cash Balance	\$ 6,784,893	\$ 468,856	\$ 1,107,966	\$ 2,930,975	\$ 4,521,374	\$ 4,521,374