

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:)	
)	Chapter 11
MARKPOL DISTRIBUTORS, INC., <i>et al.</i> ,)	
)	Case No. 18-06105
Debtors. ¹)	
)	(Jointly administered)
)	
)	Hon. A. Benjamin Goldgar
)	
)	(Re: docket Nos. 5 and 86)

**TENTH INTERIM ORDER AUTHORIZING THE USE OF CASH COLLATERAL
PURSUANT TO 11 U.S.C. § 363 AND GRANTING RELATED RELIEF**

THIS MATTER COMING TO BE HEARD upon the motions (ECF Nos. 5 and 86) of Markpol Distributors, Inc. ("Markpol"), Vistula Development, Incorporated ("Vistula"), and Kozyra Holdings, LLC – 955 Lively LLC ("955 Lively", together with Markpol and Vistula, the "Debtors"), debtors/debtors-in-possession herein in the above-captioned chapter 11 cases ("Chapter 11 Cases"), requesting the entry of a tenth interim order authorizing the Debtors' use of the cash collateral of MB Financial, N.A., (the "Prepetition Secured Lender") within the meaning of Section 363(a) of the Bankruptcy Code (the "Cash Collateral"); and the Debtors having modified the relief requested in the Motion to seek the use of Cash Collateral ("Motion") through the close of business on September 29, 2018 in accordance with the terms of this order (the "Tenth Interim Order") and the Budget (as hereinafter defined); and the Court having considered the terms of the motions, and this Tenth Interim Order, and after due deliberation and consideration, and good and sufficient cause appearing therefor:

IT IS HEREBY ORDERED THAT:

1. The motions are granted on the terms and conditions set forth in this Tenth Interim Order. This Tenth Interim Order will become effective and binding upon all parties in interest immediately upon its entry. Debtors are hereby authorized to use the Cash Collateral through September 29, 2018 solely in accordance with the Budgets (as hereinafter defined) and the other terms and conditions set forth in this Tenth Interim Order, unless otherwise authorized in writing by the Prepetition Secured Lender.

2. Attached hereto as Exhibits A-C are budgets ("Budgets") for each of the Debtors for the period commencing on August 5, 2018 and ending at the close of business on September 29, 2018 (the "Budget Period"). The Budgets reflect on a line-item basis the Debtors'

¹ The Debtors in these cases, along with their federal tax identification numbers are: Markpol Distributors, Inc. (20-3579454), Vistula Development, Incorporated (20-8549454), and Kozyra Holdings, LLC – 955 Lively LLC (90-1005740).

anticipated cumulative expenses which Debtors expect to incur during each week of the Budget Period. On a weekly basis for the period from the Petition Date through each week of the Budget Period: (a) the aggregate actual disbursements by the Debtors from the Petition Date to any report date must be no greater than 110% of the aggregate amount of projected disbursements for such period as set forth in the Budget; (b) Debtors must provide the Prepetition Secured Lender through its representative Mary Alberts via email at MAberts@mbfinancial.com by 5:00 p.m. Central each Wednesday: (i) a detailed accounts receivable aging report for Markpol; (ii) a weekly accounts receivable billing log for Markpol; (iii) a weekly budget variance report for all Debtors; (iv) a weekly inventory purchase log for Markpol; and (v) CVS system screen shots representing the next four (4) week payments to the reporting for Markpol; and (c) Debtors must also provide the Prepetition Secured Lender through its representative Mary Alberts via email at MAberts@mbfinancial.com: (i) monthly financials statements (income statement and balance sheet) by the 20th of each following month; (ii) rolling four quarter financial statement forecasts due five (5) days prior to the start of each respective quarter, e.g., March 31, June 30, September 30 and December 31; and (iii) a monthly inventory report for Markpol.

3. Debtors may not make any payments or other distributions other than the itemized projected disbursements set forth in the Budgets without the prior written consent of the Prepetition Secured Lender. The Budgets may not be modified without the prior written consent of the Prepetition Secured Lender or further order of this Court.

4. In return for the Debtors' continued interim use of cash collateral, Prepetition Secured Lender is granted adequate protection for its asserted secured interests in substantially all of the Debtors' assets, including cash collateral equivalents and the Debtors' cash and accounts receivable, among other collateral (the "Collateral") to the extent and validity as held prepetition.

a. The Debtors must permit the Prepetition Secured Lender to inspect, upon reasonable notice, within reasonable hours, the Debtor's books and records;

b. The Debtors must maintain and pay premiums for insurance to cover the Collateral from fire, theft and water damage, and the Prepetition Secured Lender consents to the payment of such premiums from its cash collateral;

c. The Debtors must, upon reasonable request, make available to the Prepetition Secured Lender evidence of that which constitutes its collateral or proceeds;

d. The Debtors must properly maintain the Collateral in good repair and properly manage the Collateral; and

e. Prepetition Secured Lender is granted replacement liens, attaching to the Collateral, but only to the extent of their prepetition liens.


5. Any financial reports required to be provided to the Prepetition Secured Lender pursuant to this Order shall also be provided or made available to counsel retained by the Official Committee of Unsecured Creditors.

6. A continued hearing on the Motion is scheduled before the Court on September 26, 2018 at 10:00 a.m.

Dated:

25 JUL 2018

ENTERED:


UNITED STATES BANKRUPTCY JUDGE

Markpol Distributors, Inc.
Court Cash Collateral Budget

Exhibit A

	1	2	3	4	5	6	7	8	9
Budget Week	Budget Week 1	Budget Week 2	Budget Week 3	Budget Week 4	Budget Week 5	Budget Week 6	Budget Week 7	Budget Week 8	Budget Week 9
Week Ending	8/4/2018	8/11/2018	8/18/2018	8/25/2018	9/1/2018	9/8/2018	9/15/2018	9/22/2018	9/29/2018
Beginning Bank Cash	\$10,112	\$10,998	\$11,498	\$33,998	\$18,698	\$6,198	\$3,698	\$6,198	\$8,698
Cash Receipts (a) CVS	\$115,000	\$115,000	\$115,000	\$115,000	\$115,000	\$115,000	\$115,000	\$115,000	\$115,000
Cash Receipts (a) Specialty	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
Non AR Cash	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sub Lease Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Receipts	\$190,000	\$190,000	\$190,000	\$190,000	\$190,000	\$190,000	\$190,000	\$190,000	\$190,000
Cash Disbursements:									
Inventory	\$150,000	\$70,000	\$110,000	\$80,000	\$120,000	\$85,000	\$130,000	\$80,000	\$95,000
Payroll-Related	\$0	\$80,000	\$30,000	\$80,000	\$30,000	\$80,000	\$30,000	\$80,000	\$30,000
Lease (Rent) / Property Taxes			\$0	\$17,500					\$17,500
Vehicle Expense Fuel	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000
Insurance (All)	\$11,614	\$0	\$0	\$300	\$25,000				\$0
Warehouse & Building Expense	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Logistics Expense	\$6,000	\$18,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
Utilities	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
US Trustee Fee									
Software / IT	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
All Misc. Other Expenses	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000
Professional Fees	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Total Cash Disbursements	\$189,114	\$189,500	\$167,500	\$205,300	\$202,500	\$192,500	\$187,500	\$187,500	\$170,000
Ending Bank Cash Balance	\$10,998	\$11,498	\$33,998	\$18,698	\$6,198	\$3,698	\$6,198	\$8,698	\$28,698

**Vistula Development Incorporated
Court Cash Collateral Budget**

Exhibit B

Budget Week Week Ending	Budget Week 1 8/4/2018	Budget Week 2 8/11/2018	Budget Week 3 8/18/2018	Budget Week 4 8/25/2018	Budget Week 5 9/1/2018	Budget Week 6 9/8/2018	Budget Week 7 9/15/2018	Budget Week 8 9/22/2018	Budget Week 9 9/29/2018
Beginning Bank Cash	\$1,000	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$2,000	\$2,000	\$2,000
Rent Received	\$10,500	\$0	\$0	\$0	\$0	\$10,500	\$0	\$0	\$0
Total Receipts	\$10,500	\$0	\$0	\$0	\$0	\$10,500	\$0	\$0	\$0
Cash Disbursements:									
Building Maintenance and Repairs	\$10,000	\$0	\$0	\$0	\$0	\$10,000	\$0	\$0	\$0
Total Cash Disbursements	\$10,000	\$0	\$0	\$0	\$0	\$10,000	\$0	\$0	\$0
Ending Bank Cash Balance	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$2,000	\$2,000	\$2,000	\$2,000

