

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF KENTUCKY
LEXINGTON DIVISION

IN RE:

CORBETT-FRAME, INC.

CASE NO. 17-51607
CHAPTER 11

DEBTOR IN POSSESSION

ORDER FOR INTERIM USE OF CASH COLLATERAL

This matter having come before the Court upon the motion of Corbett-Frame, Inc., as a debtor and debtor in possession (the “Debtor”), for Interim Use of Cash Collateral (the “Motion”) (all terms not otherwise defined herein shall have the same meaning given such terms in the Motion), and it appearing that proper notice of the Motion was given, and it further appearing that no objections having been filed or any timely objections being hereby overruled, and the Court having reviewed the record and being otherwise sufficiently advised; and having considered same;

IT IS HEREBY ORDERED AND ADJUDGED as follows:

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. Venue of the Debtor’s case and this Motion is proper pursuant to 28 U.S.C. §§ 1408 and 1409. This matter constitutes a core proceeding under 28 U.S.C. § 157(b)(2)(A);

2. Notice of the hearing on the Motion has been given via electronic mail and/or first-class U.S. mail, as appropriate, on all creditors and parties in interest. Under the circumstances, such notice of the hearing and the specific relief requested in the Motion complies with the requirements of 11 U.S.C. § 102(1) and Fed. R. Bankr. P. 2002 and 4001. The Debtor has provided adequate notice under the circumstances pursuant to Fed. R. Bankr. P. 4001 of the hearing to consider entry of this Interim Order to all persons who are entitled to receive such notice;

3. Good cause has been shown for entry of this Interim Order. The entry of this Interim Order is in the best interests of the Debtor's creditors and its Estate. The terms of this Interim Order, including the terms of the use of the Cash Collateral and the security interests, liens, rights, and priorities granted hereunder are fair under the circumstances;

4. Subject to the other terms contained herein, the Debtor is hereby authorized to use Cash Collateral only in accordance with this Interim Order from the Petition Date through any final hearing date on this Motion. The Debtor may use Cash Collateral to pay those items designated in the budgets attached hereto as Exhibit A to the Motion and incorporated herein;

5. There is a carve-out for Debtor's counsel or other professionals (subject to employment applications) as set forth on Exhibit A; however, the adequate protection payment to US Bank shall be timely paid before any carve-out payments to professionals are made. A carve-out is approved for payment of U.S. Trustee fees;

6. As adequate protection for any diminution in the value of US Bank's and David Yurman's interests in the Cash Collateral, pursuant to 11 U.S.C. §§ 361 and 363, US Bank and David Yurman are granted a lien (the "Replacement Lien"), of the same type of property/collateral as existed prepetition, subject only to any valid and enforceable, perfected, and non-avoidable liens of other secured creditors;

7. The Replacement Liens granted by this Interim Order shall be deemed effective, valid, and perfected as of the Petition Date without the necessity of the filing or lodging by or with any entity of any documents or instruments otherwise required to be filed or lodged under applicable non-bankruptcy law. This Interim Order shall be deemed to be a security agreement for purposes of creation, attachment and perfection of the Replacement Liens on and the security interests in, to and against the postpetition Collateral;

8. The Replacement Liens granted to US Bank and David Yurman under this Interim Order are in addition to, and not in lieu or substitution of, the rights, obligations, claims, security interests, and prepetition liens and priorities granted under the existing agreements between the parties;

9. As additional adequate protection, the Debtor shall continue to account for all cash use, and the proposed cash use as set forth in the Budget is being incurred primarily to preserve property of the Estate. Debtor shall make the adequate protection payments to US Bank as set forth on the Budget on or before September 25, 2017;

10. Prior to the conclusion of the final hearing, the Debtor is authorized and directed to execute and comply with the terms of this Interim Order and are further authorized to use Cash Collateral under all of the terms and conditions provided in this Interim Order; and

11. Any timely objections shall be noticed for hearing on September 21, 2017 at 9:00 a.m. in the U.S. Bankruptcy Court, 2nd Floor, 101 East Vine Street, Lexington, Kentucky 40507. This Order shall be final without further hearing if no objections are filed within fourteen (14) days of entry.

Tendered by:

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AND DEBTOR IN POSSESSION

HAVE SEEN:

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COUNSEL FOR U.S. BANK, N.A.

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Exhibit A

Income

Projected monthly
income \$40,000.00

Monthly Expenses

Rent	\$3,750.00
Phones	\$110.00
Payroll	\$17,692.41
Shipping	\$500.00
Supplies for custom order jobs	\$1,000.00
Paper Towels	\$200.00
Lightbulbs	\$50.00
Job bags	\$20.00
Stamps	\$45.00
CODs	\$2,000.00
Health Insurance	\$3,550.18
Life Ins - AXA	\$116.66
Life Ins - Genworth	\$69.00
Storage garage	\$217.00
Parking	\$545.00
Internet	\$89.95
Alarm system	\$191.71
Workmans comp	\$181.83
Jewelers Mutual Ins.	\$468.84
Watch repair	\$730.70
AGS dues	\$134.11
Jewel craft DY repairs	\$750.00
941 taxes	\$4,091.13
Sales tax	\$2,470.63
	\$38,974.15

TOTAL NET INCOME \$1,025.85

Corbett Frame Budget for September 2017

Income

Sept Revenue Projection \$60,000.00

Monthly Expenses

Rent \$3,750.00
Phones \$395.00
Payroll \$17,692.41
Eakle Current Accounting Service \$600.00
US Bank Principal Note_Interest Only \$1,720.50
US Bank Credit Line_Interest Only \$1,000.00
Legal Services_DelCotto Law Group \$2,000.00
Shipping \$500.00

Supplies for custom order jobs \$1,000.00
Stuller Manufacturing Supplies \$1,500.00
Paper Towels \$200.00
Lightbulbs \$50.00
Job bags \$20.00
Stamps \$45.00
CODs \$2,000.00
Health Insurance \$3,550.18
Life Ins - AXA \$116.66

Life Ins - Genworth \$69.00
Storage garage \$217.00
Parking \$545.00
Internet \$89.95
Alarm system \$191.71
Workmans comp \$181.83
Jewelers Mutual Ins. \$468.84
Watch repair \$730.70
AGS dues \$134.11
Jewel craft DY repairs \$750.00
941 taxes \$4,091.13
Sales tax \$2,470.63
\$46,079.65

The affixing of this Court's electronic seal below is proof this document has been signed by the Judge and electronically entered by the Clerk in the official record of this case.



Signed By:
Gregory R. Schaaf
Bankruptcy Judge
Dated: Monday, August 28, 2017
(grs)