



SO ORDERED.

SIGNED October 11, 2018.

**JOHN W. KOLWE
UNITED STATES BANKRUPTCY JUDGE**

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF LOUISIANA
LAFAYETTE DIVISION

IN RE:

MEGHA, LLC

CASE NO. 18-51147

DEBTOR

CHAPTER 11

ORDER AUTHORIZING THE INTERIM USE OF CASH COLLATERAL
AND GRANTING RELATED RELIEF

Upon the Motion for Emergency Order Authorizing Use of Cash Collateral and for Final Order After a Final Hearing on the Use of Cash Collateral (the "Motion") filed by Megha, LLC, and pursuant to 11 U.S.C. § 363;

This Motion came before the Court on the preliminary hearing on the above Motion to use any cash or cash proceeds which are subject to the liens and security interests of BancorpSouth Bank ("Respondent") pursuant to certain lines of credit and security interests granted and executed pre- petition;

This Court having reviewed the Motion and all matters brought to its attention at the hearing held on the 18th day of September, 2018, and pursuant to Federal Rule of Bankruptcy Procedure 4001, it appearing that the relief requested to the extent granted by this interim order, is in the best interest of the Debtor, its estate and creditors; and it being necessary to avoid irreparable harm pursuant to the Debtor's estate and its creditors, and after due deliberation and consideration;

IT IS HEREBY ORDERED THAT:

1. The Motion is granted on an interim basis, nunc pro tunc as of September 11, 2018 ("the Petition Date") on the terms set forth in this interim order. Subject to the terms set forth below, this interim order is valid and binding on all parties in interest and shall be immediately and fully effective upon entry.

2. The Debtor is hereby authorized, pursuant to 11 U.S.C. § 363, to use cash collateral in accordance with the budget attached to the Motion as Exhibit A for a period from the Petition Date through the date hereinafter set for the final hearing on the Debtor's Motion. All collections of accounts receivable, customer checks, bank deposits and any other Cash Collateral shall be deposited in the Debtor's authorized Debtor in Possession Account. The Debtor's Debtor in Possession accounts will be opened at BancorpSouth Bank. If, for some reason, BancorpSouth Bank is not the depository bank for the Debtor's Debtor in Possession accounts, then the Debtor shall provide Respondent with monthly cash collateral reports, beginning on the 11th day of October, 2018, and on the 11th day of every month subsequent thereto, consisting of a written accounting for (i) all Cash Collateral in its possession, custody or control, including the sources thereof, and (ii) any Cash Collateral expended and the purpose for which it was expended pursuant to this Order through the prior business day, all in a form reasonably acceptable to Respondent.

3. Adequate Protection Lien. In addition to all existing security interests and liens granted to or for the benefit of the Respondent in and upon the pre-petition property, as adequate protection for the use of the cash collateral pursuant to the terms of this interim order, any final order approving the use of cash collateral, or any subsequent order entered pursuant to 11 U.S.C. § 363 of the Bankruptcy Code, or the imposition of the automatic stay pursuant to 11 U.S.C. § 362 of the Bankruptcy Code, and without the necessity of any further act or documentation, the Respondent is hereby granted a post-petition lien on the post-petition properties of the kind and nature that it holds in pre-petition property to the Debtor, to the extent it does not already have the same, in the same priority as it held in pre-petition property. This replacement lien granted to respondent shall be perfected by operation of law upon execution of this Order by the Court. Respondent shall not be required to take any action, including, without limitation, the filing of financing statements, mortgages, or other documents in order to validate or perfect the replacement lien. If Respondent, in its sole discretion, nonetheless chooses to file financing statements, mortgages or other documents or otherwise confirm perfection of such security interests and liens, Respondent is authorized to effect such filings and recordations, and all such financing statements or similar documents shall be deemed to have been filed or recorded as of the Petition Date. To the extent available after expending the amounts authorized in the Debtor's approved budget, Debtor shall make interim monthly adequate protection payments to Respondent in an amount sufficient to cover the interest on Debtor's loans with Respondent, beginning October 1, 2018.

4. Default. A failure of the Debtor to comply with any provision of this Order, which failure is not remedied within seven (7) days of Respondent's written notice of such failure served on Debtor through its counsel, Bradley L. Drell at bdrell@goldweems.com shall automatically terminate the Debtor's authority to use or spend any further Cash Collateral without (i) further

order of this Court, and (ii) notice and the opportunity to be heard by Respondent at a hearing prior to granting of such an order.

5. Carve Out. The Adequate Protection Lien shall be subject and subordinate to the payment of \$50,000 on an interim basis for the payment of the following: (i) all fees and interest requested to be paid to the Office of the U.S. Trustee, which shall be paid in preference to fees in part (ii) of this paragraph; and (ii) to the extent allowed by the Bankruptcy Court at any time, all accrued and unpaid fees, disbursements, costs and expenses incurred by professionals or professional firms retained by the Debtor or any committee appointed under the Bankruptcy Code, excepting real estate brokerage and investment banking success fees. However, that nothing in this Order shall be construed to impair the right of any party to object to any fees, expenses, reimbursement or compensation sought by any such professionals or any other person or entity.

6. Reservation of Rights. Notwithstanding anything in this interim order to the contrary, all legal and equitable rights of the Debtor and Respondent are reserved and deemed not waived, including but not limited to: (a) the Debtor's rights to seek a surcharge under 11 U.S.C. §506(c); (b) right of the Respondent to object to any future requests for authorization to use cash collateral, seek relief from the automatic stay of 11 U.S.C. §362, or to file any other motion for relief under the Bankruptcy Code; (c) right of the Respondent to resist and defend against any attempts to seek a surcharge under 11 U.S.C. § 506(c) or to assert rights of setoff, compensation and/or recoupment under 11 U.S.C. § 553; (d) the Debtor's rights to assert that the proceeds of all accounts receivable and on hand and in bank accounts or otherwise do not constitute "cash collateral" as defined in 11 U.S.C. § 363, and Respondent is not entitled to adequate protection for the use thereof; and, (e) the Debtor's rights under 11 U.S.C. §§ 510, 544,

545, 547, 548, 549, 550, 551, and 552 of the Bankruptcy Code to avoid and/or prime any lien of the Respondent on the proceeds of all accounts receivable and the cash on hand and in bank accounts.

7. Final Hearing. A final hearing to consider approval of the Motion will be held before this Court on the 23rd day of October, 2018 at 10:00 a.m. (“Final Hearing”). Absent further order of the Court, Debtor's interim right to utilize Cash Collateral shall terminate on the 23rd day of October, 2018. Pursuant to Federal Rule of Bankruptcy Procedure 4001, counsel for the Debtor shall provide notice of the Final Hearing and a copy of this interim order to (a) the United States Trustee, (b) counsel for the Respondent, (c) each Debtors’ twenty (20) largest unsecured creditors, and (d) those parties in interest that have requested notice pursuant to Federal Rule of Bankruptcy Procedure 2001(g). Any objections to the relief sought at the Final Hearing shall be in writing, state the basis therefor, and be filed and served on counsel for the Debtor and counsel for the Respondent no later than the 16th day of October, 2018.

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Respectfully submitted:

GOLD, WEEMS, BRUSER, SUES & RUNDELL

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ATTORNEYS FOR DEBTOR AND
DEBTOR IN POSSESSION, MEGHA, LLC