

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:

Midwest Asphalt Corporation

Bky. Case No. 17-40075
Chapter 11

Debtor.

Jointly Administered with:
MAR Farms, LLC
Delta Milling, LLC

Bky. Case No. 17-41371
Bky. Case No. 17-41372

This pleading applies to:

- All Debtors.
 Specified Debtor(s).

**ORDER RESOLVING DEBTOR'S MOTION
AUTHORIZING CONTINUED USE OF CASH COLLATERAL**

Based on the motion of the Debtor for further Use of Cash Collateral:

IT IS HEREBY ORDERED:

This Court approves the use of cash collateral, pursuant to the terms of its prior order regarding further Use of Cash Collateral (Docket No. 183, the "Cash Collateral Order") which is modified and extended as follows:

1. Paragraph 2 of the Cash Collateral Order is replaced with the following:

Unless further extended by an order of the Court, the Debtor's authorization to use cash collateral terminates automatically on the earlier of: (a) the date that the Welty DIP Facility terminates; or (b) August 31, 2017.

2. Paragraph 4 of the Cash Collateral Order is replaced with the following:

As additional adequate protection, the Debtor is required to draw on the Welty DIP Facility in an amount necessary to ensure that measured as of the 15th day of each month and as of the last day of each month the forced liquidation value of the items listed herein totals at least \$4,063,045 (although the Debtor may draw greater sums, or more frequently, as needed). Such draws shall occur no later

than ten (10) days after the 15th day of each month and no later than ten (10) days after month end, respectively. For purposes of determining the draw amounts required by this paragraph only and for no other purpose in this bankruptcy case (the "Required Draw Amounts"), Callidus and the Debtor stipulate to the following forced liquidation values of the items:

- a. Available cash on hand = 100% of its value
- b. Accounts receivable = 51.9% of book value
- c. Inventory on hand = 40.8% of book value
- d. Debtor's titled vehicles = \$982,185.53
- e. Cash value of life insurance policies held by Bury Family Trust and Blaine Johnson = \$184,103

Disputes relating to this calculation and/or the need for, or the amount of, any draw will be resolved first by requesting a status conference with the Court. In case of such dispute, the Required Draw shall occur within three (3) days after the Court determines the Required Draw Amount. DIP Lender is required to fund in available U.S. funds the Required Draw Amounts.

3. Paragraph 5(f) of the Cash Collateral Order shall be deleted (except 5(f)(i)), and the following added:

The Debtor agrees to provide the following information to Callidus daily: (i) daily PDF of bank statement activity (general and payroll accounts); (ii) PDF of all check runs on days checks are prepared; (iii) daily detailed accounts receivable aged trial balance in Excel (same as we receive weekly presently); and (iv) daily deposit detail in Excel.

Dated: July 26, 2017

/e/ William J. Fisher

William J. Fisher
United States Bankruptcy Judge