

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION**

IN RE:	§	
	§	Case No. 18-40820
Bootique Trends, Inc.	§	
	§	
Debtor.	§	Chapter 11

**FINAL ORDER AUTHORIZING DEBTOR TO USE
CASH COLLATERAL PURSUANT TO 11 U.S.C. § 363**

On this day there came on for final consideration of the Emergency Motion for Interim and Final Orders Authorizing Debtor to Use Cash Collateral Pursuant to 11 U.S.C. § 363 (the “**Motion**”) pursuant to Sections 105, 361, 363 and 364 of Title 11 of the United States Bankruptcy Code (the “**Bankruptcy Code**”) and Federal Rule of Bankruptcy Procedure 4001 filed by Bootique Trends, Inc. (the “**Debtor**”), with respect to the use of cash collateral of American Express (the “**Lender**”). The Debtor appeared by and through its counsel, Howard Marc Spector. After considering the evidence presented by the Debtor and the arguments of counsel, the Court finds and concludes as follows:

A. This Court has jurisdiction of this contested matter pursuant to 28 U.S.C. §§ 157(b)(2)(G) and 1334 and 11 U.S.C. §§ 361, 362 and 363. This is a core proceeding.

B. On April 20, 2018 (the “**Petition Date**”), the Debtor filed its Voluntary Petition in Bankruptcy under Chapter 11 of the Bankruptcy Code. Since that date, the Debtor has remained in possession of its property and operated its affairs as a debtor-in-possession.

C. The operation of the Debtor’s business requires that funds constituting Lender’s cash collateral, as that term is defined in 11 U.S.C. § 363(a), be used by the Debtor to continue to meet its ordinary operating expenses. An immediate and critical need exists for the Debtor to obtain funds in order to continue the operation two retail stores in Texas and California. Without such funds, the Debtor will not be able to pay its operating expenses and obtain goods and services needed to carry on its business during this sensitive period in a manner that will avoid irreparable harm to the Debtor’s estate.

D. Appropriate notice and opportunity for hearing on the Motion have been given in accordance with the provisions of Sections 361, 362 and 363 of the Bankruptcy Code. No objection was filed to the Debtor’s request for authority to use cash collateral.

E. It is in the best interest of the Debtor’s estate, its creditors and other parties-in-interest for the Debtor to use Lender’s cash collateral in accordance with the terms of this Final Order Authorizing Debtor to Use Cash Collateral Pursuant to 11 U.S.C. § 363 (this “**Final Cash Collateral Order**”) because such action will enable the Debtor to continue its on-going operations and will enhance the possibility of a successful reorganization in this case.

F. Lender is believed to assert a validly perfected security interest in all or substantially all assets of the Debtor (the “**Collateral**”). A portion of the Collateral constitutes cash collateral.

G. Lender is adequately protected for the term of cash collateral use authorized by this Order.

H. Debtor’s proposed budget of expenditures through August 31, 2018 is reflected as Exhibit 1 hereto (the “**Budget**”).

I. The entry of this Final Cash Collateral Order is in the best interest of the Debtor, its creditors, and the Debtor’s estate, to enable the Debtor to operate.

IT IS, THEREFORE

ORDERED, ADJUDGED AND DECREED that the Debtor is hereby authorized to use cash collateral of Lender, and Lender shall make all cash collateral of the Debtor available to the Debtor for use by the Debtor through the term of this Order; provided, however, that the Debtor may utilize only cash collateral reflected in the Debtor’s Budget though and including August 31, 2018 plus a 10% variance per line item. It is further

ORDERED, ADJUDGED AND DECREED that to secure the repayment of the cash collateral used by the Debtor hereunder during the term of this Order, pursuant to 11 U.S.C. § 361, and to the extent the Debtor’s use of cash collateral or the Lender’s Collateral otherwise decreases in value during the pendency of this case, the Debtor hereby grants to Lender, effective as of the Petition Date, duly perfected security interests in and liens on all of Debtor’s real and personal property, including but not limited to, stock, accounts, accounts receivable, contract rights, general intangibles, goods, equipment, vehicles, fixtures, deposit accounts, materials, supplies, tax refunds, insurance policies, insurance refunds, real estate, leases, personal property leases, appliances, apparatus, tools, accessories, spare or replacement parts, furniture, inventory and all proceeds thereof, present and future products thereof, accessions, substitutions, renewals, improvements, replacements and additions thereto, now owned or hereafter acquired, save and except all claims and rights arising out of avoidable transfers and all property which if recovered or receivable by the Debtor or any trustee pursuant to any avoidance or recovery powers, including, without limitation, powers arising under Section 544, 545, 547, 548, 549, 550 and 553 of the Bankruptcy Code. Provided however, that the replacement liens granted hereunder shall be in the same priority vis-à-vis other liens as that existing on the Petition Date and shall be valid only with respect to Collateral on which the Lender held validly attached and perfected liens as of the Petition Date. It is further

ORDERED, ADJUDGED AND DECREED that the liens and security interests granted and created by the preceding paragraph shall by virtue of this Final Cash Collateral Order and without the necessity of any other instruments or documents constitute valid and perfected liens and security interests in the collateral described above to the extent provided herein. If needed, Lender shall be permitted to file or record such financial statements, deed instruments or

mortgages or otherwise to confirm perfection of such security interests, mortgages and liens, and all such financing statements, deeds of trust or other similar documents as required to carry out the intent and applicable provisions of this Final Cash Collateral Order. Any clerk or other recording officer or person shall file this Final Cash Collateral Order when presented for recording or filing. It is further

ORDERED, ADJUDGED AND DECREED that the terms of the Final Cash Collateral Order shall bind and inure to the benefit of the respective successors and assigns of each of the parties and this Final Cash Collateral Order shall be controlling upon the Debtor and its successors and assigns (including any successor trustee), notwithstanding the dismissal of this bankruptcy proceeding or the conversion of this case to a case under Chapter 7 of the Bankruptcy Code.

Signed on 5/24/2018

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HONORABLE BRENDA T. RHOADES,
UNITED STATES BANKRUPTCY JUDGE

	May 21-June 30	July	August
Total Revenue	\$ 364,000.00	\$ 300,000.00	\$ 320,000.00
Expenses			
320 North Crescent Drive LLC	\$ 4,485.00	\$ 3,622.50	\$ 3,792.76
AT&T - 1728-6	\$ 325.00	\$ 262.50	\$ 274.84
AT&T 4709 NP	\$ 325.00	\$ 262.50	\$ 274.84
Bank of America	\$ 1,950.00	\$ 1,575.00	\$ 1,649.03
CormackHill, LP-	\$ 31,200.00	\$ 25,200.00	\$ 26,384.40
Flavia	\$ 3,588.00	\$ 2,898.00	\$ 3,034.21
Hanover Insurance	\$ 3,250.00	\$ 2,625.00	\$ 2,748.38
LA Cleaning	\$ 390.00	\$ 315.00	\$ 329.81
Kaiser	\$ 2,930.77	\$ 2,367.16	\$ 2,478.42
LC	\$ 65,000.00	\$ 52,500.00	\$ 54,967.50
Northpark Merchants Association	\$ 3,212.30	\$ 2,594.55	\$ 2,716.49
Northpark Partners LP	\$ 54,600.00	\$ 44,100.00	\$ 46,172.70
Paymentech	\$ 5,980.00	\$ 4,830.00	\$ 5,057.01
UPS	\$ 3,900.00	\$ 3,150.00	\$ 3,298.05
UPS International Package Services	\$ 2,600.00	\$ 2,100.00	\$ 2,198.70
Payroll Gross	\$ 78,000.00	\$ 63,000.00	\$ 65,961.00
Blue Cross Blue Shield of Texas	\$ 5,072.00	\$ 4,096.62	\$ 4,289.16
California EDD	\$ 2,600.00	\$ 2,100.00	\$ 2,198.70
Allsped	\$ 6,500.00	\$ 5,250.00	\$ 5,496.75
Travel	\$ -	\$ -	\$ -
Tolls	\$ -	\$ -	\$ -
Payroll Taxes	\$ 20,800.00	\$ 16,800.00	\$ 17,589.60
Dallas Cleaning	\$ 3,250.00	\$ 2,625.00	\$ 2,748.38
Misc	\$ 2,080.00	\$ 1,680.00	\$ 1,758.96
Product	\$ 59,800.00	\$ 48,300.00	\$ 50,570.10
Total Expenses	\$ 361,838.07	\$ 292,253.83	\$ 305,989.76
Total Revenue			
Net Revenue	\$ 2,161.93	\$ 7,746.17	\$ 14,010.24