



**IT IS HEREBY ADJUDGED and DECREED that the below described is SO ORDERED.**

**Dated: February 17, 2017.**

**H. CHRISTOPHER MOTT  
UNITED STATES BANKRUPTCY JUDGE**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE WESTERN DISTRICT OF TEXAS  
EL PASO DIVISION**

In re

SOUTHWEST CUTTERS, LLC,

Debtor.

§  
§  
§  
§  
§

Case No. 17-30238-HCM-11

**AGREED ORDER GRANTING INTERIM  
PERMISSION TO USE CASH COLLATERAL**

On this date the Court has considered the Motion of the Debtor-in-Possession SOUTHWEST CUTTERS, LLC, for Authority to Use Cash Collateral (“the Motion”). The Court, having made findings and seeing good cause for the Motion, hereby GRANTS the Motion, on an interim basis. Counsel for SOUTHWEST CUTTERS, LLC shall be responsible for notices to all parties in interest, that the use of cash collateral is APPROVED on an interim basis, and shall be approved on a going-forward basis in these Chapter 11 proceedings, subject only to modification upon motion and for cause, and/or the terms of a confirmed Plan of Reorganization, unless an objection to such use is filed after notice of this Interim Order is given by counsel for SOUTHWEST CUTTERS, LLC. Any parties in interest who wish to object to these terms for cash collateral use, should promptly file their objections with the Clerk of this Court and appear to be heard thereon in this Court in El Paso on the 9th day of March, 2017 at 10:00 a.m. Mountain Time at 511 E. San Antonio St., 4th Floor. If there are no objections filed, the Court may give final approval to the interim terms for cash collateral use,

which follow hereinbelow. The identification, value, and extent of the Debtor's cash collateral, and the terms of adequate protection as stated herein, are without prejudice to any party-in-interest's right to contest the same in a later proceeding, for confirmation purposes or otherwise

Parties-in-interest are also hereby advised that there is a substantial likelihood that the interim terms for cash collateral use are expected by SOUTHWEST CUTTERS, LLC and TEAM GROWTH to be under ongoing negotiation prior to the hearing. If the terms are changed, at least seven days' notice of the changes is to be given by SOUTHWEST CUTTERS, LLC at the earliest available opportunity, so that there is a chance to object.

It is ORDERED on an interim basis that SOUTHWEST CUTTERS, LLC may use cash collateral (including any cash collateral deposited in banks including Wells Fargo Bank, N.A.) under these conditions:

- a) It appears on an interim basis that TEAM GROWTH, LLC has a first-lien security interest in most assets of the Debtor, including without limitation, cash collateral (including cash on hand at Wells Fargo Bank, N.A.);
- b) The Debtor shall make adequate protection payments of \$5,633.30 on the 1st of March 2017 and on the first of each month thereafter (unless this Order is superseded) to the first lienholder on the cash collateral, TEAM GROWTH, LLC, whom the Debtor has scheduled for a debt of \$1,685,728.00;
- c) Pending confirmation of a Plan or other Order of this Court, the Court hereby awards on an interim basis a replacement lien to TEAM GROWTH, LLC in the amount of the cash collateral's scheduled petition-date value, consisting of accounts receivable, inventory, work in process, and finished goods not yet shipped (the "After-Acquired Liens"). The current security interests and liens of TEAM GROWTH, LLC in cash collateral shall also continue in effect in their current priority (the "Existing Liens"). The After-Acquired Liens shall have the same priority as the Existing Liens in the

cash collateral, and be fully effective and perfected without filing, recording or other act, to the same extent that they were effective and perfected pre-petition. TEAM GROWTH, LLC is authorized, at its option and without any requirement to do so, to make such recordings, filings from other appropriate actions it deems necessary to effect and continue under applicable non-bankruptcy law any of the Existing Liens or any of the After-Acquired Liens. The Existing Liens and the After-Acquired Liens are in addition to any other liens or security interests held or claimed by TEAM GROWTH, LLC against the property of the Debtor or any other person or entity;

- d) The Debtor shall keep the tangible personal property portion of the collateral securing the Debtor's indebtedness to TEAM GROWTH, LLC insured against fire and the usual hazards in such amount as provided by the loan agreement, security agreement and other loan documents, with TEAM GROWTH, LLC shown on the policies as loss co-payee;
- e) The Debtor shall keep the tangible personal property portion of the collateral securing the Debtor's indebtedness to TEAM GROWTH, LLC in reasonably good condition and shall accommodate inspection requests by TEAM GROWTH, LLC upon reasonable advance notice, at reasonable times and intervals;
- f) The Debtor shall use the cash collateral only in the ordinary course of business for actual and reasonable expenses in the categories shown in the Budget attached hereto as Exhibit A ("Gross Profit and Loss Statement"), up to the respective amounts per calendar week in the aggregate for each such category as stated in such Budget, but with the expenses for professional fees in this case to be deposited into trust, subject to Court approval of those professional fees. Each category in such Budget shall be permitted a 10% variance per month, and the overall Budget total shall be permitted a 10% variance per week;

However, certain amounts in the Gross Profit and Loss Statement are modified by

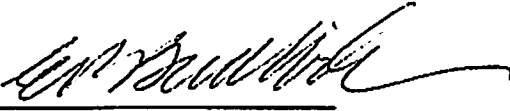
this Order:

The figure of \$35,124.00 for "Materials" for the week ending February 17 is reduced to \$18,136.00. The figure of \$37,188.00 for "Materials" for the week ending February 24 is reduced to \$18,753.00. The figure of \$43,396.00 for "Materials" for the week ending March 3 is reduced to \$19,143.70. The reductions in the budget for "Materials" are to eliminate projected losses and to enable the first adequate protection payment to TEXAS GROWTH, LLC (\$5,633.30) to be made on March 1, 2017.

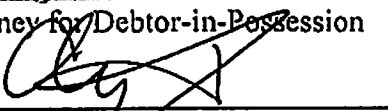
- g) The Debtor shall make available on-line its Monthly Operating Reports, on their due dates in this case;
- h) The Debtor shall file all post-petition tax reports and returns on a timely basis, and pay all post-petition taxes on a timely basis; and
- I) If the Debtor defaults in the payment or performance of any of the above conditions for cash collateral use, and TEAM GROWTH, LLC wishes at any time thereafter to have the default enforced or rectified, then TEAM GROWTH, LLC must send email notice of the default to Debtor's counsel E.P. BUD KIRK at [budkirk@aol.com](mailto:budkirk@aol.com), and the Notice shall give the Debtor a reasonable time to cure the default, failing which, this authority to use cash collateral shall cease. It shall be presumed that ten days' notice is reasonable time.

In the event the Debtor defaults upon any of the above obligations, TEAM GROWTH, LLC may, at its option, notify the Debtor of the defaults in writing and give the Debtor 15 days to cure the default, failing which, authorization to use cash collateral shall terminate.

**APPROVED AS TO FORM:**

1st 

**E.P. BUD KIRK**  
Texas State Bar No. 11508650  
600 Sunland Park Dr.  
Building Four, Ste. 400  
El Paso, TX 79912  
(915) 584-3773  
(915) 581-3452 facsimile  
[budkirk@aol.com](mailto:budkirk@aol.com)  
Attorney for Debtor-in-Possession

1st 

**CLYDE A. PINE**  
Texas State Bar No. 16013460  
Mounce, Green, Myers, Safi, Paxson & Galatzan, PC  
100 N. Stanton, Ste. 1000  
El Paso, TX 79901  
(915) 532-2000  
(915) 541-1526 facsimile  
[pine@mgmsg.com](mailto:pine@mgmsg.com)  
Attorney for TEAM GROWTH, LLC

###

Submitted by:

**E.P. BUD KIRK**  
600 Sunland Park Dr.  
Building Four, Ste. 400  
El Paso, TX 79912  
(915) 584-3773  
(915) 581-3452 facsimile  
[budkirk@aol.com](mailto:budkirk@aol.com)

Attorney for Debtor-in-Possession

**GROSS PROFIT AND LOSS STATEMENT**

GROSS PROFIT & LOSS MONTHLY	2017												
	17-Feb	24-Feb	3-Mar	10-Mar	17-Mar	24-Mar	31-Mar	7-Apr	14-Apr	21-Apr	28-Apr	5-May	
<b>SALES</b>													
RHINO	0	0	0	0	0	0	0	0	0	0	0	0	0
GI SUPPLY	2,198	2,540	3,650	4,082	4,293	3,894	3,894	3,894	3,894	3,894	3,894	3,894	3,894
MASSIF	8,860	8,860	9,860	10,644	11,644	11,644	11,644	11,644	11,644	11,644	11,644	11,644	11,644
PTX	225	225	225	225	225	225	225	225	225	225	225	225	225
PTX RENT	221	221	221	221	221	221	221	221	221	221	221	221	221
MILITARY / PTU JACKET	71,862	76,152	90,095	80,095	98,318	107,258	120,663	131,836	134,070	137,189	137,188	121,199	121,199
BEYOND	0	0	0	2,594	3,631	5,187	5,187	8,585	6,910	14,331	14,331	23,360	23,360
<b>TOTAL SALES</b>	<b>83,366</b>	<b>87,998</b>	<b>104,061</b>	<b>107,861</b>	<b>118,332</b>	<b>128,427</b>	<b>141,834</b>	<b>158,406</b>	<b>158,964</b>	<b>167,513</b>	<b>167,513</b>	<b>180,543</b>	<b>180,543</b>
<b>MATERIALS</b>													
RHINO	0	0	0	0	0	0	0	0	0	0	0	0	0
GI SUPPLY	0	0	0	0	0	0	0	0	0	0	0	0	0
MASSIF	552	552	52	565	65	65	65	65	65	65	65	65	65
PTX	0	0	0	0	0	0	0	0	0	0	0	0	0
MILITARY / PTU JACKET	34,572	38,638	43,344	43,344	47,300	51,800	58,050	63,425	64,500	68,005	68,005	58,308	58,308
BEYOND	0	0	0	84	131	187	187	267	174	383	383	692	692
	35,124	37,188	43,396	44,003	47,498	51,862	58,302	63,757	64,739	68,433	68,433	58,965	58,965
<b>FREIGHT</b>													
RHINO	0	0	0	0	0	0	0	0	0	0	0	0	0
GI SUPPLY	0	0	0	0	0	0	0	0	0	0	0	0	0
MASSIF	0	0	0	0	0	0	0	0	0	0	0	0	0
PTX	0	0	0	0	0	0	0	0	0	0	0	0	0
MILITARY / PTU JACKET	3,055	3,238	3,830	3,830	4,180	4,560	5,130	5,805	5,700	5,833	5,833	5,153	5,153
BEYOND	0	0	0	3	4	5	5	7	5	7	7	11	11
	3,055	3,238	3,830	3,833	4,184	4,565	5,135	5,812	5,705	5,840	5,840	5,164	5,164
<b>DIRECT LABOR OVER TIME COST</b>	<b>8,500</b>	<b>8,500</b>	<b>8,500</b>	<b>8,500</b>	<b>8,500</b>	<b>8,500</b>	<b>4,000</b>	<b>4,000</b>	<b>4,000</b>	<b>4,000</b>	<b>4,000</b>	<b>4,000</b>	<b>0</b>
<b>DIRECT LABOR COST</b>	<b>40,890</b>	<b>41,000</b>	<b>43,000</b>	<b>43,000</b>	<b>44,000</b>	<b>48,000</b>	<b>47,000</b>	<b>48,948</b>	<b>48,835</b>	<b>52,699</b>	<b>52,660</b>	<b>51,365</b>	<b>51,365</b>
<b>TOTAL DIRECT COST</b>	<b>49,490</b>	<b>49,500</b>	<b>51,500</b>	<b>51,500</b>	<b>52,500</b>	<b>54,500</b>	<b>51,000</b>	<b>52,948</b>	<b>52,835</b>	<b>56,699</b>	<b>56,660</b>	<b>51,365</b>	<b>51,365</b>
<b>OVER HEAD COST</b>													
OVER HEAD COST ATTACHMENTS (A)	2,290	6,113	13,559	1,410	2,190	5,813	840	13,879	1,440	1,290	6,113	5,409	5,409
OVERHEAD LABOR ATTACHMENTS (B)	10,394	10,394	10,394	10,394	10,394	10,394	10,394	10,394	10,394	10,394	10,394	10,394	10,394
<b>TOTAL OVER HEAD COST</b>	<b>12,684</b>	<b>16,507</b>	<b>23,953</b>	<b>11,804</b>	<b>12,884</b>	<b>16,207</b>	<b>11,234</b>	<b>24,273</b>	<b>11,834</b>	<b>11,684</b>	<b>16,507</b>	<b>15,803</b>	<b>15,803</b>
<b>LOAN INFO</b>													
MONEY BORROWED	0	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST ON MONEY BORROWED	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL LOAN PAYMENTS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>DEBT SCHEDULE</b>													
TEAM GROWTH	0	0	0	0	0	0	0	5,633	0	0	0	5,633	5,633
	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0
LAWYERS	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL DEBT SCHEDULE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,633</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,633</b>	<b>5,633</b>
<b>TOTAL COST</b>	<b>100,354</b>	<b>106,433</b>	<b>122,680</b>	<b>111,140</b>	<b>116,764</b>	<b>127,124</b>	<b>125,871</b>	<b>152,222</b>	<b>134,913</b>	<b>140,858</b>	<b>145,441</b>	<b>138,930</b>	<b>138,930</b>
<b>GROSS PROFIT OR LOSS</b>	<b>(16,988)</b>	<b>(18,435)</b>	<b>(18,619)</b>	<b>(3,279)</b>	<b>1,668</b>	<b>1,303</b>	<b>16,183</b>	<b>4,182</b>	<b>21,051</b>	<b>26,657</b>	<b>22,072</b>	<b>23,613</b>	<b>59,487</b>

**EXHIBIT A**

COST MONTHLY	2017 ATTACHMENT "A"											
	17-Feb	24-Feb	3-Mar	10-Mar	17-Mar	24-Mar	31-Mar	7-Apr	14-Apr	21-Apr	28-Apr	5-May
Cell Phones	0	400	0	0	0	400	0	0	0	0	400	0
Factor Fee's	0	0	0	0	0	0	0	0	0	0	0	0
EMPLOYES INS	0	0	1,050	0	0	0	0	1,050	0	0	0	1,050
Automobiles	0	943	0	0	0	943	0	0	0	0	943	0
line of credit	0	0	0	0	0	0	0	0	0	0	0	0
Credit Card Payments	0	0	0	0	0	0	0	0	0	0	0	0
Building Insurance	0	1,650	0	0	0	1,650	0	0	0	0	1,650	0
Bank Charges	0	430	0	0	0	430	0	0	0	0	430	0
Advertisement	0	0	0	0	0	0	0	0	0	0	0	0
Cleaning	300	300	300	300	300	300	300	300	300	300	300	300
Delivery OVERNIGHT	100	100	100	100	100	100	100	100	100	100	100	100
Dues & Subscription	0	0	0	0	0	0	0	0	0	0	0	0
Meals	0	0	0	0	0	0	0	0	0	0	0	0
Freight	0	0	0	0	0	0	0	0	0	0	0	0
Fuel	40	40	40	40	40	40	40	40	40	40	40	40
Car Insurance	0	0	0	170	0	0	0	170	0	0	0	0
Ins Group	0	0	1,469	0	0	0	0	1,469	0	0	0	1,469
Propane (fuel)	0	0	100	0	0	100	0	0	100	0	0	100
Life Insurance	0	0	0	0	0	0	0	0	0	0	0	0
License	0	0	0	0	0	0	0	0	0	0	0	0
Main. Bldg	0	0	0	0	0	0	0	0	0	0	0	0
Main. Equipment	0	0	0	0	0	0	0	0	0	0	0	0
Maint Vech	0	0	0	0	0	0	0	0	0	0	0	0
Property Taxes	0	0	0	0	0	0	0	0	0	0	0	0
Postage	0	0	0	0	0	0	0	0	0	0	0	0
Professional Fees CPA	0	0	0	0	500	0	0	0	500	0	0	0
Rent	0	0	8,000	0	0	0	0	8,000	0	0	0	0
small tools and dies	0	0	0	400	0	0	0	0	0	0	0	0
Office Supplies & markers	400	400	400	400	400	400	400	400	400	400	400	400
Equipment supplies	0	400	0	0	400	0	0	400	0	0	400	0
Telephone	0	450	0	0	0	450	0	0	0	0	450	0
Trash	450	0	0	0	450	0	0	0	0	450	0	0
Travel	0	0	0	0	0	0	0	0	0	0	0	0
Elec.	1,000	0	1,200	0	0	0	0	1,500	0	0	0	1,500
Water	0	0	0	0	0	0	0	0	0	0	0	0
Gas	0	0	900	0	0	0	0	450	0	0	0	450
lenders fees	0	0	0	0	0	0	0	0	0	0	0	0
IRS	0	1,000	0	0	0	1,000	0	0	0	0	1,000	0
	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>2,290</b>	<b>6,113</b>	<b>13,559</b>	<b>1,410</b>	<b>2,190</b>	<b>5,813</b>	<b>840</b>	<b>13,879</b>	<b>1,440</b>	<b>1,290</b>	<b>6,113</b>	<b>5,409</b>

OVERHEAD LABOR MONTHLY	2017 ATTACHMENT "B"											
	17-Feb	24-Feb	3-Mar	10-Mar	17-Mar	24-Mar	31-Mar	7-Apr	14-Apr	21-Apr	28-Apr	5-May
Don Sr. 1,500.00	1,882	1,882	1,882	1,882	1,882	1,882	1,882	1,882	1,882	1,882	1,882	1,882
Shana 1,200.00	1,346	1,346	1,346	1,346	1,346	1,346	1,346	1,346	1,346	1,346	1,346	1,346
Susan 750.00	841	841	841	841	841	841	841	841	841	841	841	841
TONY 500.00	581	581	581	581	581	581	581	581	581	581	581	581
Brad 0.00	0	0	0	0	0	0	0	0	0	0	0	0
Mechanic 550.00	617	617	617	617	617	617	617	617	617	617	617	617
Felipe 430.00	482	482	482	482	482	482	482	482	482	482	482	482
Don Jr. 1,200.00	1,346	1,346	1,346	1,346	1,346	1,346	1,346	1,346	1,346	1,346	1,346	1,346
Supervisor 500.00	581	581	581	581	581	581	581	581	581	581	581	581
Cleaning 290.00	325	325	325	325	325	325	325	325	325	325	325	325
Quality Control 380.00	449	449	449	449	449	449	449	449	449	449	449	449
piece rate manager 400.00	449	449	449	449	449	449	449	449	449	449	449	449
MARIABAL 450.00	505	505	505	505	505	505	505	505	505	505	505	505
SENG 1,100.00	1,233	1,233	1,233	1,233	1,233	1,233	1,233	1,233	1,233	1,233	1,233	1,233
<b>TOTAL</b>	<b>10,394</b>	<b>10,394</b>	<b>10,394</b>	<b>10,394</b>	<b>10,394</b>	<b>10,394</b>	<b>10,394</b>	<b>10,394</b>	<b>10,394</b>	<b>10,394</b>	<b>10,394</b>	<b>10,394</b>

124,733