

**UNITED STATES BANKRUPTCY COURT
FOR THE
EASTERN DISTRICT OF VIRGINIA
Alexandria Division**

In the Matter of: :
: :
: **Chapter 11**
PIONEER ROOFING SYSTEMS, INC., :
: **Case No. 15-13518-BFK**
Debtor. :
:

**TWELFTH ORDER AUTHORIZING
INTERIM USE OF CASH COLLATERAL**

THIS MATTER having come on for hearing on April, 11, 2017, on the motion of Pioneer Roofing Systems, Inc. (“Debtor” or “Pioneer”) seeking authorization for use of cash collateral in which Burke & Herbert Bank & Trust Company (“B&H”) holds a prior perfected interest, and

AND IT APPEARING that emergency use of cash collateral was provided by that certain First Stipulation and Consent Order Authorizing Interim Use of Cash Collateral (Dkt. #29), and that further use of cash collateral was authorized by Order Authorizing Use of Cash Collateral (Dkt. #47), Second Order Authorizing Use of Cash Collateral (Dkt. #83), Third Order Authorizing Use of Cash Collateral (Dkt. #93), Fourth Order Authorizing Use of Cash Collateral (Dkt. #113) and Fifth Order Authorizing Use of Cash Collateral (Dkt. #127), Sixth Order Authorizing Interim Use of Cash Collateral (Dkt. #134), Seventh Order Authorizing Interim Use of Cash Collateral (Dkt. #148), Eighth Order Authorizing Interim Use of Cash Collateral (Dkt. #152), Ninth Order Authorizing Interim Use of Cash Collateral (Dkt. #160), Tenth Order Authorizing Interim Use of Cash Collateral (Dkt. #190), Twelfth Order Authorizing Interim Use of Cash Collateral (Dkt. #206), and that further use of cash collateral is requested by the Debtor herein, and

AND IT FURTHER APPEARING upon hearing on this matter that good cause exists to grant the Debtor's motion for interim use of cash collateral and to provide adequate protection to B&H with respect to such use, and that based upon the proffer of the Debtor, and the agreement of B&H as evidenced by the endorsement of its counsel below, and that in support of such use the Court makes the following findings:

1. The Debtor requires the use of cash collateral, as defined in Section 363(a) of the Bankruptcy Code, in the ordinary course of its business to pay suppliers and wages, purchase inventory and otherwise continue to operate its business.

2. The Debtor's cash, accounts, inventory and the proceeds of B&H's other Collateral constitute cash collateral of B&H as defined in the Bankruptcy Code.

3. The Court finds from evidence presented at hearing herein that the current value of Collateral is sufficient to provide immediate adequate protection to B&H and that provisions for additional adequate protection as provided for herein and in prior orders of the Court made effective herein are sufficient to provide adequate protection for the Debtor's ongoing interim use of cash collateral.

NOW, THEREFORE, in consideration of the findings made hereinabove and for the reasons stated from the bench at hearing on this matter, and the agreement of B&H, it is hereby ORDERED that:

1. Use of Cash Collateral. The Debtor is authorized to use cash collateral, subject to the terms of this Order. The Debtor may not use cash collateral, during the time period covered by the Budget, in excess of the line item amount(s) of projected expenditures shown on the Budget attached as Exhibit 1. The Budget covers the time period from April 11, 2017 through

June 4, 2017. The Debtor's authorization to use cash collateral shall terminate at the earlier of (i) 5:00 p.m. on June 5, 2017 or (ii) the occurrence of an Event of Default under this Order.

2. Incorporation of Prior Orders. All the terms of the prior order regarding use of cash collateral, Dkt. ## 29, 47, 83, 93, 113, 127, 134, 148, 152, 160, 190 and 206, shall remain in full force and effect, including all provisions for adequate protection and replacement liens, and except as expressly modified herein.

3. Cure of Payroll Taxes. With the consent of B&H, the Court authorizes the Debtor to make net payroll on each Friday and the withholding tax payments the next Wednesday when due. However, if the Debtor does not make the withholding taxes at any time, its authority to use cash collateral shall terminate, subject to the right of the Debtor to self-cure such withholding tax payment, at which time its authority to use cash collateral shall thereupon recommence.

4. Miscellaneous. All of the terms and provisions of this Order including, but not limited to, the security interests and liens created and perfected hereby, and the priority established hereby, shall be binding upon the Debtor, any subsequently appointed Trustee for the Debtor, whether under Chapter 7 or Chapter 11 of the Bankruptcy Code, and upon all creditors of the Debtor, including those who may have extended or may hereafter extend credit to the Debtor, and all other parties and interests.

AND IT IS FURTHER ORDERED, that this matter is continued for further hearing on the Debtor's motion for use of cash collateral to 11:00 A.M. on June 6, 2017.

Date: Apr 12 2017, 2017

/s/ Brian F. Kenney

Hon. Brian F. Kenney
United States Bankruptcy Judge
Entered on Docket:4/13/17 sm

I Ask for This:

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Exhibit 1
Cash Collateral Budget
April 11, 2017 through June 5, 2017

Pioneer Roofing Systems Projection 4/11/17 to 6/4/17

EXHIBIT "1"

| | 4/10/2017 4/16/2017 | 4/17/2017 4/23/2017 | 4/24/2017 4/30/2017 | 5/1/2017 5/7/2017 | 5/8/2017 5/14/2017 | 5/15/2017 5/21/2017 | 5/22/2017 5/28/2017 | 5/29/2017 6/4/2017 |
|---------------------------------------|------------------------|------------------------|------------------------|----------------------|-----------------------|------------------------|------------------------|-----------------------|
| REVENUE | | | | | | | | |
| BILLINGS | | | | | | | | |
| Service | 15,000 | 15,000 | 133,161 | 15,000 | 15,000 | 15,000 | 112,500 | 20,000 |
| Andrews Airforce Base Shopping Center | | | 81,000 | | | | 60,000 | |
| Pohanka Acura | | | 61,490 | | | | | |
| Minchew Richmond (CHANGE ORDERS) | | | | | | | | |
| Tivoli | | | | | | | | |
| Trade Center | | | | | | | | |
| Trade Center Change Orders | | | | | | | | |
| Five Guys | | | 6,000 | | | | | |
| St. Marks | | | | 41,750 | | | | |
| Alexandria Toyota | | | 50,000 | 27,000 | | | | |
| MPD Patrol Service Bureau | | | 118,000 | | | | 118,000 | |
| Gonzaga Church | 50,000 | | | | | | | |
| Scotia | 19,600 | | | | | | | |
| New Work | | | | | | | | |
| Total Billings | 84,600 | 15,000 | 449,651 | 83,750 | 15,000 | 15,000 | 290,500 | 20,000 |
| RECEIVABLES | | | | | | | | |
| Service | 17,000 | 17,000 | 17,000 | 17,000 | 17,000 | 17,000 | 17,000 | 70,000 |
| Andrews Airforce Base Shopping Center | 39,212 | | | | | 53,357 | | |
| Ivory Medical Center Drive | | | | | | | | |
| Pohanka Acura | | 50,000 | | | 61,490 | | | |
| Minchew Richmond (CHANGE ORDERS) | | | | | | | | |
| Tivoli | | | | | | | | |
| Trade Center | 19,153 | | 6,750 | | | 9,421 | | |
| Five Guys | | 2,236 | | | | 6,000 | | |
| St. Marks | | | | | | | | 41,750 |
| Alexandria Toyota | | | | 50,000 | | 27,000 | | |
| MPD Patrol Service Bureau | | | | | | | 118,000 | |
| Gonzaga Church | | | | | 50,000 | | | |
| Medical Center Drive | 7,900 | | | | | | | |
| Scotia | 19,600 | | | | | | | |
| New Work | | | | | | | | |
| Total Receipts | 102,865 | 69,236 | 23,750 | 67,000 | 128,490 | 112,778 | 135,000 | 111,750 |

| | 4/10/2017 4/16/2017 | 4/17/2017 4/23/2017 | 4/24/2017 4/30/2017 | 5/1/2017 5/7/2017 | 5/8/2017 5/14/2017 | 5/15/2017 5/21/2017 | 5/22/2017 5/28/2017 | 5/29/2017 6/4/2017 |
|---|------------------------|------------------------|------------------------|----------------------|-----------------------|------------------------|------------------------|-----------------------|
| G&A quarterly Sage License | | | 2,525 | | | | | |
| G&A Industrial Traffic Website and SEO | | | | 625 | | | | 625 |
| G&A-FFCty Personal Property Tax | 5,985 | | | | | | | |
| G&A-FFCty Vehicle Tax | | | | | | | | |
| G&A-Condo Fees | | | 980 | | | | 980 | |
| Office Supplies and Repairs | | | 1,000 | | | | | |
| G&A-2-YEAR Plumbing License Fee FFX County | | | | | | | | |
| G&A-Toyota Tundra | 931 | | | | 931 | | | |
| B&H LOC Payment | 10,000 | | | 10,000 | | | | 10,000 |
| B&H Unit C&D | 3,000 | | | 3,000 | | | | 3,000 |
| B&H Unit E&F | 1,713 | | | 1,713 | | | | 1,713 |
| SBA Loan | | | 7,200 | | | | 7,200 | |
| Trustee | | 6,871 | | | | | | 4,500 |
| Management Consultant for The Plan | | | | | | | | |
| Legal Fees | 4,000 | | | | 4,000 | | | |
| Accountant's fees | | | | | 3,000 | | | |
| Total Operating Expense | 38,193 | 21,570 | 34,869 | 34,818 | 20,495 | 14,699 | 25,544 | 45,769 |
| TOTAL COST OF SALES AND OPERATING EXPENSE | 90,124 | 52,520 | 70,608 | 91,768 | 77,214 | 45,649 | 146,994 | 63,294 |
| TOTAL RECEIPTS MINUS TOTAL COST OF SALES AND OPERATING EXPENSE | 12,741 | 16,716 | (46,858) | (24,768) | 51,276 | 67,129 | (11,994) | 48,456 |