

UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF VIRGINIA  
HARRISONBURG DIVISION

IN RE:

DYNAMIC CONSTRUCTION SERVICES, INC.,  
  
Debtor(s).

Chapter 11  
Case No. 17-50566

**ORDER APPROVING AUTHORITY TO ENTER INTO  
PREMIUM FINANCE AGREEMENT**

At Harrisonburg, in said District on the 14<sup>th</sup> day of November, 2017; and upon the motion of Dynamic Construction Services, Inc. by its counsel, requesting authorization to enter into certain premium finance agreement between the Debtor, and IPFS Corporation (“IPFS”), which agreement finances the payment of premiums paid upon the Debtor’s insurance policies (the “Policies”) named therein (a copy of said agreement being annexed to an Affidavit filed in support of the Motion and hereafter referred to as the “Agreement”); it is

ORDERED that, the Debtor is hereby authorized to enter into and to perform under the Agreement and to execute and deliver such documents and amendments to the Agreement that the Debtor and IPFS may deem reasonably necessary or desirable to carry out the Agreement; and it is further

ORDERED that, pursuant to 11 U.S.C. §364(c), as amended (the “Bankruptcy Code”) and the terms of the Agreement, the Debtors are authorized to grant to IPFS a first priority security interest (the “Lien”) in the Policies including (but only to the extent permitted by applicable law); (i) all money that is or may become due under the Agreement because of a loss under the Policies that reduces unearned premiums (subject to the interest of any applicable mortgagee or loss payee); (ii) any return of premiums or

unearned premiums under the Policies; and (iii) any dividends that may become due to the Debtors in connection with the Policies; and it is further

ORDERED that, in the event that the Debtor defaults under the terms of the Agreement, IPFS, may, in accordance with the terms of the Agreement, and without further order of the court, cancel the Policies listed in the Agreement or any amendment thereto and receive and apply the unearned or return premiums to the account of the Debtor; and it is further

ORDERED that, the full rights of IPFS pursuant to the Agreement and controlling state law be and the same hereby are fully preserved and protected and are and shall remain unimpaired by the pendency of this or any subsequent proceeding under the Bankruptcy Code, the appointment of a trustee in this case, or the conversion of the case to a case under Chapter 7 of the Bankruptcy Code. It is further

ORDERED that, in the event that returned or unearned premiums or other amounts due under the Policies are insufficient to pay the total amount owing by the Debtor to IPFS, any remaining amount owing to IPFS, including reasonable attorneys' fees and costs, shall be an allowed claim in this case with priority as an administrative expense pursuant to §503(b) of the Bankruptcy Code; and it is further

ORDERED that, any monies due under the Agreement not otherwise satisfied through returned or unearned premiums or through payment of an allowed administrative claim filed by IPFS shall be subject to discharge or release in this Chapter 11 proceeding or any corresponding Chapter 7 proceeding, notwithstanding any provision to the contrary set forth in any Chapter 11 Plan or Confirmation Order entered in the above captioned case; and it is further

ORDERED that, notwithstanding anything to the contrary contained in the Order approving secured financing in this case, the Lien granted to IPFS hereunder in connection with the Policies shall be senior to any security interests and/or liens granted to any other secured creditors in the Debtor's case; and it is further

ORDERED that, because IPFS has extended credit to the Debtor in good faith, the reversal or modification of this Order on appeal shall not affect the validity of the debt owed to IPFS or the priority of its lien, as provided in §364(e) of the Bankruptcy Code. It is further

ORDERED that the Debtor is hereby authorized to enter into financing agreements in the future with IPFS without further court order under the following terms:

- A. Copies of the proposed financing agreement will be forwarded to counsel for the Official Committee of the Unsecured Creditors (the "Committee"), and counsel to the Debtor's Senior Lenders ("Senior Lenders"); and
- B. Unless the Debtor receives notice in writing from the Committee and/or Senior Lenders within five (5) business days of receipt by the Committee and the Senior Lenders of the Financing Agreement, the Debtor will proceed to enter into said Financing Agreement;

and it is further

ORDERED that any future financing agreements entered into by the Debtor and IPFS, pursuant to the procedure outlined above, will be subject to the same requirements of this Order.

Date: November 14, 2017

  
UNITED STATES BANKRUPTCY JUDGE

REQUESTED:

DYNAMIC CONSTRUCTION SERVICES, INC.

By: /s/ Andrew S. Goldstein  
MAGEE GOLDSTEIN LASKY & SAYERS, P.C.  
Andrew S. Goldstein, Esq. (VSB #28421)  
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*Counsel for the Debtor*

SEEN AND AGREED:

UNITED STATES TRUSTEE

By: /s/ B. Webb King (By Andrew S. Goldstein with permission)  
B. Webb King, Esq., (VSB #47044)  
Office of the United States Trustee  
First Campbell Square Building  
210 First Street, S.W., Suite 505  
Roanoke, VA 24011

SEEN AND WITHDRAWS OBJECTION:

OFFICIAL COMMITTEE OF UNSECURED CREDITORS

By: /s/ Robert S. Westermann (By Andrew S. Goldstein with permission)  
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