



**Timothy W. Dore**  
**U.S. Bankruptcy Court**  
(Dated as of Entered on Docket date above)

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THE UNITED STATES BANKRUPTCY COURT FOR THE  
WESTERN DISTRICT OF WASHINGTON AT SEATTLE

In re

SUNSHINE SEATTLE ENTERPRISES, LLC,

Debtor-in-Possession.

Case No. 17-14983

FIRST INTERIM ORDER  
AUTHORIZING NUNC PRO TUNC  
USE OF CASH COLLATERAL AND  
PAYMENT OF DECEMBER WAGE-  
RELATED CLAIMS

This matter having come before the Court for a preliminary hearing on a shortened time basis on the Debtor's motion for interim authority to use cash collateral and to authorize payment of pre-petition wage claims, and the Court finding that notice of such preliminary hearing was properly provided, and the Court finding that use of cash collateral on an interim basis is necessary to avoid immediate and irreparable harm to the estate pending a final hearing, and that the interests of Henry Ku, to the extent he is a secured creditor, are adequately protected under the circumstances, and good cause having been shown for the relief requested, it is hereby

ORDERED and ADJUDGED as follows:

1. Second Interim Hearing. A Second Interim Hearing on Debtor's motion for authorization to use cash collateral ("Cash Collateral Motion") shall commence on February

1 2, 2018, at 9:30 a.m. before Judge Dore, room 8106, 700 Stewart Street, Seattle, WA 98101.

2 Within three business days of entry, Debtor shall serve this signed interim order, any  
3 agreement for use of cash collateral entered into with Henry Ku and/or any proposed budget  
4 and order for continued use of cash collateral, and notice of the time within which objections  
5 may be filed pursuant to Local Rules W.D. Wash. Bankr. 9013(b), on Henry Ku and any  
6 other party which has an interest in the cash collateral, any committee appointed pursuant to  
7 11 U.S.C. § 1102 or its authorized agent, the United States Trustee, the parties entitled to  
8 notice pursuant to Local Bankruptcy Rule 4001-3(b), and creditors and equity security  
9 holders who have served on Debtor and filed requests that all notices be mailed to them.  
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11 2. Interim Authorization to Use Cash Collateral. Pending the Second Interim Hearing,  
12 Debtor may use cash collateral in which Henry Ku **may have** an interest in accordance with and  
13 subject to the conditions set forth herein and the budget attached hereto as **Exhibit B**.  
14

15 3. Terms of Use. Debtor's use of cash collateral consistent with the terms herein is  
16 approved nunc pro tunc to the order granting relief and through the conclusion of the Second  
17 Interim Hearing. Debtor's authorization to use cash collateral shall terminate at the conclusion  
18 of the Second Interim Hearing unless that authorization is extended at that time.

19 4. Adequate Protection. Debtor shall provide adequate protection as follows:

20 4(a) Insurance. Upon request of Henry Ku, Debtor shall immediately provide  
21 proof of all hazard insurance for all property, and shall maintain adequate insurance on all  
22 property at all times.  
23

24 4(b) Maintenance. Debtor shall maintain its property in good condition and  
25 repair.  
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27 4(c) Payment. ~~At this time, there is no request from Henry Ku for adequate~~

\* in the same amount, priority, and extent as his pre-petition liens,

1 ~~protection payments.~~

2 4(d) Budget. During the relevant time period Debtor shall ensure that no  
3 expenditure exceeds the amount set forth on **Exhibit B** by more than 10% for any line-item,  
4 and that overall expenditures not exceed 5% of the authorized budget.

5 4(e) Replacement Liens. Henry Ku shall have a lien\* on post-petition  
6 Inventory, Chattel Paper, Accounts, Equipment and General Intangibles; whether any of the  
7 foregoing is owned now or acquired later; all accessions, additions, replacements, and  
8 substitutions relating to any of the foregoing; all records of any kind relating to any of the  
9 foregoing; all proceeds relating to any of the foregoing (including insurance, general  
10 intangibles and other accounts proceeds). Such lien is subordinated to the compensation and  
11 expense reimbursement allowed to any trustee hereafter appointed in the case.  
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13 5. Default. An event of default occurs with (1) the termination or expiration of  
14 Debtor's authority to use cash collateral; (2) failure to comply with the terms of this order; (3)  
15 entry of an order terminating Debtor's authority to use existing collateral; and/or (4) entry of an  
16 order dismissing or converting this bankruptcy case.  
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18 6. Remedy for Default. If an event of default occurs, and if the Debtor has not  
19 cured the default within fourteen days after counsel for Debtor receives written notice of the  
20 default, then Debtor's right to use cash collateral shall immediately cease and Henry Ku may  
21 seek relief from the automatic stay or any other relief on fourteen days' written notice to  
22 Debtor's counsel, all secured creditors, the U.S. Trustee, and either the Unsecured Creditors'  
23 Committee if one exists or if not, upon the largest 20 unsecured creditors for further relief.  
24

25 7. Payment of Employees. Debtor is authorized to pay December wages in  
26 amounts consistent with those set forth on the attached **Exhibit A**, and is also granted  
27

1 authorization, nunc pro tunc to the petition date, to pay all payroll-related taxes associated with  
2 these wages, for the payrolls due January 5, 2018.

3 */// End of Order ///*  
4

5 Presented by:

6 */s/ Jeffrey B. Wells*

7 Jeffrey B. Wells, WSBA #6317

8 Wells and Jarvis, P.S.

9 500 Union Street, Ste. 502, Seattle, WA 98101

206-624-0088

10 Approved for entry:

11 */s/ Sarah R. Flynn*

12 Sarah R. Flynn, NCBA #42829

13 Attorney for U.S. Trustee's Office  
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ORDER FOR USE OF CASH COLLATERAL - 4