Below is the Order of the Court.

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

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

In re THE DRY EYE COMPANY, LLC, Debtor-in-Possession.	Case No. 18-12353 ORDER AUTHORIZING USE OF CASH COLLATERAL ON AN INTERIM BASIS AND SETTING A FINAL HEARING, AND AUTHORIZING PAYMENT OF PRE-PETITION 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 a subsequent Stipulation for Use of Cash Collateral between Debtor and First Home Bank ("First Home") having been filed with the Court at docket number 19 ("the Stipulation"), and the Court finding that notice of the preliminary hearing was properly provided, and 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 good cause having been shown for the relief requested, it is hereby

ORDERED and ADJUDGED as follows:

1. Final Hearing. A Final Hearing on Debtor's motion for approval to use cash collateral ("Cash Collateral Motion") shall commence on July 6, 2018, at 9:30 a.m. before Judge Alston, room 7206, 700 Stewart Street, Seattle, WA 98101. Within one business day of entry, Debtor shall serve this signed interim order, any proposed final stipulation for use of cash collateral entered into with First Home and/or any proposed budget and order for continued use of cash collateral, and notice of the time within which objections may be filed pursuant to Local Rules W.D. Wash. Bankr. 9013(b), on First Home and any other party which has an interest in the cash collateral, any committee appointed pursuant to 11 U.S.C. § 1102 or its authorized agent, the United States Trustee, and creditors and equity security holders who have served on Debtor and filed requests that all notices be mailed to them.

2. Interim Authorization to Use Cash Collateral. Pending the Final Hearing, Debtor may use cash collateral in which First Home has an interest in accordance with and subject to the conditions set forth herein and the budget attached hereto as **Exhibit A**.

3. Terms of Use. Debtor's use of cash collateral consistent with the terms herein is approved through the conclusion of the Final Hearing. Debtor's authorization to use cash collateral shall terminate at the conclusion of the Final Hearing unless that authorization is extended at that time.

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

4(a) Insurance. Upon request of First Home, Debtor shall immediately provide proof of all hazard insurance for all property, and shall maintain adequate insurance on all property at all times.

4(b) Maintenance. Debtor shall maintain its property in good condition and repair.

4(c) Payment. Debtor shall pay $2,382.03 per month to First Home, to be paid no later than the 1st day of each month, starting on July 1, 2018.

4(d) Budget. During the relevant time period Debtor shall ensure that no expenditure exceeds the amount set forth on **Exhibit A** by more than 10%, and that overall expenditures not exceed 5%.

4(e) Replacement Liens. First Home shall have a lien in the same amount, priority, and extent as its pre-petition lien(s), on post-petition personal property of the Debtor now existing or hereafter created, acquired or arising, and all proceeds, products, additions, accessions, substitutions and replacements. Such lien is subordinated to the compensation and expense reimbursement allowed to any rustee hereafter appointed in the case. This order does not constitute a finding as to the nature or validity of any security interest asserted by First Home.

5. Default. An event of default occurs with (1) the termination or expiration of Debtor's authority to use cash collateral; (2) failure to comply with the terms of this order; (3) entry of an order terminating Debtor's authority to use existing collateral; and/or (4) entry of an order dismissing or converting this bankruptcy case.

6. Remedy for Default. If an event of default occurs, and if the Debtor has not cured the default within fourteen days after counsel for Debtor receives written notice of the

default, then Debtor's right to use cash collateral shall immediately cease and First Home may seek relief from the automatic stay or any other relief on fourteen days' written notice to Debtor's counsel, all secured creditors, the U.S. Trustee, and either the Unsecured Creditors' Committee if one exists or if not, upon the largest 20 unsecured creditors for further relief.

7. Payment of Employees. Debtor is authorized to pay pre-petition wages in amounts not to exceed those amounts set forth on the attached **Exhibit B**, and is also granted authorization to pay all payroll-related taxes associated with these wages, for the payroll due June 22, 2018.

/// End of Order ///

Presented by:

/s/ Emily A. Jarvis
Emily A. Jarvis, WSBA #41841
Wells and Jarvis, P.S.
Attorneys for Debtor in Possession
500 Union Street, Ste. 502
Seattle, WA 98101
206-624-0088

Approved for entry:

/s/ Brett L. Wittner
Brett L. Wittner, WSBA #27657
Attorney for First Home Bank
Morton McGoldrick
820 "A" Street, Suite 600
Tacoma, WA 98402