

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§	
	§	
AMPLE, INC., <i>et al.</i> , ¹	§	Case No. 25-90817 (CML)
	§	Chapter 11
Debtors.	§	(Joint Administration Requested)
	§	

EMERGENCY MOTION OF DEBTORS FOR ENTRY OF INTERIM AND FINAL ORDERS AUTHORIZING THE DEBTORS TO (I)(A) CONTINUE OPERATING THEIR EXISTING CASH MANAGEMENT SYSTEM, (B) HONOR CERTAIN RELATED PREPETITION OBLIGATIONS, (C) CONTINUE INTERCOMPANY TRANSACTIONS, (D) WAIVING CERTAIN DEPOSIT REQUIREMENTS, AND (E) GRANTING RELATED RELIEF, AND (II)(A) CONTINUE INSURANCE PROGRAMS AND (B) GRANTING RELATED RELIEF

Emergency relief has been requested. Relief is requested not later than 2:00 p.m. (prevailing Central Time) on December 18, 2025.

If you object to the relief requested or you believe that emergency consideration is not warranted, you must appear at the hearing, if one is set, or file a written response prior to the date that relief is requested in the preceding paragraph. Otherwise, the Court may treat the pleading as unopposed and grant the relief requested.

A hearing will be conducted on this matter on December 18, 2025 at 2:00 p.m. (prevailing Central Time) in Courtroom 402, 4th floor, 515 Rusk Street, Houston, Texas 77002.

Participation at the hearing will only be permitted by an audio and video connection.

Audio communication will be by use of the Court's dial-in facility. You may access the facility at (832) 917-1510. Once connected, you will be asked to enter the conference room number. Judge Lopez's conference room number is 590153. Video communication will be by use of the GoToMeeting platform. Connect via the free GoToMeeting application or click the link on Judge Lopez's home page. The meeting code is "JudgeLopez". Click the settings icon in the upper right corner and enter your name under the personal information setting.

Hearing appearances must be made electronically in advance of both electronic and in-person hearings. To make your appearance, click the "Electronic Appearance" link on Judge Lopez's home page. Select the case name, complete the required fields and click "Submit" to complete your appearance.

¹ The Debtors in these chapter 11 cases (the "Chapter 11 Cases") and the last four digits of each Debtor's taxpayer identification number are: Ample Inc. (4015) and Ample Texas EV, LLC (6832). A copy of this Motion is available on (a) the Court's website, at www.tx.uscourts.gov and (b) the website maintained by the Debtors' claims and noticing agent, Verita Global at <https://veritaglobal.net/ample>.



Ample, Inc. and its debtor affiliate in the above-captioned cases, as debtors and debtors in possession (collectively, the “Debtors”), respectfully state as follows in support of this motion (this “Motion”):

RELIEF REQUESTED

1. By this Motion, the Debtors seek entry of an interim order (the “Proposed Interim Order”) and thereafter a final order (the “Proposed Final Order,” and together with the Proposed Interim Order, the “Proposed Orders”), substantially in the forms attached hereto:

Cash Management System

(I)(a) authorizing, but not directing, the Debtors to:

- (i) continue operating their existing cash management system (the “Cash Management System”), including, without limitation, maintaining their existing Accounts and Business Forms (each as defined below) consistent with historical practice;
- (ii) implement changes to the Cash Management System in the ordinary course of business insofar as such changes relate to the Debtors’ participation in, or control of, the Cash Management System, including, without limitation, opening new or closing existing Accounts owned by the Debtors;
- (iii) continue to perform under and honor Intercompany Transactions (as defined below) among Debtors and Non-Debtor Affiliates in the ordinary course of business, including, to the extent applicable, honoring certain prepetition obligations related to Intercompany Transactions and granting administrative expense status to postpetition Intercompany Claims (as defined below) against the Debtors;
- (iv) to preserve the value of the business in good standing, remit \$1500 in sales taxes held by Ample and pay Ample’s Delaware franchise tax which tax obligations may cross (in part) the Petition Date; and
- (v) maintain any cash collateral, investment accounts, or other security pledged to secure letters of credit issued for the Debtors’ account and permit the Banks to continue to administer the Existing Letters of Credit and apply such collateral in accordance with the underlying letter of credit and related collateral documents, in each case subject to the DIP Orders and applicable provisions of the Bankruptcy Code.

- (b) upon entry of the Proposed Final Order, waiving, on a 60-day conditional basis, certain requirements under section 345 of the Bankruptcy Code (as defined below) and the Operating Guidelines and Reporting Requirements for Debtors in Possession and Trustees (the “U.S. Trustee Guidelines”) published by the Office of the United States Trustee for Region 7 (the “U.S. Trustee”);
- (c) authorizing the Banks (as defined below) to continue to maintain, service, debit, and otherwise administer the Accounts in the ordinary course of business; and
- (d) granting related relief, in each case, subject to the DIP Orders (as defined in the Proposed Orders).

Insurance Programs

- (II)(a) authorizing, but not directing, the Debtors to:
 - (i) maintain, renew, amend, supplement, replace, or extend, in their discretion, the Insurance Policies (as defined below), any related premium financing arrangements (the “Premium Financing Agreements”), and any letters of credit supporting the Insurance Policies (the “Letters of Credit,” and together with the Insurance Policies and Premium Financing Agreements, the “Insurance Programs”) and, where applicable, to perform with respect thereto in the ordinary course of business; and
 - (ii) pay, in their discretion, any premiums, deductibles, self-insured retentions, workers’ compensation claims, or other obligations arising under, due and owing to, or related to the Insurance Programs, including, without limitation, any premiums, premium-financing payments, broker fees, deductibles, and claims-administration fees (collectively, the “Insurance Obligations”).
- (b) modifying the automatic stay under section 362 of the Bankruptcy Code to the extent necessary to allow the Debtors’ employees to proceed with any claims they may have under the applicable Workers’ Compensation Policies (as defined below); and
- (c) granting related relief.

JURISDICTION AND VENUE

2. The United States Bankruptcy Court for the Southern District of Texas (the “Court”) has jurisdiction to consider this Motion under 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b) and the Court may enter a final order consistent with Article III of the United States Constitution. Venue is proper under 28 U.S.C. §§ 1408 and 1409.

3. The statutory and legal predicates for the relief requested herein are sections 105(a), 345, 362(d), 363(b)(1), 363(c)(1), 364(a), 503(b), 1107(a), and 1108 of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “Bankruptcy Code”), rules 6003 and 6004 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), rule 9013-1 of the Bankruptcy Local Rules for the Southern District of Texas (the “Bankruptcy Local Rules”), and the Procedures for Complex Cases in the Southern District of Texas.

BACKGROUND

4. On the date hereof (the “Petition Date”), the Debtors each filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtors continue to operate their businesses and manage their properties as debtors in possession under sections 1107(a) and 1108 of the Bankruptcy Code. No trustee, examiner, or statutory committee has been appointed in the Chapter 11 Cases.

5. Contemporaneously with the filing of this Motion, the Debtors filed a motion requesting joint administration of the Chapter 11 Cases, for procedural purposes, pursuant to Bankruptcy Rule 1015(b) and Bankruptcy Local Rule 1015-1.

6. Founded in 2014, Ample’s mission is to address fleet electrification challenges by developing modular battery-swapping solutions that make EV energy replenishment fast, convenient, and scalable. The Company has developed proprietary autonomous swapping stations, modular battery systems, and integrated vehicle hardware and software that allow depleted EV batteries to be exchanged for fully charged ones in minutes, without requiring significant vehicle re-engineering and with materially less downtime than conventional charging. Ample’s modular stations can be deployed quickly, require a compact footprint, and are designed to support a wide range of OEM vehicle platforms, making them well suited for urban and suburban environments.

7. Additional factual background regarding the Debtors, including their business, their capital structure, and the events leading to the commencement of the Chapter 11 Cases is set forth in the *Declaration of John D. Baumgartner, Chief Restructuring Officer of the Debtors, in Support of the Chapter 11 Petitions and First-Day Relief* (the “First Day Declaration”), filed contemporaneously herewith and incorporated herein by reference.²

THE DEBTORS’ CASH MANAGEMENT SYSTEM²

I. Overview

8. Ample supports its operations, the preservation and monetization of its core technology and intellectual property, and maintenance of essential corporate, payroll, insurance, and lease obligations by maintaining its Cash Management System to manage the timely and efficient flow of funds in the ordinary course of business. An illustrative schematic of the Cash Management System is attached hereto as **Exhibit A** (the “Cash Schematic”).

9. As of the Petition Date, the Cash Management System includes 9 Company-owned and operated bank accounts (such bank accounts, together with any other bank accounts the Company may open in the ordinary course of business, the “Accounts” or “Debtor Accounts”). A list of Debtor Accounts is attached hereto as **Exhibit B**.³

10. The Accounts are maintained at 2 financial institutions (Citizens Bank and JPMorgan Chase Bank, collectively, the “Banks”). The Debtor Accounts are:

² The figures listed herein reflect accruals or balances, as applicable, as of the end of day on November 28, 2025.

³ **Exhibit B** contains a complete list of the Accounts of which the Debtors are aware as of the Petition Date. To the extent that any Accounts have been inadvertently omitted from the list, the Debtors request that the Interim Order and the Final Order granting the relief sought herein apply to such Accounts.

Bank	Account No.	Account Function
Citizens Bank	3316	Master Operating Account
Citizens Bank	3316	Money Market Investment Account
Citizens Bank	3324	Money Market Checking Account
Citizens Bank	3067	US Certificate of Deposit
Citizens Bank	5236	US Certificate of Deposit
JP Morgan Chase	3767	Operating Account (EE Reimbursements)
JP Morgan Chase	4714	US Certificate of Deposit
JP Morgan Chase	5979	US Certificate of Deposit
JP Morgan Chase	3799	US Certificate of Deposit

11. The Cash Management System is critical to the Company’s business and preserving stakeholder value. The Debtors use the Cash Management System to collect, transfer, and distribute funds, and to facilitate cash monitoring, forecasting, and reporting for the entire corporate enterprise by way of checks, automatic clearing house (“ACH”) transfers, Corporate Card,⁴ and wire transfers (together, with any other usual means of managing funds, the “Ordinary Transfer Methods”). The Company’s treasury department maintains daily oversight of the Cash Management System and implements cash management controls for entering, processing, and releasing funds, including in connection with any Intercompany Transaction. Generally, the accounting department reconciles the Company’s books and records (the “Books and Records”) on a monthly basis to account for all Intercompany Transactions.

12. The Cash Management System is typical and constitutes essential business practices for similar organizations within the Debtors’ industry of similar size and sophistication and is designed to manage the Debtors’ cash flow in a cost-effective and efficient manner.

⁴ As described in the Debtors’ utilities motion, certain web storage and utilities are paid using a corporate card from Brex, Inc. as a conduit from the Debtor’s Accounts. These include software and information technology (data) services to maintain accounting, operational, and facility records and the cash management system. Debtors seek authority to avoid any interruption of those services and to continue paying for services using this corporate card conduit in the ordinary course.

13. Given the nature of the Company's business and the desire to facilitate a strategic transaction with a partner, disruptions to the Cash Management System could have an immediate adverse effect on the Debtors' operations and value to the detriment of their estates and all stakeholders. Accordingly, to minimize the disruption caused by the Chapter 11 Cases, the Debtors request authority, but not direction, to continue their Cash Management System during the Chapter 11 Cases consistent with how the Cash Management System operated prior to the Petition Date.

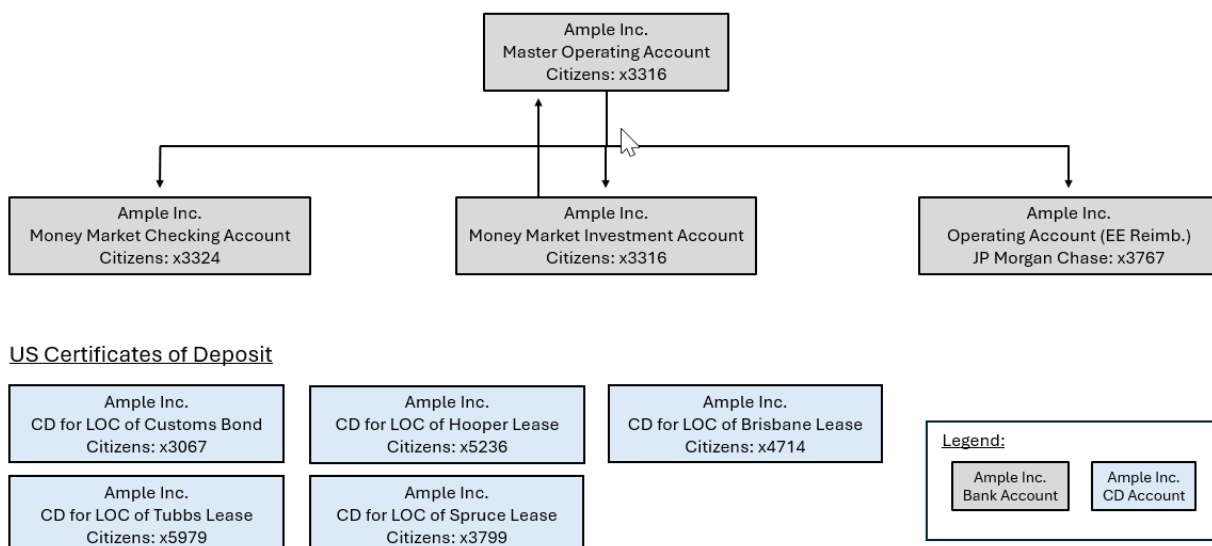
II. Bank Accounts and Flow of Cash

14. In the ordinary course of business, the Debtors may engage in limited intercompany financial transactions among themselves and with certain Non-Debtor Affiliates (specifically including affiliates in Japan and Spain), which may include short-term advances, reimbursements, or allocations of shared expenses that minimize liabilities of the Debtor. Any such transactions are recorded through book-entry adjustments that reduce corresponding intercompany receivables and payables without altering the Debtors' aggregate cash position. These intercompany arrangements support the Debtors' activities and the performance of essential corporate functions.

15. As the foregoing overview reflects, the Cash Management System is specifically designed for administering the Debtors' business and cannot be materially or substantively altered without substantial risk of disruption to the parent, Ample, Inc. Ample depends on the timely and efficient collection, transfer, and disbursement of funds. The Cash Management System also enables control over the Debtors' funds and ensures cash availability and liquidity, while complying with requirements under the Debtors' financing arrangements and applicable laws and regulations. The Debtors therefore request that the Court authorize them to continue using the existing Cash Management System, and to transfer funds into, out of, and through the Cash Management System using Ordinary Transfer Methods.

16. In addition, certain of the Debtor Accounts, including one or more of the certificate of deposit accounts at Citizens Bank and JPMorgan Chase Bank, are pledged to secure standby letters of credit issued for the benefit of landlords and other commercial counterparties (the “Existing Letters of Credit”).⁵ A schedule identifying the Existing Letters of Credit, including issuing bank, beneficiary, face amount, and the related collateral accounts, is attached hereto as **Exhibit C** (the “LC Schedule”). The Debtors do not anticipate issuing new letters of credit during these Chapter 11 Cases absent further order of the Court, but they seek authority to maintain the Existing Letters of Credit and the associated collateral arrangements in the ordinary course, subject in all respects to the DIP Orders and applicable provisions of the Bankruptcy Code.

Ample Inc., Cash Management Schematic



⁵ Deposit accounts at Citizens Bank include a 5% collateral cushion over the LOC amount. JPMorgan Chase does not require a collateral cushion.

III. Business Forms and Books and Records

17. As part of the Cash Management System, the Debtors use a variety of preprinted business forms, including checks, letterhead, correspondence forms, invoices, purchase orders, and other business forms in the ordinary course of business (collectively, and as they may be modified from time to time, the “Business Forms”). The Debtors also maintain the Books and Records to document their financial results and a wide array of necessary operating information. To avoid a material disruption to their business operations and unnecessary expenses that would result from requiring that the Debtors order new Business Forms and create new Books and Records, the Debtors request authorization to continue using all of the Business Forms and Books and Records in use immediately before the Petition Date (and as may be amended or modified in the ordinary course from time to time), including with respect to the Debtors’ ability to update authorized signatories and services, as needed, without reference to the Debtors’ status as chapter 11 debtors in possession.

IV. De Minimis Government Payments and Intercompany Transactions

18. Debtors have generally remained current on their tax obligations prior to the Petition Date, subject to timing differences and normal-course reconciliation.

19. As part of the Cash Management System, Ample keeps on hand the estimated prepetition California sales and use taxes of \$1,500. These taxes are routinely paid before year’s end and technically involve monies accruing before and after the petition Date. Similarly, Ample must pay quarterly Delaware franchise taxes to remain in good standing and avoid unnecessary business disruption or confusion. Ample seeks authority to permit these funds to be paid postpetition as set forth in the DIP budget. The Debtors do not seek blanket authority to pay all prepetition taxes and fees, and any other prepetition tax claims will be addressed in the ordinary course of these Chapter 11 Cases or under a chapter 11 plan.

20. In the ordinary course of business, the Debtors historically engaged in limited intercompany financial transactions with other Debtors and with certain Non-Debtor Affiliates (collectively, the “Intercompany Transactions”). These transactions primarily consisted of cost-sharing allocations, payroll-related remittances, disposal of materials, and, in prior years, funding from Ample, Inc. to certain non-debtor foreign affiliates to support their local operations. The Debtors do not anticipate making any further transfers to such foreign affiliates during these Chapter 11 Cases but may receive payments from those Non-Debtor affiliates and those affiliates may be relevant to a value-maximizing transaction. The Intercompany Transactions, whether among Debtors or with Non-Debtor Affiliates, result in intercompany receivables and payables (collectively, the “Intercompany Claims”). The Debtors track all Intercompany Transactions processed through the Cash Management System and maintain the ability to distinguish clearly between prepetition and postpetition Intercompany Transactions and Intercompany Claims.

21. Given the limited nature of the current Intercompany Transactions and the Debtors’ strategic posture, requiring the Debtors to halt or materially alter the remaining Intercompany Transactions—primarily cost-sharing allocations and the reconciliation of historical balances—would impose unnecessary burdens and administrative inefficiencies. The Debtors are no longer advancing funds to non-debtor foreign affiliates, and no such postpetition transfers are anticipated. The existing processes for recording and reconciling Intercompany Claims are straightforward and provide adequate transparency for the estates that can only maximize the benefit to a strategic partner or buyer.

22. Accordingly, the Debtors request authority to continue performing under and honoring the limited Intercompany Transactions (if any are necessary) to administer their business, including settling and reconciling prepetition balances and (if appropriate) seeking administrative

expense status for relevant postpetition Intercompany Claims. For the avoidance of doubt, the Debtors do not seek authority to make postpetition funding transfers to non-debtor foreign affiliates or grant automatic administrative expenses. The requested relief will allow the Debtors to maintain operational stability and avoid unnecessary administrative disruptions during these Chapter 11 Cases.

U.S. TRUSTEE GUIDELINES

I. Authorized Depositories and Section 345(b) of the Bankruptcy Code

23. The U.S. Trustee Guidelines generally require chapter 11 debtors to keep all estate funds in accounts at institutions that are authorized by the U.S. Trustee (“Authorized Depositories”). Both Banks where the Debtors maintain the Debtor Accounts are Authorized Depositories.

24. The Cash Management System is complex and critical to the ongoing stability of the Debtors’ businesses and smooth transition into chapter 11. As noted above, all the Debtor Accounts are maintained at Citizens Bank and JPMorgan Chase Bank, each of which is designated as an authorized depository by the Region 7 Office of the U.S. Trustee.

25. The Debtors submit that, in light of their limited banking footprint and the oversight described in this Motion, their existing Cash Management System provides adequate safeguards for estate funds and is consistent with section 345(b) objectives. To the extent the Court determines that any aspect of the Debtors’ Cash Management System does not strictly comply with section 345(b), the Debtors respectfully request a waiver of, or relief from, such requirements. Accordingly, the Debtors seek, upon entry of the Proposed Final Order, an initial 60-day waiver of the requirements of section 345(b) of the Bankruptcy Code. Granting the Debtors relief from

section 345(b)'s requirements will allow the Debtors to continue utilizing the existing Accounts and will inure to the benefit of all stakeholders.⁶

II. Debtor-In-Possession Accounts

26. The Debtors' Cash Management System is limited in scope but maintaining it in the ordinary course is essential to an orderly transition into chapter 11 and to the administration of the Debtors' strategic options. Given the need to preserve value, timely satisfy essential obligations, and maintain stability during these cases, requiring the Debtors to close existing bank accounts and open new ones, or to alter the Cash Management System more broadly, would impose unnecessary cost and administrative burden. Accordingly, cause exists to allow the Debtors to continue utilizing the existing Debtor Accounts in the ordinary course, consistent with historical practices.

THE DEBTORS' INSURANCE PROGRAM

I. The Insurance Policies

27. In the ordinary course of business, the Debtors maintain approximately 12 insurance policies (collectively, the "Insurance Policies") that are administered by 12 insurers (collectively, the "Insurers"). A detailed list of the Insurance Policies and the Insurers under such policies is attached hereto as **Exhibit D**.⁷ Such listing includes the Debtors' general liability, property, directors' and officers' liability, cyber liability, foreign commercial risks, and workers'

⁶ The Debtors will, during the requested 60-day waiver period and afterwards, continue to work in good faith with the U.S. Trustee in an attempt to address or at least narrow any concerns regarding the continued use of the any Accounts not in technical compliance with section 345, should any such accounts exist (Debtors believe there are none).

⁷ The Debtors request authority to honor their obligations under and to renew all the Insurance Policies, as applicable, notwithstanding any failure of the Debtors to include a particular insurance policy on **Exhibit D**. For the avoidance of doubt, the Debtors hereby request authority to pay any outstanding prepetition amounts related to such renewed Insurance Policies notwithstanding any potential inconsistencies in **Exhibit D**. The Debtors reserve the right to supplement the list of the Insurance Policies and the Insurers as appropriate with respect to such renewed Insurance Policies, including, without limitation, in the event that any Insurance Policy was inadvertently omitted from **Exhibit D**.

compensation. All Insurance Policies, other than one policy subject to a modest premium-financing arrangement described below, are paid in full through their current policy periods, which generally renew in or around April of each year. In addition to the Insurance Policies, the Debtors also maintain certain employee-related life insurance policies, which do not require special relief from the Court but are listed on Exhibit D for completeness.

A. General Insurance Policies

28. The Insurers provide coverage to the Debtors and certain non-Debtor affiliates for, among other things, commercial general liability, property damage, directors' and officers' liability, cyber liability, and foreign commercial risks (collectively, the "General Insurance Policies").

29. The General Insurance Policies are held in the name of the Debtors listed on Exhibit D and generally renew on an annual basis, with most policy periods running through early 2026. The scope of coverage provided under the General Insurance Policies is typical for companies of the Debtors' size and operational profile and is essential to preserving the value of the Debtors' estates during the strategic consolidation process. The Debtors have not posted collateral to support the General Insurance Policies.

B. Workers' Compensation Policies

30. In addition to the General Insurance Policies, the Debtors maintain several workers' compensation and employers' liability coverage for their employees through a policy issued by AIU Insurance Company (the "Workers' Compensation Policy"). The Workers' Compensation Policy (Policy No. WC 033-10-7343) provides coverage for the policy period April 1, 2025 through April 1, 2026, with statutory workers' compensation limits and employers' liability limits of \$2,000,000 per accident, \$2,000,000 per disease (policy limit), and \$2,000,000 per employee. The annual premium for the Workers' Compensation Policy is approximately \$110,000. The

annual premium for the Workers' Compensation Policy is modest and is paid on schedule, and the Debtors are aware of only a small number of open workers' compensation claims that continue to be administered in the ordinary course.

31. As of the Petition Date, the Debtors have identified two open claims under the Workers' Compensation Policy, each of which continues to be administered in the ordinary course. The Debtors seek authority to permit the continued processing of these claims in accordance with applicable law and the terms of the Workers' Compensation Policy, including the payment of any related administrative costs, in order to avoid interruption of benefits and ensure compliance with state workers' compensation requirements.

II. Premium Financing Agreement And Premium Payments

32. To pay premiums for one of their Insurance Policies, the Debtors are party to a single premium-financing arrangement with First Insurance Funding (the "Premium Financing Agreement"). The Premium Financing Agreement finances the premiums associated with the Debtors' general liability and property insurance policies for the current policy year. Premiums under the Premium Financing Agreement are repaid over a ten-month period, and as of the Petition Date, nine monthly installments have already been paid, leaving one installment remaining. The Debtors seek authority to continue making payments under the Premium Financing Agreement in the ordinary course and to honor any related obligations as they come due to avoid any lapse in coverage.

33. For the remaining Insurance Policies which are not financed under Premium Financing Agreements, the Debtors directly pay the premium obligations associated with the Insurance Policies to the applicable Insurer or Broker (the "Insurance Premiums", together with the Premium Financing Payments, the "Premiums"). All other Insurance Policies maintained by the Debtors are paid in full through their current policy periods. Because nearly all premiums are

paid annually each April, the Debtors do not believe that any material amounts remain outstanding on account of prepetition premium obligations.

34. To ensure uninterrupted coverage under the Insurance Policies, the Debtors seek authority to honor such amounts and any Premium Financing Payments and Premiums as they come due in the ordinary course of business and consistent with past practice.

III. Deductibles

35. Certain of the Insurance Policies require the Debtors to pay a deductible (collectively, the “Deductibles”). These Deductibles include, among other things: (a) property insurance deductibles of up to \$100,000 per occurrence under the Debtors’ property program; (b) retentions under the Debtors’ cyber liability coverage generally ranging from \$5,000 to \$12,500 per claim depending on the applicable layer and coverage grant; and (c) smaller deductibles and retentions under the foreign package and travel accident coverages. The Debtors do not maintain any large-deductible or high self-insured retention programs and do not maintain separate funded deductible reserves. The Debtors request authority to satisfy any deductible amounts that may become due on a postpetition basis in the ordinary course of business and consistent with the terms of the applicable policies.

36. While the Debtors do not believe that any loss-experience charges may become due and owing during the pendency of the Chapter 11 Cases on account of prepetition pending claims, the Debtors seek authority to, at their sole discretion and subject to DIP Loan terms, pay amounts owed in connection with the Deductibles and to continue to honor their obligations under the Deductibles on a postpetition basis in the ordinary course of business and consistent with past practice.

IV. Broker Fees

37. Alliant Insurance Services, Inc. (“Alliant”) assists the Debtors with the procurement, negotiation, and evaluation of the only financed Insurance Policy. Alliant, along with other insurance brokers, assist the Debtors in obtaining comprehensive insurance coverage and with negotiating the prices and terms and conditions of the Insurance Policies, enabling the Debtors to obtain Insurance Policies on advantageous terms and at competitive rates. Broker compensation is generally included within the premiums paid to the Insurers, and the Debtors are not aware of any material broker fees outstanding as of the Petition Date.

38. Out of an abundance of caution, should any broker fees still exist, Debtors seek authority to pay any outstanding prepetition Broker Fees and to continue to honor any Broker Fees as they come due on a postpetition basis in the ordinary course of business and consistent with past practice.

V. Insurance Policy Audits

39. Certain of the Insurance Policies, including workers’ compensation policies, are subject to regular audits (the “Insurance Policy Audits”), which may result in an adjustment of the premiums owed on account thereof. While the Debtors do not believe that there are any outstanding prepetition amounts owed on account of the Insurance Policy Audits, out of an abundance of caution, the Debtors seek the authority to pay amounts owed on account of any audit obligations if they come due on a postpetition basis in the ordinary course of business and consistent with past practice.

VI. Claims Administration

40. Claims arising under the Insurance Policies, including the two open workers’ compensation claims described above, are administered in the ordinary course by the applicable Insurers and, with respect to certain employee-related coverages, through the Debtors’ professional

employer organization. The Debtors do not maintain a separate third-party claims administration program or pay standalone claims administration fees outside of amounts included within Insurance Policy premiums.

41. To the extent any incidental administrative charges, costs, or fees are incurred in connection with the adjustment or administration of claims under the Insurance Policies on a postpetition basis, the Debtors seek authority (but not the obligation) to pay such administrative charges in the ordinary course of business to ensure that claims are handled without interruption and that coverage under the Insurance Policies remains in full force and effect. This is merely authorization and nothing in this Motion would, however, obligate the Debtors to make any payments respecting insurance or grant an automatic administrative expense.

BASIS FOR RELIEF – CASH MANAGEMENT

I. Continuation of Cash Management System Is in the Best Interests of the Debtors and All Other Parties in Interest.

42. The efficient and economical operation of the Debtors' strategic consolidation requires that the Cash Management System continue during the Chapter 11 Cases. As a practical matter, establishing new or segmented cash management arrangements for each Debtor would impose unnecessary cost and administrative burden. Further, requiring the Debtors to alter their existing Cash Management System at this early stage would divert resources, complicate case administration, and risk avoidable disruption to the Debtors' ability to satisfy essential obligations and preserve estate value. Any such disruption would have a severe and adverse impact upon the success of the Chapter 11 Cases. Accordingly, the Debtors seek authority to continue using the Cash Management System in the same manner as the Cash Management System was utilized prior to the Petition Date, and to implement ordinary course changes to it consistent with past practices. The Bankruptcy Code provides for such relief.

43. Section 363(c)(1) of the Bankruptcy Code authorizes the debtor in possession to “enter into transactions, including the sale or lease of property of the estate, in the ordinary course of business...and may use property of the estate in the ordinary course of business without notice or a hearing.” 11 U.S.C. § 363(c)(1). The purpose of section 363(c)(1) is to provide a debtor in possession with the flexibility to engage in the ordinary transactions required to operate its business without unneeded oversight by its creditors or the court. *In re HLC Props., Inc.*, 55 B.R. 685, 686 (Bankr. N.D. Tex. 1985) (finding “no need to further burden the docket or the staff of the Court with a superfluous order” when a transaction is in the ordinary course of business); *Med. Malpractice Ins. Ass’n v. Hirsch (In re Lavigne)*, 114 F.3d 379, 384 (2d Cir. 1997); *Chaney v. Official Comm. of Unsecured Creditors of Crystal Apparel, Inc. (In re Crystal Apparel, Inc.)*, 207 B.R. 406, 409 (S.D.N.Y. 1997). Included within the purview of section 363(c) is a debtor’s ability to continue the “routine transactions” necessitated by a debtor’s cash management system. *Amdura Nat’l Distrib. Co. v. Amdura Corp. (In re Amdura Corp.)*, 75 F.3d 1447, 1453 (10th Cir. 1996). A cash management system allows a debtor “to administer more efficiently and effectively its financial operations and assets.” *Southmark Corp. v. Grosz (In re Southmark Corp.)*, 49 F.3d 1111, 1114 (5th Cir. 1995). Accordingly, section 363(c)(1) authorizes the continuation of the Cash Management System as it operated prepetition without the Court’s approval.

44. Even if the relief requested were to fall slightly outside of the Debtors’ ordinary course of business, the Court can still grant the relief under section 363(b), which provides, in relevant part, that “[t]he [debtor], after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate.” 11 U.S.C. § 363(b)(1). Courts in the Fifth Circuit have granted a debtor’s request to use property of the estate outside of the ordinary course of business pursuant to section 363(b) of the Bankruptcy Code upon a finding that such use is

supported by sound business reasons. *See, e.g., Black v. Shor (In re BNP Petroleum Corp.)*, 642 F. App'x 429, 435 (5th Cir. 2016) (noting that section 363 “requires that a sale of the estate’s assets be supported by an articulated business justification, good business judgment, or sound business reasons”) (internal quotation and citation omitted); *Inst. Creditors of Cont'l Air Lines, Inc. v. Cont'l Air Lines, Inc. (In re Cont'l Air Lines, Inc.)*, 780 F.2d 1223, 1226 (5th Cir. 1986) (“[F]or the debtor-in-possession or trustee to satisfy its fiduciary duty to the debtor, creditors and equity holders, there must be some articulated business justification for using, selling, or leasing the property outside the ordinary course of business.”) (internal citation omitted); *see also In re Crutcher Res. Corp.*, 72 B.R. 628, 631 (Bankr. N.D. Tex. 1987) (“A Bankruptcy Judge has considerable discretion in approving a § 363(b) sale of property of the estate other than in the ordinary course of business, but the movant must articulate some business justification for the sale.”); *In re Terrace Gardens Park P'ship*, 96 B.R. 707, 714 (Bankr. W.D. Tex. 1989) (“[T]here must be some articulated business justification for using, selling, or leasing the property outside the ordinary course of business.”) (internal citation omitted).

45. In addition, the Court has authority, using equitable powers under section 105(a) of the Bankruptcy Code, to authorize the relief requested herein because such relief is necessary for the Debtors to carry out their duties under section 1107(a) of the Bankruptcy Code. Section 1107(a) of the Bankruptcy Code “contains an implied duty of the debtor-in-possession to ‘protect and preserve the estate, including an operating business’ going-concern value.” *In re CEI Roofing, Inc.*, 315 B.R. 50, 59 (Bankr. N.D. Tex. 2004) (quoting *In re CoServ, L.L.C.*, 273 B.R. 487, 497 (Bankr. N.D. Tex. 2002)). Under section 105(a) of the Bankruptcy Code, “[t]he court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a); *see CoServ*, 273 B.R. at 491-93 & n.6 (holding that sections 105 and

1107 of the Bankruptcy Code provide authority for a debtor-in-possession to pay prepetition claims); *see also In re Tusa-Expo Holdings, Inc.*, Case No. 08-45057-DML-11, 2008 WL 4857954, at *1 (Bankr. N.D. Tex. Nov. 7, 2008); *CEI Roofing*, 315 B.R. at 56.

46. Moreover, Bankruptcy Rule 6003 itself implies that the payment of prepetition obligations may be permissible within the first 21 days of a case where doing so is “necessary to avoid immediate and irreparable harm.” Fed. R. Bankr. P. 6003. Accordingly, the Bankruptcy Code authorizes the postpetition payment of prepetition claims, where, as here, such payments are critical to preserving the going-concern value of a debtor’s estate.

47. Maintaining the existing Cash Management System is in the best interests of the Debtors’ estates and all parties in interest and, therefore, should be approved. Requiring the Debtors to alter the manner in which they collect or disburse cash at this stage would impose unnecessary administrative burden and could disrupt the orderly administration of these Chapter 11 Cases. The Cash Management System also provides practical benefits to the Debtors by enabling the efficient deployment of funds to satisfy essential obligations, preserving visibility into liquidity, and reducing costs and administrative expenses associated with maintaining multiple or newly created accounts. Further, the Cash Management System provides material benefits to the Debtors, including the ability to (a) keep the books stable for diligence and accurate forecasting, and (b) reduces costs and administrative expenses by facilitating the movement of funds and the development of more timely and accurate account information.

II. The Debtors Should Be Authorized to Continue Intercompany Transactions and Certain Intercompany Claims Should Be Granted Administrative Expense Priority.

48. Under section 363(c)(1) of the Bankruptcy Code, a debtor in possession “may use property of the estate in the ordinary course of business without notice or a hearing.” The Debtors and their Non-Debtor Affiliates have historically entered into and perform Intercompany

Transactions “in the ordinary course of business” within the meaning of section 363(c)(1) of the Bankruptcy Code. At this stage of operations, the Debtors’ remaining Intercompany Transactions primarily consist of limited book-entry adjustments and true-ups among the Debtors and, to a lesser extent, with two Non-Debtor foreign affiliates that were funded historically. The Debtors do not presently anticipate making additional cash advances or funding transfers to Non-Debtor foreign affiliates during these Chapter 11 Cases, absent further order of the Court. The Debtors therefore believe that they do not require the Court’s approval to continue the Intercompany Transactions which could result in the receipt of funds by the parent. However, out of an abundance of caution, the Debtors request authority, but not direction, to continue postpetition Intercompany Transactions. As mentioned above, if the Debtors are permitted to continue postpetition Intercompany Transactions in the ordinary course, the Debtors will continue to maintain records of such Intercompany Transactions, including records of intercompany accounts receivable and accounts payable, and will keep a clear record dividing prepetition from postpetition Intercompany Claims. Permitting this will allow potential strategic partners to continue to evaluate the benefit of a transaction with Spanish and Japanese subsidiaries, which only increases the options for a better transaction for stakeholders and creditors.

49. In addition, the Debtors request that: (a) postpetition Intercompany Claims be permitted to be considered an administrative expense if they provide value to the Debtors, and (b) the Debtors be authorized to net and/or set off such transfers through the Cash Management System, including for the purpose of reconciling postpetition Intercompany Claims, in the ordinary course and in compliance with past practices. Such treatment is consistent with section 503(b)(1)(A) of the Bankruptcy Code, which provides, “[a]fter notice and a hearing, there shall be

allowed administrative expenses . . . including . . . the actual, necessary costs and expenses of preserving the estate”

50. Finally, to assist in the preservation of the value of the enterprise, Debtors request the authority to (but not the obligation to), in their business judgment, pay selected prepetition Intercompany Claims and be authorized to net and/or set off such transfers, including for the purpose of reconciling prepetition Intercompany Claims, through the Cash Management System. The Debtors, as debtors in possession with fiduciary duties towards their respective stakeholders, are under an obligation to “protect and preserve the estate, including an operating business’s going-concern value.” *CoServ, L.L.C.*, 273 B.R. at 497. In some instances, the Debtors may fulfill their fiduciary duty “by the preplan satisfaction of a prepetition claim,” if the payment “is the only means to effect a substantial enhancement of the estate.” *Id.* Here, to the extent any limited prepetition Intercompany Claims must be satisfied to preserve the value of the Debtors, maintain corporate, tax, and insurance arrangements, or otherwise facilitate an orderly transaction or monetization of the Debtors’ remaining assets, the Debtors’ business judgment to pay or settle such Intercompany Claims is sound. In contrast, failing to honor such Intercompany Claims could result in disruptions to the Debtors’ strategic efforts and deterioration of estate value. Accordingly, the Debtors should be authorized, in their discretion, to pay prepetition Intercompany Claims subject to ordinary course reconciliation and setoff procedures historically implemented through the current Cash Management System.

III. A Temporary Waiver of Compliance with Certain Requirements Under Section 345(b) of the Bankruptcy Code and the U.S. Trustee Guidelines Is Warranted

51. Debtors believe they have complied with section 345 in spirit, and this relief is sought because minor portions of the Cash Management may not meet all U.S. Trustee Guidelines. Those guidelines generally require chapter 11 debtors to, among other things: (a) close all existing

bank accounts and open new debtor in possession bank accounts; (b) establish one debtor in possession account for all estate monies required for the payment of taxes (including payroll taxes); (c) physically set aside all monies required by law to be withheld from employees or collected from others for taxes; (d) open a new set of books and records as of the commencement date of the case; (e) use new business forms indicating the debtor-in-possession status of the chapter 11 debtor, including checks that bear the designation “debtor in possession” and reference the bankruptcy case number on such checks; and (f) make all disbursements of estate funds by check with a notation representing the reason for the disbursement. These guidelines are intended to provide a clear line of demarcation between prepetition and postpetition transactions and operations and to prevent inadvertent payment of prepetition claims.

52. In addition, section 345(a) of the Bankruptcy Code provides that a debtor may deposit or invest estate funds in a manner that “will yield the maximum reasonable net return on such money, taking into account the safety of such deposit or investment.” 11 U.S.C. § 345(a). For deposits that are not “insured or guaranteed by the United States or by a department, agency, or instrumentality of the United States or backed by the full faith and credit of the United States,” the estate must require from the entity with which the money is deposited or invested a bond in favor of the United States secured by the undertaking of a corporate security, “unless the court for cause orders otherwise.” 11 U.S.C. § 345(b).

53. For the reasons set forth herein, the Debtors submit that cause exists for the Court to authorize, upon entry of the Proposed Interim Order, a 45-day waiver, and, upon entry of the Proposed Final Order, a 60-day waiver (in each case, without prejudice to seek additional extensions) of certain requirements of the U.S. Trustee Guidelines and section 345 of the Bankruptcy Code, to the extent necessary.

A. Authorizing the Banks to Continue to Maintain, Service, and Administer the Accounts in the Ordinary Course of Business Is Warranted

54. In the ordinary course of business, the Debtors conduct numerous transactions by way of Ordinary Transfer Methods. If the Debtors are denied the opportunity to conduct transactions through these means, their businesses operations and strategic consolidation efforts would be disrupted unnecessarily, burdening the Debtors and their creditors with additional costs.

55. Accordingly, the Debtors request that the Court authorize the Banks to receive, process, honor, and pay, to the extent funds are available in the applicable Account, any and all checks, electronic fund transfer, ACH payments, credit card charges and other instructions and drafts payable through, or drawn on, such Accounts, irrespective of whether such checks, drafts, electronic fund transfers, or ACH payments are dated prior or subsequent to the Petition Date. The Debtors also request that, to the extent a Bank honors a prepetition check or other item drawn on any Account in a good-faith belief that the Court has authorized such prepetition check or item to be honored, such Bank will not be liable on account thereof because the Banks are not able to independently verify or audit whether a particular item may be paid in accordance with a Court order or otherwise.

B. Maintenance of Debtors' Existing Accounts and Business Forms Is Warranted

56. To the extent applicable, the Debtors seek a waiver of the requirements of the U.S. Trustee Guidelines, which would require, among other things, the closure of the Accounts and the opening of new deposit accounts. Strict enforcement of the U.S. Trustee Guidelines at the outset of the Chapter 11 Cases with respect to the Cash Management System will severely disrupt the Debtors' ordinary financial operations by reducing efficiencies, increasing administrative burdens, and creating unnecessary expenses. The Chapter 11 Cases will be more orderly if the Debtors are permitted to maintain all Accounts with the same account numbers during the outset of these cases.

By preserving business continuity and avoiding the disruption and delay to the Debtors' disbursement obligations, all parties-in-interest, including employees, contractors, and vendors will be best served by the relief requested herein. Furthermore, the Debtors' continued use of their existing Business Forms will not prejudice parties in interest because parties doing business with the Debtors will know of the Debtors' status as debtors in possession. In addition, to the extent necessary, the Debtors request authority to make ordinary course changes to the Cash Management System, such as opening or closing their Accounts in accordance with the Debtors' prepetition practices.

C. Cause Exists for an Initial Waiver of the U.S. Trustee Guidelines' and Bankruptcy Code's Depository and Investment Requirements.

57. The Debtors' accounts are all in an Authorized Depository. Nevertheless, in an abundance of caution, Debtors seek, upon entry of the Proposed Final Order, an initial 60-day waiver (with a 45-day waiver upon entry of the Proposed Interim Order) of the deposit and investment requirements set forth in section 345 of the Bankruptcy Code and the U.S. Trustee Guidelines. Section 345(a) of the Bankruptcy Code governs a debtor's cash deposits during a chapter 11 case and authorizes deposit or investment of the money of the estate, such as cash, as "will yield the maximum reasonable net return on such money, taking into account the safety of such deposit or investment." 11 U.S.C. § 345(a). For deposits that are not "insured or guaranteed by the United States or by a department, agency or instrumentality of the United States or backed by the full faith and credit of the United States," section 345(b) of the Bankruptcy Code provides that the estate acquire a bond in favor of the United States secured by the undertaking of a U.S. Trustee approved corporate surety, "unless the court for cause orders otherwise." 11 U.S.C. § 345(b). The U.S. Trustee Guidelines also generally require chapter 11 debtors to, among other

things, deposit all estate funds into accounts with an Authorized Depository that agrees to comply with the requirements of the U.S. Trustee Guidelines.

58. As the legislative history of the 1994 amendments to the Bankruptcy Code explains:

Section 345 of the [Bankruptcy] Code governs investments of funds of bankruptcy estates. The purpose is to make sure that funds of a bankrupt that are obliged to creditors are invested prudently and safely with the eventual goal of being able to satisfy all claims against the bankruptcy estate. Under current law, all investments are required to be FDIC insured, collateralized or bonded. While this requirement is wise in the case of smaller debtors with limited funds that cannot afford a risky investment to be lost, it can work to needlessly handcuff larger, more sophisticated debtors. Th[e proposed amendment] would . . . allow the courts to approve investments other than those permitted by [s]ection 345(b) for just cause . . .

In re Serv. Merch. Co., Inc., 240 B.R. 894, 896 (Bankr. M.D. Tenn. 1999) (quoting H.R. Rep. 103-834, 103rd Cong., 2nd Sess. 224 (Oct. 4, 1994); 140 Cong. Rec. H10767 (Oct. 4, 1994)).

59. In evaluating whether the requisite “cause” exists, courts consider the “totality of the circumstances,” including such factors as: (a) the sophistication of the debtor’s business; (b) the size of the debtor’s business operations; (c) the amount of the investments involved; (d) the bank ratings (Moody’s and Standard & Poor) of the financial institutions where the debtor in possession funds are held; (e) the complexity of the case; (f) the safeguards in place within the debtor’s own business for ensuring the safety of the funds; (g) the debtor’s ability to reorganize in the face of a failure of one or more of the financial institutions; (h) the benefit to the debtor (i) the harm, if any, to the debtor (j) the harm, if any, to the estate; and (k) the reasonableness of the debtor’s request for relief from section 345(b) requirements in light of the overall circumstances of the case. *See id.* at 896.

60. Cause exists in the Chapter 11 Cases to authorize an initial waiver of the requirements under section 345(b) of the Bankruptcy Code. First and foremost, all of the Debtor Accounts are maintained at Citizens Bank and JPMorgan Chase Bank, each of which is designated

as an Authorized Depository by the Office of the United States Trustee for Region 7. These institutions are well-capitalized, financially stable banks with strong credit ratings, and the Debtors are not aware of any risk that estate funds held at such institutions would be jeopardized during the requested waiver period. Accordingly, the Debtors submit that the existing safeguards, together with the limited scope of the Debtors' Cash Management System, satisfy the objectives underlying section 345(b). Accordingly, there is no cognizable risk known to the Debtors that suggests that funds in excess of the FDIC insurance limit held in those Accounts will be in jeopardy during the initial 60-day waiver (or, for that matter, during the pendency of the Chapter 11 Cases).

61. The nature of the Debtors' business, limited number of Accounts, and the Debtors' current financial posture support the requested relief. The Debtors have internal safeguards in place to monitor liquidity, reconcile Account activity, and ensure that disbursements are made accurately and in the ordinary course. Maintaining the existing Cash Management System avoids unnecessary administrative burden, while attempting to re-engineer the system to satisfy every technical requirement of section 345(b) at this stage would add cost and complexity without providing meaningful additional protection to the estates. The requested 45-day and 60-day waivers will provide a reasonable opportunity for the Debtors and the U.S. Trustee to identify any targeted modifications that may be appropriate without disrupting the Debtors' strategic efforts.

62. In light of the foregoing, the Debtors submit that cause exists to grant the Debtors (a) a 45-day waiver of the requirements of section 345 of the Bankruptcy Code and the U.S. Trustee Guidelines upon entry of the Proposed Interim Order; and (b) a 60-day waiver of the requirements of section 345 of the Bankruptcy Code and the U.S. Trustee Guidelines upon entry of the Proposed Final Order, in each case, without prejudice to the Debtors' right to seek an additional extension

pursuant to the terms of the Proposed Orders. Granting such relief will allow the Debtors to continue utilizing the existing Accounts and will inure to the benefit of all stakeholders.

IV. The Court Should Authorize the Debtors to Pay Unpaid Prepetition Account Fees.

63. The Court should authorize the Debtors to pay outstanding Account Fees and similar charges, if any, incurred prior to the commencement of the Chapter 11 Cases. As the *CoServ* court stated, “it is only logical that the bankruptcy court be able to use section 105(a) of the Code to authorize satisfaction of the prepetition claim in aid of preservation or enhancement of the estate.” *CoServ*, 273 B.R. at 497. Here, payment of any outstanding prepetition Account Fees is in the best interests of the Debtors and all parties-in-interest in these cases because it will prevent any disruption to the Cash Management System and ensure that the Debtors’ receipt of and access to funds is not delayed.

BASIS FOR RELIEF – INSURANCE PROGRAMS

I. The Debtors Should Be Authorized To Maintain The Insurance Programs

64. Maintaining the Insurance Programs on an ongoing and uninterrupted basis is essential to the continued operation of the Debtors’ businesses, and, in many instances, is required under the laws, regulations, and contracts that govern the Debtors’ business operations, including the Guidelines for Debtors-in-Possession issued by the U.S. Trustee⁸ (the “U.S. Trustee Operating Guidelines”). See U.S. Trustee Operating Guidelines § III (requiring maintenance of appropriate insurance coverage). Further, under section 1112(b)(4)(C) of the Bankruptcy Code, a “failure to maintain appropriate insurance that poses a risk to the estate or to the public” is “cause” for mandatory conversion or dismissal of a chapter 11 case. 11 U.S.C. § 1112(b)(4)(C).

⁸ “*U.S. Trustee*” means the Office of the United States Trustee for Region 7.

65. The Debtors believe that the ordinary course maintenance of the Insurance Programs, including but not limited to, paying all of the Insurance Obligations, whether arising prepetition or postpetition, satisfying all postpetition commitments to the Insurers, and, otherwise, maintaining the Insurance Policies, without further order of the Court, is necessary and essential for the Debtors to achieve their objectives in the Chapter 11 Cases, especially, where, as here, the Insurers may seek to terminate the existing Insurance Policies or decline to renew such Insurance Policies in the future if the Debtors fail to pay the Insurance Obligations. The Debtors would then be required to obtain replacement policies on an expedited basis, likely at a significantly increased cost to their estates. Moreover, the Debtors could be exposed to substantial liability for damages resulting to persons and/or property of the Debtors and others absent insurance coverage, and such exposure could have an extremely negative impact on the Debtors' ability to successfully reorganize.

66. The Debtors could also be fined substantial amounts by various state workers' compensation boards if the Workers' Compensation Policies are not maintained. Without sufficient workers' compensation coverage, there is a significant risk that employees will not receive timely payments for employment-related injuries, which could also have a detrimental effect on the financial well-being and morale of the Debtors' employees. Departures by employees at this critical time could result in a severe disruption of the Debtors' businesses and have an adverse impact on the Debtors, the value of their assets and businesses, and their ability to reorganize.

67. Given this backdrop, it is essential to the Debtors' estates, and consistent with the Bankruptcy Code and the U.S. Trustee Operating Guidelines, that the Debtors be permitted to maintain and continue making all payments required under their Insurance Programs. It is similarly

critical that the Debtors have the authority to supplement, place, amend, extend, renew, or replace their Insurance Programs, as needed, in their business judgment, without further order of the Court.

68. Likewise, the Debtors are legally and contractually required to maintain certain Insurance Policies, including under state laws requiring the Debtors to maintain the Workers' Compensation Policies for their employees. If the Debtors fail to maintain the Workers' Compensation Policies, applicable law may prohibit the Debtors from operating in those states. Therefore, maintaining the Workers' Compensation Policies and continuing payment of all Workers' Compensation Claims is crucial to the Debtors' continued operations and the success of the Chapter 11 Cases.

II. Payments Made To Maintain Insurance Programs Are Ordinary Course Transactions Authorized By Section 363(C)(1) Of The Bankruptcy Code.

69. Payments made to maintain the Insurance Programs (including any payments of Insurance Obligations in connection therewith) fall within the ordinary course of business, and such payments are therefore authorized under section 363(c)(1) of the Bankruptcy Code. Section 363(c)(1) of the Bankruptcy Code provides that, "unless the court orders otherwise, the trustee may enter into transactions, including the sale or lease of property of the estate, in the ordinary course of business, without notice or a hearing, and may use property of the estate in the ordinary course of business without notice or a hearing." 11 U.S.C. § 363(c)(1). The purpose of section 363(c)(1) is to provide a debtor-in-possession with the flexibility to engage in the ordinary transactions required to operate its business without unneeded oversight by its creditors or the court. *See Med. Malpractice Ins. Ass'n v. Hirsch (In re Lavigne)*, 114 F.3d 379, 384 (2d Cir. 1997); *see also Chaney v. Off. Comm. of Unsecured Creditors of Crystal Apparel, Inc. (In re Crystal Apparel, Inc.)*, 207 B.R. 406, 409 (S.D.N.Y. 1997).

70. Here, maintaining the Insurance Programs and honoring obligations arising thereunder, including undertaking renewals or extensions of the Insurance Policies as they expire and entering into new insurance arrangements, are the type of ordinary course transactions contemplated by section 363(c)(1). Accordingly, section 363(c)(1) of the Bankruptcy Code authorizes continuation of the Insurance Programs in the ordinary course of business without the Court's approval.

III. Maintenance Of The Insurance Programs, Including Payment Of The Insurance Obligations, Is A Sound Exercise Of The Debtors' Business Judgment.

71. Even if maintaining the Insurance Programs, including, but not limited to, payment of the Insurance Obligations, would constitute technical use of property of the estate outside the ordinary course of business, the Court should authorize the Debtors to maintain the Insurance Programs as a sound exercise of the Debtors' business judgment pursuant to section 363(b) of the Bankruptcy Code.

72. The Court may grant the relief requested herein pursuant to section 363(b) of the Bankruptcy Code, which provides, in relevant part, that "[t]he [debtor], after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate..." 11 U.S.C. § 363(b)(1). Courts in the Fifth Circuit have granted a debtor's request to use property of the estate outside of the ordinary course of business pursuant to section 363(b) of the Bankruptcy Code upon a finding that such use is supported by sound business reasons. *See, e.g., Black v. Shor (In re BNP Petroleum Corp.)*, 642 F. App'x 429, 435 (5th Cir. 2016) (noting that section 363 "requires that a sale of the estate's assets be supported by an articulated business justification, good business judgment, or sound business reasons") (internal quotation and citation omitted); *see Inst. Creditors of Cont'l Air Lines, Inc. v. Cont'l Air Lines, Inc. (In re Cont'l Air Lines, Inc.)*, 780 F.2d 1223, 1226 (5th Cir. 1986) ("[F]or the debtor-in-possession or trustee to satisfy its fiduciary duty

to the debtor, creditors and equity holders, there must be some articulated business justification for using, selling, or leasing the property outside the ordinary course of business.”) (internal citation omitted); *ASARCO, Inc. v. Elliot Mgmt. (In re ASARCO L.L.C.)*, 650 F.3d 593, 601 (5th Cir. 2011) (“Section 363 of the Bankruptcy Code addresses the debtor’s use of property of the estate and incorporates a business judgment standard . . . [t]he business judgment standard in section 363 is flexible and encourages discretion.”); *In re Terrace Gardens Park P’ship*, 96 B.R. 707, 714 (Bankr. W.D. Tex. 1989) (“[T]here must be some articulated business justification for using, selling, or leasing the property outside the ordinary course of business.”) (internal citation omitted).

73. The Debtors’ sound business judgment supports maintaining the Insurance Programs, including paying the Insurance Obligations, whether arising prepetition or postpetition, because the failure to maintain the Insurance Programs could result in: (a) the cancellation, or attempted cancellation, of the Insurance Policies; (b) the Debtors’ inability to obtain renewal or replacement of the Insurance Policies on terms that are as favorable as the current terms of such policies; and (c) violation of the U.S. Trustee Operating Guidelines and/or the Bankruptcy Code, applicable laws and regulations, various contractual commitments, and the fiduciary duties of the Debtors as debtors-in-possession. Each of these outcomes would be detrimental to the Debtors, their creditors, and their estates, and would unnecessarily jeopardize the success of the Debtors’ reorganization. All of these risks heavily outweigh the cost of maintaining the Insurance Programs.

74. Accordingly, the Debtors should be authorized to maintain the Insurance Programs, including payment of the Insurance Obligations, whether arising prepetition or postpetition, under section 363(b) of the Bankruptcy Code.

IV. Maintenance Of The Insurance Programs, And Payment Of The Insurance Obligations With Respect Thereto, Are Authorized Under Sections 1107(A) And 1108 Of The Bankruptcy Code.

75. The Debtors, operating their businesses as debtors-in-possession under sections 1107(a) and 1108 of the Bankruptcy Code, are fiduciaries “holding the bankruptcy estate[s] and operating the business[es] for the benefit of [their] creditors and (if the value justifies) equity owners.” *In re CoServ, L.L.C.*, 273 B.R. 487, 497 (Bankr. N.D. Tex. 2002). Implicit in the duties of a debtor-in-possession is the duty “to protect and preserve the estate, including an operating business’s going-concern value.” *Id.* Moreover, as fiduciaries for the bankruptcy estates, the Debtors could be violating their fiduciary duties if they permitted any of the Insurance Policies to lapse by failing to maintain the Insurance Programs.

76. As discussed above, the Debtors believe that payments made to maintain the Insurance Programs, as well as the payments of any Insurance Obligations made in connection therewith, fall within the ordinary course of business and are therefore authorized pursuant to section 363(c)(1) of the Bankruptcy Code. To the extent any such actions do not constitute ordinary course transactions, the Debtors request that the Court authorize the Debtors to continue payments for the Insurance Programs, as well as to pay necessary prepetition amounts owed with respect thereto if any come to light postpetition, pursuant to sections 363(b), 503(b), and 105(a) of the Bankruptcy Code.

77. The court in *CoServ* also noted that there are instances in which a debtor-in-possession can fulfill its fiduciary duty “only . . . by the preplan satisfaction of a prepetition claim.” *Id.* The *CoServ* court specifically noted that preplan satisfaction of prepetition claims would be a valid exercise of a debtor’s fiduciary duty when the payment “is the only means to effect a substantial enhancement of the estate.” *Id.* at 498. That court provides a three-pronged test for

determining whether a preplan payment on account of a prepetition claim was a valid exercise of a debtor's fiduciary duty:

First, it must be critical that the debtor deal with the claimant. Second, unless it deals with the claimant, the debtor risks the probability of harm, or, alternatively, loss of economic advantage to the estate or the debtor's going concern value, which is disproportionate to the amount of the claimant's prepetition claim. Third, there is no practical or legal alternative by which the debtor can deal with the claimant other than by payment of the claim.

Id.

78. Maintaining the Insurance Programs, including payment of the Insurance Obligations, whether arising prepetition or postpetition, satisfies each prong of the *CoServ* test. As described above, failing to maintain the Insurance Programs, including by failing to pay the Insurance Obligations, could result in cancellation of the Insurance Policies, in which case the Debtors would not only be in violation of the U.S. Trustee Operating Guidelines, various federal and state laws and regulations, and various contractual obligations, but the Debtors may also be unable to find alternative insurance coverage or only find such alternatives at a much higher cost than the Debtors currently incur. Nonpayment of any of the Insurance Obligations could also render the Debtors unable to renew the Insurance Policies and may render the Debtors unable to obtain replacements therefor with respect to future periods. Therefore, the potential harms and economic disadvantages that would stem from the failure to maintain the Insurance Programs or to honor the Insurance Obligations are grossly disproportionate to the cost of maintaining the Insurance Programs and satisfying the Insurance Obligations. Finally, the Debtors have assessed the alternatives to honoring the Insurance Obligations and have determined that no practical or legal alternative to payment of such obligations exists that would avoid significant disruption to the Debtors' business operations.

79. In addition, the Court has authority under its equitable powers under section 105(a) of the Bankruptcy Code, to authorize the relief requested herein because such relief is necessary for the Debtors to carry out their duties under section 1107(a) of the Bankruptcy Code. Section 1107(a) of the Bankruptcy Code “contains an implied duty of the debtor-in-possession to ‘protect and preserve the estate, including an operating business’ going-concern value.” *In re CEI Roofing, Inc.*, 315 B.R. 50, 59 (Bankr. N.D. Tex. 2004) (quoting *CoServ*, 273 B.R. at 497). Under section 105(a) of the Bankruptcy Code, “[t]he court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a); *see CoServ*, 273 B.R. at 491–93 & n.6 (holding that sections 105 and 1107 of the Bankruptcy Code provide authority for a debtor-in-possession to pay prepetition claims); *see also In re Tusa-Expo Holdings, Inc.*, Case No. 08-45057-DML-11, 2008 WL 4857954, at *1 (Bankr. N.D. Tex. Nov. 7, 2008); *CEI Roofing*, 315 B.R. at 56. Moreover, Bankruptcy Rule 6003 itself implies that the payment of prepetition obligations may be permissible within the first 21 days of a case where doing so is “needed to avoid immediate and irreparable harm.” Fed. R. Bankr. P. 6003. Accordingly, the Bankruptcy Code authorizes the postpetition payment of prepetition claims where, as here, such payments are critical to preserving the going-concern value of a debtor’s estates.

80. The Debtors’ use of estate funds to pay the Insurance Obligations is justified because such obligations are necessary costs of preserving the Debtors’ estates. The Insurance Programs are essential to the Debtors’ operations, as the Debtors would be exposed to significant liability if the Insurance Policies were allowed to lapse or terminate. Such exposure could detrimentally impact the success of the Chapter 11 Cases.

81. Likewise, applicable law mandates that the Debtors maintain workers’ compensation coverage for their employees. The Debtors’ failure to pay their obligations under the

Workers' Compensation Policies could jeopardize their coverage and expose the Debtors to significant liability in fines by state workers' compensation boards. In addition, the risk that eligible workers' compensation claimants would not receive timely payments for prepetition or postpetition employment-related injuries could negatively impact the financial well-being and morale of those claimants and, in turn, the Debtors' entire employee base. This could result in employee departures, causing significant disruption in the Debtors' business with a materially adverse impact on the Debtors' operations, the value of their estates, and the interests of all parties in the Chapter 11 Cases.

82. While no such fees are anticipated, the Court should authorize the Debtors to continue paying the Broker Fees as they come due in the ordinary course of business. The Brokers are familiar with the Insurance Programs and the Insurance Obligations. The Debtors believe that any loss or interruption of the services provided by the Brokers could result in disruption to the Debtors' businesses.

83. For the foregoing reasons: (a) payment of the obligations in connection with Insurance Programs is necessary, appropriate, and in the best interests of the Debtors, their estates, and all other parties-in-interest in these cases; and (b) payment of the obligations in connection with the Insurance Programs must be authorized to permit the Debtors to satisfy their fiduciary duties as debtors-in-possession under sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors must be authorized not only to continue the Insurance Programs but also to pay the Insurance Obligations (including, for the avoidance of doubt, the Broker Fees) if doing so is necessary, in the Debtors' judgment, to avoid cancellation or interruption of insurance coverage. Accordingly, the Court should authorize the Debtors to maintain their Insurance Programs and to pay all obligations, including prepetition obligations, related thereto.

V. A Modification Of The Automatic Stay Related To Workers' Compensation Claims Is Appropriate.

84. Section 362(a)(1) of the Bankruptcy Code operates to stay “the commencement or continuation, including the issuance or employment of process, of a judicial, administrative, or other action or proceeding against the debtor that was or could have been commenced before the commencement of the case under this title, or to recover a claim against the debtor that arose before the commencement of the case under this title[.]” 11 U.S.C. § 362(a)(1).

85. Section 362(d)(1), however, permits a debtor or other parties in interest to request a modification or termination of the automatic stay for “cause.” To the extent that any of the Debtors’ employees hold claims under the Workers’ Compensation Policies, the Debtors seek to modify the automatic stay to permit these employees to proceed with their claims in the appropriate judicial or administrative forum. This modification of the automatic stay pertains solely to Workers’ Compensation Claims from former employees.

86. Cause exists to modify the automatic stay because a stay of the Workers’ Compensation Claims could have a detrimental effect on the financial well-being and morale of the Debtors’ employees and could lead to the departure of certain employees who are needed at this critical juncture. Such departures could disrupt the Debtors’ business operations to the detriment of all parties in interest. To this end, the Debtors seek to modify the automatic stay as it relates to Workers’ Compensation Claims and waiver of the corresponding notice requirements under Bankruptcy Rule 4001(d). The Court should also authorize the Debtors, as necessary, and to the extent required by law or under the Workers’ Compensation Policies, to pay all or part of a claim (including any related administrative costs) related thereto directly to the Insurer, an employee, any of his or her medical providers, or any of his or her heirs or legal representatives, as required under the applicable law and/or policy.

**CAUSE EXISTS TO AUTHORIZE THE BANKS TO HONOR CHECKS AND
ELECTRONIC FUND TRANSFERS**

87. The Debtors further request that the Court authorize applicable banks and other financial institutions (collectively, the “Banks”) to receive, process, honor, and pay any and all checks issued, or to be issued, and electronic funds transfers requested, or to be requested, by the Debtors relating to the Insurance (whether such checks or fund transfers were presented before or after the Petition Date), to the extent that sufficient funds are on deposit in available funds in the applicable bank accounts to cover such payment. The Debtors also seek authority to issue new postpetition checks or effect new postpetition electronic funds transfers in replacement of any checks or fund transfer requests on account of Insurance Obligations dishonored or rejected as a result of the commencement of the Chapter 11 Cases.

EMERGENCY CONSIDERATION

88. The Debtors respectfully request emergency consideration of this Motion pursuant to Bankruptcy Local Rule 9013-1 and Bankruptcy Rule 6003, which authorize the Court to grant relief within the first 21 days after the commencement of a chapter 11 case to the extent that relief is necessary to avoid immediate and irreparable harm. As described in detail above and in the First Day Declaration, immediate and irreparable harm would result if the relief requested herein is not granted. Accordingly, the Debtors submit that the requirements of Bankruptcy Rule 6003 are satisfied.

**DEBTORS’ COMPLIANCE WITH BANKRUPTCY RULE
6004(a) AND WAIVER OF WAIVER OF BANKRUPTCY RULE 6004(a) AND (h)**

89. With respect to any aspect of the relief sought herein that constitutes a use of property under section 363(b) of the Bankruptcy Code, the Debtors request that the Court find that notice of this Motion is adequate under Bankruptcy Rule 6004(a) and waive the 14-day stay under Bankruptcy Rule 6004(h). As described above, the relief that the Debtors seek in this Motion is

necessary to avoid immediate and irreparable harm to the Debtors. Thus, cause exists for the Court to find that notice of this Motion satisfies Bankruptcy Rule 6004(a) and waive the 14-day stay under Bankruptcy Rule 6004(h).

RESERVATION OF RIGHTS

90. Nothing in this Motion is intended to be nor shall be deemed: (a) an implication or admission as to the amount of, basis for, or validity of any claim against the Debtors; (b) a waiver or limitation of the Debtors' or any other party in interest's right to dispute the amount of, basis for, or validity of any claim; (c) a waiver of the Debtors' or any other party in interest's rights under the Bankruptcy Code or any other applicable non-bankruptcy law; (d) a waiver of the obligation of any party in interest to file a proof of claim; (e) a promise or requirement to pay any particular claim; (f) a waiver of any claims or causes of action which may exist against any entity under the Bankruptcy Code or any other applicable law; (g) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; (h) an admission that any lien satisfied pursuant to this Motion is valid (and all rights to contest the extent, validity, or perfection or seek avoidance of all such liens are expressly reserved); or (i) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code. Likewise, if the Court grants the relief sought herein, any payment made pursuant to the Court's order is not intended to be and should not be construed as an admission to the validity of any claim or a waiver of the Debtors' or any other party in interest's rights to dispute such claim subsequently.

WHEREFORE, the Debtors respectfully request that the Court enter the Proposed Orders granting the relief requested in the Motion and such other and further relief as may be just and proper.

Date: December 16, 2025

PILLSBURY WINTHROP SHAW PITTMAN LLP

By: /s/ Hugh M. Ray, III

Hugh M. Ray, III
TX Bar No. 24004246
Joshua Stenhjem (*pro hac vice* pending)
ND Bar No. 09941
609 Main Street, Suite 2000
Houston, TX 77002
Telephone: 713-276-7600
Facsimile: 713-276-7634
hugh.ray@pillsburylaw.com
joshua.stenhjem@pillsburylaw.com

--and--

Andrew V. Alfano
NY Bar No. 5525241
31 West 52nd Street
New York, NY 10019-6131
Telephone: 212-858-1000
Facsimile: 212-858-1500
andrew.alfano@pillsburylaw.com

***Proposed Counsel for Debtors, Ample, Inc. and
Ample Texas EV, LLC***

CERTIFICATE OF SERVICE

I certify that on December 16, 2025, a true and correct copy of the foregoing document was served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas on those parties registered to receive electronic notices.

/s/ Hugh M. Ray, III

Hugh M. Ray, III

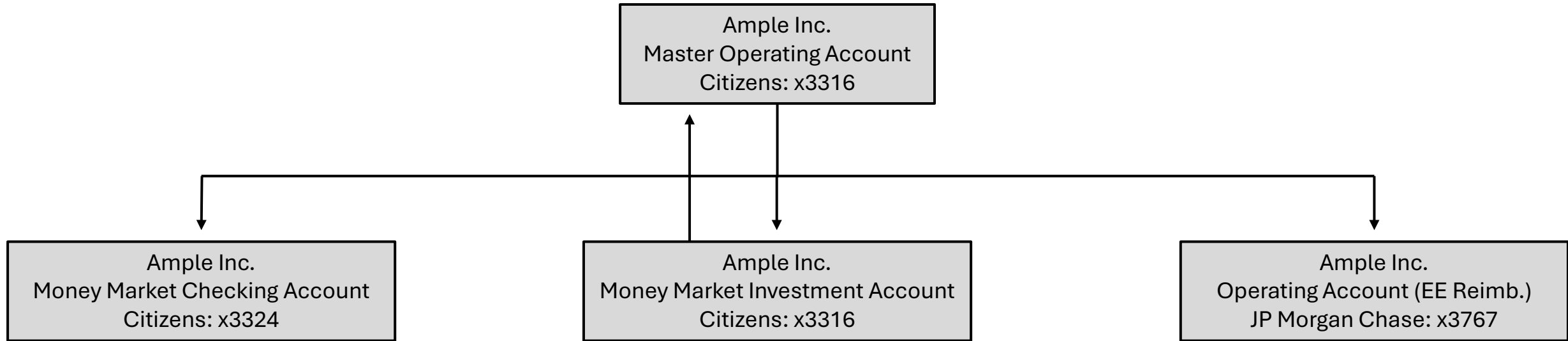
EXHIBIT A

CASH SCHEMATIC

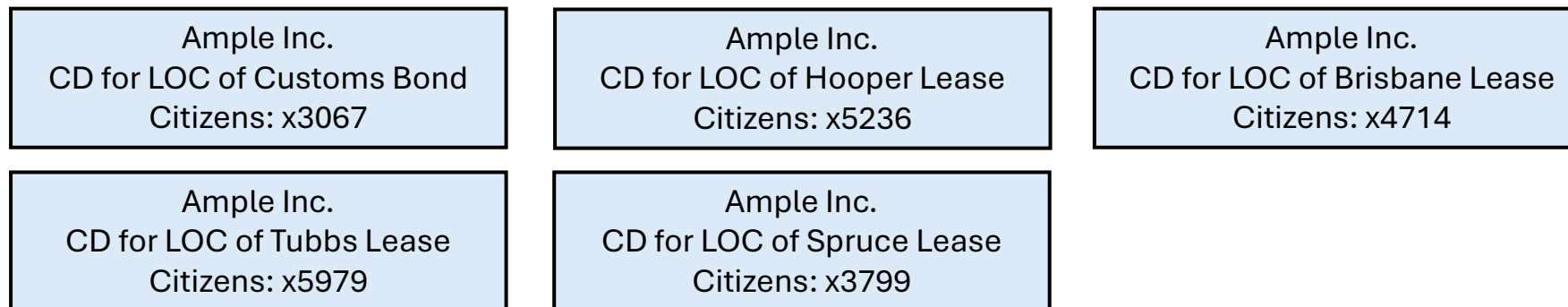
EXHIBIT B

DEBTOR ACCOUNTS

Ample Inc., Cash Management Schematic



US Certificates of Deposit



Legend:

Ample Inc.
Bank Account

Ample Inc.
CD Account

EXHIBIT C

LC SCHEDULE

No.	Account Holder	Bank Name	Account No. / Account Function
1	Ample Inc.	Citizens Bank	3316 Master Operating Account
2	Ample Inc.	Citizens Bank	3316 Money Market Investment Account
3	Ample Inc.	Citizens Bank	3324 Money Market Checking Account
4	Ample Inc.	JP Morgan Chase	3767 Operating Account (EE Reimbursements)
5	Ample Inc.	Citizens Bank	3067 US Certificate of Deposit
6	Ample Inc.	Citizens Bank	5236 US Certificate of Deposit
7	Ample Inc.	JP Morgan Chase	4714 US Certificate of Deposit
8	Ample Inc.	JP Morgan Chase	5979 US Certificate of Deposit
9	Ample Inc.	JP Morgan Chase	3799 US Certificate of Deposit

EXHIBIT D

INSURANCE POLICIES AND INSURERS

Issuing Bank	Letter of Credit Number	Beneficiary	Amount	Expiration Date*	Collateral Pledged
Citizens Bank N.A.	S201420	KR 100 Hooper LLC	\$ 675,529.00	5/11/2026	x 5236
JPMorganChase	210988528-26502501	Uber Technologies, Inc.	\$ 192,276.00	3/31/2029	x 5979
JPMorganChase	210988528-26791301	AMB Fund III Mosaic, LLC	\$ 416,555.54	3/31/2028	x3799
Citizens Bank N.A.	S200839	American Alternative Insurance Corporation	\$ 200,000.00	4/1/2026	x3067
JPMorganChase	210988528-24388201	Prologis, Inc.	\$ 103,643.15	1/1/2027	x4717

*Reflects final expiration date after annual auto-renewal periods

EXHIBIT D

Line of Coverage	Carrier Name	Policy Number	Effective Dates	Approximate Annual Gross Premium
Workers Compensation and Employers Liability	AIU Insurance Company	WC 033-10-7343	4/1/2025 - 4/1/2026	\$ 110,000.00
Life Insurance	Mutual of Omaha	UA1158734	10/11/2018 -	\$ 402.50
Life Insurance	Mutual of Omaha	UA1152570	10/11/2018 -	\$ 782.50
Cyber (30% share of total coverage)	Arch Specialty Insurance Company	CCP1074860-05	2/1/2025 - 2/1/2026	\$ 892.50
Cyber (15% share of total coverage)	Ascot Specialty Insurance Company	CCP1074860-05	2/1/2025 - 2/1/2026	\$ 446.25
Cyber (10% share of total coverage)	Aspen Specialty Insurance Company	CCP1074860-05	2/1/2025 - 2/1/2026	\$ 297.50
Cyber (15% share of total coverage)	Fireman's Fund Indemnity Corporation	CCP1074860-05	2/1/2025 - 2/1/2026	\$ 446.25
Cyber (30% share of total coverage)	Fortegra Specialty Insurance Company	CCP1074860-05	2/1/2025 - 2/1/2026	\$ 892.50
Directors & Officers	AXIS Insurance Company	AXIS00004260-001	4/15/2025 - 4/15/2026	\$ 5,857.00
Directors & Officers Tail	AXIS Insurance Company	AXIS00004260-001	12/8/2025 - 12/8/2031	\$ 11,164.00
Directors & Officers Side A Excess	Gemini Insurance Company	BPRO8138958	9/25/2025 - 9/25/26	\$ 86,671.20
Property (50% share of total coverage)	Landmark American Insurance Company	LHD949787	3/1/2025 - 3/1/2026	\$ 150,000.00
Property (50% share of total coverage)	AXIS Surplus Insurance Company	AXIS P-001-001215274-01	3/1/2025 - 3/1/2026	\$ 150,000.00
Commercial General Liability	Apollo Syndicate Management Ltd.	B0146GLUSA2500379	3/1/2025 - 3/1/2026	\$ 100,000.00
Foreign Commercial General Liability	AIG	WS11019354	2/1/2025 - 2/1/2026	\$ 1,000.00
Foreign Commercial Auto Liability and Physical Damage	AIG	WS11019354	2/1/2025 - 2/1/2026	\$ 160.00
Foreign Voluntary Compensation and Employers Liability	AIG	WS11019354	2/1/2025 - 2/1/2026	\$ 700.00
Travel Accident and Sickness	AIG	WS11019354	2/1/2025 - 2/1/2026	\$ 943.00
Foreign Commerical Property	AIG	WS11019354	2/1/2025 - 2/1/2026	\$ 2,844.00

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:	§	
	§	
AMPLE, INC., <i>et al.</i> , ¹	§	Case No. 25-90817 (CML)
	§	Chapter 11
Debtors.	§	(Joint Administration Requested)
	§	

**INTERIM ORDER AUTHORIZING THE DEBTORS TO (I)(A) CONTINUE
OPERATING THEIR EXISTING CASH MANAGEMENT SYSTEM, (B) HONOR
CERTAIN RELATED PREPETITION OBLIGATIONS, (C) CONTINUE
INTERCOMPANY TRANSACTIONS, (D) WAIVING CERTAIN DEPOSIT
REQUIREMENTS, AND (E) GRANTING RELATED RELIEF, AND (II)(A) CONTINUE
INSURANCE PROGRAMS AND (B) GRANTING RELATED RELIEF**

Upon the emergency motion (the “Motion”)² of the Debtors for entry of an interim order (this “Interim Order”) (a) authorizing, but not directing, the Debtors to (i) continue operating their existing Cash Management System, including, without limitation, to continue to maintain their existing Accounts and Business Forms, (ii) implement changes to the Cash Management System in the ordinary course of business insofar as such changes relate to the Debtors’ participation in, or control of, the Cash Management System, including, without limitation, opening new or closing existing Accounts owned by the Debtors, (iii) continue to perform under and honor Intercompany Transactions among Debtors and Non-Debtor Affiliates in the ordinary course of business, including, to the extent applicable, honoring certain prepetition obligations related to Intercompany Transactions and granting administrative expense status to postpetition Intercompany Claims against the Debtors, (iv) honor and pay all outstanding prepetition and

¹ The Debtors in these chapter 11 cases (the “Chapter 11 Cases”) and the last four digits of each Debtor’s taxpayer identification number are: Ample Inc. (4015); and Ample Texas EV, LLC (6832). A copy of this Order is available on (a) the Court’s website, at www.txs.uscourts.gov and (b) the website maintained by the Debtors’ claims and noticing agent, Verita Global at <https://veritaglobal.net/ample>.

² Capitalized terms used but not defined herein have the meanings given to them in the Motion.

postpetition Account Fees payable by the Debtors, and (v) remit certain de minimis prepetition sales and franchise tax payments described in the Motion; (b) waiving, on a conditional 45-day basis, certain of the requirements set forth in section 345 of the Bankruptcy Code and the U.S. Trustee Guidelines; (c) authorizing and directing the Banks to continue to maintain, service, and administer the Accounts and to debit the Accounts in the ordinary course of business on account of (i) electronic transfers, including wire transfers, book transfers, and ACH transfers, or checks drawn on the Accounts and (ii) all amounts owed to the Banks for maintenance of the Accounts, including, without limitation, any Account Fees, credit card processing fees, service charges and other fees, costs, charges, chargebacks, and expenses associated with the Accounts and the Cash Management System, whether arising before or after the commencement of the Chapter 11 Cases; (d) authorizing, but not directing, the Debtors to (i) maintain, renew, amend, supplement, replace, or extend, in their discretion, the Insurance Programs and to perform with respect thereto in the ordinary course of business, and (ii) pay, in their discretion, any Insurance Obligations arising under, due and owing to, or related to the Insurance Programs; (e) modifying the automatic stay to the extent necessary to permit the Debtors' employees to proceed with Workers' Compensation Claims under the Workers' Compensation Policy; and (f) granting related relief, all as more fully set forth in the Motion; and the Court having reviewed the Motion and the First Day Declaration; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. § 1334; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and that the Court may enter a final order consistent with Article III of the United States Constitution; and the Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is

necessary; and upon the record herein; and after due deliberation thereon; and all objections, if any, to the Motion having been withdrawn, resolved, or overruled; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and the Court having determined that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest, it is hereby

ORDERED, ADJUDGED, AND DECREED THAT:

Cash Management

1. The Debtors are authorized, but not directed, to continue to maintain, and manage their cash pursuant to, the Cash Management System; to collect, concentrate, and disburse cash in accordance with the Cash Management System, including Intercompany Transactions; and to make ordinary course changes to their Cash Management System without further order of the Court.

2. The Debtors are authorized, but not directed, to (a) designate, maintain, and continue to use any or all of their existing Accounts, including those listed on Exhibit B to the Motion, in the names and with the account numbers existing immediately before the Petition Date, (b) to the extent of available funds, deposit funds in, and withdraw funds from, such accounts by way of an Ordinary Transfer Method, including, without limitation, checks, wire transfers, ACH transfers, and other debits, (c) pay any Account Fees or other charges associated with the Accounts, whether arising before or after the Petition Date, and (d) treat their prepetition Debtor Accounts for all purposes as debtor in possession accounts.

3. The Debtors are authorized, but not directed, to (a) open new Accounts and close any existing Accounts in the ordinary course of business as they may deem necessary and appropriate, and any relevant bank is authorized to honor the Debtors' requests to open or close

such Accounts, and (b) enter into any ancillary agreements, including new deposit control agreements, related to the foregoing, as they may deem necessary and appropriate; provided that all accounts opened by any of the Debtors on or after the Petition Date at any bank shall, for purposes of this Interim Order, be deemed a Debtor Account as if it had been listed on Exhibit B to the Motion; provided, further, that all new accounts opened within the United States by the Debtors on or after the Petition Date shall be at depositories that are (i) insured by the FDIC or the Federal Savings and Loan Insurance Corporation, (ii) designated as an Authorized Depository by the U.S. Trustee pursuant to the U.S. Trustee Guidelines, and (iii) with a bank that agrees to be bound by the terms of this Interim Order; provided, further, that the Debtors shall provide prior written notice, to the extent reasonably practicable (email notice being sufficient), to the U.S. Trustee, counsel to the DIP Lenders (as defined in the DIP Orders), and, if appointed, counsel to any statutory committee, of the opening or closing of any Debtor Account, and such opening or closing shall be timely reported in the Debtors' monthly operating reports.

4. The Banks are authorized to receive, process, honor, and pay any and all checks issued, or to be issued, and electronic funds transfers requested, or to be requested, by the Debtors relating to such obligations as set forth herein, to the extent that sufficient funds are on deposit in available funds in the applicable Accounts to cover such payments. The Banks are authorized to accept and rely on all representations made by the Debtors with respect to which checks, drafts, wires, or automated clearing house transfers should be honored or dishonored in accordance with this or any other order of this Court, whether such checks, drafts, wires, or transfers are dated prior to, on, or after the Petition Date, without any duty to inquire otherwise.

5. The Debtors are authorized, but not directed, to issue new postpetition checks, or effect new electronic funds transfers, and to replace any prepetition checks or electronic fund

transfer requests that may be lost or dishonored or rejected as a result of the commencement of the Chapter 11 Cases with respect to any unpaid prepetition amounts that are authorized to be paid pursuant to this Interim Order.

6. Each of the Debtor's Banks is authorized and directed to debit the Debtors' accounts in the ordinary course of business without the need for further order of this Court for: (i) all checks drawn on the Debtors' accounts which are cashed at such Bank's counters or exchanged for cashier's checks by the payees thereof prior to the Petition Date; (ii) all checks or other items deposited in one of the Debtors' accounts with such Bank prior to the Petition Date which have been dishonored or returned unpaid for any reason, together with any fees and costs in connection therewith, to the same extent the Debtors were responsible for such items prior to the Petition Date; and (iii) all undisputed prepetition amounts outstanding as of the date hereof, if any, owed to any Bank as service charges for the maintenance of the Cash Management System; and that any of the Debtors' Banks may rely on the representations of the Debtor with respect to whether any check or other payment order drawn or issued by the Debtors prior to the Petition Date should be honored pursuant to this Order or any other order of this Court, and such Bank shall not have any liability to any party for relying on such representations by the Debtors as provided for herein.

7. The Banks shall not be liable to any party on account of: (a) following the Debtors' representations, instructions, or presentations as to any order of the Court (without any duty of further inquiry); (b) honoring transactions issued by Ordinary Transfer Method, including, but not limited to, prepetition checks, drafts, wires, electronic funds transfers, ACH transfers or other items with the good faith belief or upon a representation by the Debtors that the Court has authorized payment by way of such Ordinary Transfer Method; or (c) an innocent mistake made despite implementation of reasonable handling procedures.

8. Those certain existing deposit agreements between the Debtors and their existing Banks shall continue to govern the postpetition cash management relationship between the Debtors and the Banks, and that all of the provisions of such agreements, including, without limitation, the termination and fee provisions, shall remain in full force and effect, without the need for further Court order. Either the Debtors or the Banks may, without further order of this Court, implement changes to the Cash Management System and procedures in the ordinary course of business pursuant to terms of those certain existing deposit agreements, including, without limitation, the opening and closing of Accounts.

9. Notwithstanding anything to the contrary contained herein, any payment to be made hereunder, and any authorization contained herein, shall be subject to any interim and final orders, as applicable, approving the Debtors' use of cash collateral, postpetition secured debtor-in-possession financing of the Debtors, and/or the Debtors' entry into any postpetition financing facilities or credit agreements, and any budgets in connection therewith governing any such postpetition financing and/or use of cash collateral (each such order, a "DIP Order" and, together, the "DIP Orders"). To the extent there is any inconsistency between the terms of the DIP Order and any action taken or proposed to be taken hereunder, the terms of the DIP Order shall control.

10. The Debtors are authorized, but not directed, to, in their discretion: (a) make payments, net, and set off amounts owed on account of prepetition Intercompany Transactions, including for the purpose of reconciling prepetition Intercompany Claims; and (b) continue to enter into postpetition Intercompany Transactions and, in the ordinary course, make payments, net, and set off amounts owed on account of postpetition Intercompany Transactions, including for the purpose of reconciling postpetition Intercompany Claims, in each case in a manner consistent with the Debtors' past practices and subject to the DIP Orders; provided that the Debtors shall maintain

accurate and detailed records of all transfers and transactions within the Cash Management System in accordance with paragraph 12 of this Interim Order.

11. All Intercompany Claims against a Debtor held by another Debtor or a Non-Debtor Affiliate that arise after the Petition Date as a result of Intercompany Transactions described in the Motion are hereby granted administrative expense priority status in accordance with section 503(b)(1)(A) of the Bankruptcy Code to the extent such Intercompany Transactions provide actual and necessary benefits to the Debtors' estates.

12. The Debtors shall maintain accurate and detailed records of all transfers within the Cash Management System, including, without limitation, Intercompany Transactions and the payment of Intercompany Claims, so that (a) all transfers and transactions, including, without limitation, Intercompany Transactions and the payment of Intercompany Claims may be adequately and promptly documented and recorded in, and readily ascertained and traced from, their books and records, to the same extent maintained by the Debtors before the Petition Date; and (b) prepetition and postpetition transfers and transactions, including, without limitation, Intercompany Transactions and the payment of Intercompany Claims may be distinguished for the purposes of determining administrative expense status. Further, the Debtors shall maintain a report setting forth all Intercompany Transactions that constitute cash payments, both between Debtors and among Debtors and Non-Debtor Affiliates. To the extent that the transfers within the Cash Management System are disbursements, they shall be noted and reflected on the monthly operating reports and post confirmation reports filed by Debtors.

13. The Debtors are authorized, but not directed, to remit approximately \$1,500 in California sales and use taxes held on account of prepetition and postpetition periods and to pay their quarterly Delaware franchise tax in the ordinary course of business, including to the extent

such obligations accrued prior to the Petition Date, as described in the Motion, in each case subject to the DIP Orders.

14. The Debtors are authorized, but not directed, to maintain the Existing Letters of Credit and related collateral arrangements described in the Motion, including any cash collateral, investment accounts, or other security pledged to secure such Existing Letters of Credit, and the applicable Banks and issuing institutions are authorized to continue to administer, honor, draw upon, and apply such collateral in accordance with the terms of the applicable letters of credit and related documents, in each case subject to the DIP Orders and applicable provisions of the Bankruptcy Code.

15. To the extent that any of the Debtors' Accounts are not in compliance with section 345(b) of the Bankruptcy Code and any provision of the U.S. Trustee Guidelines, the Debtors shall have until the date that is forty-five days from the Petition Date, without prejudice to seeking an additional extension or extensions, to come into compliance with section 345(b) of the Bankruptcy Code and the U.S. Trustee Guidelines.

16. The Debtors are authorized to continue using, as such forms were in existence immediately before the Petition Date, the Business Forms, without reference to any Debtors' status as a debtor in possession; provided, that once the Debtors have exhausted their existing stock of checks, the Debtors shall ensure that any new checks are clearly labeled "Debtor In Possession" as soon as it is reasonably practicable to do so; provided further, that with respect to any Business Forms that exist or are generated electronically, the Debtors shall use reasonable efforts to ensure that such electronic Business Forms are labeled "Debtor In Possession" within 15 days following entry of this Interim Order, without prejudice to seeking an additional extension of such deadline.

The Debtors may obtain a further extension of the 15-day time period referenced in this paragraph by entering into a written stipulation with the U.S. Trustee without the need for further Court order.

Insurance Programs

17. The Debtors are authorized, but not directed, to maintain and continue the Insurance Programs (as defined in the Motion) without interruption in the ordinary course of business.

18. The Debtors are authorized, but not directed, to pay, in their discretion, all Insurance Obligations (as defined in the Motion), including, without limitation, any premiums, premium-financing payments, deductibles, self-insured retentions, workers' compensation claims, audit adjustments, broker fees, and any incidental claims administration charges that become due and payable under or in connection with the Insurance Programs, whether relating to the period before or after the Petition Date, in each case subject to the DIP Orders.

19. The Debtors are authorized, but not directed, to revise, extend, renew, supplement, replace, or obtain new Insurance Policies, any related premium financing arrangements, and any Letters of Credit supporting the Insurance Policies, and to take all actions in connection therewith in the ordinary course of business as the Debtors may deem necessary or appropriate in their business judgment.

20. Pursuant to section 362(d) of the Bankruptcy Code, the automatic stay is hereby modified to the extent necessary to permit the Debtors' employees and former employees that hold claims under the Debtors' Workers' Compensation Policy to proceed with their Workers' Compensation Claims in the appropriate judicial or administrative forum. The Debtors are authorized, but not directed, to pay any amounts owed on account of Workers' Compensation Claims, including any related administrative costs, in accordance with applicable law and the terms of the Workers' Compensation Policy.

21. The Banks are authorized to receive, process, honor, and pay any and all checks issued, or to be issued, and electronic funds transfers requested, or to be requested, by the Debtors relating to the Insurance Obligations, to the extent that sufficient funds are on deposit in available funds in the applicable Accounts to cover such payments, in accordance with the other provisions of this Interim Order.

22. Nothing in the Motion or this Interim Order, or any payment made pursuant to this Interim Order, is intended to be or shall be deemed as (a) an implication or admission as to the amount of, basis for, or validity of any claim against the Debtors; (b) a waiver or limitation of the Debtors' or any other party in interest's right to dispute the amount of, basis for, or validity of any claim; (c) a waiver of the Debtors' or any other party in interest's rights under the Bankruptcy Code or any other applicable non-bankruptcy law; (d) a waiver of the obligation of any party in interest to file a proof of claim; (e) a promise or requirement to pay any particular claim; (f) a waiver of any claims or causes of action which may exist against any entity under the Bankruptcy Code or any other applicable law; (g) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; (h) an admission that any lien satisfied pursuant to the Motion is valid (and all rights to contest the extent, validity, or perfection or seek avoidance of all such liens are expressly reserved); or (i) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code. Any payment made pursuant to this Interim Order is not intended to be and should not be construed as an admission to the validity of any claim or waiver of the Debtors' or any other party in interest's rights to dispute such claim subsequently.

23. Nothing in this Interim Order directs the Debtors to accelerate any payments not otherwise due.

24. Notice of the Motion is adequate under the Bankruptcy Rules, including Bankruptcy Rule 6004(a), and the Bankruptcy Local Rules.

25. Notwithstanding Bankruptcy Rule 6004(h), to the extent applicable, this Interim Order shall be effective and enforceable immediately upon entry hereof.

26. The Debtors are further authorized and empowered to take all actions necessary or appropriate to implement the relief granted in this Interim Order.

27. The Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, or enforcement of this Interim Order.

28. A final hearing on the Motion (the "Final Hearing") shall be held on _____, 2025, at _____ M, prevailing Central Time. Any objections or responses to entry of the Final Order granting the relief requested in the Motion shall be filed on or before 4:00 p.m., prevailing Central Time, on _____, 2025. If no objections are timely filed and served, the Court may enter the Final Order without conducting the Final Hearing.

SIGNED: _____, 2025

CHRISTOPHER M. LOPEZ
UNITED STATES BANKRUPTCY JUDGE

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:	§	
	§	
AMPLE, INC., <i>et al.</i> , ¹	§	Case No. 25-90817 (CML)
	§	Chapter 11
Debtors.	§	(Joint Administration Requested)
	§	

**FINAL ORDER AUTHORIZING THE DEBTORS TO (I)(A) CONTINUE
OPERATING THEIR EXISTING CASH MANAGEMENT SYSTEM, (B) HONOR
CERTAIN RELATED PREPETITION OBLIGATIONS, (C) CONTINUE
INTERCOMPANY TRANSACTIONS, (D) WAIVING CERTAIN DEPOSIT
REQUIREMENTS, AND (E) GRANTING RELATED RELIEF, AND (II)(A) CONTINUE
INSURANCE PROGRAMS AND (B) GRANTING RELATED RELIEF**

Upon the emergency motion (the “Motion”)² of the Debtors for entry of a final order (this “Final Order”) (a) authorizing, but not directing, the Debtors to (i) continue operating their existing Cash Management System, including, without limitation, to continue to maintain their existing Accounts and Business Forms, (ii) implement changes to the Cash Management System in the ordinary course of business insofar as such changes relate to the Debtors’ participation in, or control of, the Cash Management System, including, without limitation, opening new or closing existing Accounts owned by the Debtors, (iii) continue to perform under and honor Intercompany Transactions among Debtors and Non-Debtor Affiliates in the ordinary course of business, including, to the extent applicable, honoring certain prepetition obligations related to Intercompany Transactions and granting administrative expense status to postpetition Intercompany Claims against the Debtors, (iv) honor and pay all outstanding prepetition and

¹ The Debtors in these chapter 11 cases (the “Chapter 11 Cases”) and the last four digits of each Debtor’s taxpayer identification number are: Ample Inc. (4015); and Ample Texas EV, LLC (6832). A copy of this Order is available on (a) the Court’s website, at www.txs.uscourts.gov and (b) the website maintained by the Debtors’ claims and noticing agent, Verita Global at <https://veritaglobal.net/ample>.

² Capitalized terms used but not defined herein have the meanings given to them in the Motion.

postpetition Account Fees payable by the Debtors, and (v) remit certain de minimis prepetition sales and franchise tax payments described in the Motion; (b) waiving, on a conditional 60-day basis, certain of the requirements set forth in section 345 of the Bankruptcy Code and the U.S. Trustee Guidelines; (c) authorizing and directing the Banks to continue to maintain, service, and administer the Accounts and to debit the Accounts in the ordinary course of business on account of (i) electronic transfers, including wire transfers, book transfers, and ACH transfers, or checks drawn on the Accounts and (ii) all amounts owed to the Banks for maintenance of the Accounts, including, without limitation, any Account Fees, credit card processing fees, service charges and other fees, costs, charges, chargebacks, and expenses associated with the Accounts and the Cash Management System, whether arising before or after the commencement of the Chapter 11 Cases; (d) authorizing, but not directing, the Debtors to (i) maintain, renew, amend, supplement, replace, or extend, in their discretion, the Insurance Programs and to perform with respect thereto in the ordinary course of business, and (ii) pay, in their discretion, any Insurance Obligations arising under, due and owing to, or related to the Insurance Programs; (e) modifying the automatic stay to the extent necessary to permit the Debtors' employees to proceed with Workers' Compensation Claims under the Workers' Compensation Policy; and (f) granting related relief, all as more fully set forth in the Motion; and the Court having reviewed the Motion and the First Day Declaration; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. § 1334; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and that the Court may enter a final order consistent with Article III of the United States Constitution; and the Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is

necessary; and upon the record herein; and after due deliberation thereon; and all objections, if any, to the Motion having been withdrawn, resolved, or overruled; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and the Court having determined that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest, it is hereby

ORDERED, ADJUDGED, AND DECREED THAT:

Cash Management

1. The Debtors are authorized, but not directed, to continue to maintain, and manage their cash pursuant to, the Cash Management System; to collect, concentrate, and disburse cash in accordance with the Cash Management System, including Intercompany Transactions; and to make ordinary course changes to their Cash Management System without further order of the Court.

2. The Debtors are authorized, but not directed, to (a) designate, maintain, and continue to use any or all of their existing Accounts, including those listed on Exhibit B to the Motion, in the names and with the account numbers existing immediately before the Petition Date, (b) to the extent of available funds, deposit funds in, and withdraw funds from, such accounts by way of an Ordinary Transfer Method, including, without limitation, checks, wire transfers, ACH transfers, and other debits, (c) pay any Account Fees or other charges associated with the Accounts, whether arising before or after the Petition Date, and (d) treat their prepetition Debtor Accounts for all purposes as debtor in possession accounts.

3. The Debtors are authorized, but not directed, to (a) open new Accounts and close any existing Accounts in the ordinary course of business as they may deem necessary and appropriate, and any relevant bank is authorized to honor the Debtors' requests to open or close

such Accounts, and (b) enter into any ancillary agreements, including new deposit control agreements, related to the foregoing, as they may deem necessary and appropriate; provided that all accounts opened by any of the Debtors on or after the Petition Date at any bank shall, for purposes of this Final Order, be deemed a Debtor Account as if it had been listed on Exhibit B to the Motion; provided, further, that all new accounts opened within the United States by the Debtors on or after the Petition Date shall be at depositories that are (i) insured by the FDIC or the Federal Savings and Loan Insurance Corporation, (ii) designated as an Authorized Depository by the U.S. Trustee pursuant to the U.S. Trustee Guidelines, and (iii) with a bank that agrees to be bound by the terms of this Final Order; provided, further, that the Debtors shall provide prior written notice, to the extent reasonably practicable (email notice being sufficient), to the U.S. Trustee, counsel to the DIP Lenders (as defined in the DIP Orders), and, if appointed, counsel to any statutory committee, of the opening or closing of any Debtor Account, and such opening or closing shall be timely reported in the Debtors' monthly operating reports.

4. The Banks are authorized to receive, process, honor, and pay any and all checks issued, or to be issued, and electronic funds transfers requested, or to be requested, by the Debtors relating to such obligations as set forth herein, to the extent that sufficient funds are on deposit in available funds in the applicable Accounts to cover such payments. The Banks are authorized to accept and rely on all representations made by the Debtors with respect to which checks, drafts, wires, or automated clearing house transfers should be honored or dishonored in accordance with this or any other order of this Court, whether such checks, drafts, wires, or transfers are dated prior to, on, or after the Petition Date, without any duty to inquire otherwise.

5. The Debtors are authorized, but not directed, to issue new postpetition checks, or effect new electronic funds transfers, and to replace any prepetition checks or electronic fund

transfer requests that may be lost or dishonored or rejected as a result of the commencement of the Chapter 11 Cases with respect to any unpaid prepetition amounts that are authorized to be paid pursuant to this Final Order.

6. Each of the Debtor's Banks is authorized and directed to debit the Debtors' accounts in the ordinary course of business without the need for further order of this Court for: (i) all checks drawn on the Debtors' accounts which are cashed at such Bank's counters or exchanged for cashier's checks by the payees thereof prior to the Petition Date; (ii) all checks or other items deposited in one of the Debtors' accounts with such Bank prior to the Petition Date which have been dishonored or returned unpaid for any reason, together with any fees and costs in connection therewith, to the same extent the Debtors were responsible for such items prior to the Petition Date; and (iii) all undisputed prepetition amounts outstanding as of the date hereof, if any, owed to any Bank as service charges for the maintenance of the Cash Management System; and that any of the Debtors' Banks may rely on the representations of the Debtor with respect to whether any check or other payment order drawn or issued by the Debtors prior to the Petition Date should be honored pursuant to this Order or any other order of this Court, and such Bank shall not have any liability to any party for relying on such representations by the Debtors as provided for herein.

7. The Banks shall not be liable to any party on account of: (a) following the Debtors' representations, instructions, or presentations as to any order of the Court (without any duty of further inquiry); (b) honoring transactions issued by Ordinary Transfer Method, including, but not limited to, prepetition checks, drafts, wires, electronic funds transfers, ACH transfers or other items with the good faith belief or upon a representation by the Debtors that the Court has authorized payment by way of such Ordinary Transfer Method; or (c) an innocent mistake made despite implementation of reasonable handling procedures.

8. Those certain existing deposit agreements between the Debtors and their existing Banks shall continue to govern the postpetition cash management relationship between the Debtors and the Banks, and that all of the provisions of such agreements, including, without limitation, the termination and fee provisions, shall remain in full force and effect, without the need for further Court order. Either the Debtors or the Banks may, without further order of this Court, implement changes to the Cash Management System and procedures in the ordinary course of business pursuant to terms of those certain existing deposit agreements, including, without limitation, the opening and closing of Accounts.

9. Notwithstanding anything to the contrary contained herein, any payment to be made hereunder, and any authorization contained herein, shall be subject to any interim and final orders, as applicable, approving the Debtors' use of cash collateral, postpetition secured debtor-in-possession financing of the Debtors, and/or the Debtors' entry into any postpetition financing facilities or credit agreements, and any budgets in connection therewith governing any such postpetition financing and/or use of cash collateral (each such order, a "DIP Order" and, together, the "DIP Orders"). To the extent there is any inconsistency between the terms of the DIP Order and any action taken or proposed to be taken hereunder, the terms of the DIP Order shall control.

10. The Debtors are authorized, but not directed, to, in their discretion: (a) make payments, net, and set off amounts owed on account of prepetition Intercompany Transactions, including for the purpose of reconciling prepetition Intercompany Claims; and (b) continue to enter into postpetition Intercompany Transactions and, in the ordinary course, make payments, net, and set off amounts owed on account of postpetition Intercompany Transactions, including for the purpose of reconciling postpetition Intercompany Claims, in each case in a manner consistent with the Debtors' past practices and subject to the DIP Orders; provided that the Debtors shall maintain

accurate and detailed records of all transfers and transactions within the Cash Management System in accordance with paragraph 12 of this Final Order.

11. All Intercompany Claims against a Debtor held by another Debtor or a Non-Debtor Affiliate that arise after the Petition Date as a result of Intercompany Transactions described in the Motion are hereby granted administrative expense priority status in accordance with section 503(b)(1)(A) of the Bankruptcy Code to the extent such Intercompany Transactions provide actual and necessary benefits to the Debtors' estates.

12. The Debtors shall maintain accurate and detailed records of all transfers within the Cash Management System, including, without limitation, Intercompany Transactions and the payment of Intercompany Claims, so that (a) all transfers and transactions, including, without limitation, Intercompany Transactions and the payment of Intercompany Claims may be adequately and promptly documented and recorded in, and readily ascertained and traced from, their books and records, to the same extent maintained by the Debtors before the Petition Date; and (b) prepetition and postpetition transfers and transactions, including, without limitation, Intercompany Transactions and the payment of Intercompany Claims may be distinguished for the purposes of determining administrative expense status. Further, the Debtors shall maintain a report setting forth all Intercompany Transactions that constitute cash payments, both between Debtors and among Debtors and Non-Debtor Affiliates. To the extent that the transfers within the Cash Management System are disbursements, they shall be noted and reflected on the monthly operating reports and post confirmation reports filed by Debtors.

13. The Debtors are authorized, but not directed, to remit approximately \$1,500 in California sales and use taxes held on account of prepetition and postpetition periods and to pay their quarterly Delaware franchise tax in the ordinary course of business, including to the extent

such obligations accrued prior to the Petition Date, as described in the Motion, in each case subject to the DIP Orders.

14. The Debtors are authorized, but not directed, to maintain the Existing Letters of Credit and related collateral arrangements described in the Motion, including any cash collateral, investment accounts, or other security pledged to secure such Existing Letters of Credit, and the applicable Banks and issuing institutions are authorized to continue to administer, honor, draw upon, and apply such collateral in accordance with the terms of the applicable letters of credit and related documents, in each case subject to the DIP Orders and applicable provisions of the Bankruptcy Code.

15. To the extent that any of the Debtors' Accounts are not in compliance with section 345(b) of the Bankruptcy Code and any provision of the U.S. Trustee Guidelines, the Debtors shall have until the date that is sixty days after entry of this Final Order, without prejudice to seeking an additional extension or extensions, to come into compliance with section 345(b) of the Bankruptcy Code and the U.S. Trustee Guidelines, and the requirements of section 345(b) of the Bankruptcy Code and the U.S. Trustee Guidelines are hereby waived through such date.

16. The Debtors are authorized to continue using, as such forms were in existence immediately before the Petition Date, the Business Forms, without reference to any Debtors' status as a debtor in possession; provided, that once the Debtors have exhausted their existing stock of checks, the Debtors shall ensure that any new checks are clearly labeled "Debtor In Possession" as soon as it is reasonably practicable to do so; provided further, that with respect to any Business Forms that exist or are generated electronically, the Debtors shall use reasonable efforts to ensure that such electronic Business Forms are labeled "Debtor In Possession" within 15 days following entry of this Final Order, without prejudice to seeking an additional extension of such deadline.

The Debtors may obtain a further extension of the 15-day time period referenced in this paragraph by entering into a written stipulation with the U.S. Trustee without the need for further Court order.

Insurance Programs

17. The Debtors are authorized, but not directed, to maintain and continue the Insurance Programs (as defined in the Motion) without interruption in the ordinary course of business.

18. The Debtors are authorized, but not directed, to pay, in their discretion, all Insurance Obligations (as defined in the Motion), including, without limitation, any premiums, premium-financing payments, deductibles, self-insured retentions, workers' compensation claims, audit adjustments, broker fees, and any incidental claims administration charges that become due and payable under or in connection with the Insurance Programs, whether relating to the period before or after the Petition Date, in each case subject to the DIP Orders.

19. The Debtors are authorized, but not directed, to revise, extend, renew, supplement, replace, or obtain new Insurance Policies, any related premium financing arrangements, and any Letters of Credit supporting the Insurance Policies, and to take all actions in connection therewith in the ordinary course of business as the Debtors may deem necessary or appropriate in their business judgment.

20. Pursuant to section 362(d) of the Bankruptcy Code, the automatic stay is hereby modified to the extent necessary to permit the Debtors' employees and former employees that hold claims under the Debtors' Workers' Compensation Policy to proceed with their Workers' Compensation Claims in the appropriate judicial or administrative forum. The Debtors are authorized, but not directed, to pay any amounts owed on account of Workers' Compensation Claims, including any related administrative costs, in accordance with applicable law and the terms of the Workers' Compensation Policy.

21. The Banks are authorized to receive, process, honor, and pay any and all checks issued, or to be issued, and electronic funds transfers requested, or to be requested, by the Debtors relating to the Insurance Obligations, to the extent that sufficient funds are on deposit in available funds in the applicable Accounts to cover such payments, in accordance with the other provisions of this Final Order.

22. Nothing in the Motion or this Final Order, or any payment made pursuant to this Final Order, is intended to be or shall be deemed as (a) an implication or admission as to the amount of, basis for, or validity of any claim against the Debtors; (b) a waiver or limitation of the Debtors' or any other party in interest's right to dispute the amount of, basis for, or validity of any claim; (c) a waiver of the Debtors' or any other party in interest's rights under the Bankruptcy Code or any other applicable non-bankruptcy law; (d) a waiver of the obligation of any party in interest to file a proof of claim; (e) a promise or requirement to pay any particular claim; (f) a waiver of any claims or causes of action which may exist against any entity under the Bankruptcy Code or any other applicable law; (g) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; (h) an admission that any lien satisfied pursuant to the Motion is valid (and all rights to contest the extent, validity, or perfection or seek avoidance of all such liens are expressly reserved); or (i) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code. Any payment made pursuant to this Final Order is not intended to be and should not be construed as an admission to the validity of any claim or waiver of the Debtors' or any other party in interest's rights to dispute such claim subsequently.

23. Nothing in this Final Order directs the Debtors to accelerate any payments not otherwise due.

24. Notice of the Motion is adequate under the Bankruptcy Rules, including Bankruptcy Rule 6004(a), and the Bankruptcy Local Rules.

25. Notwithstanding Bankruptcy Rule 6004(h), to the extent applicable, this Final Order shall be effective and enforceable immediately upon entry hereof.

26. The Debtors are further authorized and empowered to take all actions necessary or appropriate to implement the relief granted in this Final Order.

27. The Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, or enforcement of this Final Order.

SIGNED: _____, 2025

CHRISTOPHER M. LOPEZ
UNITED STATES BANKRUPTCY JUDGE