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Proposed Attorneys for Debtor
and Debtor-in-Possession

IN THE UNITED STATES DISTRICT COURT

FOR THE NORTHERN MARIANA ISLANDS

BANKRUPTCY DIVISION

In re

IMPERIAL PACIFIC
INTERNATIONAL (CNMI), LLC

Debtor and
Debtor-in-possession

Case No. 24-00002
(Chapter 11)

**EXHIBITS "A" - "B" TO MOTION FOR ORDER AUTHORIZING
DEBTOR TO OBTAIN POSTPETITION SECURED INDEBTEDNESS**



240000224090600000000005

EXHIBIT A

LOAN TERM SHEET FOR \$7,000,000.00 DIP CREDIT FACILITY

Borrowers: IMPERIAL PACIFIC INTERNATIONAL (CNMI), LLC, (the “Borrower” or “Debtor”) as debtor-in-possession in Chapter 11 Case in the United States District Court for the District of the Northern Mariana Islands (“Court”), in the Debtor’s Chapter 11 case (“Chapter 11 Case”).

Lender: Loi Lam SIT (Hong Kong Passport: [REDACTED] 9890) (“Lender”).

Loan Amount and Terms: Maximum credit facility of up to \$7,000,000.00 (“DIP Credit Facility”) to be funded upon approval of the DIP Credit Facility by the Court in accordance with the terms herein.

Availability: The DIP Credit Facility will be made available in two or more draws, subject to conditions set forth herein. Up to \$400,000.00 shall be immediately available under the DIP Credit Facility upon entry of an interim order by the Court approving the DIP Credit Facility, with the balance available upon entry of a final order.

Use of Proceeds and Carve Out: The DIP Credit Facility shall be used to pay post-petition administrative expenses of the Chapter 11 Case, including, but not limited to, payment for maintenance and preservation of the property of the Debtor’s estate, rent, insurance, utility services, operating expenses and court-approved professional fees and as such pre-petition expenses as may be approved by the Bankruptcy Court, provided, however, that not less than \$500,000 shall be “carved out” and set aside for (a) fees and expenses of professionals employed at the expense of the estate (including attorneys, accountants and appraisers); and (b) U.S. Trustee quarterly fees (“Carve Out”) as may be approved by the Bankruptcy Court, and as set forth in the budget approved by the Lender, provided, however that the Carve Out for any Committee professionals shall be limited to \$150,000.

Priority and Collateral: The DIP Credit Facility shall be (a) secured by a junior mortgage on [describe leases] pursuant to 11 U.S.C. § 364(c)(3); and (b) “superpriority” status pursuant to 11 U.S.C. § 364(c)(1), provided, however, that Lender’s priority shall be subject to the Carve Out.

Conditions Entry of an interim and final order which contains, among other terms, a finding that Lender is a “good faith” lender pursuant to 11 U.S.C. § 364(e), and a budget acceptable to the Lender.

Interest Rate: Simple interest at the rate of 10% per annum shall accrue. Default interest shall accrue at the rate of 12% per annum.

- Maturity:** The DIP Credit Facility shall be due on or before the earlier of: (a) the occurrence of an Event of Default, (b) entry of an order converting the chapter 11 case to a case under chapter 7 of the Bankruptcy Code or dismissing the chapter 11 case, (c) the entry of an order appointing a chapter 11 trustee or examiner, (d) the effective date of a chapter 11 plan; or (e) December 31, 2024.
- Loan Documents:** Borrower shall execute and deliver, and cause to be executed and delivered to each Lender a Promissory Note, UCC-1 financing statements, and such other documents as are reasonable and customary for similar loans.
- Fees and Expenses:** Upon closing of the DIP Credit Facility, Borrower will pay Lender's reasonable fees and expenses.
- Governing Law:** CNMI
- Events of Default:** Customary defaults including, (a) failure to pay principal, interest, fees and expenses when due; (b) violation of covenants; (c) change of control; (d) granting of relief from automatic stay to any creditor with a claim in excess of \$250,000 relief; (e) or a plan of reorganization in a form reasonably acceptable to Lender regarding the treatment of its DIP loan shall not have been filed by Debtor by July 1, 2024; (f) approved by the Court by February 28, 2025.
- Representations and Warranties:** Customary representations and warranties including, those mentioned in this Term Sheet and the following: (a) organization, qualification and due authorization of the Borrower; (b) no undisclosed litigation; (c) no breach of laws or regulations; (d) all necessary third party consents have been obtained.

IMPERIAL PACIFIC INTERNATIONAL (CNMI),
LLC

By: _____
Name: Howyo Chi
Its: Manager

LENDER

By: _____
Name: _Loi Lam SIT_____

EXHIBIT B

	May-24	Jun-24	Jul-24
Beginning cash balance	-	1,122.50	(3,090,755.00)
SALES	-	-	-
DIP Loan	400,000.00	200,000.00	200,000.00
GROSS PROFIT	400,000.00	200,000.00	200,000.00
OPERATING EXPENSES			
AUTO EXPENSES	200.00	200.00	200.00
BANK FEES	37.50	37.50	37.50
COMMONWEALTH CASINO COMMISSION/ CNMI Treasury*		3,150,000.00	3,000,000.00
EQUIPMENT LEASES			
INSURANCE	50,000.00		
PROFESSIONAL SERVICES (NONBANKRUPTCY)	3,000.00	3,000.00	3,000.00
RENT - DPL	207,000.00	-	-
REPAIRS & MAINTENANCE	950.00	950.00	950.00
SALARIES & WAGES	30,000.00	30,000.00	30,000.00
GENERAL ADMIN EXPENSES	300.00	300.00	300.00
TAX - GENERAL EXCISE			
TAX- PAYROLL	4,500.00	4,500.00	4,500.00
TAX - REAL PROPERTY			
TAX - OTHERS			
UTILITIES (ELECTRICITY/WATER)	2,500.00	2,500.00	2,500.00
UTILITIES (COMMUNICATIONS / PHONE / INTERNET)	300.00	300.00	300.00
UTILITIES (GARBAGE)	90.00	90.00	90.00
CHAPTER 11 EXPENSES (UST Quarterly Fees)			24,726.04
CHAPTER 11 PROFESSIONALS	100,000.00	100,000.00	100,000.00
TOTAL EXPENSES	398,877.50	3,291,877.50	3,166,603.54
NET OPERATING INCOME (LOSS)	1,122.50	(3,091,877.50)	(2,966,603.54)
Ending cash balance	1,122.50	(3,090,755.00)	(6,057,358.54)
* Subject to approval of settlement by CNMI and Court			