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The following constitutes the order of the Court.**Signed: September 25, 2024**

Charles Novack
U.S. Bankruptcy Judge*Proposed Attorneys for the Debtors and
Debtors in Possession***UNITED STATES BANKRUPTCY COURT****NORTHERN DISTRICT OF CALIFORNIA****SANTA ROSA DIVISION**

In re:

LEFEVER MATTSON, a California
corporation, *et al.*,¹

Debtor.

Lead Case No. 24-10545 (CN)

(Jointly Administered)

Chapter 11

**INTERIM ORDER (I) APPROVING
CONTINUED USE OF THE
DEBTORS' CASH MANAGEMENT
SYSTEM AND BANK ACCOUNTS;
(II) AUTHORIZING THE DEBTORS
TO OPEN AND CLOSE BANK
ACCOUNTS; AND
(III) AUTHORIZING BANKS TO
HONOR CERTAIN PREPETITION
TRANSFERS**

¹ The last four digits of LeFever Mattson's tax identification number are 7537. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at <https://veritaglobal.net/LM>. The address for service on the Debtors is 6359 Auburn Blvd., Suite B, Citrus Heights, CA 95621.



Upon consideration of the *Motion of Debtors for Order (I) Approving Continued Use of the Debtors' Cash Management System and Bank Accounts; (II) Authorizing the Debtors to Open and Close Bank Accounts; and (III) Authorizing Banks to Honor Certain Prepetition Transfers* (the "Motion"),² filed by the above-captioned debtors and debtors in possession (the "Debtors"); the Court having reviewed the Motion and the Sharp Declaration and having considered the statements of counsel and the evidence adduced with respect to the Motion at a hearing before the Court (the "Hearing"); and the Court having found that (i) the Court has jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, and the *Order Referring Bankruptcy Cases and Proceedings to Bankruptcy Judges*, General Order 24 and Rule 5011-1(a) of the Bankruptcy Local Rules for the United States District Court for the Northern District of California; (ii) venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409; (iii) this is a core proceeding pursuant to 28 U.S.C. § 157(b); (iv) notice of the Motion and the Hearing was sufficient under the circumstances; and (v) good cause exists to waive the requirements imposed by Bankruptcy Rules 6003 and 6004, to the extent they are applicable; and after due deliberation the Court having determined that the relief requested in the Motion is in the best interests of the Debtors, their estates, and their creditors and necessary to prevent immediate and irreparable harm to the Debtors and their estates; and good and sufficient cause having been shown;

IT IS HEREBY ORDERED THAT:

1. The Motion is granted on an interim basis.
2. The Debtors are authorized, but not directed, to maintain the Cash Management System in substantially the same form as described in the Motion.
3. The Debtors are authorized, but not directed, to maintain their current Cash Management System and Bank Accounts without interruption.
4. The Debtors shall designate the Bank Accounts as debtor-in-possession accounts.

² Capitalized terms not otherwise defined herein shall have the meanings given to them in the Motion.

1 5. The Debtors are further authorized to (i) designate, maintain, and continue to use
2 any or all of their existing Bank Accounts, including those listed on the Schedule of Bank Accounts
3 attached as Exhibit 3 to the Sharp Declaration, with the account numbers existing immediately
4 before the Petition Date, (ii) deposit funds in, and withdraw funds from, such accounts by all usual
5 means, including, without limitation, checks, wire transfers, ACH transfers, and other debits, and
6 (iii) pay any bank fees or other charges associated with the Bank Accounts, whether arising before
7 or after the Petition Date.

8 6. With the exception of the Unauthorized Depository Accounts, the Debtors are not
9 required to (a) close existing Bank Accounts and open new debtor-in-possession accounts
10 (provided that such Bank Accounts are designated as debtor-in-possession accounts) or
11 (b) establish specific Bank Accounts for tax payments. The Debtors may transfer funds into, out
12 of, and through the Cash Management System using ordinary transfer methods in accordance with
13 the Debtors' prepetition practice. The Debtors shall continue to maintain records with respect to
14 all transfers of cash so that all transactions may be readily ascertained, traced, and recorded
15 properly.

16 7. The Debtors are authorized, but not directed, to pay and/or reimburse the Banks in
17 the ordinary course of business for any Cash Management Fees arising prior to or after the Petition
18 Date, and the Banks are authorized to charge and offset against credits owing to the Debtors any
19 Cash Management Fees.

20 8. The Debtors are authorized, but not directed, to continue to use their existing
21 Business Forms without alteration or change and without the designation "Debtor-in-Possession"
22 imprinted upon them.

23 9. The Banks are authorized to accept and hold, or invest, the Debtor's funds in
24 accordance with the Debtors' instructions, provided, in each case, that the Banks shall not have
25 any liability to any party for relying on such representations. Nothing contained herein is intended
26 to or shall modify the Debtors' obligations under section 345 of the Bankruptcy Code.

27 10. The Banks are authorized, but not directed, to accept and honor all representations
28 from the Debtors regarding which checks, drafts, wires, or ACH transfers should be honored or

dishonored consistent with any order of this Court, whether such checks, drafts, wires, or ACH transfers are dated prior to, on, or subsequent to the Petition Date; provided, however, that to the extent the Debtors direct the Banks to dishonor any disbursements or the Banks inadvertently dishonor any disbursements, the Debtors may issue replacement disbursements consistent with the orders of this Court. The Banks shall not be liable to any party on account of: (i) following the Debtors' instructions or representations as to any order of this Court; (ii) honoring any prepetition check or item in a good faith belief that the Court has authorized such prepetition check or item to be honored; or (iii) an innocent mistake made despite implementation of reasonable item-handling procedures.

11. The Banks are further authorized to: (i) honor the Debtors' directions with respect to the opening and closing of any Bank Accounts and (ii) accept and hold, or invest, the Debtors' funds in accordance with the Debtors' instructions, provided, in each case, that the Banks shall not have any liability to any party for relying on such representations.

12. Nothing contained in the Motion or this Order is intended to be or shall be construed as (i) an admission as to the validity of any claim against the Debtors; (ii) a waiver of the Debtors' or any appropriate party in interest's rights to dispute the amount of, basis for, or validity of any claim against the Debtors; (iii) a waiver of any claims or causes of action that may exist against any creditor or interest holder; or (iv) an approval, assumption, adoption, or rejection of any agreement, contract, lease, program, or policy between the Debtors and any third party under section 365 of the Bankruptcy Code.

13. The requirements of Bankruptcy Rule 6003(b) have been satisfied.

14. The requirements of Bankruptcy Rule 6004(a) are waived.

15. Notwithstanding the provisions of Bankruptcy Rules 6004(h), this Interim Order shall be immediately effective and enforceable upon its entry.

16. A hearing to consider the relief requested in the Motion on a final basis is set for October 15, 2024, at 1:30 p.m. (Pacific Time). Any objections to granting the relief requested on a final basis must be filed with the Court and served on counsel for the Debtor by October 8, 2024.

1 17. The Debtors are hereby authorized to take such actions and to execute such
2 documents as may be necessary to implement the relief granted by this Order.

3 18. The Court retains exclusive jurisdiction with respect to all matters arising from or
4 related to the implementation, interpretation, and enforcement of this Order.

5 ** END OF ORDER **

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11 APPROVED AS TO FORM:

12 TRACY HOPE DAVIS
13 UNITED STATES TRUSTEE

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15 By: /s/ Jared A. Day
16 Jared A. Day
17 Trial Attorney for United States Trustee

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Court Service List

All ECF Participants