

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ALABAMA
SOUTHERN DIVISION**

In re:

PREMIER KINGS, INC., *et al.*,¹

Debtors.

(Chapter 11)

Case No. 23-02871 (TOM)

Joint Administration Requested

**MOTION OF THE DEBTORS AND DEBTORS-IN-POSSESSION FOR
ENTRY OF INTERIM AND FINAL ORDERS AUTHORIZING PAYMENT OF
PREPETITION PAYROLL OBLIGATIONS, EMPLOYEE BENEFITS AND RELATED
ITEMS, AND THE CONTINUATION OF CERTAIN EMPLOYMENT
PROGRAMS AND POLICIES IN THE ORDINARY COURSE**

Premier Kings, Inc., and its debtor affiliates, as debtors and debtors-in-possession in the above-captioned chapter 11 cases (each a “Debtor” and, collectively, the “Debtors”), by their undersigned proposed counsel and pursuant to sections 105(a) and 507(a)(4) and (5) of Title 11 of the United States Code (the “Bankruptcy Code”), hereby move (the “Motion”) for entry of interim and final orders substantially in the form attached hereto as **Exhibit A** and **Exhibit B**, respectively (the “Proposed Orders”), authorizing, but not requiring, the Debtors to pay prepetition payroll obligations, employee benefits, and related items, and to continue on a post-petition basis certain of the Debtors’ employment programs and policies in the ordinary course. In support of the Motion, the Debtors rely upon and hereby incorporate by reference the *Declaration of David Baker in Support of First-Day Motions* (the “Baker Declaration”),² filed

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification numbers, are: Premier Kings, Inc. (3932); Premier Kings of Georgia, Inc. (9797); and Premier Kings of North Alabama, LLC (9282). The Debtors’ address is 7078 Peachtree Industrial Blvd., Suite #800, Peachtree Corners, GA 30071. The Debtors have filed a motion for joint administration with the Court.

² All capitalized terms used but not defined herein shall have the meanings ascribed to them in the Baker Declaration.



contemporaneously herewith. In further support of this Motion, the Debtors respectfully state as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157(b) and 1334, and the General Order of Reference from the United States District Court for the Northern District of Alabama dated July 16, 1984, as amended July 17, 1984. This is a core proceeding under 28 U.S.C. § 157(b)(2)(A) and (O).

2. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The statutory predicates for the relief sought herein are Sections 105(a) and 507(a)(4) and (5) of the Bankruptcy Code and Federal Rules of Bankruptcy Procedure (“Bankruptcy Rules”) 6003 and 6004.

BACKGROUND

I. Introduction.

4. On the date hereof (the “Petition Date”), the Debtors filed voluntary petitions in this Court for relief under chapter 11 of the Bankruptcy Code.

5. The Debtors continue to manage and operate their businesses as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

6. No official committee of unsecured creditors has been appointed.

7. No request for a trustee or examiner has been made in these chapter 11 cases.

8. Information regarding the Debtors’ businesses, capital structure, and the circumstances leading to the commencement of these chapter 11 cases is set forth in the Baker Declaration. Those facts are incorporated herein by reference.

II. The Debtors' Workforce.

9. As of the Petition Date, the Debtors have 3,605 employees (the "Employees"), 236 of whom are on salary (the "Salaried Employees") and 3,369 of whom are paid hourly (the "Hourly Employees"). The Debtors' employee workforce is comprised of 3,540 restaurant-level employees, who perform functions necessary to prepare and serve food, receive and stock inventory, and handle daily upkeep. An additional 65 employees are Area Directors, Directors of Operations, Regional Vice Presidents, Corporate Administrators, or who perform maintenance functions. Five Hundred Eighty-Five (585) of the Employees work full time. Full-time Employees are those who are regularly scheduled to work at least 30 hours per week (the "Full-Time Employees"). Three thousand Forty-Seven (3,047) of the Employees work part time. Part-time Employees are those who are regularly scheduled to work less than 30 hours per week (the "Part-Time Employees").

III. The Debtors' Prepetition Payroll Obligations.

10. The Debtors pay Employees bi-weekly on the second Tuesday following each pay period, which begins on a Monday and ends on a Sunday. Payments to employees are handled on a centralized basis and with the assistance of a third-party payroll processor, Greenlink Human Capital Management ("Greenlink"). Prior to payday, the Debtors' payroll account is funded with enough money to cover payroll for the pay period. Greenlink calculates the payroll obligations, handles direct deposits, checks, and pays payroll taxes and other applicable deductions required by law. Greenlink charges a fee of approximately \$1.85 per Employee on a bi-weekly basis for this service, but the Debtors believe that there is no outstanding balance as of the Petition Date on account of this ordinary course service.

11. Because the Employees are paid in arrears, as of the Petition Date, the Employees have not been paid all of their prepetition wages. Specifically, the Employees are not scheduled

to be paid until November 7, 2023 for prepetition wages covering a two-week period containing 8 pre-petition days.

12. As of the Petition Date, the aggregate amount of accrued wages that remain unpaid to the Debtors' Employees is \$1,530,908.00, with an additional \$62,288.00 owing on account of related insurance, for a total of approximately \$1,593,196.00 (collectively, the "Prepetition Payroll Obligations").³ None of the Employees the Debtors seek to pay will receive more than the cap under 11 U.S.C. § 507(a)(4)(A). A schedule of the Prepetition Payroll Obligations is attached hereto as Exhibit C.⁴

IV. Employee Benefits.

13. In the ordinary course of business, the Debtors maintain various employment benefit plans and policies, administered through Global Financial Services, including, without limitation, medical and prescription plans, a dental plan, a vision plan, voluntary employee-paid life insurance, short-term disability insurance, group accident insurance and group critical care insurance, and the Debtors administer other benefit programs themselves, including paid time off and other employee benefit programs (collectively, the "Employee Benefits"). The availability of the Employee Benefits to Employees varies depending on several factors including employee classification, hours worked per week, and length of employment.

³ For certain administrative and management level Employees, the Debtors previously implemented a retention program in or around September 2022, which was supplemented in September 2023 to include Area Directors, as well as an incentive program for management level Employees and above during October 2023. No payments under the pre-petition retention or incentive programs are included in the Prepetition Payroll Obligations and this Motion does not seek the Court's approval of any such payments. As of the Petition Date, no amounts under either the retention or incentive program have accrued.

⁴ Because the Debtors collectively have thousands of Employees, Exhibit C identifies the Prepetition Payroll Obligations by category rather than by the amount to be paid to each Employee. The amount to be paid to each employee is within the cap set forth in §§ 507(a)(4)(A) and (a)(5)(B) of the Bankruptcy Code.

14. By this Motion, the Debtors seek authority, in the exercise of their discretion, to pay pre-petition claims (if applicable), to honor obligations, and to continue programs, in the ordinary course of business and consistent with past practice, relating to the Employee Benefits, subject to the Debtors' ability to modify or discontinue any Employee Benefit in their discretion to reduce applicable costs or the benefits provided thereunder.

A. Health Care Plans.

15. The Debtors offer eligible Employees and their eligible dependents the opportunity to participate in health and welfare programs that provide medical insurance coverage and prescription drug benefits (the "Medical Plans"), dental insurance coverage (the "Dental Plans,"), and vision coverage (the "Vision Plan," and, together with the Medical Plans and Dental Plans, the "Health Care Plans").

16. Depending on eligibility, the Medical Plans consist of three (3) options through UnitedHealthcare: the 4000 Deductible – CAVZ; the 3000 Deductible – AZSC; and the 1000 Deductible – CASK. Generally, the medical and prescription drug coverage in the Medical Plans differs depending on how much the Employee pays and the level of coverage the Employee elects to receive. The Dental Plan and Vision Plan are provided through Guardian, with varying coverage depending on in-network versus out-of-network providers.

17. The Debtors pay half of the Employees' premium for the Medical Plans, and the other half is paid by the Employees. The Employees pay 100% of the premiums for the Dental Plan and Vision Plan.

B. Insurance and Disability Programs.

18. The Debtors offer eligible Employees voluntary employee-paid Whole Life Plus Insurance, Short Term Disability Insurance, Group Accident Insurance and Group Critical Care Insurance through Colonial Life (the "Insurance and Disability Plans").

C. Paid Time Off Program.

19. The Debtors provide paid time off (“PTO”) to eligible Employees in the form of 10 vacation days per year. Employees can carry over up to one week of PTO each year. The Debtors also provide Employees with FMLA and Military leave in accordance with applicable law and maintains a programs for unpaid leaves of absence.

D. Additional Employee Benefits.

20. The Debtors provide an employee meal plan for Employees (the “Additional Employee Benefits”). Hourly Employees are given a 50% discount on all regular priced menu items, including shakes, milk, and juice, and may consume soft drinks, coffee, and tea at no charge. Managers and Assistant Managers are permitted one free meal per shift.

RELIEF REQUESTED

21. By this Motion, the Debtors seek entry of an order, attached hereto, (a) authorizing, but not requiring, the Debtors to pay outstanding Prepetition Payroll Obligations and Employee Benefits and (b) authorizing the Debtors to continue to honor in the ordinary course of their business and perform their obligations under the Health Care Plans, Insurance and Disability Plans, PTO, and the Additional Employee Benefits.

22. The Debtors further request that all applicable banks and other financial institutions be authorized to receive, process, honor, and pay any and all checks and transfers drawn on the Debtors’ accounts, whether such checks were presented before, or are presented after, the Petition Date. The Debtors represent that any such checks are drawn on identifiable bank accounts. Accordingly, checks other than those for the Prepetition Payroll Obligations and Employee Benefits will not be honored inadvertently. Moreover, the Debtors represent that they will have sufficient cash reserves to promptly pay all of the Prepetition Payroll Obligations and Employee Benefits, to the extent described herein, on an ongoing basis and in the ordinary

course of business. Accordingly, by this Motion, the Debtors seek (a) authorization for their banks to process and honor all checks issued for payments approved by this Motion and, (b) authorization to reissue checks for payments approved by this Motion where the applicable check is dishonored post-petition.

BASIS FOR RELIEF REQUESTED

23. Given the timing of this bankruptcy filing, the Debtors' outstanding Prepetition Payroll Obligations and certain Employee Benefits constitute prepetition obligations. The Debtors seek entry of the Proposed Orders authorizing payment of the Prepetition Payroll Obligations, Employee Benefits and related items, as well as authority to continue honoring the Employee programs and policies in the ordinary course.

24. Payment of the employee related obligations is justified under section 105(a) of the Bankruptcy Code and the widely recognized "necessity of payment doctrine." Under the "necessity of payment doctrine" and section 105(a) of the Bankruptcy Code, courts have permitted immediate payment of prepetition obligations where necessary to preserve or enhance the value of a debtor's estate for the benefit of all creditors, specifically including payment of prepetition claims of employees. In re Ionosphere Clubs, Inc., 98 B.R. 174, 175-76 (Bankr. S.D.N.Y. 1989) (finding that payment of prepetition wages, salaries, reimbursable business expenses and health benefits to active employees of debtor airline authorized); In re Chateaugay Corp., 80 B.R. 279, 286-88 (S.D.N.Y. 1987), appeal dismissed, 838 F.2d 59 (2d Cir. 1988) (approving lower court order authorizing debtor, prior to plan stage of case, to pay prepetition wages, salaries, expenses and benefits); In re Gulf Air Inc., 112 B.R. 152, 153-54 (Bankr. W.D. La. 1989) (permitting payment of prepetition wages, benefits and expenses as necessary to maintain going concern values and to assist reorganization efforts).

25. As explained in the Baker Declaration, the Debtors operate their businesses with over 3,500 employees, most of whom are employed at the Restaurant level, performing functions necessary to prepare and serve food, receive and stock inventory, and handle daily upkeep. The Employees' skills, knowledge, long-time relationships with customers and vendors, and understanding of the Debtors' business are the Debtors' most valuable asset. Additionally, the vast majority of the Employees are paid on an hourly basis. Any disruption in the Debtors' operations from Employee resignations or poor morale could have significant negative effects on the Debtors' reorganization efforts. Most of the Debtors' Employees (and their families) are dependent upon the wages, salaries, and other benefits they receive from the Debtors.

26. If amounts owed are not paid, insurance reimbursements not made, or other benefits delayed, Employees may suffer extensive personal hardship and, in some cases, will be unable to meet the "basic living needs." This could cause significant harm to Employees and their families and potentially make it difficult or impossible for them to continue working for the Debtors.

27. The Debtors believe that, to avoid the risk of such Employee resignations and to maintain Employee morale, it is critical that the Debtors be authorized to pay the Employees certain compensation amounts (subject to the statutory cap described below) that have been earned under the Debtors' prepetition contractual obligations or practices. It is also essential that the Debtors continue the employee programs and policies discussed in this Motion in the ordinary course of business and on an uninterrupted basis. Payment of these obligations and the continuation of the related programs and policies is essential to maintain employee morale and ensure that the Debtors retain their employees during this critical period.

28. Further, payment of the employee-related obligations will not prejudice other creditors of the Debtors' estates, as the employees, in any event, are entitled to priority status

under either §§ 507(a)(4) or (a)(5)(B) of the Bankruptcy Code with respect to such obligations and payment in full pursuant to a chapter 11 plan. See 11 U.S.C. § 1129(a)(9)(B). The Debtors will not pay any individual more than \$15,150.00, the statutory caps provided in §§ 507(a)(4)(A) and (a)(5)(B) of the Bankruptcy Code.

29. This Court and other courts have recognized the validity of the foregoing justifications for allowing debtors to pay prepetition compensation, deductions, and benefits and, as a result, routinely have granted relief similar to that requested herein. See In re Premier Cajun Kings, LLC, Case No. 23-00656 (DSC) (Bankr. N.D. Ala. Mar. 14, 2023) (Dkt. No. 53, 131); In re FM Coal, LLC, et al., Case No. 20-02783 (TOM) (Bankr., N.D. Ala. Sept. 1, 2020) (Dkt. No. 45, 130) (authorizing the debtors to pay prepetition employee obligations and continue employee benefits and programs on an interim and final basis); In re Mission Coal Co., LLC, Case No. 18-04177(TOM) (Bankr. N.D. Ala. Nov. 21, 2018) (Dkt. No. 315) (authorizing debtors to continue employee compensation and benefit programs and pay certain prepetition obligations related thereto on a postpetition basis on an interim basis); In re Walter Energy, Inc., Case No. 15-02741 (TOM) (Bankr. N.D. Ala. July 15, 2015) (Dkt. No. 61); In re Fieldstone Mortgage Company, Case No. 07-21814 (JS) (Bankr. D. Md.); In re Joan Fabrics Corporation, et al., Case No. 07-10479 (Bankr. D. Del. April 11, 2007) (CSS); In re Pliant Corporation, Case No. 06-10001 (Bankr. D. Del. Jan. 4, 2006) (MFW).

30. Accordingly, granting the relief requested would affect only the timing and not the amount of payment of the employee-related obligations to the extent that they constitute priority claims. Many Employees live from paycheck to paycheck and rely exclusively on receiving their full compensation in order to continue paying their daily living expenses.

31. With respect to that portion of the employee obligations that constitutes “trust fund” taxes, the relevant taxing authorities would hold a priority claim under section 507(a)(8) of

the Bankruptcy Code with respect to such obligations. Moreover, the monies payable for trust fund taxes generally are not property of a debtors' estate. See Begier v. Internal Revenue Serv., 496 U.S. 53, 67 (1990).

32. For all the reasons set forth herein, the Debtors submit that payment of the employee-related obligations and the continuation of the specified related employment programs and policies is necessary to the success of the Debtors' reorganization efforts and should be authorized by this Court.

BANKRUPTCY RULE 6003 IS SATISFIED

33. Bankruptcy Rule 6003(b) empowers a court to grant relief within the first 21 days after the Petition Date "to the extent that relief is necessary to avoid immediate and irreparable harm." Fed R. Bankr. P. 6003. Payment of the Prepetition Payroll Obligations and Employee Benefits is necessary to avoid immediate and irreparable harm to the Debtors' Employees, and therefore the Debtors' estate and creditors. If the Debtors' Employees were to miss even a single paycheck, it could negatively impact the faith of the Debtors' Employees and potentially cause an exodus of Employees that would negatively affect the Debtors' ability to operate its business. Accordingly, the Debtors meet the "immediate and irreparable harm" standard of Bankruptcy Rule 6003(b).

REQUEST FOR BANKRUPTCY RULE 6004 WAIVERS

34. The Debtors seek a waiver of (i) the notice requirements under Bankruptcy Rule 6004(a), and (ii) the stay of the order authorizing the use, sale, or lease of property under Bankruptcy Rule 6004(h), to the extent they are applicable, because the relief requested herein is necessary to avoid immediate and irreparable harm.

RESERVATION OF RIGHTS

35. Nothing contained herein is intended or should be construed as an admission as to the validity of any claim against the Debtors, a waiver of the Debtors' rights to dispute any claim, or an approval or assumption of any agreement, contract, or lease under Section 365 of the Bankruptcy Code. To the contrary, the Debtors expressly reserve their rights to contest any such claim. Likewise, if this Court grants the relief sought herein, any payment made pursuant to this Court's Order is not intended and should not be construed as an admission as to the validity of any claims, a waiver of the Debtors' rights to dispute such claim subsequently, or an admission that the entity paid is entitled to such payment by law.

PAYMENTS SUBJECT TO BUDGET

36. Notwithstanding anything contained in the Motion, any payment authorized to be made by the Debtors pursuant to this Motion shall be subject to and consistent with the terms and conditions contained in any orders entered by this Court authorizing the use of cash collateral and any order authorizing postpetition financing, including compliance with any budget or cash flow forecast in connection therewith.

NOTICE

37. The Debtors will provide notice of this Motion to: (a) the Office of the Bankruptcy Administrator for the Northern District of Alabama; (b) the holders of the forty (40) largest unsecured claims against the Debtors on a consolidated basis; (c) counsel to BKCI; (d) counsel to Wells Fargo Bank, National Association, as Administrative Agent for the Lender Group; (e) the United States Attorney's Office for the Northern District of Alabama; (f) the Internal Revenue Service; (g) the office of the Attorney General for the State of Alabama; (h) the Securities and Exchange Commission; and (i) any party that has requested notice pursuant to

Bankruptcy Rule 2002. The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

WHEREFORE, the Debtors respectfully request that the Court enter the Proposed Orders granting the relief requested herein, and such other and further relief as the Court deems just and proper.

Dated: October 25, 2023
Birmingham, Alabama

/s/ Jesse S. Vogtle, Jr.

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Proposed Attorneys for the Debtors and Debtors-in-Possession

**pro hac vice admissions pending*

EXHIBIT A

Proposed Interim Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ALABAMA
SOUTHERN DIVISION**

In re:

PREMIER KINGS, INC., *et al.*,¹

Debtors.

(Chapter 11)

Case No. 23-02871 (TOM)

Joint Administration Requested

**INTERIM ORDER AUTHORIZING PAYMENT OF PREPETITION PAYROLL
OBLIGATIONS, EMPLOYEE BENEFITS, AND RELATED ITEMS, AND THE
CONTINUATION OF CERTAIN EMPLOYMENT
PROGRAMS AND POLICIES IN THE ORDINARY COURSE**

Upon consideration of the motion (the “Motion”)² of the Debtors for entry of an order authorizing payment of prepetition payroll obligations, employee benefits and related items, and the continuation of certain employment programs and policies in the ordinary course; and upon consideration of all pleadings related thereto, including the Baker Declaration; and it appearing that the Court has jurisdiction to consider the Motion in accordance with 28 U.S.C. §§ 157 and 1334; and it appearing that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and it appearing that venue of this proceeding and this Motion is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that the relief requested in the Motion is in the best interest of the Debtors, their estates, and their creditors; and after due deliberation and good and sufficient cause appearing therefor;

IT IS HEREBY ORDERED THAT, ADJUDGED, AND DECREED THAT:

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification numbers, are: Premier Kings, Inc. (3932); Premier Kings of Georgia, Inc. (9797); and Premier Kings of North Alabama, LLC (9282). The Debtors’ address is 7078 Peachtree Industrial Blvd., Suite #800, Peachtree Corners, GA 30071. The Debtors have filed a motion for joint administration with the Court.

² All capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

1. The Motion is granted on an interim basis.

2. The final hearing (the “Final Hearing”) on the Motion shall be held on _____, 2023, at ___:___ .m. (CST). Any objection or responses to entry of a final order on the Motion shall be filed on or before 4:00 p.m., CST, on _____, 2023, and shall be served on: (a) the Office of the Bankruptcy Administrator for the Northern District of Alabama; (b) the holders of the forty (40) largest unsecured claims against the Debtors on a consolidated basis; (c) counsel to Burger King; (d) counsel to Wells Fargo Bank, National Association, as Administrative Agent for the Lender Group; (e) the United States Attorney’s Office for the Northern District of Alabama; (f) the Internal Revenue Service; (g) the office of the Attorney General for the State of Alabama; (h) the Securities and Exchange Commission; and (i) any party that has requested notice pursuant to Bankruptcy Rule 2002. In the event no objections to entry of a final order on the Motion are timely received, this Court may enter such final order without need for the Final Hearing.

3. The Debtors are authorized, but not required, in their sole and absolute discretion and in the exercise of their business judgment, to honor and pay in the ordinary course of business existing Prepetition Payroll Obligations, Employee Benefits and related items, subject to (and capped at) the statutory limitations set forth in 11 U.S.C. §§ 507(a)(4) and 507(a)(5).

4. The Debtors hereby are authorized and empowered, but not directed, in their sole and absolute discretion, on a case-by-case basis, to honor their Employees’ PTO, by allowing the Employees to use, in the Debtors’ sole discretion, all or portions of their prepetition PTO on a post-petition basis in the ordinary course; provided, however, that notwithstanding the relief granted in this paragraph, nothing herein shall be deemed or construed to create or impose any administrative expense liability on the Debtors with regard to the prepetition PTO or to authorize

the Debtors to compensate their Employees for prepetition PTO in cash unless applicable state law mandates such compensation upon an Employee's termination.

5. The Debtors are authorized, but not required, to make all normal and customary withholdings and deductions from wages and other compensation paid to the Employees, and to make all matching payments or contributions required under applicable law or otherwise made in the ordinary course of business, for the purpose of paying all applicable taxes and other obligations normally associated with such payments, either directly or through Greenlink or another third-party payroll service provider.

6. The Debtors are authorized, but not required, to pay all prepetition administrative fees and other prepetition premiums and expenses customarily associated with the Health Care Plans, Insurance and Disability Plans, PTO, and the Additional Employee Benefits.

7. The Debtors are authorized, but not required, to pay all prepetition administrative fees customarily associated with the use of a third-party payroll provider.

8. The Debtors are authorized, but not required, to issue new post-petition checks or make new money transfers to replace any prepetition checks or fund transfer requests that may have been dishonored or denied with respect to the employee-related obligation referenced herein or in the Motion.

9. This Order is without prejudice to any rights that the Debtors may otherwise have under applicable law to modify or terminate any programs, policies, or plans referenced herein or in the Motion.

10. Notwithstanding the relief granted herein and any actions taken hereunder, nothing contained herein shall constitute, nor is it intended to constitute, an assumption of any contract under section 365 of the Bankruptcy Code or the waiver by the Debtors of any of their rights pursuant to any agreement by operation of law or otherwise.

11. All applicable banks and other financial institutions are hereby authorized to (i) receive, process, honor, and pay any and all checks and transfer requests evidencing amounts approved under this Order whether presented prior to or after the Petition Date; (ii) reissue checks evidencing amounts approved under this Order where checks may be dishonored post-petition; and (iii) to the extent that a bank may have honored any prepetition payroll checks prior to the Petition Date, such honoring is ratified. Such banks and financial institutions are authorized to rely on the representations of the Debtors as to which checks are issued or authorized to be paid pursuant to this Order to the extent that the Debtors have good funds standing to their credit with such bank or other financial institution and to rely on the representations of the Debtors as to which checks are issued and authorized to be paid in accordance with this Motion without any duty of further inquiry and without liability for following the Debtors' instructions.

12. Notwithstanding anything contained in the Motion or this Interim Order, any payment authorized to be made by the Debtors herein shall be subject to and consistent with the terms and conditions contained in any orders entered by this Court authorizing the use of cash collateral and any order authorizing postpetition financing (collectively, a "Financing Order"), including compliance with any budget or cash flow forecast in connection therewith. To the extent there is any conflict between this Interim Order and a Financing Order, the terms of the Financing Order shall control.

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

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

15. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

16. The Court shall retain jurisdiction to hear and determine all matter arising from the implementation of this Order.

Dated: _____, 2023
Birmingham, Alabama

UNITED STATES BANKRUPTCY JUDGE

EXHIBIT B

Proposed Final Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ALABAMA
SOUTHERN DIVISION**

In re:

PREMIER KINGS, INC., *et al.*,¹

Debtors.

(Chapter 11)

Case No. 23-02871 (TOM)

Joint Administration Requested

**FINAL ORDER AUTHORIZING PAYMENT OF PREPETITION PAYROLL
OBLIGATIONS, EMPLOYEE BENEFITS AND RELATED ITEMS, AND THE
CONTINUATION OF CERTAIN EMPLOYMENT
PROGRAMS AND POLICIES IN THE ORDINARY COURSE**

Upon consideration of the motion (the “Motion”)² of the Debtors for entry of an order authorizing payment of prepetition payroll obligations, employee benefits and related items, and the continuation of certain employment programs and policies in the ordinary course; and upon consideration of all pleadings related thereto, including the Baker Declaration; and it appearing that the Court has jurisdiction to consider the Motion in accordance with 28 U.S.C. §§ 157 and 1334; and it appearing that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and it appearing that venue of this proceeding and this Motion is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that the relief requested in the Motion is in the best interest of the Debtors, their estates, and their creditors; and after due deliberation and good and sufficient cause appearing therefor;

IT IS HEREBY ORDERED THAT, ADJUDGED, AND DECREED THAT:

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification numbers, are: Premier Kings, Inc. (3932); Premier Kings of Georgia, Inc. (9797); and Premier Kings of North Alabama, LLC (9282). The Debtors’ address is 7078 Peachtree Industrial Blvd., Suite #800, Peachtree Corners, GA 30071. The Debtors have filed a motion for joint administration with the Court.

² All capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

1. The Motion is granted on a final basis.
2. The Debtors are authorized, but not required, in their sole and absolute discretion and in the exercise of their business judgment, to honor and pay in the ordinary course of business existing Prepetition Payroll Obligations, Employee Benefits and related items, subject to (and capped at) the statutory limitations set forth in 11 U.S.C. §§ 507(a)(4) and 507(a)(5).
3. The Debtors are authorized and empowered, but not directed, in their sole and absolute discretion, on a case-by-case basis, to honor their Employees' PTO, by allowing the Employees to use, in the Debtors' sole discretion, all or portions of their prepetition PTO on a post-petition basis in the ordinary course; provided, however, that notwithstanding the relief granted in this paragraph, nothing herein shall be deemed or construed to create or impose any administrative expense liability on the Debtors with regard to the prepetition PTO or to authorize the Debtors to compensate its Employees for prepetition PTO in cash unless applicable state law mandates such compensation upon an Employee's termination.
4. The Debtors are authorized, but not required, to make all normal and customary withholdings and deductions from wages and other compensation paid to the Employees, and to make all matching payments or contributions required under applicable law or otherwise made in the ordinary course of business, for the purpose of paying all applicable taxes and other obligations normally associated with such payments, either directly or through Greenlink or another third-party payroll service provider.
5. The Debtors are authorized, but not required, to pay all prepetition administrative fees and other prepetition premiums and expenses customarily associated with the Health Care Plans, Insurance and Disability Plans, PTO, and the Additional Employee Benefits.
6. The Debtors are authorized, but not required, to pay all prepetition administrative fees customarily associated with the use of a third-party payroll provider.

7. The Debtors are authorized, but not required, to issue new post-petition checks or make new money transfers to replace any prepetition checks or fund transfer requests that may have been dishonored or denied with respect to the employee-related obligation referenced herein or in the Motion.

8. This Order is without prejudice to any rights that the Debtors may otherwise have under applicable law to modify or terminate any programs, policies, or plans referenced herein or in the Motion.

9. Notwithstanding the relief granted herein and any actions taken hereunder, nothing contained herein shall constitute, nor is it intended to constitute, an assumption of any contract under section 365 of the Bankruptcy Code or the waiver by the Debtors of any of their rights pursuant to any agreement by operation of law or otherwise.

10. All applicable banks and other financial institutions are hereby authorized to (i) receive, process, honor, and pay any and all checks and transfer requests evidencing amounts approved under this Order whether presented prior to or after the Petition Date; (ii) reissue checks evidencing amounts approved under this Order where checks may be dishonored post-petition; and (iii) to the extent that a bank may have honored any prepetition payroll checks prior to the Petition Date, such honoring is ratified. Such banks and financial institutions are authorized to rely on the representations of the Debtors as to which checks are issued or authorized to be paid pursuant to this Order to the extent that the Debtors have good funds standing to their credit with such bank or other financial institution and to rely on the representations of the Debtors as to which checks are issued and authorized to be paid in accordance with this Motion without any duty of further inquiry and without liability for following the Debtors' instructions.

11. Notwithstanding anything contained in the Motion or this Final Order, any payment authorized to be made by the Debtors herein shall be subject to and consistent with the terms and conditions contained in any orders entered by this Court authorizing the use of cash collateral and any order authorizing postpetition financing (collectively, a “Financing Order”), including compliance with any budget or cash flow forecast in connection therewith. To the extent there is any conflict between this Final Order and a Financing Order, the terms of the Financing Order shall control.

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

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

14. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

15. The Court shall retain jurisdiction to hear and determine all matter arising from the implementation of this Order.

Dated: _____, 2023
Birmingham, Alabama

UNITED STATES BANKRUPTCY JUDGE

EXHIBIT C

Schedule of Prepetition Payroll Obligations

Employees	PK Inc.	PKNA LLC	PKGA Inc.	Total
Crew & Assistant Mangers	\$303,623	\$299,889	\$553,771	\$1,157,284
Store Level Managers	\$67,151	\$53,305	\$128,007	\$248,463
R&M	\$13,596	\$7,537	\$12,066	\$33,199
Field Leadership (AD, DO & RVP)	\$21,690	\$17,425	\$21,628	\$60,744
Office Employees	\$12,288	\$9,588	\$9,343	\$31,219
Total Wages	\$418,348	\$387,745	\$724,815	\$1,530,908
Insurance accrual	\$18,766	\$14,702	\$28,820	\$62,288
Total Payroll & Insurance Accrual	\$437,114	\$402,447	\$753,635	\$1,593,196