Docket #0008 Date Filed: 2/16/2026

UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF NEW YORK

In re:	Chapter 11
Vanderbilt Minerals, LLC,	Case No. 26-60110 (WAK)
Debtor.[1]	

MOTION OF THE DEBTOR AND DEBTOR IN POSSESSION FOR ENTRY OF INTERIM AND FINAL ORDERS AUTHORIZING IT TO PAY CERTAIN PREPETITION TAXES AND FEES

The above-captioned debtor and debtor in possession (the "Debtor"), pursuant to sections 105, 363, 507 and 541 of title 11 of the United States Code (the "Bankruptcy Code"), hereby moves (the "Motion") for the entry of interim and final orders in substantially the forms attached hereto as Exhibit A (the "Proposed Interim Order") and Exhibit B (the "Proposed Final Order" and, together with the Proposed Interim Order, the "Proposed Orders"), authorizing, but not directing, it to pay certain prepetition taxes, fees and related obligations. In support of this Motion, the Debtor respectfully states as follows:

Jurisdiction and Venue

1. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue for this matter is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409.

[1] The Debtor is Vanderbilt Minerals, LLC (EIN 13-1432885). The Debtor's noticing address in this chapter 11 case is 33 Winfield Street, Norwalk, Connecticut 06855.

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Background

2. On the Petition Date,[2] the Debtor commenced a case under chapter 11 of the Bankruptcy Code (the "Chapter 11 Case"). The Debtor is authorized to continue to operate its business and manage its properties as a debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

3. The Debtor is a global supplier of mineral products, operating mines and processing facilities in six different states. The Debtor mines bentonite clay, kaolin clay, pyrophyllite and wollastonite and processes and sells products used in industrial applications (e.g., construction coatings, ceramics and refractories) and life sciences (e.g., pharmaceuticals, personal care, animal care, agriculture and horticulture). Prior to 2008, a predecessor in interest to the Debtor mined and sold talc for use in industrial applications, which is the source of the litigation and judgments that have led to the commencement of this Chapter 11 Case.

4. Concurrently with the filing of this Motion, the Debtor has also filed the Bidding Procedures Motion by which the Debtor seeks to sell substantially all of its assets to one or more bidders through an in-court sale process.

5. Also concurrently with the filing of this Motion, the Debtor has filed the DIP Financing Motion seeking approval of postpetition financing, the proceeds of which the Debtor will utilize to fund the Chapter 11 Case and to continue to operate as a debtor in possession.

[2] Capitalized terms otherwise undefined herein shall have the meanings ascribed to them in the First Day Declaration (defined below).

6. In addition, the Debtor filed the Settlement Motion contemporaneously herewith, pursuant to which the Debtor seeks authority to enter into the Settlement Agreement with certain of its non-debtor affiliates.

7. A comprehensive description of the Debtor's business and operations, capital structure and the events leading to the commencement of the Chapter 11 Case can be found in the *Declaration of Dean Vomero, Chief Restructuring Officer of Vanderbilt Minerals, LLC, in Support of First Day Motions of Debtor and Debtor in Possession* (the "First Day Declaration"), which was filed contemporaneously herewith and is incorporated by reference.

A. Prepetition Taxes and Fees Paid by the Debtor

8. The Debtor, in the ordinary course of its business, incurs various tax and other liabilities to governmental entities, taxing authorities and brokers (collectively, the "Taxing Authorities"), including, among others: (i) sales and use taxes; (ii) regulatory and licensing taxes and fees; (iii) foreign taxes and fees; (iv) property taxes and (v) certain other miscellaneous taxes, assessments, registrations and fees (collectively, the "Prepetition Taxes"). The Debtor also incurs various customs duties, fees for business licenses and permits and various other fees and assessments (collectively, the "Prepetition Fees," and together with the Prepetition Taxes, the "Prepetition Taxes and Fees"), in connection with the operation of its business, including any necessary regulatory expenses, fees, permits and approvals. The Debtor pays Prepetition Taxes and Fees in six states on a biennial, annual, quarterly, bi-monthly, monthly and as-needed basis, depending on the jurisdiction and type of tax or fee being paid.

9. As of the Petition Date, the Debtor estimates that approximately $315,000.00 in Prepetition Taxes and Fees had accrued and remain unpaid.

1. Sales and Use Taxes

10. The Debtor is required to collect a variety of sales, local gross receipt and similar taxes (collectively, the "Sales Taxes") from its customers on behalf of the Taxing Authorities in the United States and Canada and periodically remit the Sales Taxes to the Taxing Authorities.

11. Generally, the Sales Taxes are calculated on the basis of statutorily mandated percentages of the purchase price for the Debtor's products, and such taxes accrue as the Debtor sells its products. The Sales Taxes are remitted to the Taxing Authorities either on the basis of estimated Sales Tax collections for the coming period or on the basis of Sales Taxes actually collected from customers. In each case, calculation depends on the method required by the Taxing Authorities. Depending on the jurisdiction, the Debtor remits the Sales Taxes to the Taxing Authorities on a monthly, quarterly or annual basis.

12. The Debtor is required to pay use taxes in the United States and Canada (collectively, the "Use Taxes" and, together with the Sales Taxes, the "Sales and Use Taxes") when it makes certain purchases of tangible personal property from an out-of-jurisdiction vendor. If the vendor has no business operations within the Debtor's jurisdiction, it has no legal obligation to charge or remit Sales Tax for sales to parties within such jurisdiction. Nevertheless, under these circumstances, various state and local laws require the Debtor to self-assess the amount of Sales Tax that would have been owed on purchases from out-of-jurisdiction vendors and pay these amounts as Use Taxes to the applicable Taxing Authorities.

13. As of the Petition Date, the Debtor estimates that approximately $35,000.00 in Sales and Use Taxes had accrued and remain unpaid.

2. Regulatory Taxes and Fees

14. Various federal, state and local taxing authorities and other regulatory agencies impose registrations specific to mining, franchise taxes, business license and annual report taxes and fees, privilege fees and other taxes, fees and assessments (collectively, the "Regulatory Taxes and Fees") on the Debtor in connection with the operation of its business. Remittance of the Regulatory Taxes and Fees permits the Debtor to, among other things, continue operating its business within a particular jurisdiction. The Debtor simply cannot operate its business without the ability to conduct marketing, sales and other activities in various U.S. states. The Debtor is subject to substantial administrative, civil and criminal penalties (including accrual of interest) should it fail to comply with the mandates of such Taxing Authorities. Therefore, it is essential that the Debtor remains current on its obligations to pay the Regulatory Taxes and Fees in order to keep its business operable for the duration of the Chapter 11 Case. Accordingly, the Debtor requests authority to remit, in its sole discretion and in accordance with the Approved Budget (as defined in the DIP Financing Motion), any and all Regulatory Taxes and Fees to the relevant Taxing Authorities pursuant to the Proposed Orders.

15. As of the Petition Date, the Debtor estimates that approximately $60,000.00 in Regulatory Taxes and Fees had accrued and remain unpaid.

3. Property Taxes

16. The Debtor owns significant real estate and pays real property and personal property taxes (collectively, the "Property Taxes") to certain Taxing Authorities in California, Nevada, New York, North Carolina and South Carolina on account of its business assets. Taxes in these jurisdictions are paid in various installments throughout the year in arrears, therefore there is a significant lag between payment when the tax is actually accrued/incurred. Given the lag in payments and the significant real estate owned by the Debtor,

Property Taxes account for the majority of the Debtor's estimated prepetition accrued taxes. As of the Petition Date, the Debtor estimates that approximately $200,000.00 in Property Taxes had accrued and remained unpaid.

4. Other Taxes and Fees

17. In the ordinary course of its business, the Debtor incurs, collects and remits various other federal, state and local taxes, charges, fines, penalties and fees (including any amounts required to be withheld, incurred or collected under applicable law) (collectively, "Other Taxes and Fees"). The Other Taxes and Fees include, without limitation, gross receipts taxes and customs taxes. The Debtor is required to remit these Other Taxes and Fees to various Taxing Authorities on a periodic basis.

18. As of the Petition Date, the Debtor does not believe it owes any amounts for Other Taxes and Fees. Out of an abundance of caution, the Debtor seeks authority, but not direction, to pay up to $25,000.00 of Other Taxes and Fees that arose prepetition, if any, and honor any amounts that become due postpetition in the ordinary course.

5. Imposing Personal Liability Upon Directors and Officers

19. Many federal, state and local Taxing Authorities impose personal liability on directors and/or responsible officers of entities responsible for collecting or paying certain taxes or fees to the extent that such taxes or fees are not remitted. Thus, if any such taxes or fees remain unpaid, the Debtor's directors and responsible officers may be subject to lawsuits or even criminal prosecution on account of such nonpayment during the pendency of this Chapter 11 Case. Such lawsuits or proceedings would constitute a significant distraction for the Debtor's directors and responsible officers at a time when they should be focused on the Debtor's efforts to stabilize its postpetition business operations and conduct a sale of substantially all of its assets.

20. Although the Debtor believes that all taxes and fees for which the Debtor's directors or responsible officers may be personally liable are described herein, it is possible that other prepetition obligations similar in nature (and in threat of personal liability) may be uncovered by the Debtor subsequent to the filing of this Motion. To the extent that such prepetition obligations exist, the Debtor will consider such obligations "Prepetition Taxes and Fees" as that term is defined and used herein and requests the authority to pay such Prepetition Taxes and Fees as they may arise in the ordinary course of their businesses.

B. Liabilities Resulting from Postpetition Audits of Prepetition Periods

21. After the Petition Date, Taxing Authorities may choose to audit the Debtor's tax liabilities for certain of the categories of Prepetition Taxes and Fees described above. As a result of any such audits, additional tax liability may be found to be owing, and the estimated tax amounts provided above may prove inaccurate. To the best of the Debtor's knowledge, no Taxing Authority has indicated any intention to conduct an audit in respect of the Debtor's business. Nonetheless, to the extent that an audit results in the imposition of additional tax liability for the kinds of Prepetition Taxes and Fees described in this Motion, the Debtor seeks permission to treat such amounts as Prepetition Taxes and Fees and request authority to pay any amounts due after the completion of any such audit.

Relief Requested

22. By this Motion, the Debtor requests that the Court enter the Proposed Orders, (i) authorizing, but not directing, the Debtor, in its discretion, to pay the Prepetition Taxes and Fees[3] owing on account of periods prior to the Petition Date, when and as

[3] Concurrently with the filing of this Motion, the Debtor has filed the Employee Wages and Benefits Motion seeking authority to satisfy certain obligations relating to prepetition employee wages and benefits, including authority to (i) remit to the applicable taxing authorities prepetition trust fund taxes withheld from employee paychecks and (ii) pay the employer portion of payroll taxes (as well as certain fees

those Prepetition Taxes and Fees come due in the ordinary course, solely to the extent they are in compliance with the Approved Budget and subject to the $150,000.00 cap provided for in the Interim Order and the $315,000.00 cap provided for in the Final Order; and (ii) authorizing the Banks (as defined below) to honor and process check and electronic transfer requests related thereto.

Basis for Relief Requested

23. Interim and final orders authorizing it to pay, in its sole discretion, the Prepetition Taxes and Fees is appropriate in this Chapter 11 Case. The Court should authorize the payment of the Prepetition Taxes and Fees because: (i) certain of the Prepetition Taxes and Fees do not constitute property of the Debtor's chapter 11 estate; (ii) certain of the Prepetition Taxes and Fees constitute priority claims that are unavailable as a source of recoveries for general unsecured creditors in any liquidation scenario and (iii) the failure to pay certain of the Prepetition Taxes and Fees may impact the Debtor's ability to conduct business in certain jurisdictions, result in the attachment of liens or cause the Debtor's directors and responsible officers to face personal liability. Stated simply, absent payment of the amounts requested herein, the Debtor may face serious disruptions and distractions as it seeks to administer this Chapter 11 Case.

A. Funds Held in Trust Are Not Available for General Distribution to Creditors

24. Certain of the Prepetition Taxes and Fees, such as the Sales and Use Taxes, are "trust fund taxes" that, by definition, are held by the Debtor in trust for the benefit of those third parties to whom payment is owed or on behalf of whom such payment is being made. Section 541(d) of the Bankruptcy Code excludes "[p]roperty in which the debtor holds, as of the

incurred by the Debtor to facilitate payment of such taxes). By this Motion, the Debtor is not seeking authority to pay the obligations covered by the Employee Wages and Benefits Motion.

commencement of the case, only legal title and not an equitable interest" from a debtor's estate. 11 U.S.C. § 541(d). It is well established under section 541(d) of the Bankruptcy Code that "trust fund taxes" collected on behalf of taxing authorities are not property of the estate. See Begier v. IRS, 496 U.S. 53, 57-60 (1990) (reasoning that taxes such as excise taxes, FICA taxes and withholding taxes are property held by debtor in trust for another and, as such, do not constitute property of the estate); DeChiaro v. N.Y. State Tax Comm'n, 760 F.2d 432, 433 (2d Cir. 1985) (finding that sales taxes are "trust fund" taxes); In re Calabrese, 689 F.3d 312, 321 (3d Cir. 2012) (holding that sales taxes are "trust fund" taxes); In re Columbia Gas Sys. Inc., 997 F.2d 1039, 1051, 1061 (3d Cir. 1993) (holding that refunds required to be collected by federal law created a trust fund that was not property of debtor's estate).

25. Because the Prepetition Taxes and Fees that are trust fund taxes do not constitute property of the Debtor's estate, these amounts will not otherwise be available for distribution to the Debtor's creditors. Thus, the payment of these Prepetition Taxes and Fees will not adversely affect the Debtor's estate and is warranted.

B. Most of the Prepetition Taxes and Fees Constitute Priority Claims

26. The Debtor also believes that most, if not all, of the Prepetition Taxes and Fees would be priority claims under section 507(a)(8) of the Bankruptcy Code. See 11 U.S.C. § 507(a)(8) (according priority status to certain "allowed unsecured claims of governmental units"). As priority claims, these taxes and fees must be paid in full before the Debtor would be able to distribute funds to general unsecured, nonpriority creditors. See 11 U.S.C. § 1129(a)(9)(C). Accordingly, the proposed relief likely will only affect the timing of the payment of the Prepetition Taxes and Fees and not whether the claimants will receive such amounts. As such, payment of the Prepetition Taxes and Fees will not prejudice the rights of general unsecured, nonpriority creditors or other parties in interest.

C. Payment is Necessary to Avoid Operational Disruption and to Avoid the Attachment of Liens

27. Taxing Authorities may impose personal liability on directors or responsible officers of the Debtor for the failure to pay certain Prepetition Taxes and Fees. Thus, if certain Prepetition Taxes and Fees remain unpaid, the Debtor's directors or officers may be subject to lawsuits or even criminal prosecution on account of such non-payment during the pendency of this Chapter 11 Case. Contesting the imposition of such individual penalties in lawsuits or administrative proceedings would constitute a significant distraction for the Debtor's officers and directors at a time when they should be focused on the Debtor's efforts to stabilize its postpetition businesses operations, maximize stakeholder value and formulate and implement a successful chapter 11 strategy.

28. In addition, the Debtor must pay the Prepetition Taxes and Fees to maintain its good standing and to continue operating in the jurisdictions in which it does business. Moreover, the Debtor expects that during the course of this Chapter 11 Case, it may be required to make representations about its good standing in the jurisdictions where it operates or maintains assets. If the Prepetition Taxes and Fees remain unpaid, Taxing Authorities may refuse to issue good standing certificates.

29. Finally, absent the relief requested herein, certain Taxing Authorities may assert over-secured claims against the Debtor's chapter 11 estate for payment of Prepetition Taxes and Fees – e.g., such as for claims related to the Property Taxes. Depending on the jurisdiction, liens securing payment of Prepetition Taxes and Fees can arise upon assessment or non-payment, and can relate back to a date prior to the due date of the tax bill (e.g., the assessment date or tax status date). Under section 506(b) of the Bankruptcy Code, over-secured claims for Prepetition Taxes and Fees may accrue interest and penalties up to the

value of the underlying collateral.[4] See, e.g., United States v. Ron Pair Enters, Inc., 489 U.S. 235, 242-43 (1989) (nonconsensual lienholders may receive interest on their claims under section 506(b) of the Bankruptcy Code). Further, under section 511 of the Bankruptcy Code, interest on an over-secured tax claim will accrue at the applicable rate under non-bankruptcy law.[5] See, e.g., In re RAMZ Real Estate Co., LLC, 510 B.R. 712, 717 (Bankr. S.D.N.Y. 2014) ("Section 511 provides that the rate of interest to be paid on tax claims 'shall be the rate determined under applicable nonbankruptcy law.'") (citation omitted). Accordingly, the Debtor's payment of over-secured claims for Prepetition Taxes and Fees may avoid the potential accrual of interest.

D. Sections 105(a) and 363(b) of the Bankruptcy Code and the Doctrine of Necessity Provide a Basis for Payment of the Prepetition Taxes and Fees

30. Section 363(b)(1) of the Bankruptcy Code provides that "[t]he trustee, 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). A debtor's decisions to use, sell or lease assets outside the ordinary course of business must be based upon a sound business purpose. See In re Chateaugay Corp., 973 F.2d 141, 143 (2d Cir. 1992) (holding that the use, sale or lease of property of the estate is justified if it is supported by a good business reason).

31. Further, the Court may authorize payment of the Prepetition Taxes and Fees pursuant to section 105(a) of the Bankruptcy Code and the doctrine of necessity. Section

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[4] Section 506(b) of the Bankruptcy Code provides that, "[t]o the extent that an allowed secured claim is secured by property the value of which, after any recovery under subsection (c) of this section, is greater than the amount of such claim, there shall be allowed to the holder of such claim, interest on such claim, and any reasonable fees, costs, or charges provided for under the agreement or State statute under which such claim arose." 11 U.S.C. § 506(b).

[5] Section 511(a) of the Bankruptcy Code provides, in pertinent part, that "[i]f any provision of this title requires the payment of interest on a tax claim or on an administrative expense tax . . . the rate of interest shall be the rate determined under applicable nonbankruptcy law." 11 U.S.C. § 511(a).

105(a) of the Bankruptcy Code empowers a bankruptcy court to issue "any order, process, or judgment that is necessary or appropriate to carry out the provisions of" the Bankruptcy Code. 11 U.S.C. § 105. The purpose of section 105 of the Bankruptcy Code is to ensure the bankruptcy court has the power "to take whatever action is appropriate or necessary in aid of the exercise of [its] jurisdiction." 2 Collier on Bankruptcy ¶ 105.01 (16th ed. 2025).

32. The United States Supreme Court first articulated the equitable common law principle commonly referred to as the "doctrine of necessity" over 125 years ago in Miltenberger v. Logansport, C. & S.W.R. Co., 106 U.S. 286, 311 (1882). This doctrine allows a court to "authorize payment of pre-petition debt when such payment is needed to facilitate the rehabilitation of the debtor." In re Windstream Holdings Inc., 614 B.R. 441, 456 (Bankr. S.D.N.Y. 2020) (citation omitted).

33. Indeed, the Supreme Court of the United States, in dicta, endorsed motions seeking to pay certain prepetition claims early in a chapter 11 case in order to "enable a successful reorganization and make even the disfavored creditors better off." See Czyzewski v. Jevic Holding Corp., 137 S. Ct. 973, 985 (2017) ("Courts, for example, have approved first-day wage orders that allow payment of employees' prepetition wages, critical vendor orders that allow payment of essential suppliers' prepetition invoices, and roll-ups that allow lenders who continue financing the debtor to be paid first on their prepetition claims. In doing so, these courts have usually found that the distributions at issue would enable a successful reorganization and make even the disfavored creditors better off.") (internal citations omitted).

34. The bankruptcy court's exercise of its authority under the "doctrine of necessity" is appropriate to carry out specific statutory provisions of chapter 11 – specifically sections 1107(a), 1108 and 363(b)(1) of the Bankruptcy Code, which collectively authorize a

debtor in possession to maintain and operate the debtor's business and use estate property outside of the ordinary course of business. Indeed, a debtor in possession operating a business under section 1108 of the Bankruptcy Code has a duty to protect and preserve the value of its business, and prepetition claims may be paid if necessary to perform the debtor's duty. See In re Fin. News Network Inc., 134 B.R. 732, 635-36 (Bankr. S.D.N.Y. 1991) ("The 'doctrine of necessity' stands for the principle that a bankruptcy court may allow pre-plan payments of prepetition obligations where such payments are critical to the debtor's reorganization.").

35. This Motion satisfies the foregoing criteria, as the relief sought herein is essential to the Debtor's chapter 11 strategy. The Debtor's payment of the Prepetition Taxes and Fees is necessary to forestall the obstacles to the smooth functioning of the Debtor's business operations that likely would result from a failure to remit the tax payments described herein. Specifically, the failure to maintain good standing, potential audits by state and local Taxing Authorities and, crucially, the threat of personal liability for the Debtor's directors and responsible officers represent a few of the adverse consequences that may result from the Debtor's failure to make necessary tax payments. Significant disruptions to the Debtor's operations of this type threaten to irreparably impair the Debtor's ability to successfully administer this Chapter 11 Case and run its public sale process. Thus, payment of the Prepetition Taxes and Fees is warranted in this Chapter 11 Case.

36. This Court and others in the Second Circuit have granted such relief in numerous chapter 11 cases. See, e.g., In re Metro Mattress Corp., Case No. 24-30773-5 (WAK) (Bankr. N.D.N.Y. Oct. 4, 2024) (authorizing final payment of prepetition sales taxes); In re All Ways Concrete Pumping, LLC, Case No. 23-30069 (WAK) (Bankr. N.D.N.Y. Mar. 13, 2023) (authorizing final payment of prepetition taxes and regulatory fees); In re Spirit Aviation Holds.,

Inc., Case No. 25-11897 (SHL) (Bankr. S.D.N.Y. Sept. 3, 2025) (authorizing interim payment of certain prepetition taxes); In re 2U, Inc., Case No. 24-11279 (MEW) (Bankr. S.D.N.Y. Sept. 5, 2024) (authorizing final payment of certain prepetition taxes); In re Complemar Partners, Inc., Case No. 25-20610 (PRW) (Bankr. W.D.N.Y. Sept. 3, 2025) (authorizing interim payment of pre-petition taxes and regulatory fees).

E. Request for Authority for Banks to Honor and Pay Checks Issued and Funds Transfers with Respect to the Prepetition Taxes and Fees

37. In addition, by this Motion, the Debtor requests that all applicable banks and other financial institutions (collectively, the "Banks") be authorized, when requested by the Debtor, to receive, process, honor and pay any and all checks presented for payment of, and to honor all fund transfer requests made by the Debtor related to, Prepetition Taxes and Fees, whether such checks were presented or fund transfer requests were submitted prior to or after the Petition Date, provided that sufficient funds are available in the applicable accounts to make the payments. The Debtor represents that these checks are drawn on identifiable disbursement accounts and can be readily identified as relating directly to the authorized payment of Prepetition Taxes and Fees. Accordingly, the Debtor believes that checks other than those relating to authorized payments will not be honored inadvertently.

Requests for Immediate Relief & Waiver of Stay

38. Pursuant to Rules 6003(b) and 6004(h) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), the Debtor seeks (i) immediate entry of the Proposed Interim Order granting the relief sought herein and (ii) a waiver of any stay of the effectiveness of the Proposed Orders.

39. Bankruptcy Rule 6003(b) provides, in relevant part, that "[e]xcept to the extent that relief is necessary to avoid immediate and irreparable harm, the court shall not, within

21 days after the filing of the petition, issue an order granting . . . a motion to pay all or part of a claim that arose before the filing of the petition." Fed. R. Bankr. P. 6003(b). Bankruptcy Rule 6004(h) provides that "[a]n order authorizing the use, sale, or lease of property other than cash collateral is stayed until the expiration of 14 days after entry of the order, unless the court orders otherwise." Fed. R. Bankr. P. 6004(h). From this, courts have ruled that, where the failure to grant any such requested relief would result in immediate and irreparable harm to a debtor's estate, a court may allow a debtor to pay all or part of a claim that arose prepetition immediately.

40. As set forth above and in the First Day Declaration, the payment of the Prepetition Taxes and Fees is necessary to prevent immediate and irreparable damage to the Debtor's estate. If the Debtor does not pay its Prepetition Taxes and Fees, the relevant Taxing Authorities may refuse to issue good standing certificates and other authorizations that may be required in connection with the Debtor's businesses. Moreover, it is critical that the Debtor's officers and directors remain focused on the Debtor's chapter 11 efforts rather than audits and claims against them for personal liability. Accordingly, the Debtor submits that ample cause exists to justify (i) the immediate entry of the Proposed Interim Order granting the relief sought herein and (ii) a waiver of the 14-day stay imposed by Bankruptcy Rule 6004(h) and notice requirements of Bankruptcy Rule 6004(a), to the extent that they apply.

Reservation of Rights

41. Nothing contained herein is intended or shall be construed as (i) an admission as to the validity of any claim against the Debtor; (ii) a waiver of the Debtor's right to

dispute any claim on any grounds; (iii) a promise to pay any claim or (iv) an implication or admission that any particular claim is a claim for Prepetition Taxes and Fees.

Notice

42. Notice of this Motion shall be provided to (a) the Office of the United States Trustee for the Northern District of New York, (b) the Top Talc Counsel List, (c) counsel to the proposed DIP Lenders, (d) the Taxing Authorities and (e) any party that has requested notice pursuant to Bankruptcy Rule 2002. The Debtor respectfully submits that no further notice of the Motion is required.

No Prior Request

43. No prior request for the relief sought herein has been made to this Court or any other court.

WHEREFORE, the Debtor respectfully requests that the Court enter the Proposed Orders granting the relief requested herein and such other and further relief as the Court may deem proper.

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Dated: February 16, 2026
Syracuse, New York

Respectfully submitted,

/s/ Charles J. Sullivan

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Proposed Counsel for the Debtor and Debtor in Possession

EXHIBIT A

Proposed Interim Order

UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF NEW YORK

In re: Vanderbilt Minerals, LLC, Debtor.[1]	Chapter 11 Case No. 26-60110 (WAK) **Re: Docket No. __**

INTERIM ORDER AUTHORIZING THE DEBTOR AND DEBTOR IN POSSESSION TO PAY CERTAIN PREPETITION TAXES AND FEES

This matter coming before the Court on the *Motion of the Debtor and Debtor in Possession for Interim and Final Orders Authorizing It to Pay Certain Prepetition Taxes and Fees* (the "Motion"),[1] filed by the above-captioned debtor and debtor in possession (the "Debtor"); the Court having reviewed the Motion and the First Day 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"); the Court having found that: (i) the Court has

[1] The Debtor is Vanderbilt Minerals, LLC (EIN 13-1432885). The Debtor's noticing address in this Chapter 11 Case is 33 Winfield Street, Norwalk, Connecticut 06855.

[1] Capitalized terms not otherwise defined herein have the meanings given to them in the Motion.

jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; (ii) venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409; (iii) this matter 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; (v) the relief requested in the Motion is necessary and appropriate to prevent immediate and irreparable harm to the Debtor's business operations and will serve to protect and preserve the Debtor's estate for the benefit of all stakeholders and, thus, cause exists to permit such payments to be made immediately notwithstanding Bankruptcy Rule 6003 and (vi) there is good cause to waive the 14-day stay imposed by Bankruptcy Rule 6004(h) to the extent that it is applicable and the Court having determined that the legal and factual bases set forth in the Motion and the First Day Declaration and at the Hearing establish just cause for the relief granted herein;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein on an interim basis.

2. The Debtor is authorized, but not directed, in its sole discretion, to pay the Prepetition Taxes and Fees (without regard to whether the Prepetition Taxes and Fees accrued or arose before, on or after the Petition Date), including but not limited to all of those Prepetition Taxes and Fees subsequently determined, upon audit or otherwise, to be owed; provided, however, that, pending entry of a final order on the Motion, any payments made pursuant to this Interim Order on account of Prepetition Taxes and Fees shall be made solely to the extent they are in compliance with the Approved Budget (as defined in the DIP Financing Motion) and shall not exceed $150,000.00 in the aggregate.

3. The Banks are authorized, when requested by the Debtor, to receive, process, honor and pay all checks presented for payment of, and to honor all funds transfer

requests made by, the Debtor related to the relief granted by this Interim Order, whether such checks were presented, or funds transfer requests were submitted prior to, on or after the Petition Date, provided that sufficient funds are available in the Debtor's accounts to cover such checks and funds transfers. The Banks are authorized to rely on the Debtor's designation of any particular check or funds transfer as approved by this Interim Order.

4. Nothing in the Motion or this Interim Order, nor the Debtor's payment of claims pursuant to this Interim Order, shall be deemed or construed as: (i) an admission as to the validity of any claim against the Debtor; (ii) a waiver of the Debtor's rights to dispute any claim on any grounds; (iii) a promise to pay any claim or (iv) an implication or admission that any particular claim is a claim for Prepetition Taxes and Fees.

5. The requirements of Bankruptcy Rule 6003(b) have been satisfied with respect to the payments authorized by this Interim Order.

6. This Interim Order shall be immediately effective and enforceable upon its entry. To the extent that it may be applicable, the 14-day stay imposed by Bankruptcy Rule 6004(h) and any notice requirements of Bankruptcy Rule 6004(a) are hereby waived.

7. The Debtor is authorized and empowered to take all actions necessary to implement the relief granted in this Interim Order.

8. The Court shall retain jurisdiction over any and all matters arising from or related to the implementation or interpretation of this Interim Order.

9. A final hearing to consider the relief requested in the Motion shall be held on _____, 2026 at _____ (prevailing Eastern Time) and any objections or

responses to the Motion shall be filed and served on or prior to _____, 2026, at _____ (prevailing Eastern Time).

10. The Debtor may seek further relief related to the obligations discussed in the Motion.

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EXHIBIT B

Proposed Final Order

UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF NEW YORK

In re: Vanderbilt Minerals, LLC, Debtor.[1]	Chapter 11 Case No. 26-60110 (WAK) **Re: Docket No. __**

FINAL ORDER AUTHORIZING THE DEBTOR AND DEBTOR IN POSSESSION TO PAY CERTAIN PREPETITION TAXES AND FEES

This matter coming before the Court on the *Motion of the Debtor and Debtor in Possession for Interim and Final Orders Authorizing It to Pay Certain Prepetition Taxes and Fees* (the "Motion"),[1] filed by the above-captioned debtor and debtor in possession (the "Debtor"); the Court having reviewed the Motion and the First Day 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"); the Court having found that: (i) the Court has

[1] The Debtor is Vanderbilt Minerals, LLC (EIN 13-1432885). The Debtor's noticing address in this Chapter 11 Case is 33 Winfield Street, Norwalk, Connecticut 06855.

[1] Capitalized terms not otherwise defined herein have the meanings given to them in the Motion.

jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; (ii) venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409; (iii) this matter 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; (v) the relief requested in the Motion is necessary and appropriate to prevent immediate and irreparable harm to the Debtor's business operations and will serve to protect and preserve the Debtor's estate for the benefit of all stakeholders and, thus, cause exists to permit such payments to be made immediately notwithstanding Bankruptcy Rule 6003 and (vi) there is good cause to waive the 14-day stay imposed by Bankruptcy Rule 6004(h) to the extent that it is applicable and the Court having determined that the legal and factual bases set forth in the Motion and the First Day Declaration and at the Hearing establish just cause for the relief granted herein;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein on a final basis.

2. The Debtor is authorized, but not directed, in its sole discretion, to pay the Prepetition Taxes and Fees (without regard to whether the Prepetition Taxes and Fees accrued or arose before, on or after the Petition Date), including but not limited to all of those Prepetition Taxes and Fees subsequently determined, upon audit or otherwise, to be owed, solely to the extent they are in compliance with the Approved Budget (as defined in the DIP Financing Motion) and in an amount not to exceed $315,000.00 in the aggregate.

3. The Banks are authorized, when requested by the Debtor, to receive, process, honor and pay all checks presented for payment of, and to honor all funds transfer requests made by, the Debtor related to the relief granted by this Final Order, whether such checks were presented, or funds transfer requests were submitted prior to, on or after the Petition

Date, provided that sufficient funds are available in the Debtor's accounts to cover such checks and funds transfers. The Banks are authorized to rely on the Debtor's designation of any particular check or funds transfer as approved by this Final Order.

4. Nothing in the Motion or this Final Order, nor the Debtor's payment of claims pursuant to this Final Order, shall be deemed or construed as: (i) an admission as to the validity of any claim against the Debtor; (ii) a waiver of the Debtor's rights to dispute any claim on any grounds; (iii) a promise to pay any claim; or (iv) an implication or admission that any particular claim is a claim for Prepetition Taxes and Fees.

5. This Final Order shall be immediately effective and enforceable upon its entry. To the extent that it may be applicable, the 14-day stay imposed by Bankruptcy Rule 6004(h) and any notice requirements of Bankruptcy Rule 6004(a) are hereby waived.

6. The Debtor is authorized and empowered to take all actions necessary to implement the relief granted in this Final Order.

7. The Court shall retain jurisdiction over any and all matters arising from or related to the implementation or interpretation of this Final Order.

8. The Debtor may seek further relief related to the obligations discussed in the Motion.

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