Docket #0012 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 AUTHORIZATION TO PAY PREPETITION CLAIMS OF CERTAIN CRITICAL VENDORS, LIEN CLAIMANTS AND 503(B)(9) CLAIMANTS

The above-captioned debtor and debtor in possession (the "Debtor"), pursuant to sections 105, 363 and 503 of title 11 of the United States Code (the "Bankruptcy Code") hereby move (the "Motion") for the entry of interim and final orders substantially in 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, the Debtor, in its sole discretion and in accordance with the Approved Budget (as defined in the DIP Financing Motion), to pay prepetition claims of (i) critical vendors and service providers (the "Critical Vendors"), (ii) Lien Claimants (as defined below), and (iii) certain vendors who may be entitled to administrative expense status under section 503(b)(9) of the Bankruptcy Code (the "503(b)(9) Claimants," and together with the Critical Vendors and Lien Claimants, the "Vendors"), subject to the conditions described herein. In support of this Motion, the Debtor respectfully states as follows:

[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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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.

Background

A. The Debtor and the Commencement of This Case

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

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

Debtor will utilize to fund the Chapter 11 Case and to continue to operate as a debtor in possession.

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.

B. Overview of the Trade Claims

8. In the ordinary course of business, the Debtor engages the Vendors to provide various goods and services essential to the production, storage, labeling and distribution of its products and the administration of its business operations. The loss of one or more of the Vendors or a delay or inability to secure an alternative source of its goods and services could have a material negative impact on the Debtor's revenue, business operations and financial condition. To preserve the value of its business for the benefit of all stakeholders, the Debtor must be able to assure its customers, vendors, services providers and employees that, notwithstanding the filing of this Chapter 11 Case, it will continue to operate in the ordinary course of business.

9. The Debtor estimates that it owes the Vendors approximately $1,075,000, in the aggregate, as of the Petition Date (the "Vendor Claims"), including claims totaling up to approximately $350,000 that may be entitled to administrative expense priority status pursuant to section 503(b)(9) of the Bankruptcy Code (the "503(b)(9) Claims").

10. By this Motion, the Debtor seeks authority to pay Vendor Claims in accordance with the following chart:

Claim Category	Estimated Interim Amount	Estimated Final Amount
Critical Vendor Claims	$325,000	$650,000
Lien Claims	$25,000	$75,000
503(b)(9) Claims	$175,000	$350,000
Total Claims	**$525,000**	**$1,075,000**

C. Critical Vendor Claims

11. To identify those vendors that are critical to the continued and uninterrupted operation of the Debtor's business, the Debtor, with the assistance of its advisors, reviewed its books and records (including its accounts payable and prepetition vendor lists), analyzed the applicable contracts and agreements, analyzed its historical business practices and consulted with the appropriate members of its management team. In particular, the Debtor considered the following criteria, among others, in identifying potential Critical Vendors: (i) whether there is an alternative source for the goods or services that can be acquired within a reasonable amount of time; (ii) whether there is a unique process or special knowledge of the Debtor that the vendor has acquired over time; (iii) whether the vendor's products have been pre-approved for use in the Debtor's end product; and (iv) whether a vendor meeting any of the foregoing criteria is able or likely to refuse to provide goods or services to the Debtor postpetition if its prepetition balances are not paid.

12. In many instances, the Critical Vendors provide unique services or specialized goods that could not be easily or quickly obtained from another vendor or are sole source providers. For example, the Debtor resells under its own brand names products produced

by a third party. This segment of the Debtor's business is critical to ongoing profitability. These products in many instances would require approval and testing by the ultimate end-user even if an alternative were found. The Debtor also utilizes a number of aftermarket and original equipment manufacturers and other service providers in its mineral production processes to maintaining mining and processing equipment and such products and services would be difficult and, in some cases, impossible, to obtain from a substitute source in a timely and efficient manner.

13. The remote locations of many of the Debtor's operations results in a dependency on many single-sourced, local, smaller suppliers, the replacement of which would result increased cost and likely result in supply disruption. Although the Debtor may be able to obtain certain services or goods provided by the Critical Vendors from alternative sources, the Debtor does not believe reasonable and sufficient time remains available to engage alternate providers. The occurrence of any issues with the Debtor's vendors and servicers could result in delayed production or delivery of adequate supplies necessary to bring the Debtor's products to market.

14. Accordingly, it is vital that the Debtor be situated to maintain its business relationships with, and satisfy, in the Debtor's sole discretion, outstanding debts to the Critical Vendors. To ensure that the commencement of this Chapter 11 Case does not cause unanticipated or inopportune disruption to its business operations, the Debtor seeks to pay the Critical Vendor Claims to guarantee receipt of goods and services and obtain favorable credit terms from the Critical Vendors.

15. By this Motion, the Debtor seeks authority to pay prepetition claims held by the Critical Vendors (the "Critical Vendor Claims") in the ordinary course of business and in

accordance with the Approved Budget in an aggregate amount not to exceed $325,000 on an interim basis and $650,000 on a final basis (inclusive of the interim amount).

D. Lien Claims

16. The Shippers and Warehousemen. To optimize its supply chain and distribution network and ensure the flow of products between and among its facilities and customers, the Debtor necessarily depends upon an extensive shipping, warehousing and distribution network (the "Shippers"). The Debtor's network also includes certain third-party warehousemen, distributors and logistics providers who support the Debtor's distribution capabilities by storing goods and transferring goods between parties on behalf of the Debtor (the "Warehousemen"). Among other things, the Shippers and Warehousemen support the Debtor's warehousing and distribution network and provide various customer service, warehousing and distribution services related to the Debtor's products. Consequently, the Shippers and Warehousemen regularly possess certain of the Debtor's products in the ordinary course of business.

17. If the Debtor fails to pay the Shippers or Warehousemen for charges incurred in connection with the transportation and storage of the Debtor's property, various statutes, tariffs and agreements may permit the Shippers or Warehousemen to assert possessory liens against or otherwise exercise control over the Debtor's property in their possession. In addition, the Debtor's products may be held in transit or not released if the Debtor or its customs agents do not pay customs duties when due in the ordinary course. The successful operation of the Debtor's business, and thus its ability to maximize the value of its assets, depends on its ability to process such goods.

18. Other Potential Lien Claimants. In addition to the claims of Shippers and Warehousemen, the Debtor regularly engages several third parties (collectively, the "Other Lien

Claimants," and together with the Shippers and Warehousemen, the "Lien Claimants") who, under applicable non-bankruptcy law, may also have the ability to assert liens against the Debtor and its property if the Debtor fails to pay for goods or services rendered prior to the Petition Date.

19. For example, the Debtor utilizes third parties to provide construction and repair services at the Debtor's facilities. Failure to pay for such services may result in these service providers asserting mechanic's, materialman's or other similar statutory liens under applicable law.

20. As of the Petition Date, certain Other Lien Claimants may not have been paid in full for certain prepetition goods, equipment and/or services, which may result in such Other Lien Claimants asserting, and perfecting, statutory liens against the Debtor's facilities or the Debtor's goods or equipment, notwithstanding the automatic stay under section 362 of the Bankruptcy Code. Indeed, section 362(b)(3) of the Bankruptcy Code expressly excludes the act of perfecting such statutory liens, to the extent consistent with section 546(b) of the Bankruptcy Code, from the automatic stay. See 11 U.S.C. § 362(b)(3). Pursuant to section 546(b) of the Bankruptcy Code, a debtor's lien avoidance powers "are subject to any generally applicable law that . . . permits perfection of an interest in property to be effective against an entity that acquires rights in such property before the date of perfection." 11 U.S.C. § 546(b)(1)(A).[3] Furthermore, certain Other Lien Claimants may refuse to perform ongoing services to the Debtor, including construction, repair and servicing obligations, unless their claims are paid in full.

[3] The Debtor does not concede that any liens (contractual, common law, statutory or otherwise) described in this Motion are valid, and the Debtor expressly reserves the right to contest the extent, validity and perfection of all such liens and/or to seek avoidance thereof.

21. If the Debtor is unable to pay the Lien Claimants' prepetition claims (the "Lien Claims"), it risks losing access to critical estate property, which could immediately and irreparably harm the Debtor's chapter 11 efforts, to the detriment of all stakeholders. Accordingly, the Debtor seeks authority to, on a case-by-case basis and in its discretion and in accordance with the Approved Budget, pay and discharge the Lien Claims where the Debtor determines in its reasonable business judgment that such payment is in the best interests of the Debtor's estate, regardless of whether the related Lien Claimants have already perfected their interests.

22. As of the Petition Date, the Debtor is not aware of any Vendors asserting Lien Claims. By this Motion, the Debtor seeks authority to pay the Lien Claims in the ordinary course of business and in accordance with the Approved Budget in an aggregate amount not to exceed $25,000 on an interim basis and $75,000 on a final basis (inclusive of the interim amount).

E. 503(b)(9) Claims

23. The Debtor frequently receives shipments of product to operate its business. Some of these shipments may have been received within the 20-day period immediately preceding the Petition Date, thereby giving rise to prepetition claims pursuant to section 503(b)(9) of the Bankruptcy Code (the "503(b)(9) Claims"). The vast majority of the 503(b)(9) Claims are held by claimants that are also Critical Vendors. The Debtor's relationships with these Vendors, and with many of the other 503(b)(9) Claimants, are not governed by long-term contracts. Rather, the Debtor obtains goods from such claimants on an order-by-order basis. As a result, the 503(b)(9) Claimants may refuse to supply new orders if the Debtor does

not pay the 503(b)(9) Claims. Such refusal would negatively affect the Debtor's business operations and jeopardize the Debtor's ability to maximize the value of its estate.

24. By this Motion, the Debtor seeks authority to pay the 503(b)(9) Claims in the ordinary course of business and in accordance with the Approved Budget in an aggregate amount not to exceed $175,000 on an interim basis and $350,000 on a final basis (inclusive of the interim amount).

F. Conditions on Payment of Vendor Claims

25. In the exercise of its business judgment, the Debtor has determined that continuing to receive goods and services from the Vendors is necessary to operate its business as a going concern and to maximize value. If granted discretion to satisfy the Vendor Claims as requested herein, the Debtor will assess, on a case-by-case basis, the benefits to its estate of paying the Vendor Claims and pay any such claim only to the extent the estate will benefit and in accordance with the Approved Budget.

26. In an effort to ensure that the payment of each Vendor Claim provides the Debtor with a benefit to its estate, the Debtor may request that a recipient of payment upon any portion of a Vendor Claim (a "Vendor Payment") be required, to the extent applicable, to execute a written agreement (email being sufficient) that such Vendor will (i) continue the parties' existing business relationship; (ii) continue other business terms on a postpetition basis consistent with past practices, including the pricing of goods and services and the provision of equivalent levels of service, on terms at least as favorable as those extended in the normal course prior to the Petition Date and (iii) release to the Debtor any goods or other assets of the Debtor in the Vendor's possession (collectively, the "Customary Trade Terms"). The Customary Trade Terms would be applicable throughout the pendency of the Debtor's Chapter 11 Case.

27. To the extent a Vendor executes a written agreement to provide goods and services on the Customary Trade Term, such agreement may (but need not necessarily) also include, without limitation, the following terms:

i. The amount of the Vendor's estimated prepetition claim, after accounting for any setoffs, other credits, and discounts thereto, shall be as mutually determined in good faith by the Vendor and the Debtor (but such amount shall be used only for purposes of any order granting this Motion and shall not be deemed a claim allowed by the Court, and the rights of all parties in interest to object to such claim shall be fully preserved until further order of the Court);

ii. The amount and timing of any payment agreed to be paid in satisfaction of such estimated prepetition claim by the Debtor, subject to the terms and conditions set forth in any order granting this Motion;

iii. The Vendor's agreement to provide goods and services to the Debtor based upon the Customary Trade Terms (including, but not limited to, credit limits, pricing, cash discounts, timing of payments, allowances, rebates, normal product mix and availability, and other applicable terms and programs), or such other trade terms as are agreed to by the Debtor and the Vendor, and the Debtor's agreement to pay the Vendor in accordance with such terms;

iv. The Vendor's agreement not to file or otherwise assert against the Debtor, its estate or any of its respective assets or property (real or personal) any lien (regardless of the statute or other legal authority upon which such lien is asserted) related in any way to any remaining prepetition amounts allegedly owed to the Vendor by the Debtor arising from goods and services provided to the Debtor prior to the Petition Date, and that, to the extent that the Vendor has previously obtained such a lien, the Vendor shall immediately take all necessary actions to release such lien;

v. The Vendor's acknowledgment that it has reviewed the terms and provisions of any order granting this Motion and consents to be bound thereby;

vi. The Vendor's agreement that it will not separately assert or otherwise seek payment of any reclamation claims; and

vii. If a Vendor that has received payment of a prepetition claim subsequently refuses to provide goods and services to the Debtor on Customary Trade Terms or such other trade terms as are agreed to by the Debtor and the Vendor, then, without the need for any further order of the Court, any payments received by the Vendor on account of such prepetition claim

> shall be deemed to have been in payment of any then outstanding postpetition obligations owed to such Vendor. The Debtor shall have the authority to file a motion to compel such Vendor to immediately repay to the Debtor any payments received on account of its prepetition claim to the extent that the aggregate amount of such payments exceed the postpetition obligations then outstanding to such Vendor, without the right of setoff, recoupment or reclamation. If the Court orders such Vendor to repay any such prepetition amounts, the Vendor's claim shall be reinstated as a prepetition claim in this Chapter 11 Case and subject to the terms of any bar date order entered in this Chapter 11 Case.

28. If a Vendor that has agreed to the Customary Trade Terms accepts a Vendor Payment and fails to abide by the Customary Trade Terms, then the Debtor reserves the right to treat such Vendor Payment as an unauthorized postpetition transfer and exercise any and all appropriate remedies.

Basis for Relief Requested

I. The Court Should Authorize, but not Direct, Payment of the Vendor Claims

A. The Vendors Are Essential to Avoiding Any Unexpected or Inopportune Interruption to the Debtor's Business Operations

29. The goods and services provided by the Vendors are necessary to ensure that there are no unexpected or inopportune interruptions to the Debtor's operations. The Vendors are the most cost-efficient and, in many cases, the only reasonable source from which the Debtor can procure critical goods and services within a timeframe that would permit the Debtor to avoid unanticipated interruptions, delays or shutdowns in its operations. Any failure to pay the Vendor Claims would, in the Debtor's business judgment, result in the Vendors refusing to provide necessary goods and services to the Debtor. Any unexpected or inopportune interruption, delay or shutdown in the Debtor's operations resulting from a refusal by the Vendors to do business with the Debtor on a postpetition basis, or the Debtor's inability to maintain a full and replenishable stock of goods, would have significant deleterious effects on

the Debtor's businesses and undermine the Debtor's ability to preserve and maximize the value of its estate.

30. With respect to the Vendor Claims, the Debtor has reviewed its accounts payable and undertaken a process to identify those Vendors that are essential to avoid any unexpected or inopportune interruptions to its operations. The Debtor has further developed certain procedures that, if and when implemented, in its discretion and business judgment, will ensure that the Vendors receiving payment of their Vendor Claims will continue to provide goods and services to the Debtor based upon the Customary Trade Terms, or such other trade terms as are agreed to by the Debtor and the Vendors. The authority to pay the Vendor Claims is vital to the Debtor's efforts to preserve and maximize the value of its estate.

31. If the relief requested by this Motion is not granted, many of the Vendors will likely refuse to do business with the Debtor, and the Debtor may have to cease its own operations. Such a result would be damaging to the Debtor's efforts to successfully prosecute the Chapter 11 Case and hinder its ability to monetize estate assets during the postpetition sale process, to the detriment of the Debtor's estate and creditors. Moreover, the continued availability of trade credit in amounts and on terms consistent with the Debtor's prepetition trade terms is critical. The retention or reinstatement of the Customary Trade Terms will enable the Debtor to maximize the value of its businesses. Conversely, a deterioration in postpetition trade credit available to the Debtor, together with a disruption in the Debtor's receipt of necessary goods and services, would, among other things, increase the amount of liquidity needed by the Debtor postpetition and impede the Debtor's chapter 11 efforts, including its postpetition sale efforts.

32. For the foregoing reasons, the Debtor respectfully requests authority (but not the direction) to pay the Vendor Claims in accordance with the Approved Budget and to the extent necessary to preserve and maximize the value of its estate, in the ordinary course of business during the pendency of the Chapter 11 Case.

B. The Payment of the Vendor Claims is Appropriate Under the Bankruptcy Code

33. Section 363(b)(1) of the Bankruptcy Code provides as follows: "The 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 decision 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).

34. Section 105(a) of the Bankruptcy Code provides:

> The court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title. No provision of this title providing for the raising of an issue by a party in interest shall be construed to preclude the court from, sua sponte, taking any action or making any determination necessary or appropriate to enforce or implement court orders or rules, or to prevent an abuse of process.

11 U.S.C. § 105(a). Section 105(a) of the Bankruptcy Code grants bankruptcy courts broad authority and discretion to enforce the provisions of the Bankruptcy Code under equitable common law principles. 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).

35. Under the "doctrine of necessity," courts allow the immediate payment of prepetition claims where such payment is essential to the debtor's continued operations. In re

Windstream Holdings Inc., 614 B.R. 441, 456 (Bankr. S.D.N.Y. 2020) (citation omitted); accord In re Boston & Me. Corp., 634 F.2d 1359, 1382 (1st Cir. 1980) (recognizing the existence of a judicial power to authorize trustees to pay claims for goods and services that are indispensably necessary to the debtor's continued operation).

36. In dicta, the Supreme Court of the United States endorsed motions seeking to pay certain prepetition claims early in a chapter 11 case 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 and quotation marks omitted).

37. The bankruptcy court's exercise of its authority under the "doctrine of necessity" is appropriate to carry out certain 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.").

38. The requested relief is justified under sections 363(b) and 105(a) of the Bankruptcy Code because it represents a sound exercise of the Debtor's business judgment and is necessary to avoid immediate and irreparable harm to the Debtor's estate. Payment of the Vendor Claims is vital to preserving the Debtor's business and maximizing the value of the Debtor's estate. Because the Debtor operates in a highly regulated industry, the Debtor is not easily able to replace the existing Vendors if such Vendors refuse to maintain existing business relationships with the Debtor due to non-payment of outstanding obligations incurred prior to the Petition Date. Moreover, the Debtor is ill-equipped to handle interruptions in the supply of goods and services. Allowing the Debtor to pay the outstanding Vendor Claims will stabilize the Debtor's business operations at this critical time, maintain its competitiveness and maximize the value of its business for the benefit of all interested parties.

II. The Payment of Lien Claims and 503(b)(9) Claims Will not Adversely Affect Creditor Recoveries

39. Payment of Lien Claims and 503(b)(9) Claims pursuant to this Motion will not reduce other creditors' recoveries and is appropriate under the Bankruptcy Code. Lien Claimants owed amounts less than the value of the goods that could be held to secure the related Lien Claims are arguably fully secured creditors of the Debtor's estate and thus Lien Claimants would be entitled to be paid in full prior to prepetition priority and general unsecured creditors. Similarly, section 503(b)(9) of the Bankruptcy Code provides administrative priority for "the value of any goods received by the debtor within 20 days before the date of commencement of a case under this title in which the goods have been sold to the debtor in the ordinary course of such debtor's business." 11 U.S.C. § 503(b)(9). The 503(b)(9) Claims must be paid in full for the Debtor to confirm a chapter 11 plan. See 11 U.S.C. § 1129(a)(9)(A).

40. Moreover, the timing of such payments lies squarely within the Court's discretion. See In re The Korea Chosun Daily Times, 337 B.R. 773, 784 (Bankr. E.D.N.Y. 2005) ("The question of whether administrative expenses should be paid sooner than the effective date of the plan is committed to the sound discretion of the bankruptcy court."). Consequently, payment of such claims now only provides such parties with what they would be entitled to receive under a chapter 11 plan. As explained above, payment of the 503(b)(9) Claims at the outset of the cases ensures that the Debtor retains access to the goods necessary to maintain the continued operation of the Debtor's business. As payment of such claims now merely accelerates the timing of payments and does not ultimately alter the treatment of such claims, payment of the 503(b)(9) Claims is appropriate.

41. Further, payment of the 503(b)(9) Claims is appropriate pursuant to sections 363(b)(1) and 105(a) of the Bankruptcy Code and the "doctrine of necessity" for the same reasons described in section I.B above. Accordingly, the Debtor respectfully submits that the Court should allow the Debtor to pay the 503(b)(9) Claims in the ordinary course of business.

III. The Court Should Authorize the Banks to Honor and Process the Debtor's Payments Made on Account of the Relief Requested by this Motion

42. 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 the relief requested herein, whether such checks were presented, or fund transfer requests were submitted prior to, on, 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 amounts and programs discussed herein. Accordingly, the Debtor believes that such checks should be honored.

Requests for Immediate Relief & Waiver of Stay

43. Pursuant to Bankruptcy Rules 6003(b) and 6004(h), the Debtor seeks (i) immediate entry of the Proposed Interim Order and (ii) a waiver of any stay of the effectiveness of the Proposed Orders upon their entry. 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). Accordingly, 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.

44. As set forth above and in the First Day Declaration, the honoring and payment of the Vendor Claims is necessary to prevent immediate and irreparable damage to the Debtor's operations and, thus, its chapter 11 estate. Accordingly, the Debtor submits that ample cause exists to justify (i) the immediate entry of the Proposed Interim Order and (ii) a waiver of the 14-day stay imposed by Bankruptcy Rule 6004(h) and the notice requirements of Bankruptcy Rule 6004(a), to the extent that they apply to entry of the Proposed Orders.

Reservation of Rights

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

dispute any claim, including the amount or priority thereof, on any grounds; (iii) a promise to pay any claim; (iv) an implication or admission that any particular claim would constitute a Vendor Claim or otherwise be entitled to priority status under the Bankruptcy Code or (v) the assumption of an executory contract or unexpired lease.

Notice

46. Notice of this Motion shall be provided to: (i) the Office of the United States Trustee for the Northern District of New York; (ii) the Top Talc Counsel List; (iii) counsel to the proposed DIP Lenders; (iv) the Internal Revenue Service; and (v) the Banks. Due to the urgency of the circumstances surrounding this Motion and the nature of the relief requested herein, the Debtors respectfully submit that no further notice of this Motion is required.

No Prior Request

47. 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 (i) enter the Proposed Orders and (ii) grant such other and further relief to the Debtor 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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EXHIBIT A

Proposed Interim Order

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]	**Re: Docket No. __**

INTERIM ORDER AUTHORIZING THE DEBTOR TO PAY PREPETITION CLAIMS OF CERTAIN CRITICAL VENDORS, LIEN CLAIMANTS AND 503(B)(9) CLAIMANTS

Upon the *Motion of the Debtor and Debtor in Possession for Authorization to Pay Prepetition Claims of Certain Critical Vendors, Lien Claimants and 503(b)(9) Claimants* (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 jurisdiction over this

[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.

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 on an interim basis as set forth herein.

2. The Debtor is authorized, but not required, to pay, in its sole discretion and in the ordinary course of its business without further order of this Court, Critical Vendor Claims, Lien Claims and 503(b)(9) Claims, provided that such payments are made in accordance with the Approved Budget (as defined in the DIP Financing Motion) and shall not exceed the aggregate amounts set forth in the chart below unless otherwise or further ordered by the Court:

Claim Category	Interim Order Cap
Critical Vendor Claims	$325,000
Lien Claims	$25,000
503(b)(9) Claims	$175,000
Total Claims	**$525,000**

3. The Debtor is authorized, but not directed, to enter into written agreements (email being sufficient) ("Trade Agreements") with the Vendors providing that such Vendors will (i) continue the parties' existing business relationship; (ii) continue other business terms on a postpetition basis consistent with past practices, including the pricing of goods and services and the provision of equivalent levels of service, on terms at least as favorable as those extended in the normal course prior to the Petition Date; and (iii) release to the Debtor goods or other assets of the Debtor in the Vendor's possession (collectively, the "Customary Trade Terms").

4. The Debtor is authorized, but not directed, to enter into Trade Agreements with the Vendors, including, without limitation, on the following terms:

i. The amount of the Vendor's estimated prepetition claim, after accounting for any setoffs, other credits and discounts thereto, shall be as mutually determined in good faith by the Vendor and the Debtor (but such amount shall be used only for purposes of this Interim Order and shall not be deemed a claim allowed by the Court, and the rights of all parties in interest to object to such claim shall be fully preserved until further order of the Court);

ii. The amount and timing of any payment agreed to be paid in satisfaction of such estimated prepetition claim by the Debtor, subject to the terms and conditions set forth in this Interim Order and in accordance with the Approved Budget;

iii. The Vendor's agreement to provide goods and services to the Debtor based upon the Customary Trade Terms (including, but not limited to, credit limits, pricing, cash discounts, timing of payments, allowances, rebates, normal product mix and availability, and other applicable terms and programs), or such other trade terms as are agreed to by the Debtor and the Vendor, and the Debtor's agreement to pay the Vendor in accordance with such terms;

iv. The Vendor's agreement not to file or otherwise assert against any of the Debtor, its estate or any of its respective assets or property (real or personal) any lien (regardless of the statute or other legal authority upon which such lien is asserted) related in any way to any remaining prepetition amounts allegedly owed to the Vendor by the Debtor arising from goods and services provided to the Debtor prior to the Petition Date, and that, to the extent that the Vendor has previously obtained such a lien,

the Vendor shall immediately take all necessary actions to release such lien;

v. The Vendor's acknowledgment that it has reviewed the terms and provisions of the Interim Order and consents to be bound thereby;

vi. The Vendor's agreement that it will not separately assert or otherwise seek payment of any reclamation claims; and

vii. If a Vendor that has received payment of a prepetition claim subsequently refuses to provide goods and services to the Debtor on Customary Trade Terms or such other trade terms as are agreed to by the Debtor and the Vendor, then, without the need for any further order of the Court, any payments received by the Vendor on account of such prepetition claim shall be deemed to have been in payment of any then outstanding postpetition obligations owed to such Vendor. The Debtor shall have the authority to file a motion to compel such Vendor to immediately repay to the Debtor any payments received on account of its prepetition claim to the extent that the aggregate amount of such payments exceed the postpetition obligations then outstanding to such Vendor, without the right of setoff, recoupment or reclamation. If the Court orders such Vendor to repay any such prepetition amounts, the Vendor's claim shall be reinstated as a prepetition claim in this Chapter 11 Case subject to the terms of any bar date order entered in this Chapter 11 Case.

5. The Banks are authorized when requested by the Debtor in the Debtor's sole discretion, to receive, process, honor and pay all checks presented for payment of, and to honor all fund transfer requests made by the Debtor related to relief granted by this Interim Order, whether such checks were presented, or fund 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 fund 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 without any duty of further inquiry and without liability for following the Debtor's instructions.

6. 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 right to dispute any claim

on any grounds; (iii) a promise to pay any claim or (iv) a request to assume any executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code.

7. Nothing in this Interim Order shall be construed as requiring the Debtor to make a payment to a particular creditor or claimant.

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

9. 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.

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

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

12. 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).

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

FINAL ORDER AUTHORIZING THE DEBTOR TO PAY PREPETITION CLAIMS OF CERTAIN CRITICAL VENDORS, LIEN CLAIMANTS AND 503(B)(9) CLAIMANTS

Upon the *Motion of the Debtor and Debtor in Possession for Authorization to Pay Prepetition Claims of Certain Critical Vendors, Lien Claimants and 503(b)(9) Claimants* (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 jurisdiction over this

[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.

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:

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

15. The Debtor is authorized, but not required, to pay, in its sole discretion and in the ordinary course of its business without further order of this Court, Critical Vendor Claims, Lien Claims and 503(b)(9) Claims, provided that such payments are made in accordance with the Approved Budget (as defined in the DIP Financing Motion) and shall not exceed the aggregate amounts set forth in the chart below unless otherwise or further ordered by the Court:

Claim Category	Final Order Cap
Critical Vendor Claims	$650,000
Lien Claims	$75,000
503(b)(9) Claims	$350,000
Total Claims	**$1,075,000**

16. The Debtor is authorized, but not directed, to enter into written agreements (email being sufficient) ("Trade Agreements") with the Vendors providing that such Vendors will (i) continue the parties' existing business relationship; (ii) continue other business terms on a postpetition basis consistent with past practices, including the pricing of goods and services and the provision of equivalent levels of service, on terms at least as favorable as those extended in the normal course prior to the Petition Date; and (iii) release to the Debtor goods or other assets of the Debtor in the Vendor's possession (collectively, the "Customary Trade Terms").

17. The Debtor is authorized, but not directed, to enter into Trade Agreements with the Vendors, including, without limitation, on the following terms:

i. The amount of the Vendor's estimated prepetition claim, after accounting for any setoffs, other credits and discounts thereto, shall be as mutually determined in good faith by the Vendor and the Debtor (but such amount shall be used only for purposes of this Final Order and shall not be deemed a claim allowed by the Court, and the rights of all parties in interest to object to such claim shall be fully preserved until further order of the Court);

ii. The amount and timing of any payment agreed to be paid in satisfaction of such estimated prepetition claim by the Debtor, subject to the terms and conditions set forth in this Final Order and in accordance with the Approved Budget;

iii. The Vendor's agreement to provide goods and services to the Debtor based upon the Customary Trade Terms (including, but not limited to, credit limits, pricing, cash discounts, timing of payments, allowances, rebates, normal product mix and availability, and other applicable terms and programs), or such other trade terms as are agreed to by the Debtor and the Vendor, and the Debtor's agreement to pay the Vendor in accordance with such terms;

iv. The Vendor's agreement not to file or otherwise assert against any of the Debtor, its estate or any of its respective assets or property (real or personal) any lien (regardless of the statute or other legal authority upon which such lien is asserted) related in any way to any remaining prepetition amounts allegedly owed to the Vendor by the Debtor arising from goods and services provided to the Debtor prior to the Petition Date, and that, to the extent that the Vendor has previously obtained such a lien,

the Vendor shall immediately take all necessary actions to release such lien;

v. The Vendor's acknowledgment that it has reviewed the terms and provisions of the Final Order and consents to be bound thereby;

vi. The Vendor's agreement that it will not separately assert or otherwise seek payment of any reclamation claims; and

vii. If a Vendor that has received payment of a prepetition claim subsequently refuses to provide goods and services to the Debtor on Customary Trade Terms or such other trade terms as are agreed to by the Debtor and the Vendor, then, without the need for any further order of the Court, any payments received by the Vendor on account of such prepetition claim shall be deemed to have been in payment of any then outstanding postpetition obligations owed to such Vendor. The Debtor shall have the authority to file a motion to compel such Vendor to immediately repay to the Debtor any payments received on account of its prepetition claim to the extent that the aggregate amount of such payments exceed the postpetition obligations then outstanding to such Vendor, without the right of setoff, recoupment or reclamation. If the Court orders such Vendor to repay any such prepetition amounts, the Vendor's claim shall be reinstated as a prepetition claim in this Chapter 11 Case subject to the terms of any bar date order entered in this Chapter 11 Case.

18. The Banks are authorized when requested by the Debtor in the Debtor's sole discretion, to receive, process, honor and pay all checks presented for payment of, and to honor all fund transfer requests made by the Debtor related to relief granted by this Final Order, whether such checks were presented, or fund 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 fund 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 without any duty of further inquiry and without liability for following the Debtor's instructions.

19. 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 right to dispute any claim

on any grounds; (iii) a promise to pay any claim or (iv) a request to assume any executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code.

20. Nothing in this Final Order shall be construed as requiring the Debtor to make a payment to a particular creditor or claimant.

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

22. 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.

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

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

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

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