

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA**

In re:

CAFE HOLDINGS CORP., *et al.*,¹

Debtors.

Chapter 11

Case No. 18-05837(hb)

(Jointly Administered)

**INTERIM ORDER AUTHORIZING DEBTORS TO HONOR PREPETITION
OBLIGATIONS TO CUSTOMERS AND OTHERWISE CONTINUE
CUSTOMER PROGRAMS IN THE ORDINARY COURSE OF BUSINESS**

Upon consideration of the motion (the “**Motion**”)² of the above-captioned debtors and debtors in possession (collectively, the “**Debtors**”), for the entry of an order (this “**Interim Order**”), pursuant to sections 105(a), 363(b), 503(b)(1), 1107(a), and 1108 of the Bankruptcy Code, (a) authorizing, but not directing, the Debtors, in their sole discretion, to pay, honor or otherwise satisfy certain prepetition obligations to customers under, and to otherwise continue, the Customer Programs in the ordinary course of business, (b) authorizing, but not directing, the Debtors, in their sole discretion, to pay, honor, or otherwise satisfy prepetition processing costs and fees associated with the Customer Programs, and (c) authorizing and directing the Debtors’ Banks to receive, process, honor, and pay all checks and electronic payment requests relating to the foregoing, all as more fully set forth in the Motion; and upon consideration of the Motion and all pleadings related thereto; and due and proper notice of the Motion having been given; and it appearing that no other or further notice of the Motion is required; and it appearing that the Court

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Cafe Holdings Corp. (7910); Cafe Enterprises, Inc. (4946); CE Sportz LLC (2009); and CES Gastonia LLC (0863). The location of the Debtors’ corporate headquarters is 4324 Wade Hampton Blvd., Suite B, Taylors, South Carolina 29687.

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

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 the Motion is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that the relief requested in the Motion and provided for herein is in the best interest of the Debtors, their estates, and creditors; and after due deliberation and sufficient cause appearing therefor, **IT IS HEREBY ORDERED THAT:**

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

2. The final hearing on the relief sought in the Motion shall be conducted on **December 5, 2018 at 9:30 a.m., Eastern Time**. The deadline to file objections to the entry of the relief sought in the Motion on a final basis is **December 3, 2018 at 4:00 p.m., Eastern Time**. If no objections are filed to the relief sought in the Motion on a final basis, this Court may grant the Motion on a final basis without further notice or hearing.

3. The Debtors are authorized, but not directed, in their sole discretion, pursuant to sections 105(a), 363, 503(b), 1107(a), and 1108 of the Bankruptcy Code, to continue, renew, replace, implement, modify, and/or terminate the Customer Programs, as they deem appropriate, in the ordinary course of business, including, but not limited to (i) Gift Cards; (ii) the Classic Club; and (iii) Customer Refunds.

4. The Debtors are authorized, but not directed, in their sole discretion, to pay, honor, or otherwise satisfy all prepetition Customer Obligations, in the ordinary course of business, in the same manner and on the same basis as the Debtors honored such obligations prior to the commencement of these chapter 11 cases, including, without limitation, any prepetition processing costs and fees associated with the Customer Programs.

5. Notwithstanding anything herein, the Debtors shall not be authorized to make any payments to NCR pursuant to the terms of this Order; provided, however, that the Debtors' treatment of NCR, if any, pursuant to other orders, is not prejudiced by this Interim Order.

6. The Debtors' Banks shall be, and hereby are, authorized and directed, when requested by the Debtors in their sole discretion, to receive, process, honor, and pay any and all checks or electronic fund transfers drawn on the Debtors' bank accounts on account of the Customer Programs, whether those checks were presented prior to or after the Petition Date, provided that sufficient funds are available in the applicable accounts to make the payments.

7. The Debtors' Banks may rely on the representations of the Debtors with respect to whether any check or other transfer drawn or issued by the Debtors prior to the Petition Date should be honored pursuant to this Order, and any such Bank shall not have any liability to any party for relying on such representations by the Debtors as provided for in this Interim Order.

8. Nothing in the Motion or this Interim Order, nor as a result of any payment made pursuant to this Interim Order, shall be deemed or construed as (a) an admission as to the validity, priority, or amount of any claim against the Debtors or their estates or an approval or assumption of any agreement, contract, lease, or Customer Program pursuant to section 365 of the Bankruptcy Code, or (b) a waiver of the rights of the Debtors and their estates, or shall impair the ability of the Debtors and their estates, to contest the validity, priority, and amount of any claims or any payment made pursuant to this Interim Order.

9. The requirements set forth in Bankruptcy Rule 6003(b) have been satisfied.

10. The terms and conditions of this Interim Order shall be immediately effective and enforceable upon entry of this Interim Order.

11. Notwithstanding anything to the contrary herein, any payments authorized to be made pursuant to this Interim Order shall be made only to the extent authorized under the cash collateral and debtor-in-possession financing budget approved by the Court in effect as of the time such payment is to be made.

12. Notice of the Motion satisfies the requirements set forth in Bankruptcy Rule 6004(a).

13. The Debtors are authorized to take any such actions as may be necessary and appropriate to implement the terms of this Interim Order.


14. This Court shall retain jurisdiction with respect to all matters relating to the interpretation or implementation of this Interim Order.

AND IT IS SO ORDERED.

**FILED BY THE COURT
11/20/2018**



Entered: 11/20/2018


US Bankruptcy Judge
District of South Carolina

Certificate of Notice Page 5 of 5
United States Bankruptcy Court
District of South Carolina

In re:
Cafe Holdings Corp.
Debtor

Case No. 18-05837-hb
Chapter 11

CERTIFICATE OF NOTICE

District/off: 0420-7

User: weathers
Form ID: pdf01

Page 1 of 1
Total Noticed: 9

Date Rcvd: Nov 20, 2018

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Nov 22, 2018.

- db +Cafe Holdings Corp., 4324 Wade Hampton Blvd., Ste. B, Taylors, SC 29687-2243
aty +Craig S. Ganz, Ballard Spahr, 1 East Washington Street, Ste. 2300, Phoenix, AZ 85004-2555
aty +David L. Staab, Haynes and Boone, LLP, 301 Commerce Street, Suite 2600, Fort Worth, TX 76102-4160
aty +Ian T. Peck, Haynes and Boone, LLP, 2323 Victory Avenue, Suite 700, Dallas, TX 75219-7673
aty +J. Frasher Murphy, Haynes and Boone, LLP, 2323 Victory Avenue, Suite 700, Dallas, TX 75219-7673
aty +Mary M. Caskey, Haynsworth Sinkler Boyd, PA, 1201 Main Street, Suite 2200, Columbia, SC 29201-3226
aty +Michael DiGiacomo, Ballard Spahr, 1 East Washington Street, Ste. 2300, Phoenix, AZ 85004-2555
aty +Stanley H. McGuffin, Haynsworth Sinkler Boyd, PA, 1201 Main Street, Suite 2200, Columbia, SC 29201-3226
cr +STORE Master Funding V, LLC, Haynsworth Sinkler Boyd, PO Box 11889, Columbia, SC 29211-1889

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center. NONE. TOTAL: 0

***** BYPASSED RECIPIENTS *****

NONE. TOTAL: 0

Addresses marked '+' were corrected by inserting the ZIP or replacing an incorrect ZIP. USPS regulations require that automation-compatible mail display the correct ZIP.

Transmission times for electronic delivery are Eastern Time zone.

I, Joseph Speetjens, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.

Meeting of Creditor Notices only (Official Form 309): Pursuant to Fed. R. Bank. P. 2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: Nov 22, 2018

Signature: /s/Joseph Speetjens

CM/ECF NOTICE OF ELECTRONIC FILING

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on November 20, 2018 at the address(es) listed below:

- David Brian Wheeler on behalf of Creditor Old Mill Stream, LLC davidwheeler@mvalaw.com
John Timothy Stack on behalf of U.S. Trustee US Trustee's Office John.T.Stack@usdoj.gov
Mary M. Caskey on behalf of Attorney Stanley H. McGuffin mcaskey@hsblawfirm.com, awilloughby@hsblawfirm.com;uveguilla@hsblawfirm.com;cwilliamson@hsblawfirm.com
Mary M. Caskey on behalf of Attorney Mary M. Caskey mcaskey@hsblawfirm.com, awilloughby@hsblawfirm.com;uveguilla@hsblawfirm.com;cwilliamson@hsblawfirm.com
Mary M. Caskey on behalf of Attorney Michael DiGiacomo mcaskey@hsblawfirm.com, awilloughby@hsblawfirm.com;uveguilla@hsblawfirm.com;cwilliamson@hsblawfirm.com
Mary M. Caskey on behalf of Creditor STORE Master Funding V, LLC mcaskey@hsblawfirm.com, awilloughby@hsblawfirm.com;uveguilla@hsblawfirm.com;cwilliamson@hsblawfirm.com
Mary M. Caskey on behalf of Attorney Craig S. Ganz mcaskey@hsblawfirm.com, awilloughby@hsblawfirm.com;uveguilla@hsblawfirm.com;cwilliamson@hsblawfirm.com
Michael H. Weaver on behalf of Debtor Cafe Holdings Corp. mweaver@mcnair.net, khandrock@mcnair.net
Robin C. Stanton on behalf of Debtor Cafe Holdings Corp. rstanton@mcnair.net, abennett@mcnair.net
US Trustee's Office USTPRegion04.CO.ECF@usdoj.gov
Weyman C. Carter on behalf of Debtor Cafe Holdings Corp. wcarter@mcnair.net, dhayes@mcnair.net

TOTAL: 11