UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re: **RM BAKERY LLC**, *et al.*	Chapter 11
Debtors.[1]	Case No. 20-11422 (MG) (Jointly Administered)

STIPULATION AND ORDER RESOLVING VERNON CONSULTING, INC.'S MOTION TO COMPEL DEBTORS' COMPLIANCE WITH COURT-ORDERED PAYMENT OF ALLOWED FINAL FEES

WHEREAS, Debtors RM Bakery LLC and related entities (the "Debtors") filed voluntary petitions for relief with this Court under Chapter 11 of Title 11 of the United States Code §§ 101 *et seq*. (the "Bankruptcy Code") on June 15, 2020; and

WHEREAS, Vernon Consulting, Inc. ("VCI") provided services to the Debtors as their Court approved[2] Financial Advisor and Accountant; and

WHEREAS, on November 21, 2021, VCI filed its Final Fee Application for Allowance and Payment of Compensation for the Period from June 15, 2020, through June 15, 2021 (the "Application") (ECF Doc. # 191); and

WHEREAS, a hearing was held on December 14, 2021, in which the Court granted the Application in the amount of $33,130.00 (the "Fees"),[3] which the Debtors assert was subject to the Debtors having sufficient funds to pay the Fees, which assertion VCI disputes; and

---

[1] The Debtors in these chapter 11 cases and the last four digits of each Debtor's taxpayer identification number are as follows: RM Bakery LLC (7954) and BKD Group LLC (0642).

[2] On August 24, 2021, the Bankruptcy Court entered an Order authorizing the retention and employment of VCI as the Accountant and Financial Advisor to the Debtors (ECF Doc. # 176).

[3] VCI's Application was filed requesting professional fees of $38,130; however, VCI consented to take a $5,000 reduction in fees, as noted during the Hearing.

WHEREAS, the Court observed that if the Debtors lacked sufficient funds to pay the Fees in full at the time they were granted, it would be left to VCI and the Debtors to work out a resolution; and

WHEREAS, an Order was signed December 22, 2021 (the "Order") (ECF Doc. # 198) granting the Application; and

WHEREAS, despite entry of the Order, the Debtors have not paid the amounts approved pursuant to the Order; and

WHEREAS, on January 14, 2022, VCI filed a motion (the "Motion") (ECF Doc. # 199) seeking to compel payment of the Fees in compliance with the Order; and

WHEREAS, the Debtor disputes certain allegations in the Motion; and

WHEREAS, counsel for VCI and the Debtors engaged in good faith settlement discussions to resolve the Motion; and

WHEREAS, VCI and the Debtors now desire to resolve the issues and claims raised by the Motion pursuant to the terms set forth herein;

NOW, THEREFORE, in consideration of the foregoing and the covenants and agreements set forth in this Settlement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, IT IS HEREBY STIPULATED AND AGREED BY AND BETWEEN THE PARTIES, AND IT IS SO ORDERED BY THE COURT, THAT:

1. Settlement Payment. The Debtors will pay to VCI the sum of $33,130.00, to be paid in six (6) equal payments of $5,000.00, commencing on or before March 21, 2022, with a final payment of $3,130.00 to be made on or before September 21, 2022 (the "Final Payment"). All payments shall be made by wire transfer to VCI; wire information has been contemporaneously provided to the Debtors.

2. Notwithstanding the payment schedule provided in paragraph 1 above, the Debtors shall repay the Fees in full within four (4) business days upon the first occurrence of any of the following events:

    a. The Debtors receive proceeds of an EIDL Loan;

b. The Debtors confirm a plan of reorganization or liquidation, and the effective date of such plan occurs.

3. Should the Debtors fail to timely make any payment , VCI may put the Motion back on the calendar on an expedited basis; ;

4. Upon VCI's receipt of payment of the Fees in full, VCI shall withdraw the Motion, with prejudice;

5. The Debtors will submit copies of all debtor-in-possession bank statements to VCI no later than the fifth (5th) day of each month.

6. The Debtors will advise VCI and its counsel of any and all changes in the status of its EIDL loan application, including any and all communications received in relation to such application.

7. This Stipulation shall be binding upon and inure to the benefit of the parties and their respective heirs, legal representatives, successors, agents and assigns.

8. Each of the parties hereby represents and warrants to the other that the respective undersigned signatories have full power, authority, and approval to execute this Stipulation on behalf of the party for whom they sign, and to legally bind such party to the terms and conditions of this Stipulation.

9. The Court shall retain jurisdiction to enforce the terms of this Stipulation and Order.

Dated: New York, NY
March 22, 2022

THE LAW OFFICES OF
ADRIENNE WOODS, PC

/s/ Adrienne Woods
Adrienne Woods, Esq.
105 West 86th Street, #314
New York New York 10024
Tel: (917) 447-4321
Email: adrienne@woodslawpc.com
Attorney for Vernon Consulting, Inc.

MAYERSON & HARTHEIMER,
PLLC

/s/ Sandra E. Mayerson
Sandra E. Mayerson, Esq.
845 Third Ave., 11th floor
New York, NY 10022
Tel: (646) 778-4381
Email: sandy@mhlaw-ny.com
Attorneys for Debtors

IT IS SO ORDERED.

Dated: March 23, 2022
New York, New York

/s/ Martin Glenn
MARTIN GLENN
Chief United States Bankruptcy Judge