

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:

KLEOPATRA FINCO S.À R.L., *et al.*,¹

Debtors.

)
) Chapter 11
)
) Case No. 25-90642 (CML)
)
) (Joint Administration Requested)
) (Emergency Hearing Requested)

**DEBTORS' EMERGENCY MOTION FOR ENTRY OF
INTERIM AND FINAL ORDERS (I) AUTHORIZING THE PAYMENT OF
ALL TRADE CLAIMS, (II) CONFIRMING THE ADMINISTRATIVE EXPENSE
PRIORITY OF OUTSTANDING ORDERS, AND (III) GRANTING RELATED RELIEF**

Emergency relief has been requested. Relief is requested not later than 3:00 p.m. (prevailing Central Time) on November 5, 2025.

If you object to the relief requested or you believe that emergency consideration is not warranted, you must appear at the hearing if one is set, or file a written response prior to the date that relief is requested in the preceding paragraph. Otherwise, the Court may treat the pleading as unopposed and grant the relief requested.

A hearing will be conducted on this matter on November 5, 2025, at 3:00 p.m. (prevailing Central Time) in Courtroom 402, 4th floor, 515 Rusk Street, Houston, Texas 77002.

Participation at the hearing will only be permitted by an audio and video connection.

Audio communication will be by use of the Court's dial-in facility. You may access the facility at (832) 917-1510. Once connected, you will be asked to enter the conference room number. Judge Lopez's conference room number is 590153. Video communication will be by use of the GoTo platform. Connect via the free GoTo application or click the link on Judge Lopez's home page. The meeting code is "JudgeLopez". Click the settings icon in the upper right corner and enter your name under the personal information setting.

Hearing appearances must be made electronically in advance of both electronic and in-person hearings. To make your appearance, click the "Electronic Appearance" link on Judge Lopez's homepage. Select the case name, complete the required fields, and click "Submit" to complete your appearance.

¹ A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' claims and noticing agent at <https://cases.stretto.com/Klockner>. The location of Kleopatra Finco S.à r.l.'s principal place of business and the Debtors' service address in these chapter 11 cases is 46A, Avenue J.F. Kennedy, L-1855 Luxembourg, R.C.S. Luxembourg.

The above-captioned debtors and debtors in possession (collectively, the “Debtors”) state as follows in support of this motion:²

Preliminary Statement

1. As described in the First Day Declaration, the Debtors commenced these chapter 11 cases with a restructuring support agreement (the “RSA”) signed by key stakeholders across their capital structure. The ultimate goal of the Debtors’ prepackaged Plan and these chapter 11 cases is to restructure the Debtors’ balance sheet as expeditiously as possible while minimizing disruption to the Debtors’ complex, global business operations. The Debtors and their stakeholders have negotiated tirelessly over the past several months to structure a transaction that will accomplish those two objectives.

2. Accordingly, the RSA and the Plan (a) leave the legal, equitable, and contractual rights of vendors and trade creditors (the “Trade Creditors”) unimpaired and (b) contemplate that the Debtors will emerge from these chapter 11 cases in approximately ninety days, subject to necessary regulatory approvals. Through its design, the Plan intends to avoid any disruption to the normal operations of the Debtors’ business resulting from these chapter 11 cases. And consistent with the transaction the Plan contemplates, the Debtors seek relief through this motion to pay prepetition trade liabilities (the “Trade Claims”) as they come due in the ordinary course of business. The relief requested in this motion is tailored to further the Debtors’ restructuring goals

² A detailed description of the Debtors and their business, including the circumstances giving rise to the Debtors’ chapter 11 cases, is set forth in the *Declaration of Marc Rotella, Chief Financial Officer of Kleopatra Finco S.à r.l., in Support of First Day Motions*, filed contemporaneously herewith (the “First Day Declaration”). Capitalized terms used but not defined in this motion shall have the meanings ascribed to them, as applicable, in the First Day Declaration, the *Joint Prepackaged Plan of Reorganization of Kleopatra Finco S.à r.l. and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* (the “Plan”), and the Debtors’ *Emergency Motion for Entry of Interim and Final Orders (I) Authorizing Certain Debtors to Continue Participating In and Selling Receives Pursuant To the Factoring Program, (II) Modifying the Automatic Stay, (III) Scheduling a Final Hearing, and (IV) Granting Related Relief* (the “Factoring Motion”), filed contemporaneously herewith.

and maximize the value of their estates by preserving operational efficiency and implementing the spirit of the RSA on the first day of these chapter 11 cases. Given the prepackaged nature of these chapter 11 cases, the unimpaired treatment of Trade Creditors under the Plan, and the importance of uninterrupted business operations, the Debtors believe that this relief is appropriate.

Relief Requested

3. The Debtors seek entry of interim and final orders, substantially in the forms attached hereto (respectively, the “Interim Order” and “Final Order”): (a) authorizing, but not directing, the Debtors to pay all Trade Claims in the ordinary course of business; (b) confirming the administrative expense priority of Outstanding Orders (as defined herein) and authorizing, but not directing, the Debtors to satisfy such Outstanding Orders in the ordinary course of business; and (c) granting related relief. The Debtors request that the Court schedule a final hearing approximately twenty-one days following the Petition Date, or as soon as it is practicable for the Court, to consider entry of the Final Order.

Jurisdiction and Venue

4. The United States Bankruptcy Court for the Southern District of Texas (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. § 1334 and the *Order of Reference to Bankruptcy Judges*, entered May 24, 2012, from the United States District Court for the Southern District of Texas. This is a core proceeding pursuant to 28 U.S.C. § 157(b). The Debtors confirm their consent to the entry of a final order by the Court in connection with this motion to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

5. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

6. The bases for the relief requested herein are sections 105(a), 363, 503, 1107(a), and 1108 of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “Bankruptcy Code”), rules 6003 and 6004 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), rules 1075-1 and 9013-1(i) of the Bankruptcy Local Rules for the Southern District of Texas (the “Bankruptcy Local Rules”), and the *Procedures for Complex Cases in the Southern District of Texas* (the “Complex Case Procedures”).

Background

7. On November 4, 2025 (the “Petition Date”), the Debtors commenced filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code. The Debtors are operating their business and managing their property as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. Concurrent with the filing of this motion, the Debtors filed a motion requesting procedural consolidation and joint administration of these chapter 11 cases pursuant to Bankruptcy Rule 1015(b). No request for the appointment of a trustee or examiner has been made in these chapter 11 cases, and no official committees have been appointed or designated.

The Debtors’ Business Obligations

I. The Trade Claims.

8. In the ordinary course of business, the Debtors rely on the Trade Creditors for numerous goods and services, including, among other things: (a) raw materials, like, vinyl, resins, and films and (b) operational support, such as distribution services, IT services, construction and maintenance services, third-party sales agency services, leased facilities, and utility services.³ In

³ For the avoidance of doubt, the relief requested in this motion concerns foreign utility service providers only. The Debtors seek separate relief for U.S.-based utility service providers in the *Debtors’ Emergency Motion for Entry of an Order (I) Approving the Debtors’ Utility Services Requests and (II) Granting Related Relief*, filed contemporaneously herewith.

the twelve months before the Petition Date, the payment obligations for these goods and services averaged approximately \$78 million per month. As of the Petition Date, the Debtors estimate that approximately \$174 million is owed to Trade Creditors on account of Trade Claims.⁴ The following table summarizes how the Plan classifies the Trade Claims and the estimated prepetition amounts attributable to each Trade Claim:

Trade Claims		
<i>Plan Class⁵</i>	<i>Type of Trade Claim</i>	<i>Outstanding Amount⁶</i>
Other Secured Claims	Trade Claims that are secured by liens.	\$23 million
Administrative Claims	Outstanding Orders and Trade Claims that are entitled to administrative expense priority under section 503(b)(9) of the Bankruptcy Code.	\$26 million
General Unsecured Claims	Trade Claims that are neither Other Secured Claims nor Administrative Claims (each as defined in the Plan).	\$125 million
Total		\$174 million

9. Maintaining relationships with Trade Creditors and having the ability to pay them is critical to the Debtors' reorganization efforts. The Debtors cannot afford, and likely could not withstand, the severe disruption to their supply chain that would result from failing to pay Trade Claims on time. Any interruption to the Debtors' business at this critical juncture—however brief—could induce Trade Creditors to halt shipments, set off amounts owed, sever commercial relationships, or take other measures that will harm the Debtors' estates. And while the risk inherent in failing to pay Trade Claims held by domestic Trade Creditors is considerable, the risk

⁴ Monetary amounts stated herein originally denominated in Euros or other currencies have been converted to the United States Dollar based on current exchange rates retrieved at the close of business on October 31, 2025 (prevailing Central Time).

⁵ For the avoidance of doubt, these Plan classes include other claims against the Debtors besides the Trade Claims described herein.

⁶ For the avoidance of doubt, the amounts presented in this table account for only the amount of Trade Claims attributable to a particular class under the Plan.

is even more pronounced when foreign Trade Creditors are involved, as they may disregard the automatic stay and exercise remedies in non-U.S. jurisdictions. This risk is particularly significant here given that foreign Trade Creditors comprise approximately 80 percent of the Debtors' vendor base.

10. Additionally, a portion of the Trade Claims are entitled to administrative expense priority under section 503(b)(9) of the Bankruptcy Code, which must be paid in full to confirm a plan of reorganization. Similarly, a portion of the Trade Claims are held by creditors that may be able to assert liens on account of unpaid obligations, such as carrier liens, warehousemen's liens, and mechanics' liens. The failure to timely pay these kinds of Trade Claims will unnecessarily disrupt the Debtors' business operations.

11. Because the Trade Claims are unimpaired under the Plan, the relief requested herein would merely expedite the treatment and distribution to the Trade Creditors that they would otherwise be entitled to receive upon consummation of the Plan. Accordingly, the Debtors request authority, but not direction, to pay all Trade Claims as they come due in the ordinary course of business.

II. Customary Trade Terms.

12. Subject to the Court's approval, the Debtors intend to pay the Trade Claims in full to preserve and enhance the value of their estates. In return for paying the Trade Claims, the Debtors propose that they be authorized, in their sole discretion, to require the Trade Creditors to provide favorable trade terms for the postpetition procurement of goods and services.

13. Specifically, the Debtors seek authority, but not direction, to condition payment of the Trade Claims upon such Trade Creditor's agreement to (a) continue—or resume—supplying such goods and services to the Debtors in accordance with trade terms at least as favorable to the Debtors as those practices and programs (including credit limits, pricing, cash discounts, timing of

payments, allowances, product mix, availability, and other programs, including consignment programs) consistent with the parties' ordinary course practice or as otherwise acceptable to the Debtors in their discretion (collectively, the "Customary Trade Terms") and (b) agree that they shall not be permitted to cancel any contract, agreement, or arrangement pursuant to which they provide such goods and/or services to the Debtors during the course of these chapter 11 cases. The Debtors also seek authority to require, at their discretion, that the Customary Trade Terms be commemorated in writing.

14. The Debtors further request that if any party accepts payment pursuant to the relief requested by this motion and thereafter does not continue to provide goods or services on Customary Trade Terms, then: (a) such payment may be deemed to be an avoidable postpetition transfer on account of a prepetition claim and therefore immediately recoverable by the Debtors in cash upon written request; (b) upon recovery by the Debtors, any prepetition claim of such party shall be reinstated as if the payment had not been made; (c) if there exists an outstanding postpetition balance due from the Debtors to such party, the Debtors may elect to recharacterize and apply any payment made pursuant to the relief requested by this motion to the outstanding postpetition balance, and such supplier will be required to repay to the Debtors such paid amounts that exceed the postpetition obligations then outstanding without the right of any setoffs, claims, provisions for payment of any claims, or otherwise; and (d) the Debtors may pursue any other remedy available to them under the applicable law or any executed writing with such party.

III. The Outstanding Orders.

15. Prior to the Petition Date, and in the ordinary course of business, the Debtors may have ordered goods or services that will not be delivered or provided until after the Petition Date (the "Outstanding Orders"). To avoid becoming general unsecured creditors of the Debtors' estates with respect to such Outstanding Orders, certain suppliers may refuse to ship such goods

(or may recall such shipments) or provide such services unless the Debtors issue substitute postpetition orders—potentially disrupting the Debtors’ ongoing business operations and requiring the Debtors to expend substantial time and effort in issuing such substitute orders. As set forth in greater detail below, because the Outstanding Orders are administrative expenses of the Debtors’ estates, the Debtors request that the Court confirm the administrative expense priority of the Outstanding Orders and authorize, but not direct, the Debtors to pay the Outstanding Orders in the ordinary course of business.

Basis for Relief

I. The Court Should Authorize Payment of the Trade Claims Because It Is Necessary to Preserve the Debtors’ Estates.

16. Courts have recognized that it is appropriate to authorize the payment of prepetition obligations where necessary to protect and preserve the estate, including an operating business’s going-concern value. *See, e.g., In re CoServ, L.L.C.*, 273 B.R. 487, 497 (Bankr. N.D. Tex. 2002) (“[T]his Court is prepared to apply the Doctrine of Necessity to authorize payment of prepetition claims in appropriate cases.”); *see also Czyzewski v. Jevic Holding Corp.*, 580 U.S. 451, 468 (2017) (noting that courts “have approved . . . ‘critical vendor’ orders that allow payment of essential suppliers’ prepetition invoices”). In doing so, these courts acknowledge legal theories rooted in sections 363(b), 105(a), 1107(a), and 1108 of the Bankruptcy Code.

17. Section 363(b) of the Bankruptcy Code permits a bankruptcy court, after notice and a hearing, to authorize a debtor to “use, sell, or lease, other than in the ordinary course of business, property of the estate.” 11 U.S.C. § 363(b). Courts in the Fifth Circuit have granted a debtor’s request to use property of the estate outside of the ordinary course of business pursuant to section 363(b) of the Bankruptcy Code upon a finding that such use is supported by sound business reasons. *See, e.g., In re Tekoil & Gas Corp.*, No. 08-80270, 2008 WL 3297854 at * 2 (Bankr. S.D.

Tex. Aug. 1, 2008) (“With respect to the transfer of property other than in the ordinary course of business, the debtor must articulate a sound business justification.”); *ASARCO, Inc. v. Elliot Mgmt. (In re ASARCO, L.L.C.)*, 650 F.3d 593 (5th Cir. 2011) (“Section 363 of the Bankruptcy Code addresses the debtor’s use of property of the estate and incorporates a business judgment standard.”); *Institutional Creditors Cont’l Air Lines, Inc. v. Cont’l Air Lines, Inc. (In re Cont’l Air Lines, Inc.)*, 780 F.2d 1223, 1226 (5th Cir. 1986) (“[F]or the debtor-in-possession . . . there must be some articulated business justification for using, selling, or leasing the property outside the ordinary course of business.”).

18. Courts also authorize payment of prepetition claims based on section 105(a) of the Bankruptcy Code, which codifies a bankruptcy court’s inherent equitable powers to “issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a). Specifically, courts can authorize preplan payments of prepetition obligations pursuant to the “doctrine of necessity” (also referred to as the “necessity of payment” rule), which permits such payments if they are critical to the debtor’s reorganization. *See, e.g., In re Ionosphere Clubs, Inc.*, 98 B.R. 174, 176 (Bankr. S.D.N.Y. 1989) (“[The doctrine of necessity] recognizes the existence of the judicial power to authorize a debtor in a reorganization case to pay pre-petition claims where such payment is essential to the continued operation of the debtor.”); *In re Fin. News Network Inc.*, 134 B.R. 732, 735–36 (Bankr. S.D.N.Y. 1991) (stating that 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”); *In re Just for Feet, Inc.*, 242 B.R. 821, 825–26 (D. Del. 1999) (“The necessity of payment doctrine recognizes that paying certain pre-petition claims may be necessary to realize the goal of chapter 11—a successful reorganization.”).

19. Finally, courts rely on sections 1107(a) and 1108 of the Bankruptcy Code to authorize payment of prepetition claims. Under these sections, debtors in possession are fiduciaries “holding the bankruptcy estate[s] and operating the business[es] for the benefit of [their] creditors and (if the value justifies) equity owners.” *In re CoServ*, 273 B.R. at 497. Implicit in the fiduciary duties of any debtor in possession is the obligation to “protect and preserve the estate, including an operating business’s going-concern value.” *Id.* There are instances in which debtors in possession can fulfill their fiduciary duties “only . . . by the pre-plan satisfaction of a prepetition claim.” *Id.* The *CoServ* court specifically noted that the preplan satisfaction of prepetition claims would be a valid exercise of a debtor’s fiduciary duty when the payment “is the only means to effect a substantial enhancement of the estate” or when the payment was to “sole suppliers of a given product.” *Id.* at 498.

20. While there are several statutory bases to authorize payment of prepetition claims, courts in the Fifth Circuit generally follow *CoServ*’s three-part test to determine whether a prepetition claim of a “critical vendor” may be paid outside of the plan process:

First, it must be critical that the debtor deal with the claimant. Second, unless it deals with the claimant, the debtor risks the probability of harm, or, alternatively, loss of economic advantage to the estate or the debtor’s going concern value, which is disproportionate to the amount of the claimant’s pre-petition claim. Third, there is no practical or legal alternative by which the debtor can deal with the claimant other than by payment of the claim.

Id.

21. Here, the Debtors meet all three *CoServ* requirements. First, it is critical that the Debtors deal with the Trade Creditors because the goods and services they provide are necessary to maintain operational stability. Second, the cost of paying the Trade Claims is disproportionately small when compared to the harm the Debtors’ estates would suffer if Trade Creditors stopped doing business with the Debtors. Without the Trade Creditors, the Debtors could be forced to halt

their operations while searching for substitutes. A disruption like this would cause the Debtors to lose almost all revenue-generating ability—a cost that disproportionately exceeds the cost of paying Trade Claims. Finally, the Debtors do not have any practical or legal alternatives to paying the Trade Creditors because it is incredibly difficult, costly, and time-consuming to replace them. While this is true for all Trade Creditors, foreign Trade Creditors pose an even bigger risk, as they may initiate litigation or exercise remedies in foreign jurisdictions if they are not paid. Given the Trade Creditors' centrality to the Debtors' business and the practical limit of the automatic stay's effect on foreign Trade Creditors, paying the Trade Claims is the most reasonable path forward. The Debtors therefore meet all three *CoServ* requirements, making it appropriate to pay the Trade Claims in the ordinary course of business.

22. The relief requested also represents a sound exercise of the Debtors' business judgment and is warranted under sections 105(a), 363, 1107(a) and 1108 of the Bankruptcy Code. As discussed above, every segment of the Debtors' supply chain is indispensable to ensure that the Debtors' flow of inventory is uninterrupted. The authority to satisfy the Trade Claims in the initial days of these chapter 11 cases without disrupting the Debtors' operations will maintain the integrity of the Debtors' supply chain, facilitate the sale of the Debtors' products, and allow the Debtors to efficiently administer these chapter 11 cases and effectuate the transactions contemplated by the Plan and the RSA.

23. In sum, the Debtors believe the relief requested comports with the “two recognized policies” of chapter 11 of the Bankruptcy Code—preserving going-concern value and maximizing the value of property available to satisfy creditors. *See Bank of Am. Nat'l Trust & Savs. Ass'n v. 203 N. LaSalle St. P'Ship*, 526 U.S. 434, 453 (1999). Accordingly, it is appropriate for the Court

to authorize the Debtors to pay the Trade Claims as they come due in the ordinary course of business.

II. The Court Should Authorize Payment of the Trade Claims Because It Is Consistent with the Plan's Design.

24. Aside from being necessary to preserve the Debtors' business, paying Trade Claims in the ordinary course of business merely carries out the Plan's intent. The Plan treats Trade Claims as either General Unsecured Claims, Administrative Claims, or Other Secured Claims. *See* Plan, Art. II.A., III.A. Each class is unimpaired. Consequently, the relief requested herein seeks to alter only the timing of payments, not whether such payments will ultimately be made to Trade Creditors under the Plan. By expediting payment of Trade Claims that will otherwise be paid later, the Debtors will avoid unnecessary disruption to their business and facilitate a timely restructuring process. On the contrary, the Debtors believe that delaying payment of the Trade Claims would damage their going-concern value by undermining the "business as usual" message that serves as a cornerstone of these chapter 11 cases. Courts in this jurisdiction have authorized payment of all trade claims in prepackaged chapter 11 cases. *See, e.g., In re Wolfsped, Inc.*, No. 25-90163 (CML) (Bankr. S.D. Tex. June 30, 2025) (approving payment of all trade claims in the ordinary course of business); *In re Container Store Grp., Inc.*, No. 24-90627 (ARP) (Bankr. S.D. Tex. Dec. 23, 2024); *In re Carlson Travel, Inc.*, No. 21-90017 (MI) (Bankr. S.D. Tex. Nov. 12, 2021) (same).⁷ Accordingly, paying all Trade Claims in the ordinary course of business is appropriate to ensure a smooth restructuring process.

⁷ Due to the voluminous nature of the orders cited herein, such orders have not been attached to this Motion. Copies of these orders are available upon request to the Debtors' proposed counsel.

A. The Plan Leaves Trade Creditors with General Unsecured Claims Unimpaired.

25. Under the Plan, the Trade Claims classified as General Unsecured Claims are unimpaired. *See* Plan, Art. III.A. As discussed above, the relief requested only alters the timing of payment for Trade Creditors with Trade Claims classified as General Unsecured Claims. Given the broad support for the Plan and the fact that all General Unsecured Claims are unimpaired, the early payment of Trade Claims classified as General Unsecured Claims is appropriate. *See* Jan. 29, 2025, Hr’g Tr. at 47:8-20, *In re Jervois Texas, LLC*, No. 25-90002 (CML) (Bankr. S.D. Tex. Jan. 28, 2025) (explaining that an “all-trade motion” in “a prepackaged plan that proposes to render the trade unimpaired . . . makes a lot of sense,” because “it is just a matter of timing more than anything else”).

B. The Plan Pays Administrative Claims in Full.

26. In the ordinary course of business, the Debtors may have received goods from Trade Creditors within the twenty-day period preceding the Petition Date. These types of Trade Claims are afforded administrative expense priority under section 503(b)(9) of the Bankruptcy Code and the Debtors are therefore required to pay them in full to confirm a plan of reorganization. *See* 11 U.S.C. § 1129(a)(9)(A). Consistent with the Bankruptcy Code’s requirement, the Plan classifies these Trade Claims as Administrative Claims and pays them in full. *See* Plan, Art. II.A. Accordingly, like General Unsecured Claims, the relief requested herein will only change the timing of the payment of such Trade Claims, not the amounts, and no party in interest will be materially prejudiced. *See In re CEI Roofing, Inc.*, 315 B.R. 50, 60 (Bankr. N.D. Tex. 2004) (“[T]he payment of prepetition . . . claims . . . that qualify as priority . . . claims . . . does not trigger the same concerns (*i.e.*, upsetting priorities under the [Bankruptcy] Code and unfair discrimination among general unsecured claims).”).

C. The Plan Leaves Trade Creditors with Other Secured Claims Unimpaired.

27. Certain Trade Creditors hold Trade Claims that may entitle them to assert liens on account of unpaid obligations. For instance, certain Trade Claims are held by Trade Creditors that may be able to assert carrier liens and warehousemen's liens against certain of the Debtors' assets under certain state, federal, and foreign laws.⁸ And under section 363(e) of the Bankruptcy Code, Trade Creditors with liens on estate assets may be entitled to adequate protection of their liens, the enforcement of which may impose additional costs on the Debtors' estates. The Plan classifies these kinds of Trade Claims as Other Secured Claims and leaves them unimpaired. *See* Plan, Art. III.A. Considering this treatment under the Plan, to avoid any unnecessary costs to the Debtors' estates and disruption to the Debtors' operations, the payment of such Trade Claims in the ordinary course of business is a sound exercise of the Debtors' business judgment. Accordingly, it is appropriate for the Court to authorize the Debtors to pay the Trade Claims as they come due in the ordinary course of business.

III. The Court Should Confirm That Outstanding Orders Are Administrative Expenses and That Payment of Such Claims Is Authorized.

28. Under section 503(b)(1) of the Bankruptcy Code, obligations that arise in connection with the postpetition delivery of goods and services, including goods and services ordered prepetition, are administrative expenses because they benefit the estate. *See* 11 U.S.C. § 503(b)(1)(A) (providing that the "actual [and] necessary costs and expenses of preserving the estate" are administrative expenses); *see also In re John Clay & Co.*, 43 B.R. 797, 809–10 (Bankr.

⁸ For example, section 7-307 of the Uniform Commercial Code provides, in pertinent part, that a "carrier has a lien on the goods covered by a bill of lading or on the proceeds thereof in its possession for charges after the date of the carrier's receipt of the goods for storage or transportation, including demurrage and terminal charges, and for expenses necessary for preservation of the goods incident to their transportation or reasonably incurred in their sale pursuant to law." U.C.C. § 7-307(a) (2003).

D. Utah 1984) (holding that goods ordered prepetition but delivered postpetition are entitled to administrative expense priority); *Nabors Offshore Corp. v. Whistler Energy II, L.L.C. (In re Whistler Energy II, L.L.C.)*, 931 F.3d 432, 443 (5th Cir. 2019) (holding that services ordered prepetition but performed postpetition are entitled to administrative expense priority). Thus, granting the relief sought herein with respect to the Outstanding Orders will not afford such claimants any greater priority than they otherwise would have if the relief requested herein were not granted and will not prejudice any other party in interest.

29. Absent such relief, the Debtors may be required to expend substantial time and effort reissuing the Outstanding Orders to provide certain suppliers with assurance of such administrative expense priority. The attendant disruption to the continuous and timely flow of critical inventory and other goods to the Debtors would force the Debtors to potentially halt operations and lose revenue—all to the detriment of the Debtors and their stakeholders. Accordingly, the Court should confirm that claims arising from the Outstanding Orders are entitled to administrative expense priority status and should authorize the Debtors to pay such claims as they come due in the ordinary course of business.

Emergency Consideration

30. The Debtors request emergency consideration of this motion in accordance with Bankruptcy Local Rule 9013-1 and pursuant to Bankruptcy Rule 6003, which empowers a court to grant relief within the first 21 days after the commencement of a chapter 11 case to the extent that “relief is needed to avoid immediate and irreparable harm.” An immediate and orderly transition into chapter 11 is critical to the viability of the Debtors’ operations. Failure to receive the requested relief during the first 21 days of these chapter 11 cases would imperil the Debtors’ restructuring and cause irreparable harm. The requested relief is necessary for the Debtors to operate their business in the ordinary course, preserve the ongoing value of their operations, and

maximize the value of their estates for the benefit of all stakeholders. The Debtors have demonstrated that the requested relief is “needed to avoid immediate and irreparable harm” as contemplated by Bankruptcy Rule 6003, and request that the Court approve the relief requested in this motion on an emergency basis.

Processing of Checks and Electronic Fund Transfers Should Be Authorized

31. The Debtors have sufficient funds to pay the amounts described in this motion in the ordinary course of business by virtue of expected cash flows from ongoing business operations and anticipated access to debtor-in-possession financing and the consensual use of cash collateral. In addition, under the Debtors’ existing cash management system, the Debtors can readily identify checks or wire transfer requests as relating to any authorized payment in respect of the relief requested herein. Accordingly, the Debtors do not believe that checks or wire transfer requests, other than those relating to authorized payments, will be inadvertently honored. Therefore, the Debtors request authority to authorize all applicable financial institutions, when requested by the Debtors, to receive, process, honor, and pay any and all checks, direct debit, wire transfer, ACH, or other payment requests in respect of the relief requested in this motion.

Waiver of Bankruptcy Rule 6004(a) and 6004(h)

32. To implement the foregoing successfully, the Debtors seek a waiver of the notice requirements under Bankruptcy Rule 6004(a) and the fourteen-day stay of an order authorizing the use, sale, or lease of property under Bankruptcy Rule 6004(h).

Reservation of Rights

33. Nothing contained in this motion or any order granting the relief requested in this motion, and no action taken by the Debtors pursuant to the relief requested or granted (including any payment made in accordance with any such order), is intended as or shall be construed or deemed to be: (a) an admission, concession, or waiver of rights of the Debtors or any party in

interest as to the amount of, basis for, validity, priority, enforceability, or perfection of any claim against, lien on (contractual, common law, statutory, or otherwise), security interest in, or other encumbrance on property of the Debtors' estates; (b) a promise or requirement to pay any particular claim; (c) an implication, admission, or finding that any particular claim is an administrative expense claim, other priority claim, or otherwise of a type specified or defined in this motion or any order granting the relief requested by this motion; (d) a request, approval, assumption, adoption, rejection, or, termination of any agreement, contract, lease, program, or policy under section 365 of the Bankruptcy Code; (e) a waiver or limitation of the Debtors (i) or any other party in interest to dispute any claim on any grounds or (ii) or any person or entity of any claims, causes of action, or other rights, under the Bankruptcy Code or any other applicable law; or (f) a waiver of the obligation of any party in interest to file a proof of claim. If the Court grants the relief sought herein, any payment made pursuant to the Court's order is not intended and should not be construed as an admission as to the validity, priority, or amount of any particular claim or a waiver of the Debtors' rights to subsequently dispute such claim.

Notice

34. The Debtors will provide notice of this motion to the following parties or their respective counsel: (a) the United States Trustee for the Southern District of Texas; (b) the holders of the 30 largest unsecured claims against the Debtors (on a consolidated basis); (c) the office of the attorney general for each of the states in which the Debtors operate; (d) the Internal Revenue Service; (e) the DIP Agent; (f) the Prepetition Agents; (g) the Ad Hoc Group; (h) the SVP Funds; (i) the Factors; (j) Coface Finanz GmbH, as a Factor; and (k) any party that has requested notice pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested, no other or further notice is required.

WHEREFORE, the Debtors request that the Court enter the Interim Order and the Final Order granting the relief requested herein and such other relief as the Court deems appropriate under the circumstances.

Dated: November 5, 2025
Houston, Texas

/s/ John F. Higgins

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*Proposed Co-Counsel for the Debtors
and Debtors in Possession*

Certificate of Accuracy

I certify that the foregoing statements are true and accurate to the best of my knowledge. This statement is being made pursuant to Bankruptcy Local Rule 9013-1(i).

/s/ Marc Rotella

Marc Rotella

Certificate of Service

I certify that on November 5, 2025, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas. Additionally, the foregoing document will be served as set forth in a forthcoming affidavit filed by the Debtors' proposed claims agent.

/s/ John F. Higgins

John F. Higgins

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:

KLEOPATRA FINCO S.À R.L., *et al.*,¹

Debtors.

)
) Chapter 11
)
) Case No. 25-90642 (CML)
)
) (Joint Administration Requested)
)
) **Re: Docket No. ____**

INTERIM ORDER

**(I) AUTHORIZING THE PAYMENT OF ALL TRADE CLAIMS,
(II) CONFIRMING THE ADMINISTRATIVE EXPENSE PRIORITY
OF OUTSTANDING ORDERS, AND (III) GRANTING RELATED RELIEF**

Upon the emergency motion (the “Motion”)² of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of an interim order (this “Interim Order”), (a) authorizing, but not directing, the Debtors to pay all Trade Claims in the ordinary course of business; (b) confirming the administrative expense priority of Outstanding Orders and authorizing, but not directing, the Debtors to satisfy such Outstanding Orders in the ordinary course of business; (c) scheduling a final hearing to consider approval of the Motion on a final basis; and (d) granting related relief, all as more fully set forth in the Motion; and upon the First Day Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and the *Order of Reference to Bankruptcy Judges* from the United States District Court for the Southern District of Texas, entered May 24, 2012; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b); and this Court having

¹ A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors’ claims and noticing agent at <https://cases.stretto.com/Klockner>. The location of Kleopatra Finco S.à r.l.’s principal place of business and the Debtors’ service address in these chapter 11 cases is 46A, Avenue J.F. Kennedy, L-1855 Luxembourg, R.C.S. Luxembourg.

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

found that it may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interest of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"), if any; and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing, if any, establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. Any objections to the entry of this Interim Order, to the extent not withdrawn or settled, are overruled.

2. The final hearing (the "Final Hearing") on the Motion shall be held on _____, 2025, at __:__.m., prevailing Central Time. Any objections or responses to entry of a final order on the Motion shall be filed on or before 4:00 p.m., prevailing Central Time, on _____, 2025. In the event no objections to entry of a final order on the Motion are timely received, this Court may enter such final order without need for the Final Hearing.

3. The Debtors are authorized, but not directed, on an interim basis, to pay all, or part of, the Trade Claims (in their sole discretion) as they come due in the ordinary course of business, without further order of this Court.

4. As a condition to receiving payment on account of a Trade Claim under this Interim Order, the Debtors are authorized, but not directed, to require any Trade Creditor that accepts payment pursuant to the authority granted in this Interim Order to agree (a) to continue or recommence supplying goods and services to the Debtors in accordance with Customary Trade Terms and (b) that such Trade Creditor shall not be permitted to cancel any contract, agreement, or arrangement pursuant to which they provide such goods and/or services to the Debtors during the course of these chapter 11 cases. The Debtors are authorized, but not directed, to require, in their sole discretion, that Customary Trade Terms be made in writing, including by email or through a trade agreement, as condition to payment. The Debtors are further authorized, but not directed, to require additional favorable trade terms with any Trade Creditor as a condition to payment of any Trade Claim.

5. Any party that accepts payment from the Debtors on account of a Trade Claim shall be (a) provided with a copy of this Interim Order; (b) deemed to have agreed to the terms and provisions of this Interim Order; (c) waived and released, to the extent so paid, claims of any type, kind, or priority (including reclamation claims) against the Debtors and their respective assets and priorities; and (d) be deemed to have voluntarily submitted themselves to the jurisdiction of this Court.

6. Regardless of whether the parties have agreed in writing that Customary Trade Terms are a condition of payment, if any party accepts payment hereunder for a prepetition obligation of the Debtors and does not continue supplying goods or services to the Debtors in accordance with the Customary Trade Terms, or other such terms as agreed to by the Debtors, then: (a) any payment on account of a prepetition claim received by such party shall be deemed, in the Debtors' sole discretion, an avoidable postpetition transfer and, therefore, immediately

recoverable in cash upon written request by the Debtors; (b) upon recovery by the Debtors, any prepetition claim of such party shall be reinstated as if the payment had not been made; (c) if there exists an outstanding postpetition balance due from the Debtors to such party, the Debtors may elect to recharacterize and apply any payment made pursuant to the relief requested by the Motion to such outstanding postpetition balance and such supplier or vendor will be required to immediately repay to the Debtors such paid amounts that exceed the postpetition obligations then outstanding, without the right of any setoffs, claims, provisions for payment of any claims, or otherwise; and (d) the Debtors may pursue any other remedy available to them under this Interim Order, applicable law, or any executed writing with such party.

7. The Debtors are authorized, but not directed, to pay all undisputed amounts related to the Outstanding Orders on a postpetition basis in the ordinary course of business. All undisputed obligations related to the Outstanding Orders are granted administrative expense priority in accordance with section 503(b)(1)(A) of the Bankruptcy Code, which shall be junior to any Receivables Superpriority Claims (as defined in the interim order approving the Factoring Motion).

8. The Debtors are authorized, but not directed, in their sole discretion, to return goods that were delivered before the Petition Date to set off the purchase price of such goods against such vendors' or suppliers' prepetition claims, subject to the limitations imposed by any order of this Court and the prior rights of holders of security interests in such goods or the proceeds of such goods, to the extent of such interests.

9. Nothing in the Motion or this Interim Order shall impair or prejudice the Debtors' ability to contest, in their sole discretion, the extent, perfection, priority, validity, or amounts of any claims held by any Trade Creditor.

10. Notwithstanding anything in this Interim order to the contrary, the Debtors are not authorized to pay claims of “insider[s]” (as that term is defined in section 101(31) of the Bankruptcy Code), employees, or “professional persons” (as that phrase appears in section 327(a) of the Bankruptcy Code) pursuant to this Interim Order. Nothing herein shall impair or prejudice the rights of the U.S. Trustee or any other party in interest to object to and seek the return of any payment made pursuant to this Interim Order to an insider of the Debtors, and all rights of the Debtors and the relevant insider are reserved to respond to any such objection. To the extent the Debtors intend to make a payment to an insider or an affiliate of an insider of the Debtors pursuant to this Interim Order, the Debtors shall, to the extent reasonably practicable, provide three business days’ advance notice to, and opportunity to object by the U.S. Trustee and any statutory committee appointed in these chapter 11 cases; *provided* that if any party objects to the payment, the Debtors shall not make such payment without further order of the Court. For the avoidance of doubt, nothing herein shall prohibit payments otherwise permitted or authorized by the DIP Order (as defined below) or the DIP Documents (as defined in the Plan).

11. Nothing in the Motion or this Interim Order, nor the Debtors’ implementation of the relief granted in this Interim Order, shall be deemed to modify or waive any of the Debtors’ rights with respect to the goods and services requested or received from the Trade Creditors, including the Debtors’ rights to (a) cancel a purchase order; (b) decline the acceptance of goods and/or services; (c) return any defective, nonconforming, or unacceptable goods; or (d) contest the amount of any invoice or claim on any grounds.

12. The Debtors shall maintain a matrix/schedule of amounts directly or indirectly paid, subject to the terms and conditions of this Order, including the following information: (a) the names of the payee; (b) the amounts of the payment; (c) the category or type of payment, as further

described and classified in the Motion; (d) the Debtor or Debtors that made the payment; and (e) the payment date. The Debtors shall provide a copy of such matrix/schedule to the U.S. Trustee, and any statutory committee appointed in these chapter 11 cases every 30 days beginning upon entry of this Order.

13. Prior to entry of the Final Order, the Debtors shall not pay any obligations under this Interim Order unless they are due or are deemed necessary to be paid in the Debtors' business judgment to ensure the ongoing provision of goods or services or otherwise to avoid an adverse effect on the Debtors' operations.

14. Notwithstanding anything to the contrary contained in this Motion or this Interim Order, any payment to be made, obligation incurred, or relief or authorization granted hereunder shall not be inconsistent with, and shall be subject to and in compliance with, the requirements imposed under the terms of each interim and final order entered by the Court in respect of *Debtors' Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Obtain Postpetition Financing and (B) Use Cash Collateral, (II) Granting Liens and Providing Superpriority Administrative Expense Claims, (III) Granting Adequate Protection to Certain Prepetition Secured Parties, (IV) Modifying the Automatic Stay, (V) Scheduling a Final Hearing, and (VI) Granting Related Relief* filed substantially contemporaneously herewith (the "DIP Order"), including compliance with any budget or cash flow forecast in connection therewith and any other terms and conditions thereof. Nothing herein is intended to modify, alter, or waive, in any way, any terms, provisions, requirements, or restrictions of the DIP Order.

15. Nothing contained in the Motion or this Interim Order, and no action taken pursuant to the relief requested or granted (including any payment made in accordance with this Interim Order), is intended as or shall be construed or deemed to be: (a) an admission as to the amount,

validity, or priority of, or basis for, any claim against the Debtors under the Bankruptcy Code or other applicable nonbankruptcy law; (b) a waiver of the Debtors' or any other party in interest's right to dispute any claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication, admission, or finding that any particular claim is an administrative expense claim, other priority claim, or otherwise of a type specified or defined in the Motion or this Interim Order; (e) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; (g) a waiver or limitation of any claims, causes of action, or other rights of the Debtors or any other party in interest against any person or entity under the Bankruptcy Code or any other applicable law; (h) an approval, assumption, adoption, or rejection of any agreement, contract, lease, program, or policy under section 365 of the Bankruptcy Code; (i) a concession by the Debtors that any liens (contractual, common law, statutory, or otherwise) that may be satisfied pursuant to the relief requested in the Motion are valid, and the rights of all parties in interest are expressly reserved to contest the extent, validity, or perfection or seek avoidance of all such liens; (j) a waiver of the obligation of any party in interest to file a proof of claim; or (k) otherwise affecting the Debtors' rights under section 365 of the Bankruptcy Code to assume or reject any executory contract or unexpired lease.

16. The banks and financial institutions on which checks were drawn or electronic fund transfer requests made in payment of the prepetition obligations approved herein are authorized to receive, process, honor, and pay all such checks and electronic payment requests when presented for payment, and all such banks and financial institutions are authorized to rely on the Debtors'

designation of any particular check or electronic payment request as approved by this Interim Order.

17. The Debtors are authorized, but not directed, to issue postpetition checks, or to effect postpetition fund transfer requests, in replacement of any checks or fund transfer requests that are dishonored as a consequence of these chapter 11 cases with respect to prepetition amounts owed in connection with the relief granted herein.

18. The Debtors will ensure that the payments made pursuant to this Interim Order are reflected on their books and records such that they are identifiable as payments made on account of prepetition claims.

19. Nothing in this Interim Order authorizes the Debtors to accelerate any payments not otherwise due.

20. The contents of the Motion satisfy the requirements of Bankruptcy Rule 6003(b).

21. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a), the Bankruptcy Local Rules, and the Complex Case Procedures are satisfied by such notice.

22. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Interim Order are immediately effective and enforceable upon its entry.

23. The Debtors and the Clerk of Court are authorized to take all actions necessary to effectuate the relief granted in this Interim Order in accordance with the Motion.

24. This Court retains jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Interim Order.

Houston, Texas

Dated: _____, 2025

HONORABLE CHRISTOPHER M. LOPEZ
UNITED STATES BANKRUPTCY JUDGE

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:

KLEOPATRA FINCO S.À R.L., *et al.*,¹

Debtors.

)
) Chapter 11
)
) Case No. 25-90642 (CML)
)
) (Joint Administration Requested)
)
) **Re: Docket No. ____**

FINAL ORDER

**(I) AUTHORIZING THE PAYMENT OF ALL TRADE CLAIMS,
(II) CONFIRMING THE ADMINISTRATIVE EXPENSE PRIORITY
OF OUTSTANDING ORDERS, AND (III) GRANTING RELATED RELIEF**

Upon the emergency motion (the “Motion”)² of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of a final order (this “Final Order”), (a) authorizing, but not directing, the Debtors to pay all Trade Claims in the ordinary course of business; (b) confirming the administrative expense priority of Outstanding Orders and authorizing, but not directing, the Debtors to satisfy such Outstanding Orders in the ordinary course of business; and (c) granting related relief, all as more fully set forth in the Motion; and upon the First Day Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and the *Order of Reference to Bankruptcy Judges* from the United States District Court for the Southern District of Texas, entered May 24, 2012; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b); and this Court having

¹ A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors’ claims and noticing agent at <https://cases.stretto.com/Klockner>. The location of Kleopatra Finco S.à r.l.’s principal place of business and the Debtors’ service address in these chapter 11 cases is 46A, Avenue J.F. Kennedy, L-1855 Luxembourg, R.C.S. Luxembourg.

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

found that it may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interest of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"), if any; and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing, if any, establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. Any objections to the entry of this Final Order, to the extent not withdrawn or settled, are overruled.

2. The Debtors are authorized, but not directed, on a final basis, to pay all, or part of, the Trade Claims (in their sole discretion) as they come due in the ordinary course of business, without further order of this Court.

3. As a condition to receiving payment on account of a Trade Claim under this Final Order, the Debtors are authorized, but not directed, to require any Trade Creditor that accepts payment pursuant to the authority granted in this Final Order to agree (a) to continue or recommence supplying goods and services to the Debtors in accordance with Customary Trade Terms and (b) that such Trade Creditor shall not be permitted to cancel any contract, agreement, or arrangement pursuant to which they provide such goods and/or services to the Debtors during the course of these chapter 11 cases. The Debtors are authorized, but not directed, to require, in

their sole discretion, that Customary Trade Terms be made in writing, including by email or through a trade agreement, as condition to payment. The Debtors are further authorized, but not directed, to require additional favorable trade terms with any Trade Creditor as a condition to payment of any Trade Claim.

4. Any party that accepts payment from the Debtors on account of a Trade Claim shall be (a) provided with a copy of this Final Order; (b) deemed to have agreed to the terms and provisions of this Final Order; (c) waived and released, to the extent so paid, claims of any type, kind, or priority (including reclamation claims) against the Debtors and their respective assets and priorities; (d) be deemed to have voluntarily submitted themselves to the jurisdiction of this Court.

5. Regardless of whether a the parties have agreed in writing that Customary Trade Terms are a condition of payment, if any party accepts payment hereunder for a prepetition obligation of the Debtors and does not continue supplying goods or services to the Debtors in accordance with the Customary Trade Terms, or other such terms as agreed to by the Debtors, then: (a) any payment on account of a prepetition claim received by such party shall be deemed, in the Debtors' sole discretion, an avoidable postpetition transfer and, therefore, immediately recoverable in cash upon written request by the Debtors; (b) upon recovery by the Debtors, any prepetition claim of such party shall be reinstated as if the payment had not been made; (c) if there exists an outstanding postpetition balance due from the Debtors to such party, the Debtors may elect to recharacterize and apply any payment made pursuant to the relief requested by the Motion to such outstanding postpetition balance and such supplier or vendor will be required to immediately repay to the Debtors such paid amounts that exceed the postpetition obligations then outstanding, without the right of any setoffs, claims, provisions for payment of any claims, or

otherwise; and (d) the Debtors may pursue any other remedy available to them under this Final Order, applicable law, or any executed writing with such party.

6. The Debtors are authorized, but not directed, to pay all undisputed amounts related to the Outstanding Orders on a postpetition basis in the ordinary course of business. All undisputed obligations related to the Outstanding Orders are granted administrative expense priority in accordance with section 503(b)(1)(A) of the Bankruptcy Code, which shall be junior to any Receivables Superpriority Claims (as defined in the interim order approving the Factoring Motion).

7. The Debtors are authorized, but not directed, in their sole discretion, to return goods that were delivered before the Petition Date to set off the purchase price of such goods against such vendors' or suppliers' prepetition claims, subject to the limitations imposed by any order of this Court and the prior rights of holders of security interests in such goods or the proceeds of such goods, to the extent of such interests.

8. Nothing in the Motion or this Final Order shall impair or prejudice the Debtors' ability to contest, in their sole discretion, the extent, perfection, priority, validity, or amounts of any claims held by any Trade Creditor.

9. Notwithstanding anything in this Final order to the contrary, the Debtors are not authorized to pay claims of "insider[s]" (as that term is defined in section 101(31) of the Bankruptcy Code), employees, or "professional persons" (as that phrase appears in section 327(a) of the Bankruptcy Code) pursuant to this Final Order. Nothing herein shall impair or prejudice the rights of the U.S. Trustee or any other party in interest to object to and seek the return of any payment made pursuant to this Interim Order to an insider of the Debtors, and all rights of the Debtors and the relevant insider are reserved to respond to any such objection. To the extent the

Debtors intend to make a payment to an insider or an affiliate of an insider of the Debtors pursuant to this Final Order, the Debtors shall, to the extent reasonably practicable, provide three business days' advance notice to, and opportunity to object by the U.S. Trustee and any statutory committee appointed in these chapter 11 cases; *provided* that if any party objects to the payment, the Debtors shall not make such payment without further order of the Court. For the avoidance of doubt, nothing herein shall prohibit payments otherwise permitted or authorized by the DIP Order (as defined below) or the DIP Documents (as defined in the Plan).

10. Nothing in the Motion or this Final Order, nor the Debtors' implementation of the relief granted in this Final Order, shall be deemed to modify or waive any of the Debtors' rights with respect to the goods and services requested or received from the Trade Creditors, including the Debtors' rights to (a) cancel a purchase order; (b) decline the acceptance of goods and/or services; (c) return any defective, nonconforming, or unacceptable goods; or (d) contest the amount of any invoice or claim on any grounds.

11. Notwithstanding anything to the contrary contained in this Motion or this Final order, any payment to be made, obligation incurred, or relief or authorization granted hereunder shall not be inconsistent with, and shall be subject to and in compliance with, the requirements imposed under the terms of each interim and final order entered by the Court in respect of *Debtors' Emergency Motion for Entry of an Interim and Final Orders (I) Authorizing the Debtors to (A) Obtain Postpetition Financing and (B) Use Cash Collateral, (II) Granting Liens and Providing Superpriority Administrative Expense Claims, (III) Granting Adequate Protection to Certain Prepetition Secured Parties, (IV) Modifying the Automatic Stay, (V) Scheduling a Final Hearing, and (VI) Granting Related Relief* filed substantially contemporaneously herewith (the "DIP Order"), including compliance with any budget or cash flow forecast in connection therewith and

any other terms and conditions thereof. Nothing herein is intended to modify, alter, or waive, in any way, any terms, provisions, requirements, or restrictions of the DIP Order.

12. Nothing contained in the Motion or this Final Order, and no action taken pursuant to the relief requested or granted (including any payment made in accordance with this Final Order), is intended as or shall be construed or deemed to be: (a) an admission as to the amount, validity, or priority of, or basis for, any claim against the Debtors under the Bankruptcy Code or other applicable nonbankruptcy law; (b) a waiver of the Debtors' or any other party in interest's right to dispute any claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication, admission, or finding that any particular claim is an administrative expense claim, other priority claim, or otherwise of a type specified or defined in the Motion or this Interim Order; (e) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; (g) a waiver or limitation of any claims, causes of action, or other rights of the Debtors or any other party in interest against any person or entity under the Bankruptcy Code or any other applicable law; (h) an approval, assumption, adoption, or rejection of any agreement, contract, lease, program, or policy under section 365 of the Bankruptcy Code; (i) a concession by the Debtors that any liens (contractual, common law, statutory, or otherwise) that may be satisfied pursuant to the relief requested in the Motion are valid, and the rights of all parties in interest are expressly reserved to contest the extent, validity, or perfection or seek avoidance of all such liens; (j) a waiver of the obligation of any party in interest to file a proof of claim; or (k) otherwise affecting the Debtors' rights under section 365 of the Bankruptcy Code to assume or reject any executory contract or unexpired lease.

13. The banks and financial institutions on which checks were drawn or electronic fund transfer requests made in payment of the prepetition obligations approved herein are authorized to receive, process, honor, and pay all such checks and electronic payment requests when presented for payment, and all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Final Order.

14. The Debtors are authorized, but not directed, to issue postpetition checks, or to effect postpetition fund transfer requests, in replacement of any checks or fund transfer requests that are dishonored as a consequence of these chapter 11 cases with respect to prepetition amounts owed in connection with the relief granted herein.

15. The Debtors will ensure that the payments made pursuant to this Final Order are reflected on their books and records such that they are identifiable as payments made on account of prepetition claims.

16. Nothing in this Final Order authorizes the Debtors to accelerate any payments not otherwise due.

17. The contents of the Motion satisfy the requirements of Bankruptcy Rule 6003(b).

18. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a), the Bankruptcy Local Rules, and the Complex Case Procedures are satisfied by such notice.

19. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Final Order are immediately effective and enforceable upon its entry.

20. The Debtors and the Clerk of Court are authorized to take all actions necessary to effectuate the relief granted in this Final Order in accordance with the Motion.

21. This Court retains jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Final Order.

Houston, Texas

Dated: _____, 2025

HONORABLE CHRISTOPHER M. LOPEZ
UNITED STATES BANKRUPTCY JUDGE