

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

WOODBIDGE GROUP OF COMPANIES, LLC,
et al.,¹

Debtors.

Chapter 11

Case No. 17-____ (____)

(Joint Administration Requested)

**DEBTORS' MOTION FOR ENTRY OF AN ORDER
(I) AUTHORIZING, BUT NOT DIRECTING, THE DEBTORS TO PAY CERTAIN
PREPETITION TAXES AND FEES AND (II) GRANTING RELATED RELIEF**

Woodbridge Group of Companies, LLC and its affiliated debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "Debtors") hereby move the Court (this "Motion") for entry of an order (the "Order"), substantially in the form attached hereto as Exhibit A, pursuant to sections 105(a), 363, 507(a)(8), and 541 of title 11 of the United States Code (the "Bankruptcy Code"), Rules 6003 and 6004 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rule 9013-1(m) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), (a) authorizing, but not directing, the Debtors to pay certain taxes, as well as certain associated regulatory and other fees; (b) authorizing all banks and other financial institutions to receive, process, honor, and pay checks presented for payment and electronic payment requests relating to the foregoing; and (c) granting related relief. In support of this

¹ The last four digits of Woodbridge Group of Companies, LLC's federal tax identification number are 3603. The mailing address for Woodbridge Group of Companies, LLC is 14225 Ventura Boulevard #100, Sherman Oaks, California 91423. Due to the large number of debtors in these cases, for which the Debtors have requested joint administration, a complete list of the Debtors, the last four digits of their federal tax identification numbers, and their addresses are not provided herein. A complete list of such information may be obtained on the website of the Debtors' proposed noticing and claims agent at www.gardencitygroup.com/cases/WGC, or by contacting the proposed undersigned counsel for the Debtors.

Motion, the Debtors rely upon and incorporate by reference the *Declaration of Lawrence R. Perkins in Support of the Debtors' Chapter 11 Petitions and Requests for First Day Relief* (the "First Day Declaration"), which was filed concurrently herewith.² In further support of this Motion, the Debtors respectfully represent as follows:

JURISDICTION AND VENUE

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 1334(b) and 157 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated as of February 29, 2012. This is a core proceeding pursuant to 28 U.S.C. § 157(b), and pursuant to Local Rule 9013-1(f), the Debtors 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. Venue is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory and legal predicates for the relief requested herein are sections 105(a), 363, 507(a)(8), and 541 of the Bankruptcy Code, Bankruptcy Rules 6003 and 6004, and Local Rule 9013-1(m).

BACKGROUND

2. On the date hereof (the "Petition Date"), each of the Debtors commenced a voluntary case under chapter 11 of the Bankruptcy Code. Pursuant to sections 1107(a) and 1108 of the Bankruptcy Code, the Debtors are continuing to manage their financial affairs as debtors in possession.

² Capitalized terms used herein, but not otherwise defined, have the meanings given to them in the First Day Declaration.

3. Contemporaneously herewith, the Debtors filed a motion seeking joint administration of their chapter 11 cases (collectively, the “Chapter 11 Cases”) pursuant to Bankruptcy Rule 1015(b) and Local Rule 1015-1. No trustee, examiner, or official committee of unsecured creditors has been appointed in the Chapter 11 Cases.

4. Additional information regarding the Debtors’ history and business operations, capital structure and primary secured indebtedness, and the events leading up to the commencement of the Chapter 11 Cases can be found in the First Day Declaration.

THE TAX AND FEE OBLIGATIONS

5. In the ordinary course of business, the Debtors: (a) incur certain tax liabilities, including real property taxes, personal property taxes, and business taxes (collectively, the “Taxes”) ³ necessary to operate their business; (b) incur associated regulatory and other fees (collectively, the “Fees”); and (c) remit such Taxes and Fees to applicable taxing and other regulatory authorities (collectively, the “Authorities”).

6. The Debtors pay the Taxes and Fees monthly, quarterly or annually to the respective Authorities, in each case as required by applicable laws and regulations. The Debtors believe that they are current in the payment of assessed and undisputed Taxes and Fees that were due as of the Petition Date. Certain Taxes and Fees attributable to the prepetition period, however, have accrued and will not come due until after the Petition Date.

³ The Debtors do not seek authority to collect and pay any employee withholding taxes under this Motion, but rather request such authority as part of the *Debtors’ Motion for Entry of an Order (A) Authorizing Payment of Certain Prepetition Workforce Claims, Including Wages, Salaries, and Other Compensation; (B) Authorizing Payment of Certain Employee Benefits and Confirming Right to Continue Employee Benefits on Postpetition Basis; (C) Authorizing Payment of Reimbursement to Employees for Expenses Incurred Prepetition; (D) Authorizing Payment of Withholding and Payroll-Related Taxes; (E) Authorizing Payment of Workers’ Compensation Obligations; and (F) Authorizing Payment of Prepetition Claims Owing to Administrators and Third Party Providers*, filed concurrently herewith.

7. The Taxes and Fees incurred by the Debtors fall into the following general categories:

a. **Property Taxes.** State and local laws in many of the jurisdictions where the Debtors operate generally grant Authorities the power to levy real and personal property taxes (together, the "Property Taxes") against the Debtors, which the Debtors typically pay in the ordinary course of business on a monthly, quarterly or annual basis, as required by applicable laws and regulations. The Debtors estimate that, as of the Petition Date, approximately \$1,035,000 in prepetition Property Taxes were accrued but unpaid.

b. **Fees.** In connection with their operations, the Debtors are required to pay certain regulatory and other fees. The local jurisdictions in which the Debtors develop land and build homes often charge the Debtors fees to appraise the Debtors' land, approve the Debtors' building and development plans, and inspect the homes that the Debtors build (collectively, the "Fees"). The majority of the Fees are paid up front. However, in a few cases, the Debtors are billed in arrears, creating a potential claim against the Debtors' estates. The Debtors estimate that no more than \$825,000 in Fees remains outstanding and unpaid as of the Petition Date. If the Fees are not paid, and the Debtors are unable to initiate or continue development projects as a result, the Debtors will lose out on expected future revenue as a consequence their inability to deliver homes to customers.

RELIEF REQUESTED

8. By this Motion, the Debtors request entry of the Order: (a) authorizing, but not directing, the Debtors to pay any Taxes and Fees that have accrued, but were not yet due and owing or were not paid, as of the Petition Date in the aggregate approximate amount of \$1,860,000; (b) authorizing all banks and financial institutions (the "Banks") to receive, process,

honor, and pay checks presented for payment and electronic payment requests relating to the foregoing; and (c) granting related relief. The Debtors also seek authority, but not direction, to continue to pay any Taxes and Fees on a post-petition basis in the ordinary course of business.

BASIS FOR RELIEF

A. THE COURT SHOULD AUTHORIZE, BUT NOT DIRECT, THE DEBTORS TO PAY, IN THEIR SOLE DISCRETION, THE TAXES AND FEES

9. The Debtors submit that the relief requested herein is consistent with sections 363(b)(1) and 105(a) of the Bankruptcy Code. First, section 363(b)(1) of the Bankruptcy Code provides that, after notice and a hearing, the trustee “may use, sell, or lease, other than in the ordinary course of business, property of the estate[.]” 11 U.S.C. § 363(b)(1). Section 105(a) of the Bankruptcy Code empowers a bankruptcy court to “issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a). Bankruptcy courts have invoked the equitable power of section 105 of the Bankruptcy Code to authorize the postpetition payment of prepetition claims where such payment is necessary to preserve the value of a debtor’s estate. *See, e.g., Tropical Sportswear Int’l Corp.*, 320 B.R. 15, 20 (Bankr. M.D. Fla. 2005) (“Bankruptcy courts recognize that section 363 is a source for authority to make critical vendor payments, and section 105 is used to fill in the blanks.”). Courts have likewise acknowledged that “[u]nder [section] 105, the court can permit pre-plan payment of a prepetition obligation when essential to the continued operation of the debtor.” *In re NVR L.P.*, 147 B.R. 126, 127 (Bankr. E.D. Va. 1992) (citing *In re Ionosphere Clubs, Inc.*, 98 B.R. 174, 177 (Bankr. S.D.N.Y. 1989)); *see also In re Just for Feet, Inc.*, 242 B.R. 821, 825 (D. Del. 1999) (citing *In re Penn Central Transp. Co.*, 467 F.2d 100, 102 n.1 (3d Cir. 1972)) (holding that the court is authorized under section 105(a) of the Bankruptcy Code to allow immediate payment of prepetition claims found to be critical to the debtor’s continued operation).

10. In a long line of well-established cases, federal courts consistently have permitted postpetition payment of prepetition obligations where necessary to preserve or enhance the value of a debtor's estate for the benefit of all creditors. *See, e.g., Miltenberger v. Logansport, C. & S. W. Ry. Co.*, 106 U.S. 286, 312 (1882) (payment of pre-receivership claim permitted to prevent “stoppage of [crucial] business relations”); *In re Lehigh & New Eng. Ry. Co.*, 657 F.2d 570, 581 (3d Cir. 1981) (holding that “if payment of a claim which arose prior to [the commencement of the bankruptcy case] is essential to the continued operation of the . . . [business] during [the bankruptcy case], payment may be authorized even if it is made out of [the] corpus”); *Dudley v. Mealey*, 147 F.2d 268, 271 (2d Cir. 1945) (extending doctrine for payment of prepetition claims beyond railroad reorganization cases).

11. This legal principle—known as the “doctrine of necessity”—functions in chapter 11 cases as a mechanism by which a bankruptcy court can exercise its equitable power to allow payment of critical prepetition claims not explicitly authorized by the Bankruptcy Code. *See Just for Feet*, 242 B.R. at 826 (finding that “to invoke the necessity of payment doctrine, a debtor must show that payment of the prepetition claims is critical to the debtor’s [continued operation.]”); *In re Columbia Gas Sys., Inc.*, 136 B.R. 930, 939 (Bankr. D. Del. 1992) (recognizing that “[i]f payment of a prepetition claim is essential to the continued operation of [the debtor], payment may be authorized”); *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 debtors’ continued operation). The doctrine is frequently invoked early in a bankruptcy case, particularly in connection with those Bankruptcy Code sections that relate to payment of prepetition claims. In one case, the court indicated its accord with “the principle that a bankruptcy court may exercise its equity powers

under section 105(a) to authorize payment of prepetition claims where such payment is necessary ‘to permit the greatest likelihood of . . . payment of creditors in full or at least proportionately.’”

In re Structurelite Plastics Corp., 86 B.R. 922, 931 (Bankr. S. D. Ohio 1988).

12. The Debtors submit that the timely payment of Taxes and Fees is critical to the Debtors’ ability to preserve the value of the business. Failure to pay these obligations could damage the Debtors’ relations with the Authorities and cause them to take precipitous action, including conducting audits, filing liens, seeking to impose liability against the Debtors and their officers and directors and, if applicable, seeking to lift the automatic stay, all of which could disrupt the Debtors’ chapter 11 efforts and impose significant costs on the Debtors’ estates. Payment of the Taxes and Fees will avoid these potentially burdensome and costly governmental actions, as well as the incurrence of potential penalties and interest if such Taxes and Fees are not timely paid. Thus, granting the relief requested herein will maximize the value of the Debtors’ estates and benefit their creditors.

13. Second, authority for satisfying the Taxes and Fees may also be found in sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors, operating their businesses as a debtors in possession under sections 1107(a) and 1108, 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, L.L.C.*, 273 B.R. 487, 497 (Bankr. N.D. Tex. 2002). Implicit in the duties of a chapter 11 debtor in possession is the duty “to protect and preserve the estate, including an operating business’s going-concern value.” *Id.*

14. Courts have noted that there are instances in which a debtor in possession can fulfill its fiduciary duty “only . . . by the preplan satisfaction of a prepetition claim.” *Id.* The *CoServ* court specifically noted that 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," *id.*, and also when the payment was to "sole suppliers of a given product." *Id.* at 498. The court provided a three-pronged test for determining whether a preplan payment on account of a prepetition claim was a valid exercise of a debtor's fiduciary duty:

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 prepetition 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.

15. Payment of the Taxes and Fees meets each element of the *CoServ* court's standard. Any unexpected or inopportune interruption of the Debtors' operations during the course of the Chapter 11 Cases could greatly diminish estate value and frustrate the Debtors' chapter 11 efforts. Therefore, to ensure the Debtors have the flexibility to meet their fiduciary duties as debtors in possession under sections 1107(a) and 1108 of the Bankruptcy Code, they must be permitted to make payment of the Taxes and Fees as the Debtors determine necessary to maximize the value of their estates.

16. Third, to the extent that the Taxes and Fees are entitled to priority status under section 507(a)(8) of the Bankruptcy Code or to assert a lien against the Debtors' assets, they must be paid in full under any chapter 11 plan before any of the Debtors' general unsecured obligations may be satisfied. As such, to the extent that they are entitled to priority, the payment of the Taxes and Fees does not prejudice general unsecured creditors.

17. Fourth, the Authorities might assert that certain of the Taxes and Fees are so-called "trust fund" taxes that the Debtors are required to collect from third parties and hold in

trust for the benefit of the Authorities. To the extent that the Debtors collect the Taxes and Fees on behalf of the Authorities, such Taxes and Fees may not constitute property of the Debtors' bankruptcy estates. *See Begier v. Internal Revenue Service*, 496 U.S. 53, 57-60 (1990); *City of Ferrell v. Sharon Steel Corp.*, 41 F.3d 92, 97 (3d Cir. 1994); *DeChiaro v. N.Y. State Tax Comm'n*, 760 F.2d 432, 433 (2d Cir. 1985) (sales taxes are "trust fund" taxes); *Al Copeland Enters., Inc. v. Texas*, 991 F.2d 233 (5th Cir. 1993) (debtor's prepetition collection of sales taxes and interest thereon were held subject to trust and were not property of the estates); *In re Shank*, 792 F.2d 829, 830 (9th Cir. 1986) (sales taxes required by state law to be collected by sellers from their customers are "trust fund" taxes); *In re Tap, Inc.*, 52 B.R. 271, 272 (Bankr. D. Mass. 1985) (withholding taxes are "trust fund" taxes). To the extent that the Taxes and Fees are "trust fund" taxes and the funds representing such Taxes and Fees can be adequately identified and traced, the Debtors would have no equitable interest in such funds and they would not be property of their estates. *See* 11 U.S.C. § 541(d); *In re Am. Int'l Airways, Inc.*, 70 B.R. 102, 103 (Bankr. E.D. Pa. 1987). Accordingly, the Court should authorize the Debtors to pay any of the Taxes and Fees that constitute trust fund taxes, and the Debtors submit that payment of such Taxes and Fees would not prejudice the rights of any of their other creditors or other parties in interest.

18. Fifth, some states hold corporate officers personally liable for unpaid taxes in certain circumstances. *See, e.g.*, JOHN F. OLSEN, ET AL., *Director & Officer Liability: Indemnification and Insurance* § 3:21 (2003) ("some states hold corporate officers personally liable for any sales tax and penalty owed and not paid by the corporation regardless of cause"). To the extent that any such "trust fund" taxes remain unpaid by the Debtors, their directors and officers could be subject to lawsuits or criminal prosecution during the pendency of the Chapter 11 Cases. Such potential lawsuits would prove extremely disruptive for the Debtors, for the

named officers and directors whose attention to the chapter 11 process is required, and for the Court, as the Court might be asked to entertain various requests for injunctions with respect to the potential state court actions against such individuals. Even the possibility of any such lawsuit or criminal prosecution would distract the Debtors and their directors and officers and their efforts in these bankruptcy proceedings. Furthermore, the Authorities may audit the Debtors if the Taxes and Fees are not timely paid. Payment of the Taxes and Fees will therefore avoid a loss of focus on the part of the Debtors' directors, officers and other employees resulting from the risk of personal liability and/or audits.

19. For the foregoing reasons, the Debtors believe that granting the relief requested herein is appropriate and in the best interests of their estates and creditors.

B. Cause Exists to Authorize the Banks to Honor Checks and Electronic Transfer Requests

20. To facilitate the implementation of the above-requested relief, the Debtors further request that the Court authorize and direct all Banks to receive, process, honor, and pay any and all checks drawn on, or electronic transfer requests from, their accounts, whether such checks or requests are presented or submitted prior to or after the Petition Date, to the extent such checks or requests are expressly identified by the Debtors as related directly to the payment of the Taxes and Fees.

SATISFACTION OF BANKRUPTCY RULE 6003

21. Bankruptcy Rule 6003 provides that to the extent "relief is necessary to avoid immediate and irreparable harm," the Court may approve a motion to "pay all or part of a claim that arose before the filing of the petition" prior to twenty-one days after the Petition Date. Fed. R. Bankr. P. 6003. As described above and in the First Day Declaration, the payment of the Taxes and Fees is necessary to prevent the immediate and irreparable damage to the Debtors' operations, going-concern value, and ability to restructure that would result from, among other

things, the Debtors' (i) failure to maintain good standing within the jurisdictions in which they conduct their business, (ii) inability to operate their business without interference from the Authorities, or (iii) directors' and responsible officers' exposure to personal liability for unpaid Taxes and Fees. Accordingly, the Debtors submit that the relief requested herein is necessary to avoid immediate and irreparable harm, and therefore, Bankruptcy Rule 6003 is satisfied.

WAIVER OF BANKRUPTCY RULES 6004(a) AND (h)

22. To implement the foregoing immediately and for the reasons set forth above, 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

23. Nothing in the Order or this Motion (i) is intended or shall be deemed to constitute an assumption of any agreement pursuant to section 365 of the Bankruptcy Code or an admission as to the validity of any claim against the Debtors and their estates, (ii) shall impair, prejudice, waive or otherwise affect the rights of the Debtors and their estates with respect to the validity, priority or amount of any claim against the Debtors and their estates, (iii) shall impair, prejudice, waive or otherwise affect the rights of the Debtors and their estates with respect to any and all claims or causes of action against any Authority, or (iv) shall be construed as a promise to pay a claim.

NOTICE

24. The Debtors have provided notice of this Motion to: (i) the Office of the United States Trustee for the District of Delaware; (ii) the United States Securities and Exchange Commission; (iii) the Office of the United States Attorney General for the District of Delaware; (iv) the Internal Revenue Service; (v) the DIP lender and counsel thereto; (vi) the Banks; and

(vii) those creditors holding the thirty (30) largest unsecured claims against the Debtors' estates (on a consolidated basis). Notice of this Motion and any order entered on this Motion will be served as required by Local Rule 9013-1(m). In light of the nature of the relief requested herein, the Debtors submit that no other or further notice is necessary.

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WHEREFORE, the Debtors respectfully request that the Court grant the relief requested herein and such other and further relief as the Court may deem just and proper.

Dated: Wilmington, Delaware
December 4, 2017

/s/ Ian J. Bambrick

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*Proposed Counsel to the Debtors and Debtors in
Possession*

EXHIBIT A
PROPOSED ORDER

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

WOODBRIIDGE GROUP OF COMPANIES, LLC,
et al.,¹

Debtors.

Chapter 11

Case No. 17-____ (____)

(Jointly Administered)

Ref. Docket No. ____

**ORDER (I) AUTHORIZING, BUT NOT DIRECTING, THE
DEBTORS TO PAY CERTAIN PREPETITION
TAXES AND FEES AND (II) GRANTING RELATED RELIEF**

Upon the *Debtors' Motion for Entry of an Order (I) Authorizing, but not Directing, the Debtors to Pay Certain Prepetition Taxes and Fees and (II) Granting Related Relief* (the "Motion")² filed by the above-captioned debtors and debtors-in-possession (collectively, the "Debtors"); and upon consideration of the First Day Declaration; and this Court having found that it has jurisdiction over this matter pursuant to 28 U.S.C. §§ 1334(b) and 157, and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated as of February 29, 2012; and this Court having found that venue of these cases and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that this matter is a core proceeding pursuant to 28 U.S.C. § 157(b); and this Court having determined that it may enter a final order consistent with Article III of the United States

¹ The last four digits of Woodbridge Group of Companies, LLC's federal tax identification number are 3603. The mailing address for Woodbridge Group of Companies, LLC is 14225 Ventura Boulevard #100, Sherman Oaks, California 91423. Due to the large number of debtors in these cases, for which the Debtors have requested joint administration, a complete list of the Debtors, the last four digits of their federal tax identification numbers, and their addresses are not provided herein. A complete list of such information may be obtained on the website of the Debtors' proposed noticing and claims agent at www.gardencitygroup.com/cases/WGC, or by contacting the proposed undersigned counsel for the Debtors.

² Capitalized terms used in this Order but not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

Constitution; and this Court having found that notice of the Motion has been given as set forth in the Motion and that such notice is adequate and no other or further notice need be given; and a hearing having been held to consider the relief requested in the Motion; and upon the record of the hearing and all of the proceedings had before this Court; and this Court having found and determined that the relief sought in the Motion is in the best interests of the Debtors, their estates, their creditors and all other parties in interest; and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein.
2. The Debtors are authorized, but not directed, to pay all prepetition Taxes and Fees that have accrued, but were not yet due and owing or were not paid in full, as of the Petition Date, including those Taxes subsequently determined upon audit to be owed for periods prior to the Petition Date; *provided, however*, that the amount of the payments relating to prepetition Taxes and Fees shall not exceed \$1,860,000 absent further order of the Court.
3. The Debtors also are authorized, but not directed, to continue to pay any Taxes and Fees on a post-petition basis in the ordinary course of business.
4. The Banks are authorized, when requested by the Debtors, in the Debtors' discretion, to receive, honor, process and pay any and all checks drawn on, or electronic transfer requests from, the Debtors' bank accounts to pay prepetition obligations authorized to be paid hereunder, whether such checks or requests were presented or submitted prior to or after the Petition Date, provided that sufficient funds are available in the applicable bank accounts to make such payments.

5. The 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.

6. Nothing in this Order (a) is intended or shall be deemed to constitute an assumption of any agreement pursuant to section 365 of the Bankruptcy Code, or an admission as to the validity of any claim against the Debtors and their estates, (b) shall impair, prejudice, waive or otherwise affect the rights of the Debtors and their estates with respect to the validity, priority or amount of any claim against the Debtors and their estates, shall impair, prejudice, waive or otherwise affect the rights of the Debtors and their estates with respect to any and all claims or causes of action against any Authority, or (d) shall be construed as a promise to pay a claim.

7. Notwithstanding the relief granted herein or any actions take hereunder, nothing contained in this Order shall create any rights in favor of, or enhance the status of any claim held by, any Authority.

8. The Debtors are authorized to execute any additional or supplemental documents incident to the relief granted herein.

9. The Debtors are authorized to take any and all actions necessary to effectuate the relief granted herein.

10. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion under the circumstances and the requirements of Bankruptcy Rule 6004(a) and the Local Rules are satisfied by such notice.

11. The requirements of Bankruptcy Rule 6003(b) are satisfied.

12. Notwithstanding any applicability of Bankruptcy Rule 6004(a) or (h), the terms and conditions of this Order shall be effective and enforceable immediately upon its entry.

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

Dated: December __, 2017
Wilmington, Delaware

UNITED STATES BANKRUPTCY JUDGE