

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re

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

Debtors.

Chapter 11

Case No. 17-12560 (KJC)

(Jointly Administered)

Ref. Docket No. 757, §80

**ORDER (I) CONFIRMING THE DEBTORS' ABILITY TO PAY
POSTPETITION ADMINISTRATIVE CLAIMS IN THE ORDINARY COURSE OF
BUSINESS, (II) ESTABLISHING LIEN PROCEDURES, AND (III) AUTHORIZING
THE DEBTORS TO PAY THE CLAIMS OF CERTAIN LIENHOLDERS**

Upon consideration of the motion (the "Motion")² of the Debtors for the entry of an order (a) confirming the Debtors' ability to pay postpetition vendor invoices in the ordinary course of business; (b) establishing procedures for asserting mechanics' and materialman's liens (collectively, the "Liens"); and (c) authorizing, but not directing, the Debtors to pay the claims of certain Lienholders (defined below); and due and proper notice of the Motion having been given; and it appearing that no other or further notice of the Motion is required; and it appearing that the Court has jurisdiction to consider the Motion in accordance with 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012; and it appearing that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and it appearing that venue of this proceeding and the Motion is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that this Court may enter a final order

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 14140 Ventura Blvd #302, Sherman Oaks, California 91423. Due to the large number of debtors in these cases, which are being jointly administered for procedural purposes only, 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' noticing and claims agent at www.gardencitygroup.com/cases/WGC, or by contacting the undersigned counsel for the Debtors.

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

consistent with Article III of the United States Constitution; and this Court having found and determined that the relief requested in the Motion is in the best interest of the Debtors, their estates, their creditors, and all parties in interest; and after due deliberation and good and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein.
2. All undisputed ordinary course business obligations incurred by the Debtors after their respective Petition Dates shall be entitled to administrative expense priority under sections 503(b)(1)(A) and 507(a)(2) of the Bankruptcy Code, and the Debtors are authorized to satisfy such obligations in the ordinary course of their business.
3. Each Vendor asserting a Lien against the Debtors' assets (a "Lienholder") that desires to perfect its Lien, without the necessity of filing a motion with the Court to obtain stay relief, must submit a written notification (a "Lien Statement") to the Debtors as follows:
 - a. The Lien Statement must be served upon Debtors' counsel, Klee, Tuchin, Bogdanoff & Stern LLP, 1999 Avenue of the Stars, 39th Floor, Los Angeles, California 90067, Attn: Jonathan M. Weiss, Esq. or by electronic mail, jweiss@ktbslaw.com, and Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 N. King Street, Wilmington, Delaware 19801, Attn: Allison S. Mielke, Esq. or by electronic mail, amielke@ycst.com; counsel for the Committee, Pachulski Stang Ziehl & Jones LLP, 919 N. Market Street, 17th Floor, Wilmington, DE 19081, Attn: Colin R. Robinson, Esq. or by electronic mail, crobinson@pszjlaw.com; and counsel for the DIP Lender, Buchalter, 1000 Wilshire Boulevard, Suite 1500, Los Angeles, California 90017, Attn: William S. Brody, Esq. or by electronic mail, wbrody@buchalter.com (the "Notice Parties"); and
 - b. The Lien Statement must include the following information: (i) the identity of the Lienholder; (ii) the specific property address subject to the Lien; (iii) the asserted amount of the Lien; (iv) the date on which the Lienholder asserts its Lien arose and the last date on which the Lienholder provided labor or materials to the Debtors; (v) the basis for the Lien including citation to any applicable statute or state law and any supporting documentation; and (vi) whether any causes of action have been filed or any other efforts have been made to collect on the amounts allegedly due.

4. The Notice Parties shall have until 5:00 p.m. (ET) on the fifth business day after receipt of the Lien Statement to evaluate the propriety of the Lien (the "Evaluation Period") and to communicate any objection to the Lienholder. If the Evaluation Period expires and the Notice Parties have not timely objected to the filing of the Lien described in the Lien Statement, the Notice Parties will be deemed to have consented to relief from the automatic stay in order for the Lienholder to perfect such Lien without further Court order; *provided, however*, that the commencement of any action to enforce the Lien or to foreclose on the Debtors' property shall remain stayed absent further order of the Court, and *provided further, however*, that the priority of such perfected Lien shall be as provided in the *Final Order on Debtors' Motion for Entry of Interim and Final Orders (i) Pursuant to 11 U.S.C. §§ 105, 361, 362, 363, 364, 507, and 552 Authorizing Debtors to (a) Obtain Postpetition Secured Financing [etc.]* [D.I. 724].

5. If any of the Notice Parties object to a Lien Statement, then they shall, prior to the expiration of the Evaluation Period (or such later date agreed to by the Debtors and the Lienholder) notify the Lienholder, and, to the extent that the Lienholder still wishes to perfect such Lien, the Lienholder may seek stay relief by filing a motion with the Court.

6. The Debtors are authorized, in consultation with the Committee, to satisfy any outstanding obligations owed to a Lienholder, which are set forth in a Lien Statement. As a condition to any payments on account of a Lienholder's claim, the Debtors shall require that the Lienholders agree to release any Liens filed.

7. Nothing in this Order (a) shall be interpreted or construed as the Debtors' consent to any efforts by a Lienholder to enforce a Lien or foreclose on the Debtors' properties and nothing shall relieve a Lienholder from any obligation under any applicable law to validly perfect a Lien or other interest in property, (b) is intended or shall be deemed to constitute an

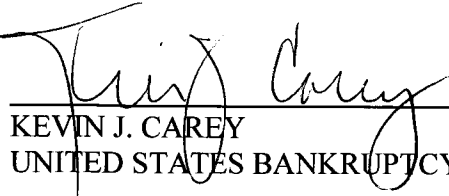
assumption of any agreement pursuant to section 365 of the Bankruptcy Code, (c) shall impair, prejudice, waive, or otherwise affect the rights of the Debtors and their estates with respect to the validity, priority, or amount of any claim or Lien against the Debtors and their estates, (d) shall constitute an admission as to the validity, priority, or amount of any claim or Lien against the Debtors and/or constitute a waiver of the Debtors' rights to dispute any claim or Lien, or (e) shall be deemed to prejudice any party's right to object to any claim or Lien on any ground, or to dispute, or to assert offsets against or defenses to, any claim or Lien or to subsequently designate any claim or Lien as disputed, contingent, or unliquidated.

8. Notwithstanding Bankruptcy Rule 6004(h), this Order shall be effective and enforceable immediately upon entry hereof.

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

10. This Court shall retain jurisdiction and power to hear and determine all matters arising from or related to the implementation of this Order.

Dated: April 3, 2018
Wilmington, Delaware



KEVIN J. CAREY
UNITED STATES BANKRUPTCY JUDGE