

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

In re

VWS Holdco, Inc., *et al.*,

Debtors.¹

Chapter 11

Case No. 25-10979 ()

Joint Administration Requested

**DEBTORS' MOTION FOR ENTRY OF INTERIM AND
FINAL ORDERS (I) AUTHORIZING THE DEBTORS TO CONTINUE
(A) TO MAINTAIN PREPETITION INSURANCE POLICIES,
(B) TO MAINTAIN PREPETITION SURETY BONDS, AND (C) TO USE THE
SERVICES OF THE BROKERS; AND (II) GRANTING RELATED RELIEF**

The above-captioned debtors and debtors in possession (collectively, the “Debtors”), by and through their undersigned proposed counsel, hereby move (the “Motion”) the United States Bankruptcy Court for the District of Delaware (the “Court”) for entry of interim and final orders pursuant to sections 105(a), 363(b), 363(c), 1107, and 1108 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”) and rules 6003 and 6004(h) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), (a) authorizing, but not directing, the Debtors to (i) continue insurance policies and agreements relating thereto entered into prepetition and pay prepetition obligations in respect thereof, if any, (ii) renew, revise, extend, supplement, change or enter into new insurance coverage as needed in their business judgment, (iii) maintain certain surety bonds and pay prepetition obligations in respect thereof, (vi) renew, revise, extend, supplement, change, or enter into new surety bonds, and (vii) continue to pay broker fees; (b) authorizing banks to honor and process check and electronic transfer requests related thereto;

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor’s federal tax identification numbers are as follows: VWS Holdco, Inc. (5412) and Shoosmith Bros., Inc. (6914). The Debtors’ mailing address is P.O. Box 2770, Chesterfield, VA 23832.

and (c) granting related relief. In addition, the Debtors are seeking to schedule a final hearing (the “Final Hearing”) on the Motion. In support of this Motion, the Debtors incorporate by reference the *Declaration of Steven F. Agran in Support of First Day Relief* (the “First Day Declaration”)² filed contemporaneously herewith and respectfully represent as follows:

JURISDICTION

1. The Court has jurisdiction over the Motion pursuant to 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. This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue of this proceeding and the Motion is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory bases for the relief requested herein are sections 105(a), 363(b), 363(c), 1107, and 1108 of the Bankruptcy Code, Bankruptcy Rules 6003 and 6004(h), 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”).

3. Pursuant to Local Rule 9013-1(f), the Debtors consent to the entry of a final order by the Court if it is 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.

BACKGROUND

4. On June 1, 2025 (the “Petition Date”), the Debtors commenced the above-captioned cases (these “Chapter 11 Cases”) by filing voluntary petitions for relief under Chapter 11 of the Bankruptcy Code in this Court. The Debtors are operating their businesses as debtors in possession

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

pursuant to sections 1107 and 1108 of the Bankruptcy Code. No trustee, examiner or official committee has been appointed in these Chapter 11 Cases.

5. Additional detail regarding the Debtors, their businesses, the events leading to commencement of these Chapter 11 Cases, and the facts and circumstances supporting the relief requested herein is set forth in the First Day Declaration and is incorporated herein by reference.

THE DEBTORS' INSURANCE

6. In the ordinary course of their business operations, the Debtors maintain insurance policies providing coverage for property, general liability, environmental , workers compensation, and excess coverage (each an “Insurance Policy” and collectively, the “Insurance Policies”).³

7. The Debtors have obtained the Insurance Policies through third-party insurance carriers (collectively, the “Insurance Carriers”). A list of the Insurance Policies and accompanying Insurance Carriers is attached hereto as **Exhibit C**.⁴

8. The total annual premiums (the “Insurance Premiums”) for the Insurance Policies are approximately \$153,000.00. The Insurance Premiums are paid annually, quarterly or monthly, depending on the particular Insurance Policy.

9. Approximately \$2000.00 of Insurance Premiums are expected to be payable in the twenty-one (21) days following the Petition Date (the “Interim Period”). The Debtors’ automobile

³ The Debtor also maintains health-related insurance programs and benefits administration services which are addressed in the *Debtors’ Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to Pay Certain Prepetition Wages, Benefits, and Other Compensation Obligations, (II) Authorizing Financial Institutions to Honor All Obligations Related Thereto, and (III) Granting Related Relief*, filed contemporaneously with the present Motion.

⁴ The descriptions of the Insurance Policies are intended only as a summary, and the actual terms of the foregoing shall govern in the event of any inconsistency with the descriptions set forth herein. The Debtors have made a good-faith effort to identify all the Insurance Policies on Exhibit C attached hereto. The Debtors request authority to honor obligations and renew all Insurance Policies, as applicable, regardless of whether the Debtors inadvertently fail to include a particular policy on the attached schedule. The Insurance Policies summarized on Exhibit C are representative only and are not intended to restrict the Debtors from changing carriers or programs, or adding different types of insurance, in the reasonable exercise of the Debtors’ discretion.

insurance is paid on a quarterly basis and a quarterly payment in the amount of approximately \$2000.00 will be due by the middle of June, 2025. Therefore, the Debtors seek authority to pay \$2000.00 in connection with the Insurance Policies during the Interim Period, and all post-petition amounts owing in connection with the Insurance Policies on a final basis. Additionally, out of an abundance of caution, Debtors request the authority to maintain the Insurance Policies in the ordinary course of business and to pay any prepetition obligations related to the Insurance Policies and to continue to pay postpetition obligations related to the Insurance Policies in the ordinary course of business.

BROKERS

10. The Debtors employ Scott Insurance and RSG Specialty, LLC as their insurance brokers (collectively with any other insurance brokers used by the Debtors, the “Brokers”) to assist them with the procurement and negotiation of the Insurance Policies. In exchange for their services, the Debtors pay the Brokers certain fees (the “Broker Fees”) on a commission basis. As of the Petition Date, the Debtors believe that there are no outstanding prepetition amounts owed to the Brokers. The Brokers are essential to the Debtors’ ability to secure the appropriate levels of insurance coverage at advantageous cost. The Debtors request authority, but not direction, to continue utilizing the Brokers’ services in the ordinary course of business.

SURETY BONDS

11. The Debtors also maintain two (2) surety bonds (the “Surety Bonds”) issued by Evergreen National Indemnity Company (“Evergreen”) for the benefit of the Virginia Department of Environmental Quality (“VDEQ”) as obligee. A list of the Surety Bonds and the cash collateral held by Evergreen for such bonds is described on **Exhibit D** attached hereto. The Closure Bond (as defined on Exhibit D) guarantees the Debtors’ obligations to close the Landfill in accordance

with the rules, regulations, and specifications of its closure plan. The Post-Closure Bond (as defined on Exhibit D) guarantees the Debtors' obligations to properly monitor and maintain the closed Landfill.

12. Evergreen holds cash collateral of the Debtors to secure the obligations under the Surety Bonds (i) in the present amount of approximately \$2 million related to the Closure Bond and (ii) in the present amount of approximately \$12.7 million related to the Post-Closure Bond.

13. The Debtors' pay annual premiums related to the Surety Bonds (the "Surety Bond Premiums"). In June, 2024, the Debtors paid a total of approximately \$250,000.00 in Surety Bond Premiums. The next Surety Bond Premiums on the Surety Bonds will be due on or about June 18, 2025. The Debtors are not presently aware of the amount of such Surety Bond Premiums. While the upcoming Surety Bond Premiums appear to cover the postpetition period on and after June 18, 2025, in an abundance of caution, the Debtors are seeking authority to pay such Surety Bond Premiums during the Interim Period. Accordingly, the Debtors are requesting authority (but not the obligation) to pay up to the amount of \$250,000 on account Surety Bond Premiums during the Interim Period. In an abundance of caution, Debtors seek authority to continue to maintain the Surety Bonds in the ordinary course of business and request the authority to pay any prepetition obligations related to the Surety Bonds and to continue to pay postpetition obligations related to the Surety Bonds in the ordinary course of business.

RELIEF REQUESTED

14. By this Motion, the Debtors seek authority, but not direction, pursuant to sections 105(a), 363(b), 363(c), 1107, and 1108 of the Bankruptcy Code and Bankruptcy Rules 6003 and 6004(h), to (a) maintain existing Insurance Policies and the Surety Bonds, and to pay on an uninterrupted basis all premiums, deductibles, administration fees, Broker Fees, and other obligations relating to the Insurance Policies and the Surety Bonds, as applicable (collectively,

the “Insurance/Surety Obligations”), arising thereunder or in connection therewith, including any Insurance/Surety Obligations for prepetition periods, if any, (b) renew, revise, extend, supplement, change, or enter into new insurance policies as needed in their business judgment without further order of the Court, (c) maintain the Surety Bonds and renew, revise, extend, supplement, or change the Surety Bonds or enter into new surety bonds as needed in their business judgment without further order of the Court, and (d) continue to honor their Insurance/Surety Obligations.

15. The Debtors also request that the Court: (a) authorize and direct any and all banks with which the Debtors maintain accounts that the Debtors use to make payments related to the Insurance Policies, Surety Bonds and the Insurance/Surety Obligations to receive, process, honor, and pay all checks drawn on such accounts and fund transfers for payments with respect to the Insurance Policies, Surety Bonds and the Insurance/Surety Obligations, whether presented before or after the Petition Date, provided that sufficient funds are on deposit in the applicable accounts to cover such payments, and (b) authorize the Debtors to issue new post-petition checks or effect new post-petition fund transfers on account of the Insurance Policies, Surety Bonds and the Insurance/Surety Obligations, and to replace any prepetition checks or fund transfer requests that may be dishonored or rejected.

16. Finally, the Debtors request that the Court waive the 14-day stay of effectiveness of the interim and final orders granting this Motion, and direct that the relief granted be effective immediately.

17. The Insurance Policies and Surety Bonds are essential to preserving the value of the Debtors’ business, property, and assets. Much of the coverage provided by the Insurance Policies and Surety Bonds is required by regulations, laws, and contracts that govern the Debtors’ commercial activities. Furthermore, section 1112(b)(4)(C) of the Bankruptcy Code provides that

“failure to maintain appropriate insurance that poses a risk to the estate or to the public” is “cause” for mandatory conversion or dismissal.

18. As of the Petition Date, the Debtors believe they are current on the Insurance/Surety Obligation. However, in an abundance of caution, Debtors seek authority to pay \$252,000.00 in connection with any Insurance/Surety Obligations during the Interim Period, and all amounts owing in connection with the Insurance/Surety Obligations on a final basis. Additionally, out of an abundance of caution, the Debtors request authority to honor any prepetition amounts that may have accrued and/or been owing, in the ordinary course of business during the pendency of these cases in connection with the Insurance/Surety Obligations.

BASIS FOR RELIEF

I. Continuing to Maintain the Insurance/Surety Obligations Is Warranted Pursuant to Sections 363(b) and 105 of the Bankruptcy Code.

19. Section 363(b)(1) of the Bankruptcy Code provides: “The trustee, after notice and a hearing, 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 provides:

The court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title. No provision of this title providing for the raising of an issue by a party in interest shall be construed to preclude the court from, *sua sponte*, taking any action or making any determination necessary or appropriate to enforce or implement court orders or rules, or to prevent an abuse of process.

11 U.S.C. § 105(a). Section 105(a) of the Bankruptcy Code grants bankruptcy courts broad authority and discretion to enforce the provisions of the Bankruptcy Code either under specific statutory fiat or under equitable common law principles.

20. A bankruptcy court may use its equitable powers to authorize the payment of prepetition debt when such payment is needed to facilitate rehabilitating the debtor. *See In re Just*

for Feet, Inc., 242 B.R. 821, 824 (D. Del. 1999) (acknowledging that “[c]ertain prepetition claims . . . may need to be paid to facilitate a successful reorganization” and that “[s]ection 105(a) of the [Bankruptcy] Code provides a statutory basis for the payment of prepetition claims”); *see also In re Ionosphere Clubs, Inc.*, 98 B.R. 174, 175 (Bankr. S.D.N.Y. 1989) (“The ability of a Bankruptcy Court to authorize the payment of prepetition debt when such payment is needed to facilitate the rehabilitation of the debtor is not a novel concept.”). This equitable common law principle “was first articulated by the United States Supreme Court in *Miltenberger v. Logansport, C. & S.W Ry. Co.*, 106 U.S. 286 (1882) and is commonly referred to as either the ‘doctrine of necessity’ or the ‘necessity of payment’ rule.” *In re Ionosphere Clubs, Inc.*, 98 B.R. at 175–76.

21. In a long, well-established line of cases, courts consistently have permitted post-petition 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*, 106 U.S. at 312 (payment of pre-receivership claim prior to reorganization permitted to prevent stoppage of crucial “business relations”); *In re Chateaugay Corp.*, 80 B.R. 279, 285–86 (S.D.N.Y. 1987) (approving lower court’s order authorizing payment of prepetition wages, salaries, expenses and benefits); *Just for Feet, Inc.*, 242 B.R. at 826 (granting approval to pay prepetition claims of certain trade vendors that were “critical to the Debtor’s reorganization”); *In re Columbia Gas Sys., Inc.*, 171 B.R. 189, 192 (Bankr. D. Del. 1994) (noting that debtor may pay prepetition claims that are essential to continued operation of business).

22. The Debtors submit that it is essential that they be permitted to maintain the Insurance Policies and Surety Bonds and to pay the Insurance/Surety Obligations. The Debtors believe they are current on the Insurance/Surety Obligations. However, due to the importance of the coverage afforded by the Insurance Policies and Surety Bonds, the Debtors seek authority, but

not direction, to pay all current and future Insurance/Surety Obligations notwithstanding the fact that such payments could be based, in whole or in part, on prepetition liabilities. If any component of the Insurance Policies or Surety Bonds were allowed to lapse or the Debtors do not pay the Insurance/Surety Obligations, the Debtors would be exposed to substantial potential liability for any damages or loss resulting to persons and/or property of the Debtors and others. Thus, it is essential to the continued operation of the Debtors' business and maximizing the value of their estates that the Insurance/Surety Obligations be paid on a timely basis.

23. Moreover, other considerations support authorizing the Debtors to maintain and continue the Insurance Policies and Surety Bonds. For example, the Operating Guidelines and Reporting Requirements of the United States Trustee for Chapter 11 Debtors in Possession and Chapter 11 Trustees require a chapter 11 debtor to maintain insurance coverage customary and appropriate for its industry.

24. To the extent that any Insurance Policy, Surety Bonds, or other agreement described herein is deemed an executory contract within the meaning of section 365 of the Bankruptcy Code, the Debtors are not at this time seeking to assume such agreement. The Debtors submit that Court authorization of payments to be made with respect to the Insurance/Surety Obligations should not be deemed to constitute post-petition assumption or adoption, pursuant to section 365 of the Bankruptcy Code, of any such Insurance Policy, Surety Bond or other agreement. The Debtors will continue to review the Insurance Policies, and Surety Bonds Bonds during the course of these Chapter 11 Cases, and hereby reserve all rights with respect thereto.

25. The Debtors also submit that because the relief requested in this Motion is necessary to avoid immediate and irreparable harm to the Debtors for the reasons set forth herein, the requirements of Bankruptcy Rule 6003 have been satisfied.

III. Cause Exists to Authorize the Debtors' Financial Institutions to Honor Checks and Electronic Fund Transfers.

26. The Debtors represent that they will have sufficient availability of funds to pay the amounts described herein in the ordinary course of business by virtue of cash reserves, expected cash flows from ongoing business operations and financing. Accordingly, the Debtors believe that checks or wire transfer requests, other than those relating to authorized payments, will not be honored inadvertently and that all applicable banks should be authorized, when requested by the Debtors, to receive, process, honor, and pay any and all checks or wire transfer requests with respect to any Insurance/Surety Obligations.

THE REQUIREMENTS OF BANKRUPTCY RULE 6003 ARE SATISFIED

27. In order for a debtor to obtain relief to make payments within twenty-one (21) days of the petition date, it must establish that making such payments satisfies the requirements mandated by Bankruptcy Rule 6003—namely, the relief requested is necessary to avoid “immediate and irreparable harm.” If a debtor’s prospect of reorganizing is threatened, or swift diminution in value of the debtor’s estate is likely, absent the granting of the requested relief, immediate and irreparable harm likely exists. *See In re WorldSpace, Inc.*, No. 08-12412, 2008 WL 8153639, at *2 (Bankr. D. Del. Oct. 20, 2008) (granting emergency motions for post-petition financing, adequate protection, and modification of the stay where the court found that the relief was necessary to avoid irreparable harm to the debtors and its estates because such relief was essential for the continued operations of the debtors’ businesses); *In re New World Pasta Co.*, No. 04-02817, 2004 WL 5651052, at *5 (Bankr. M.D. Pa. July 9, 2004) (same); *see also In re Ames Dep’t Stores, Inc.*, 115 B.R. 34, 36 n.2 (Bankr. S.D.N.Y. 1990) (finding that “immediate and irreparable harm” exists where loss of the business threatens ability to reorganize).

28. Here, immediate and irreparable harm would result if the relief requested herein is not granted. Failure to pay the Insurance/Surety Obligations could cause a lapse in the Insurance Policies or Surety Bonds, which could devalue the Debtors' business and could cause interruption of the Debtors' business as some of the Insurance Policies and Surety Bonds may be required by law or regulation. It is imperative that the Debtors maintain the value of their business while seeking to restructure. Accordingly, the Debtors respectfully submit that they have satisfied the "immediate and irreparable harm" standard of Bankruptcy Rule 6003 for the amount of Insurance Obligations that the Debtor seeks authority to pay pursuant to the Interim Order.

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

29. Given the nature of the relief requested herein, the Debtors respectfully request a waiver of (i) the notice requirements under Bankruptcy Rule 6004(a), and (ii) the 14-day stay under Bankruptcy Rule 6004(h), to the extent that either rule is applicable.

DEBTORS' RESERVATION OF RIGHTS

30. Nothing contained in this Motion or any actions taken by the Debtors pursuant to relief granted in the Proposed Interim Order and the Proposed Final Order is intended or should be construed as: (a) an admission as to the validity of any particular claim against the Debtors; (b) a waiver of any of the Debtors' rights to dispute any particular claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication or admission that any particular claim is of a type specified or defined in this Motion; (e) a request or authorization to assume any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) a waiver or limitation of the Debtors' rights under the Bankruptcy Code or any other applicable law; or (g) a concession by the Debtors that any liens (contractual, common law, statutory, or otherwise) satisfied pursuant to this Motion are valid, and the Debtors expressly reserve their rights to contest the extent, validity, or perfection or seek avoidance of all such liens. 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 of any particular claim or a waiver of any of the Debtors' rights to subsequently dispute such claim.

NOTICE

31. Notice of this Motion will be provided to: (i) the Office of the United States Trustee for the District of Delaware, J. Caleb Boggs Building, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware, 19801, Attn: Jane M. Leamy (jane.m.leafy@usdoj.gov); (ii) counsel to the DIP Lenders, Cole Schotz P.C., 1325 Avenue of the Americas, New York, NY 10019, Attn. Daniel F. X. Geoghan (DGeoghan@coleschotz.com); (iii) the Virginia Department of Environmental Quality, Piedmont Regional Office, 4949-A Cox Road, Glen Allen, Virginia 23060, Attn: Attn: Russell Deppe (russell.deppe@deq.virginia.gov); (iv) the Internal Revenue Service; (v) the Securities and Exchange Commission; (vi) the Delaware Secretary of State; (vii) the Delaware State Treasury (viii) the Debtors' consolidated twenty (20) largest unsecured creditors on a consolidated basis; (ix) the Insurance Carriers listed on **Exhibit C**; (x) the Brokers; (xi) Evergreen and (xii) all parties requesting notice pursuant to Bankruptcy Rule 2002. Notice of this Motion and any order entered hereon will be served in accordance with 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.

NO PRIOR REQUEST

The Debtors have not previously sought the relief requested herein from this Court or any other court.

CONCLUSION

WHEREFORE, for the reasons set forth herein, the Debtors respectfully request that the Court (a) enter the Proposed Interim Order substantially in the form annexed hereto as **Exhibit A**

granting the relief requested by the Motion and such other and further relief as may be just and warranted, and (b) schedule a Final Hearing on the Motion as soon as practicable thereafter to consider entry of the Final Order substantially in the form annexed hereto as **Exhibit B**.

Dated: June 1, 2025
Wilmington, Delaware

PASHMAN STEIN WALDER HAYDEN, P.C.

/s/ John W. Weiss
John W. Weiss (No. 4160)
Richard W. Riley (No. 4052)
824 North Market Street, Suite 800
Wilmington, DE 19801
Telephone: (302) 592-6496
Email: jweiss@pashmanstein.com
rriley@pashmanstein.com

-and-

Leah M. Eisenberg (*pro hac vice* forthcoming)
David E. Sklar (*pro hac vice* forthcoming)
Court Plaza South, East Wing
21 Main Street, Suite 200
Hackensack, NJ 07601
Telephone: (201) 488-8200
Email: leisenberg@pashmanstein.com
dsklar@pashmanstein.com

Proposed Counsel to the Debtors and Debtors in Possession

Exhibit A

Proposed Interim Order

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

In re

VWS Holdco, Inc., *et al.*,

Debtors.¹

Chapter 11

Case No. 25-10979 ()

Joint Administration Requested

Re: D.I.

**INTERIM ORDER (I) AUTHORIZING
THE DEBTORS TO CONTINUE (A) TO MAINTAIN PREPETITION
INSURANCE POLICIES, (B) TO MAINTAIN PREPETITION
SURETY BONDS, AND (C) TO USE THE SERVICES
OF THE BROKERS; AND (II) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”)² of the above-captioned debtors and debtors in possession (the “Debtor”) for entry of an interim order (this “Interim Order”) and a final order pursuant to sections 105(a), 363(b), 363(c), 1107, and 1108 of the Bankruptcy Code and Bankruptcy Rules 6003 and 6004(h), (a) authorizing the Debtors to (i) continue Insurance Policies and agreements relating thereto entered into prepetition and pay prepetition obligations in respect thereof, if any, (ii) renew, revise, extend, supplement, change, or enter into new insurance coverage as needed in its business judgment, (iii) maintain certain Surety Bonds, (vi) renew, revise, extend, supplement, change, or enter into new surety bonds; and (vii) continue to pay Broker Fees; (b) authorizing banks to honor and process check and electronic transfer requests related thereto; and (c) granting related relief, all as further described in the Motion; and upon consideration of the First Day Declaration; and due and sufficient notice of the Motion having been given under the

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

circumstances; and it appearing that no other or further notice need be provided under the circumstances; and it appearing that the relief requested by this Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; and after due deliberation and sufficient cause appearing therefor;

IT IS HEREBY ORDERED THAT:

1. The Motion is **GRANTED** on an interim basis as set forth herein.
2. The Debtors are authorized, but not directed, to maintain their Insurance Policies and Surety Bonds, and to pay the Insurance/Surety Obligations arising under or in connection therewith as and when such obligations come due, including amounts coming due during the Interim Period (i) for the Insurance Premiums, provided that such payments shall not exceed \$2,000.00, pending entry of a final order and (ii) for the Surety Bond Premiums, provided that such payments shall not exceed \$250,000.00, pending entry of a final order.
3. The Debtors are authorized, but not directed, to pay Insurance/Surety Obligations attributable to the prepetition period, provided that payments on account of any Insurance/Surety Obligations shall not exceed \$2000.00 for Insurance Premiums and shall not exceed \$250,000.00 for Surety Bond Premiums, pending entry of a final order.
4. The Debtors are authorized, but not directed, to enter into new insurance policies and surety bonds in the ordinary course of business through the renewal, supplement, revision, or extension of the Insurance Policies and the Surety Bonds, or the purchase of new insurance policies or surety bonds to the extent that the Debtors determine that such action is necessary or appropriate in their business judgment.
5. The Debtors are authorized, but not directed, to pay Broker Fees, whether incurred or due and payable before or after the Petition Date and to amend, supplement, change, or enter

into new broker agreements in connection with any insurance policies or surety bonds in the ordinary course of the Debtors' businesses.

6. All applicable banks and other financial institutions are hereby authorized to receive, process, honor, and pay any and all checks and transfer requests evidencing amounts paid by the Debtors under this Interim Order whether presented prior to or after the Petition Date, provided that sufficient funds are on deposit in the applicable accounts to cover such payments. Such banks and financial institutions are authorized to rely on the representations of the Debtors as to which checks are issued or authorized to be paid pursuant to this Interim Order.

7. To the extent that the Insurance Policies, Surety Bonds, or any related contracts or agreements, including any agreements between the Debtors and any Brokers or agent, are determined to be executory contracts under section 365 of the Bankruptcy Code, neither the relief granted hereby nor any actions or payments made by the Debtors pursuant to this Interim Order shall constitute assumption or rejection of any such contract pursuant to section 365 of the Bankruptcy Code.

8. Nothing in this Interim Order or the Motion is intended or shall be construed to grant relief from the automatic stay pursuant to section 362 of the Bankruptcy Code.

9. Nothing in the Motion or in this Interim Order is intended or should be construed as (a) an admission as to the validity or priority of any claim against the Debtors, (b) a waiver of the Debtors' rights to dispute any claim, including the validity or priority thereof, or (c) an approval or assumption of any agreement, contract, or lease, whether under section 365(a) of the Bankruptcy Code or otherwise. Likewise, any payment made pursuant to this Interim Order is not intended and should not be construed as an admission as to the validity of any claim or a waiver of the Debtors' rights to subsequently dispute such claim.

10. Responses or objections to the Motion and entry of a final order with respect to the Motion must: (i) be made in writing; (ii) state with particularity the grounds therefor; (iii) conform to the Bankruptcy Rules and the Local Rules; and (iv) be served upon (a) proposed counsel to the Debtors, Pashman Stein Walder Hayden, P.C., 824 North Market Street, Suite 800, Wilmington, Delaware, 19801, Attn: John W. Weiss (jweiss@pashmanstein.com), Leah M. Eisenberg (leisenberg@pashmanstein.com), Richard W. Riley (rriley@pashmanstein.com), and David E. Sklar (dsklar@pashmanstein.com), (b) the Office of the United States Trustee for the District of Delaware, J. Caleb Boggs Building, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware, 19801, Attn: Jane M. Leamy (jane.m.leafy@usdoj.gov), (c) counsel the DIP Lenders, Cole Schotz P.C., 1325 Avenue of the Americas, New York, NY 10019, Attn. Daniel F. X. Geoghan (DGeoghan@coleschotz.com); and (d) counsel to any official committee appointed in the Chapter 11 Cases (the “Notice Parties”).

11. The deadline by which objections to the Motion and the final order must be filed and received by the Notice Parties is _____, 2025 at 4:00 p.m. (prevailing Eastern Time). A final hearing, if required, on the Motion will be held on _____, 2025 at _____ (prevailing Eastern Time). If no objections are filed regarding the Motion and entry of this Interim Order on a final basis, the Court may enter a final order without further notice or a hearing.

12. The requirements of Bankruptcy Rule 6003(b) have been satisfied.

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

14. The Court shall retain jurisdiction over any matters arising from or related to implementing or interpreting this Interim Order.

Exhibit B

Proposed Final Order

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

In re

VWS Holdco, Inc., *et al.*,

Debtors.¹

Chapter 11

Case No. 25-10979 ()

Joint Administration Requested

Re: D.I.

**FINAL ORDER (I) AUTHORIZING
THE DEBTORS TO CONTINUE (A) TO MAINTAIN PREPETITION
INSURANCE POLICIES, (B) TO MAINTAIN PREPETITION
SURETY BONDS, AND (C) TO USE THE SERVICES
OF THE BROKERS; AND (II) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”)² of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of an interim order (the “Interim Order”) and a final order (this “Final Order”) pursuant to sections 105(a), 363(b), 363(c), 1107, and 1108 of the Bankruptcy Code and Bankruptcy Rules 6003 and 6004(h), (a) authorizing the Debtors to (i) continue Insurance Policies and agreements relating thereto entered into prepetition and pay prepetition obligations in respect thereof, if any, (ii) renew, revise, extend, supplement, change, or enter into new insurance coverage as needed in its business judgment, (iii) maintain certain Surety Bonds, (iv) renew, revise, extend, supplement, change, or enter into new surety bonds; and (vii) continue to pay Broker Fees; (b) authorizing banks to honor and process check and electronic transfer requests related thereto; and (c) granting related relief, all as further described in the Motion; and the Court having previously entered the Interim Order; and upon consideration of the First Day

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor’s federal tax identification numbers are as follows: VWS Holdco, Inc. (5412) and Shoosmith Bros., Inc. (6914). The Debtors’ mailing address is P.O. Box 2770, Chesterfield, VA 23832.

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

Declaration; and due and sufficient notice of the Motion having been given under the circumstances; and it appearing that no other or further notice need be provided under the circumstances; and it appearing that the relief requested by this Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; and after due deliberation and sufficient cause appearing therefor;

IT IS HEREBY ORDERED THAT:

1. The Motion is **GRANTED** on a final basis as set forth herein.
2. The Debtors are authorized, but not directed, to maintain their Insurance Policies and Surety Bonds and to pay the Insurance/Surety Obligations arising under or in connection therewith as and when such obligations come due.
3. The Debtors are authorized, but not directed, to pay Insurance/Surety Obligations attributable to the prepetition period.
4. The Debtors are authorized, but not directed, to enter into new insurance policies and surety bonds in the ordinary course of business through the renewal, supplement, revision, extension of the Insurance Policies the Surety Bonds, or the purchase of new insurance policies and surety to the extent that the Debtors determine that such action is necessary or appropriate in their business judgment.
5. The Debtors are authorized, but not directed, to pay Broker Fees, whether incurred or due and payable before or after the Petition Date and to amend, supplement, change, or enter into new broker agreements in connection with any insurance policy or bond in the ordinary course of the Debtors' business.
6. All applicable banks and other financial institutions are hereby authorized and required to receive, process, honor, and pay any and all checks and transfer requests evidencing

amounts paid by the Debtors under this Final Order whether presented prior to or after the Petition Date, provided that sufficient funds are on deposit in the applicable accounts to cover such payments. Such banks and financial institutions are authorized to rely on the representations of the Debtors as to which checks are issued or authorized to be paid pursuant to this Final Order.

7. To the extent that the Insurance Policies, the Surety Bonds, or any related contracts or agreements, including any agreements between the Debtors and any Brokers or agent, are determined to be executory contracts under section 365 of the Bankruptcy Code, neither the relief granted hereby nor any actions or payments made by the Debtors pursuant to this Order shall constitute assumption or rejection of any such contract pursuant to section 365 of the Bankruptcy Code.

8. Nothing in the Motion or in this Final Order is intended or should be construed as (a) an admission as to the validity or priority of any claim against the Debtors, (b) a waiver of the Debtors' rights to dispute any claim, including the validity or priority thereof, or (c) an approval or assumption of any agreement, contract, or lease whether under section 365(a) of the Bankruptcy Code or otherwise. Likewise, any payment made pursuant to this Final Order is not intended and should not be construed as an admission as to the validity of any claim or a waiver of the Debtors' rights to subsequently dispute such claim.

9. Nothing in this Final Order or the Motion is intended or shall be construed to grant relief from the automatic stay pursuant to section 362 of the Bankruptcy Code.

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

11. The Court shall retain jurisdiction over any matters arising from or related to implementing or interpreting this Final Order.

Exhibit C

Type of Coverage	Insurer	Current Policy Period	Policy Number(s)	Approximate Annual Premium
Commercial Package Insurance (Commercial Property Coverage, Commercial General Liability Coverage, Commercial Auto Coverage, Commercial Umbrella/Excess Liability Coverage, Contractors Equipment Coverage and Contractors Equipment Supplemental Coverages)	Cincinnati Insurance Company	10-03-2022 to 10-03-2025	ENP 040 63 47 /EBA 040 63 47	\$41,104.00
Commercial General Liability Coverage Contractor Pollution Liability Coverage Errors and Omissions Liability Coverage Third Party Pollution Liability Coverage Onsite Cleanup Coverage	Crum & Forester Specialty Insurance Company	10/13/2024 to 10/3/2025	EPK 149179	\$22,329.00
Directors & Officers Liability, Employment Practices Liability Fiduciary Liability Crime	Allied World Surplus Lines Insurance Company	10/3/2024 to 10/3/2025	0313-1522	\$18,876.00

Type of Coverage	Insurer	Current Policy Period	Policy Number(s)	Approximate Annual Premium
Workers Compensation and Employers Liability Insurance Policy	Encova Mutual Insurance Group, Inc. / AlleghenyPoint Insurance Company	10/03/2024 to 10/03/2025	WCA4020290	\$19,459.00
Commercial Environmental Excess Coverage	Aspen Specialty Insurance Company	10/13/2024 to 10/03/2025	EX00NTQ24	\$29,027.00
Environmental Excess Liability Coverage	Crum & Forester Specialty Insurance Company	10/13/2024 to 10/3/2025	EFX 126192	\$21,637.00

Exhibit D

Type of Surety Bond	Surety Company	Approximate Bond Amount	Cash Collateral Held by Surety Company	Approximate Annual Premium
Closure Bond	Evergreen National Indemnity Company	\$6.7 million	\$2 million	Unkown
Post-Closure Bond	Evergreen National Indemnity Company	\$12.7 million	\$12.7 million	Unknown