IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	)	Chapter 11
SYNERGENX LEGACY HOLDINGS, LLC, *et al.*,	)	Case No. 26-90644 (CML)
Debtors.[1]	)	(Joint Administration Requested)

PRELIMINARY LIMITED OBJECTION AND RESERVATION OF RIGHTS OF THE SENIOR SECURED LENDERS TO DEBTORS' EMERGENCY MOTION FOR ENTRY OF INTERIM AND FINAL ORDERS (I) AUTHORIZING THE USE OF CASH COLLATERAL; (II) APPROVING ADEQUATE PROTECTION TO PREPETITION SECURED PARTIES; (III) SCHEDULING A FINAL HEARING; AND (IV) GRANTING RELATED RELIEF [DOCKET NO. 13]

The *ad hoc* group of senior secured lenders (the "Senior Secured Lenders") and Chatham Capital Management, LLC, in its capacity as administrative agent (the "Administrative Agent"), under that certain Credit Agreement, dated as of September 6, 2022 (as amended, supplemented, or otherwise modified from time to time) by and among SynergenX Joint Holdings, LLC, SynergenX Health Holdings, LLC, and the lender parties thereto,[2] for their limited objection (this "Limited Objection") to the *Debtors' Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Use of Cash Collateral; (II) Approving Adequate Protection to Prepetition Secured Parties; (III) Scheduling a Final Hearing; and (IV) Granting Related Relief* [Docket No. 13] (the "Cash Collateral Motion"),[3] respectfully state as follows:

[1] A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' proposed claims and noticing agent at https://cases.stretto.com/SynergenX. The location of Debtor SynergenX Legacy Holdings, LLC is 11445 Compaq Center Drive W., Ste 800, Houston, TX 77070.

[2] The Senior Secured Lenders include Lynstone SSF Holdings II SARL, Chatham Investment Fund V, L.P., and Chatham Investment Fund V-A, L.P.

[3] Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the Cash Collateral Motion.

PRELIMINARY STATEMENT

1. The Senior Secured Lenders support smooth continuation of patient care, payroll, and the Debtors' ongoing business operations. That includes support for entry of first-day orders that are narrowly tailored to satisfy the standard imposed by Federal Rule of Bankruptcy Procedure 4001(b)(2)—namely, relief necessary to avoid immediate and irreparable harm to those ordinary-course operations pending a final hearing. That said, any emergency interim order approving the Cash Collateral Motion must also ensure that the extraordinary relief requested by the Debtors is confined to what the Bankruptcy Code permits and what the evidentiary record supports.

2. The Debtors' request to use the Senior Secured Lenders' Cash Collateral on a nonconsensual basis fails for multiple independent reasons. Most fundamentally, the Debtors have failed to carry their burden of demonstrating that the Senior Secured Lenders' interests are adequately protected, as required by sections 361 and 363 of the Bankruptcy Code and the United States Constitution. The diminution in the value of the Cash Collateral is neither speculative nor disputed; it is built into the Debtors' proposed budget for the interim period. Yet, the Debtors offer only so-called "Replacement Liens" that merely duplicate the liens the Senior Secured Lenders already hold on the very same collateral. Such duplicative liens provide no incremental value or protection against the anticipated diminution of the Secured Lenders' collateral and so cannot satisfy the strict statutory standards.

3. The proposed interim order likewise seeks to impose a nonconsensual carve-out from the Senior Secured Lenders' collateral without any legal basis to do so. At the same time, the proposed budget provides no assurance that the Debtors' use of Cash Collateral during the interim period will be limited to expenditures necessary to avoid immediate and irreparable harm. On the contrary, the largest Week 1 operating disbursement is a $365,000 line item labeled simply

"Other Expense," without any further explanation. The budget likewise includes payments to estate professionals during the interim period without any explaining why such expenditures are necessary before any proposed professionals have their retentions approved. The Court should not authorize the nonconsensual use of the Secured Lenders' Cash Collateral to fund unexplained or discretionary expenditures that fall well outside legal authority or the limited purpose of interim relief under Rule 4001(b)(2).

4. Nevertheless, solely to avoid immediate and irreparable harm pending a final hearing, the Senior Secured Lenders are willing to consent to a limited interim use of Cash Collateral on the terms reflected in the proposed interim order attached as Exhibit A (a redline comparing it to the Debtors' proposed interim order is attached as Exhibit B). That limited consent is conditioned upon the following:

a. The interim authorization shall remain in effect only until the earliest practicable date on which the Court can conduct a final hearing, and in no event later than July 21, 2026;

b. Cash Collateral may be used pursuant to a budget solely for ordinary-course payments necessary to preserve ongoing operations, including postpetition payments to employees, vendors, and other ordinary-course counterparties. At the interim hearing, the Debtors bear the burden of demonstrating through competent evidence that each category of proposed expenditures satisfies the "immediate and irreparable harm" standard of Bankruptcy Rule 4001(b)(2), and the Senior Secured Lenders reserve the right to examine the Debtors' witnesses concerning each such expenditure.

c. To the extent of any diminution in the value of their collateral, the Senior Secured Lenders shall receive valid, perfected replacement liens on any previously unencumbered assets of the Debtors, including, subject to entry of a final order, proceeds of avoidance actions; and

d. No Cash Collateral may be used to make payments or distributions to non-Debtor insiders or their affiliates.

5. The Senior Secured Lenders are heavily invested in the success of the Debtors and these cases. But so far, the circumstances surrounding the filing raise serious questions about the goals of these proceedings and whether they are directed toward maximizing value for all the Debtors' stakeholders. The Debtors filed these chapter 11 cases during active negotiations over an amendment to the Credit Agreement that contemplated, among other things, enhanced board independence, full default waivers, a maturity extension, business stabilization, satisfaction of all unsecured vendor, employee and trade claims, and the commencement of a refinancing and sale process. Rather than continue those negotiations or identify a consensual path forward, the Debtors filed these cases on the eve of the July 4th holiday without any obvious precipitating factor, no notice to or discussions with the Senior Secured Lenders, and without any committed restructuring transaction, postpetition financing, anticipated case timeline, or other articulated strategy to maximize value for the estates.

6. Instead, the First Day Declaration devotes substantial attention to allegations against the Senior Secured Lenders that seem directed toward framing future litigation rather than supporting any requested relief. Those allegations are unsupported and the Senior Secured Lenders reserve all rights in every regard. In contrast, what the current record indisputably acknowledges is that the Debtors entered into the Credit Agreement through an arm's-length transaction, subsequently defaulted under multiple financial and reporting covenants, retained Texas Capital Bank to pursue a refinancing or sale process, and ultimately received no actionable refinancing or acquisition proposal. First Day Declaration ¶¶ 22, 32, 57. The prudent next step for an independent Debtor fiduciary would be to pursue restructuring alternatives that maximize value of the Debtors' estate for all stakeholders.

LIMITED OBJECTION

I. The Debtors Fail to Demonstrate Adequate Protection

7. The Bankruptcy Code imposes an unequivocal prohibition: a debtor may not use cash collateral without the express consent of each entity holding an interest in the collateral or a court order entered after notice and a hearing. 11 U.S.C. § 363(c)(2)(A)–(B). The statute is mandatory, not permissive. *See id.* Under section 363(e), the Court may authorize the use of cash collateral only if every entity with an interest in it is "adequately protected." 11 U.S.C. § 363(e) (providing that, upon request, the court "shall prohibit or condition such use … as is necessary to provide adequate protection of such interest"). The burden rests squarely on the Debtors. *See* 11 U.S.C. § 363(p)(1).[4]

8. Adequate protection is a constitutional safeguard, not a procedural formality. The requirement is rooted in the Fifth Amendment's protection against uncompensated takings. *See* H.R. Rep. No. 595, 95th Cong., 1st Sess. 339 (1977) ("The concept is derived from the Fifth Amendment protection of property interests."). Its purpose is to ensure that a secured creditor's interest, valued as of the petition date, is fully preserved. *See United Sav. Ass'n v. Timbers of Inwood Forest Assocs.*, 484 U.S. 365, 370 (1988). As courts in this jurisdiction have made clear, adequate protection is "grounded in the belief that secured creditors should not be deprived of the benefit of their bargain," and that its purpose "is to assure that the lender's economic position is not worsened because of the bankruptcy case." *In re DeSardi*, 340 B.R. 790, 797, 804 (Bankr. S.D. Tex. 2006). The Bankruptcy Code provides only limited means to establish adequate protection—cash payments, additional liens, or the "indubitable equivalent" of the creditor's

[4] The Debtors acknowledge, for purposes of the Interim Hearing, that the Senior Secured Lenders have perfected security interest in Cash Collateral. *See* Cash Collateral Motion at ¶8.

interest. *See* 11 U.S.C. § 361. Protection is adequate only to the extent it compensates the secured creditor for any decrease in the value of its collateral from the petition date. *In re Stembridge*, 394 F.3d 383, 387 (5th Cir. 2004) (defining adequate protection as "the amount of an asset's decrease in value from the petition date"); *see also Wright v. Union Central Life Ins. Co.*, 311 U.S. 273, 278 (1940) ("Safeguards were provided to protect the rights of secured creditors, throughout the proceedings, to the extent of the value of the property.") (internal citations omitted); *In re SCOPAC*, 624 F.3d 274, 278 n.1 (5th Cir. 2010), *opinion modified on denial of reh'g*, 649 F.3d 320 (5th Cir. 2011) (adequate protection must be sufficient to protect the creditor against diminution in the value of his collateral during the bankruptcy).

9. The Senior Secured Lenders do not consent to the use of their Cash Collateral. The Debtors therefore may use that Cash Collateral only if they carry their burden of demonstrating that the Senior Secured Lenders' interests are adequately protected. They have not done so. Instead, the Debtors offer only so-called "Replacement Liens" that are "to the same extent and same priority as any prepetition liens." Motion ¶ 33. The proposed interim order likewise provides that those liens are "to the same extent, nature, and priority" as the Secured Lenders' existing liens and "co-extensive with" those prepetition liens. That formulation provides no additional collateral, no enhanced priority, and no incremental value. It merely restates the status quo and therefore cannot constitute adequate protection within the meaning of sections 361 and 363 of the Bankruptcy Code. A replacement lien cannot replace collateral that has already been consumed. As the Debtors spend the Secured Lenders' Cash Collateral, the collateral securing the Secured Lenders' claims necessarily diminishes dollar-for-dollar. The Bankruptcy Code requires adequate protection—not the mere re-labeling of prepetition liens as "replacement" liens. Granting another

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lien on that same, depleted collateral leaves the Secured Lenders in an economically worse position than they occupied on the Petition Date.

10. Nor can the Debtors satisfy their burden by asserting that they expect "little to no diminution" in the value of the Cash Collateral. Motion ¶ 2. That assertion is neither evidence nor adequate protection. Section 363(e) requires the Court to protect a secured creditor against any diminution in the value of its interest in collateral; it does not authorize the use of Cash Collateral based on a debtor's unsupported prediction that no material diminution will occur. Cash Collateral, by its nature, is consumed when spent. The Debtors therefore must provide actual, economically meaningful protection against the resulting diminution in value—not merely another lien on the same collateral that already secures the Senior Secured Lenders' claims.

11. Nor would preservation of the Debtors' business or the prospect of maintaining going-concern value satisfy the Debtors' burden. Adequate protection protects the secured creditor—not the estate. It requires compensation for any diminution in the value of the secured creditor's collateral; it does not permit the Debtors to substitute the possibility of a more successful restructuring or enhanced going-concern value for the concrete protection required by sections 361 and 363 of the Bankruptcy Code. Courts have repeatedly rejected attempts to equate preservation of going-concern value with adequate protection, recognizing that a secured creditor is entitled to protection against the diminution of its collateral—not merely the hope that the reorganization may ultimately prove successful. *See In re Fontainebleau Las Vegas Holdings, LLC*, 434 B.R. 716, 751–54 (S.D. Fla. 2010) (rejecting the argument that potential value preservation provided adequate protection, explaining that lienholders are entitled to compensation "for the loss of value of their interests" and that "the decrease caused by the priming lien" must be "compensated, replaced, or substituted."); *In re Swedeland Dev. Grp., Inc.*, 16 F.3d 552, 567 (3d Cir. 1994)

(rejecting the argument that completing a project to preserve the debtor's going-concern value constitutes adequate protection, and describing approval on that basis as "quite disturbing.").

12. Accordingly, the Court should modify the interim order to provide that, to the extent of any diminution in the value of their collateral, the Senior Secured Lenders shall receive valid, perfected replacement liens on all previously unencumbered assets of the Debtors, including, subject to entry of a final order approving the Cash Collateral Motion or similar relief, proceeds of avoidance actions. The Senior Secured Lenders still do not concede that is sufficient adequate protection, but at least it is the best available option without disrupting a smooth transition into chapter 11. Without at least these protections, the Debtors' proposed adequate protection is entirely illusory.

II. The Proposed Budget Exceeds Narrow Scope of Relief Authorized by Rule 4001(b)(2).

13. Federal Rule of Bankruptcy Procedure 4001(b)(2) permits interim authorization to use Cash Collateral only to the extent necessary to avoid immediate and irreparable harm pending a final hearing. *See Evolution Credit Partners v. First Brands Group, LLC (In re First Brands Group, LLC)*, 2026 WL 253634, at *3 (S.D. Tex. Jan. 31, 2026) (citing and quoting *In re Premier Ent. Biloxi LLC*, No. 06-50975 ERG, 2006 WL 2884541, at *2 (Bankr. S.D. Miss. Oct. 10, 2006)). The Debtors bear the burden of establishing, through competent evidence, that each category of proposed expenditures satisfies that standard. They have not done so.

14. For example, the proposed Budget includes a line item for "Founders Fees." The Debtors offer no explanation regarding the nature of those payments, the identity of the recipient(s), the contractual or legal basis for the payments, or why there will be immediate and irreparable harm if the payment is not made on an interim basis. Absent such a showing, the Debtors should not be permitted to use the Senior Secured Lenders' Cash Collateral to make payments that could well be for the benefit insiders or equity-related parties.

15. The Budget likewise proposes payments to the Debtors' restructuring professionals. Although estate professionals may ultimately be entitled to compensation under the Bankruptcy Code and orders of this Court with administrative priority, the Debtors have not yet filed retention applications and no fee applications will be filed before the final hearing. There is no reason or justification for including estate professional fees in a short-term interim budget, particularly since no disbursements in that regard can even realistically be made during the interim period. And, of course, even if such payments could be made, the Debtors have not demonstrated that interim payment of those fees is necessary to avoid immediate and irreparable harm before the Court can conduct a final hearing.

16. Moreover, as discussed below, the proposed interim order appears to seek to fund those payments by imposing a nonconsensual carve-out from the Senior Secured Lenders' Collateral, including Cash Collateral. Because the Senior Secured Lenders have not consented to such a carve-out—never mind being made aware of or consenting to the filing of these chapter 11 cases—and the Bankruptcy Code provides no basis to unilaterally impose one over the objection of a secured creditor, those professional-fee payments should not be authorized on an interim basis.

17. The proposed Budget also contains an "Other Expenses" category totaling more than $1.2 million over the budget period, making it one of the largest operating expense categories. Yet the Debtors identify neither the underlying expenditures nor the intended recipients, whether the obligations are prepetition or postpetition, or why those expenditures cannot await a final hearing. The same deficiency applies to the proposed $300,000 credit card payment. The Debtors identify neither the underlying charges nor the beneficiaries of that payment, nor do they explain why immediate payment is necessary. Before the Court authorizes the use of the Senior Secured Lenders' Cash Collateral for these expenditures, the Debtors must identify them with specificity

and establish, through competent evidence, that each satisfies Rule 4001(b)(2)'s immediate-and-irreparable-harm standard.[5]

18. Accordingly, any interim order authorizing the use of cash collateral should exclude, or at minimum reserve pending an evidentiary showing, the proposed "Founders Fees," restructuring professional-fee payments beyond amounts strictly necessary to preserve the estates, the unexplained "Other Expenses," and the unidentified credit card payment. The Debtors should not be permitted to spend nonconsenting secured creditors' cash collateral on opaque or potentially nonessential expenditures without first satisfying their burden under Rule 4001(b)(2).

III. No Legal Basis to Impose a Non-Consensual Carve Out

19. As noted, the Debtors also seek authority to establish a "Carve-Out" that would non-consensually subordinate the Senior Secured Lenders' liens on Collateral (including Cash Collateral) to payment of professional fees incurred by the Debtors and an Official Committee of Unsecured Creditors. *See* Interim Order at para 7. That relief is extraordinary because it compels the Senior Secured Lenders to finance the Debtors' administrative expenses. A carve-out, however, is a consensual construct. The Senior Secured Lenders have not consented to subordinate their lien or permit the use of their Cash Collateral to fund the Debtors' administrative expenses. "Administrative expenses, such as attorney's fees, while entitled to priority pursuant to Code § 507(a)(1), are normally to be paid from a debtor's *unencumbered* assets." *In re Hotel Syracuse, Inc.*, 275 B.R. 679, 682 (Bankr. N.D.N.Y. 2002) (emphasis in original). As noted above, it is a fundamental constitutional precept that a secured creditor's interests in property must be protected.

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[5] Of course, to the extent the interim budget contemplates the payment of prepetition amounts, the Debtors will need another vehicle, other than a cash collateral motion, to secure authorization to make such payments. The Senior Secured Lenders reserve all rights in respect of any such motion(s).

20. Courts have consistently recognized that a carve-out exists only by agreement of the affected secured creditor. As the Bankruptcy Court for the Eastern District of Pennsylvania explained:

> The term "carve out" is one of those uniquely bankruptcy phrases, much like "cram down," that appears nowhere in the bankruptcy statute but connotes definite meaning to parties. It is an agreement by a party secured by all or some of the assets of the estate to allow some portion of its lien proceeds to be paid to others, i.e., to carve out of its lien position . . . . Carve outs are [ ] common in Chapter 11 cases in favor of debtor's attorneys as part of cash collateral agreements. . . . In [ ] these circumstances, it is essential to note that the carve out is a product of agreement between the secured party and the beneficiary of the carve out.

In re White Glove, Inc., 1998 WL 731611 (Bankr. E.D. Pa. Oct. 14, 1998) (emphasis added). *See also In re California Webbing Industries, Inc.*, 370 B.R. 480, 486 (Bankr. D.R.I. 2007) (finding "[a] carve out may not exist unless ordered, or approved by the Court with the consent of the affected secured creditor" and declining to authorize cash collateral to be used to pay debtor and creditors' committee fees where the secured creditor did not consent).

21. Although courts have recognized the practical importance of carve-outs in facilitating chapter 11 cases, they have likewise held that practical considerations cannot override the rights of nonconsenting secured creditors. As the court explained in *California Webbing*, the argument that carve-outs are necessary to encourage professionals to provide restructuring services is "valid, and an undeniable fact of life, but not one which trumps existing law." *Id.* at 484 n.7; *see also In re Hotel Syracuse, Inc.*, 275 B.R. 679, 683 (Bankr. N.D.N.Y. 2002) (in declining to compel a carve-out for creditors' committee professional fees where the secured creditor had consented to a limited carve-out solely for debtor professional fees, finding "[t]he argument . . . that by allowing the secured creditor to pick and choose the subjects of its largess, it in effect denies certain constituencies (e.g., the creditors committee) effective legal representation . . . is

tempting, [but] it is just not supported by law"). The law is therefore clear: absent the Senior Secured Lenders' consent, the Court lacks authority to compel the use of the Senior Secured Lenders' Collateral or Cash Collateral to fund professional fees through a judicially imposed carve-out. The Debtors cite no statutory authority authorizing the Court to compel a secured creditor to subordinate its liens for the benefit of estate professionals over the secured creditor's objection because none exists.

RESERVATION OF RIGHTS

22. This Limited Objection is without prejudice to, and the Senior Secured Lenders hereby fully reserve, their right to raise additional arguments in respect of the Motion, the first day motions, any other motion or pleading filed in these chapter 11 cases, and any final order approving such motions. This Limited Objection is also without prejudice to the right of the Senior Secured Lenders to seek other appropriate relief, including reconsideration of the relief granted in any interim order.

CONCLUSION

WHEREFORE, for all of the reasons set forth herein, the Senior Secured Lenders respectfully request that the Court (i) permit the use of Cash Collateral pending a final hearing on the Cash Collateral Motion only to the extent set forth in Exhibit A hereto, and (ii) grant such other and further relief as is just and proper.

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Respectfully submitted this 7th day of July 2026.

GRAY REED

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Counsel to the Ad Hoc Group of Senior Secured Lenders and Administrative Agent

Certificate of Service

I certify that on July 7, 2026, 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.

/s/ Jason S. Brookner
Jason S. Brookner

Exhibit A

Revised Proposed Cash Collateral Order

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE: **SYNERGENX LEGACY HOLDINGS, LLC, *et al.*,**[1] **DEBTORS.**	§ § § § § §	**Chapter 11** **Case No. 26-90644** **Joint Administration Requested**

INTERIM ORDER (I) AUTHORIIZNG DEBTORS' USE OF CASH COLLATERAL; (II) APPROVING ADEQUATE PROTECTION TO PREPETITION SECURED PARTIES; (III) SCHEDULING A FINAL HEARING; AND (IV) GRANTING RELATED RELIEF

Upon the motion (the "**Motion**")[2] filed by the above-captioned debtors and debtors in possession (collectively, the "**Debtors**") for entry of an interim order (this "**Order**") pursuant to sections 105, 361, 363 of title 11 of the United States Code (the "**Bankruptcy Code**"), and Rules 2002, 4001, 6004 and 9014 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**"), seeking authorization to use cash collateral, approval of the adequate protection of the Prepetition Lenders, scheduling a Final Hearing to consider entry of a Final Order, and granting all other related relief.

Having considered the Motion, the statements and testimony in support of the relief requested therein, and the record and docket of the Chapter 11 Cases the Court finds and concludes that: (i) it has jurisdiction over the matters raised in the Motion pursuant to 28 U.S.C §§ 157 and 1334; (ii) venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; (iii) the Motion constitutes a core proceeding pursuant to 28 U.S.C. § 157(b) as to which this Court has the constitutional authority to enter an interim order; (iv) proper and

[1] A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' proposed claims and noticing agent at https://cases.stretto.com/SynergenX. The location of Debtor SynergenX Legacy Holdings, LLC is 11445 Compaq Center Drive W., Ste 800, Houston, TX 77070.

[2] Capitalized terms not otherwise defined herein shall have the meanings set forth in the Motion.

adequate notice of the Motion and an opportunity for a hearing on the Motion has been given and no other or further notice is necessary; (v) the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and (vi) the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein.

IT IS HEREBY ORDERED THAT:

1. The Motion is **GRANTED** on an interim basis to the extent provided herein.

2. The Debtors are authorized to use Cash Collateral in accordance with the Approved Budget attached hereto as **Exhibit A**, subject to permitted variances on a line by line basis of [five percent (5%)] (the "Permitted Variances") until a final hearing (the "**Final Hearing**") on the Debtors' use of Cash Collateral has been held by the Court no later than July 21, 2026, unless otherwise extended by prior written agreement of the Loan Secured Parties. The Debtors are prohibited from making any payments or disbursements in excess of the amounts set forth in the Approved Budget plus the Permitted Variances without further order of this Court.

3. The Debtors are authorized to collect and receive all cash funds in the ordinary course of their businesses. For purposes of this Order, "proceeds" of any of the Prepetition Lenders' collateral shall mean Proceeds (as defined in the Uniform Commercial Code) of such collateral security for all Cash Collateral permitted to be used hereunder by the Debtors. Each financial institution where the Debtors maintain deposit accounts is directed to comply with the instructions it receives from the applicable Debtor(s) to access the Cash Collateral on deposit in any such accounts.

4. On an interim basis only, to the extent that the Prepetition Lenders, respectively, have a security interest in the Debtors' cash and deposit accounts, as well as all proceeds and collections thereof (the "**Cash Collateral**"), constituting "cash collateral" as defined in 11 U.S.C.

§ 363(a), the Court finds that the Prepetition Lenders are adequately protected.

5. As adequate protection for any Diminution[3] of the Loan Lenders' interests in the Loan Collateral and Cash Collateral, the Loan Lenders are hereby granted the following:

(a) continuing valid, binding, enforceable, and perfected postpetition replacement liens pursuant to sections 361, 363(e), and 364(d)(l) of the Bankruptcy Code (the "Replacement Liens") on Adequate Protection Collateral[4], which (x) shall otherwise be senior to all other security interests in, liens on, or claims against the Adequate Protection Collateral, and (y) shall not be made subject to or *pari passu* with any other lien or security interest heretofore or hereinafter granted in the Chapter 11 Cases or any Successor Cases, and shall be valid and enforceable against any trustee appointed in any of the Chapter 11 Cases or any

[3] "Diminution" means, collectively, any post-petition diminution in value of the Loan Parties' respective liens and interests in the Loan Collateral (including Cash Collateral) resulting from, among other things, (i) the use, sale, or lease by the Debtors of such collateral, (ii) the market value decline of such collateral, (iii) the use of Cash Collateral by each of the Debtors, (iv) the imposition of the automatic stay, and (v) any other act or omission which causes diminution in the value of their respective liens or interests in the Loan Collateral (including Cash Collateral).

[4] "Adequate Protection Collateral" means: all property of the estate under section 541 of the Bankruptcy Code, including all real and personal property, whether now existing or hereafter arising and wherever located, tangible and intangible, of the Debtor, including: (a) all cash, cash equivalents, deposit accounts, securities accounts, accounts, other receivables (including credit card receivables), chattel paper, contract rights, inventory (wherever located), instruments, documents, securities (whether or not marketable) and investment property (including all of the issued and outstanding capital stock of each of its subsidiaries), hedge agreements, real estate, furniture, fixtures, equipment (including documents of title), goods, franchise rights, trade names, trademarks, servicemarks, copyrights, patents, license rights, intellectual property, general intangibles (including, for the avoidance of doubt, payment intangibles), rights to the payment of money (including tax refunds and any other extraordinary payments), supporting obligations, guarantees, letter of credit rights, commercial tort claims, causes of action, and all substitutions, indemnification rights, all present and future intercompany debt, books and records related to the foregoing, accessions and proceeds of the foregoing, wherever located, including insurance or other proceeds; (b) subject to entry of a Final Order providing for such relief, the proceeds of any avoidance actions brought pursuant to Chapter 5 of the Bankruptcy Code or applicable state law equivalents; (c) subject to entry of a Final Order, proceeds from the Debtors' exercise of rights under section 506(c) and 550 of the Bankruptcy Code ("Avoidance Proceeds"); (d) all property of the Debtors that was not otherwise subject to valid, perfected, enforceable and unavoidable liens on the Petition Date; and (e) all proceeds from the sale, assignment, or other disposition of any leased real property. Notwithstanding the foregoing, Adequate Protection Collateral shall not include the Debtors' real property leases (but shall include all proceeds of such leases) solely to the extent that the grant of a Replacement Lien is prohibited or restricted by the terms of such real property lease or applicable nonbankruptcy law to attach to any such real property lease.

Successor Cases, and shall not be subject to sections 510, 549, or 550 of the Bankruptcy Code; and

(b) administrative superpriority expense claims in each of the Chapter 11 Cases (the "Adequate Protection Superpriority Claims"), pursuant to section 507(b) with priority over any and all other administrative expenses, administrative expense claims and unsecured claims against the Debtors or their estates, now existing or hereafter arising, of any kind or nature whatsoever as to and to the extent provided by sections 503(b) and 507(b) of the Bankruptcy Code.

6. As adequate protection for the Diminution in value of the interests of the Subordinated Lenders in the Cash Collateral, if any, the Subordinated Lenders are hereby granted, valid, binding and enforceable replacement liens and security interests, in the Cash Collateral of the Debtors to the same extent, nature, and priority the Subordinated Lender had prepetition, wherever located, now owned or hereafter acquired or arising and including all proceeds[5] and products, in accordance with Bankruptcy Code Sections 361, 363, 364(c)(2), 364(e), and 552, co-extensive with the Subordinated Lenders' pre-petition liens.

7. Pursuant to section 510 of the Bankruptcy Code, any applicable intercreditor or subordination provisions contained in any of the Loan Documents, the Subordinated Notes or otherwise (i) shall remain in full force and effect, (ii) shall continue to govern the relative priorities, rights, and remedies of the Prepetition Lenders, and (iii) shall not be deemed to be amended, altered, or modified by the terms of this Order, unless as expressly set forth herein.

8. This adequate protection is being given to the extent of any Diminution in value of the Cash Collateral as a result of the Debtors' post-petition use of the Cash Collateral.

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[5] For purposes of this Order, "proceeds" of any of the Collateral shall mean "Proceeds," as defined in the Uniform Commercial Code, of such collateral.

9. The Replacement Liens granted to the Prepetition Lenders in this Order are automatically perfected without the need for filing of a UCC-1 financing statement with the Secretary of State's Office or any other such act of perfection.

10. The Debtors are prohibited from making any payments or distributions to non-Debtor insiders or their affiliates.

11. Good cause has been shown for the entry of this Order. The entry of this Order is in the best interests of the Debtors and their estates. The terms and conditions of the use of Cash Collateral and the security interests, liens, rights, and priorities granted to the Prepetition Lenders hereunder are fair and appropriate under the circumstances. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of the Order shall be immediately effective and enforceable upon its entry.

12. A Final Hearing on the Motion shall be held on **July ___, 2026, at ___ _.m., prevailing Central Time.** No later than July ___, 2026, any objections or responses to entry of a further interim or final order shall be filed with the Court and served on: (a) Debtors' proposed counsel, Law Offices of Frank J. Wright, PLLC, 1800 Valley View Lane, Suite 250 Farmers Branch, Texas 75234; (b) the U.S. Trustee; (c) counsel for the Loan Lenders; (d) counsel to the Subordinated Lenders; (e) counsel to any statutory committee appointed in this case; and (e) any party that has requested notice pursuant to Bankruptcy Rule 2002.

13. The contents of the Motion and the notice procedures set forth herein are good and sufficient notice and satisfy Bankruptcy Rules 4001 and 9014 by proving parties with notice and an adequate opportunity to object and be heard.

14. Nothing in this Order or Motion shall be construed as prejudicial to the rights of the Debtors to dispute or contest whether any or all of the Prepetition Lenders have valid, perfected

security interests in the Cash Collateral.

15. Debtors are authorized and empowered to take all actions necessary to implement the relief granted in this Interim Order.

16. The Court shall retain jurisdiction to the maximum extent possible to interpret and enforce this Order.

Exhibit B

Redline of Revised Proposed Cash Collateral Order

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE:	§	**Chapter 11**
SYNERGENX LEGACY HOLDINGS, LLC, *et al.*,[1]	§	**Case No. 26-90644**
	§	**Joint Administration Requested**
DEBTORS.	§	

INTERIM ORDER (I) AUTHORIIZNG DEBTORS' USE OF CASH COLLATERAL; (II) APPROVING ADEQUATE PROTECTION TO PREPETITION SECURED PARTIES; (III) SCHEDULING A FINAL HEARING; AND (IV) GRANTING RELATED RELIEF

Upon the motion (the "**Motion**")[2] filed by the above-captioned debtors and debtors in possession (collectively, the "**Debtors**") for entry of an interim order (this "**Order**") pursuant to sections 105, 361, 363 of title 11 of the United States Code (the "**Bankruptcy Code**"), and Rules 2002, 4001, 6004 and 9014 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**"), seeking authorization to use cash collateral, approval of the adequate protection of the Prepetition Lenders, scheduling a Final Hearing to consider entry of a Final Order, and granting all other related relief.

Having considered the Motion, the statements and testimony in support of the relief requested therein, and the record and docket of the Chapter 11 Cases the Court finds and concludes that: (i) it has jurisdiction over the matters raised in the Motion pursuant to 28 U.S.C §§ 157 and 1334; (ii) venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; (iii) the Motion constitutes a core proceeding pursuant to 28 U.S.C. § 157(b) as to which this Court has the constitutional authority to enter an interim order;

[1] A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' proposed claims and noticing agent at https://cases.stretto.com/SynergenX. The location of Debtor SynergenX Legacy Holdings, LLC is 11445 Compaq Center Drive W., Ste 800, Houston, TX 77070.

[2] Capitalized terms not otherwise defined herein shall have the meanings set forth in the Motion.

(iv) proper and adequate notice of the Motion and an opportunity for a hearing on the Motion has been given and no other or further notice is necessary; (v) the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and (vi) the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein.

IT IS HEREBY ORDERED THAT:

1. The Motion is **GRANTED** on an interim basis to the extent provided herein.

2. The Debtors are authorized to use Cash Collateral in accordance with the Approved Budget attached hereto as **Exhibit A**, subject to permitted variances ~~of fifteen~~on a line by line basis of [five percent (~~15~~5%)] (the "Permitted Variances") until a final hearing (the "**Final Hearing**") on the Debtors' use of Cash Collateral has been held by the Court~~.~~ no later than July 21, 2026, unless otherwise extended by prior written agreement of the Loan Secured Parties. The Debtors are prohibited from making any payments or disbursements in excess of the amounts set forth in the Approved Budget plus the Permitted Variances without further order of this Court.

3. The Debtors are authorized to collect and receive all cash funds in the ordinary course of their businesses. For purposes of this Order, "proceeds" of any of the Prepetition Lenders' collateral shall mean Proceeds (as defined in the Uniform Commercial Code) of such collateral security for all Cash Collateral permitted to be used hereunder by the Debtors. Each financial institution where the Debtors maintain deposit accounts is directed to comply with the instructions it receives from the applicable Debtor(s) to access the Cash Collateral on deposit in any such accounts.

4. On an interim basis only, to the extent that the Prepetition Lenders, respectively, have a security interest in the Debtors' cash and deposit accounts, as well as all proceeds and collections thereof (the "**Cash Collateral**"), constituting "cash collateral" as defined in 11 U.S.C. § 363(a), the Court finds that the Prepetition Lenders are adequately protected.

5. As adequate protection for any Diminution[3] of the Loan Lenders' interests in the Loan Collateral and Cash Collateral, the Loan Lenders are hereby granted the following:

(a) continuing valid, binding, enforceable, and perfected postpetition replacement liens pursuant to sections 361, 363(e), and 364(d)(l) of the Bankruptcy Code (the "Replacement Liens") on Adequate Protection Collateral[4], which (x) shall otherwise be senior to all other security interests in, liens on, or claims against the Adequate Protection Collateral, and (y) shall not be made subject to or

[3] "Diminution" means, collectively, any post-petition diminution in value of the Loan Parties' respective liens and interests in the Loan Collateral (including Cash Collateral) resulting from, among other things, (i) the use, sale, or lease by the Debtors of such collateral, (ii) the market value decline of such collateral, (iii) the use of Cash Collateral by each of the Debtors, (iv) the imposition of the automatic stay, and (v) any other act or omission which causes diminution in the value of their respective liens or interests in the Loan Collateral (including Cash Collateral).

[4] "Adequate Protection Collateral" means: all property of the estate under section 541 of the Bankruptcy Code, including all real and personal property, whether now existing or hereafter arising and wherever located, tangible and intangible, of the Debtor, including: (a) all cash, cash equivalents, deposit accounts, securities accounts, accounts, other receivables (including credit card receivables), chattel paper, contract rights, inventory (wherever located), instruments, documents, securities (whether or not marketable) and investment property (including all of the issued and outstanding capital stock of each of its subsidiaries), hedge agreements, real estate, furniture, fixtures, equipment (including documents of title), goods, franchise rights, trade names, trademarks, servicemarks, copyrights, patents, license rights, intellectual property, general intangibles (including, for the avoidance of doubt, payment intangibles), rights to the payment of money (including tax refunds and any other extraordinary payments), supporting obligations, guarantees, letter of credit rights, commercial tort claims, causes of action, and all substitutions, indemnification rights, all present and future intercompany debt, books and records related to the foregoing, accessions and proceeds of the foregoing, wherever located, including insurance or other proceeds; (b) subject to entry of a Final Order providing for such relief, the proceeds of any avoidance actions brought pursuant to Chapter 5 of the Bankruptcy Code or applicable state law equivalents; (c) subject to entry of a Final Order, proceeds from the Debtors' exercise of rights under section 506(c) and 550 of the Bankruptcy Code ("Avoidance Proceeds"); (d) all property of the Debtors that was not otherwise subject to valid, perfected, enforceable and unavoidable liens on the Petition Date; and (e) all proceeds from the sale, assignment, or other disposition of any leased real property. Notwithstanding the foregoing, Adequate Protection Collateral shall not include the Debtors' real property leases (but shall include all proceeds of such leases) solely to the extent that the grant of a Replacement Lien is prohibited or restricted by the terms of such real property lease or applicable nonbankruptcy law to attach to any such real property lease.

pari passu with any other lien or security interest heretofore or hereinafter granted in the Chapter 11 Cases or any Successor Cases, and shall be valid and enforceable against any trustee appointed in any of the Chapter 11 Cases or any Successor Cases, and shall not be subject to sections 510, 549, or 550 of the Bankruptcy Code; and

(b) administrative superpriority expense claims in each of the Chapter 11 Cases (the "Adequate Protection Superpriority Claims"), pursuant to section 507(b) with priority over any and all other administrative expenses, administrative expense claims and unsecured claims against the Debtors or their estates, now existing or hereafter arising, of any kind or nature whatsoever as to and to the extent provided by sections 503(b) and 507(b) of the Bankruptcy Code.

6. ~~5.~~ As adequate protection for the ~~diminution~~Diminution in value of the interests of the ~~Prepetition~~Subordinated Lenders in the Cash Collateral, if any, the ~~Prepetition~~Subordinated Lenders are hereby granted, valid, binding and enforceable replacement liens and security interests, in the Cash Collateral of the Debtors to the same extent, nature, and priority ~~each Prepetition~~the Subordinated Lender had prepetition, wherever located, now owned or hereafter acquired or arising and including all proceeds[~~3~~5] and products, in accordance with Bankruptcy Code Sections 361, 363, 364(c)(2), 364(e), and 552, co-extensive with the ~~Prepetition~~Subordinated Lenders' pre-petition liens.

7. Pursuant to section 510 of the Bankruptcy Code, any applicable intercreditor or subordination provisions contained in any of the Loan Documents, the Subordinated Notes or

[~~3~~5] For purposes of this Order, "proceeds" of any of the Collateral shall mean "Proceeds," as defined in the Uniform Commercial Code, of such collateral.

otherwise (i) shall remain in full force and effect, (ii) shall continue to govern the relative priorities, rights, and remedies of the Prepetition Lenders, and (iii) shall not be deemed to be amended, altered, or modified by the terms of this Order, unless as expressly set forth herein.

8. This ~~additional~~ adequate protection is being given to the extent of any ~~decrease~~Diminution in value of the Cash Collateral as a result of the Debtors' post-petition use of the Cash Collateral.

9. ~~6.~~ The ~~replacement liens~~Replacement Liens granted to the Prepetition Lenders in this Order are automatically perfected without the need for filing of a UCC-1 financing statement with the Secretary of State's Office or any other such act of perfection.

10. The Debtors are prohibited from making any payments or distributions to non-Debtor insiders or their affiliates.

~~7. The replacement liens shall be subject and subordinate to a carve-out for administration and certain professional fees of these Chapter 11 Cases. Such carve-out shall be defined to include (i) all fees required to be paid to the Clerk of the Bankruptcy Court and to the Office of the United States Trustee under 28 U.S.C. § 1930(a) plus any interest thereon; and (ii) to the extent permitted by the Budget (subject to any allowed percentage variance) and allowed by the Court at any time, whether by interim order, procedural order, final order, or otherwise, all accrued and unpaid fees, disbursements, costs, and expenses incurred by person or firms retained by the Debtors under section 327, 328, or 363 of the Bankruptcy Code and the professionals employed by the official committee of unsecured creditors pursuant to sections 328 or 1103 of the Bankruptcy Code. Notwithstanding anything to the contrary herein or elsewhere, the carve-out shall be senior to all claims and liens, including any adequate protection liens and claims described herein.~~

~~8. On an interim basis only, in consideration of the Prepetition Lenders' presumed security interests in the Debtors' Cash Collateral, and in consideration of the Debtors' compliance with the terms of this Order, the Court finds that the Prepetition Lenders are adequately protected.~~

11. ~~9.~~ Good cause has been shown for the entry of this Order. The entry of this Order is in the best interests of the Debtors and their estates. The terms and conditions of the use of Cash Collateral and the security interests, liens, rights, and priorities granted to the Prepetition Lenders hereunder are fair and appropriate under the circumstances. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of the Order shall be immediately effective and enforceable upon its entry.

12. ~~10.~~ A Final Hearing on the Motion shall be held on **July ___, 2026, at ___ _.m., prevailing Central Time.** No later than July ___, 2026, any objections or responses to entry of a further interim or final order shall be filed with the Court and served on: (a) Debtors' proposed counsel, Law Offices of Frank J. Wright, PLLC, 1800 Valley View Lane, Suite 250 Farmers Branch, Texas 75234; (b) the U.S. Trustee; (c) counsel for the Loan Lenders; (d) counsel to the Subordinated Lenders; (e) counsel to any statutory committee appointed in this case; and (e) any party that has requested notice pursuant to Bankruptcy Rule 2002.

13. ~~11.~~ The contents of the Motion and the notice procedures set forth herein are good and sufficient notice and satisfy Bankruptcy Rules 4001 and 9014 by proving parties with notice and an adequate opportunity to object and be heard.

14. ~~12.~~ Nothing in this Order or Motion shall be construed as prejudicial to the rights of the Debtors to dispute or contest whether any or all of the Prepetition Lenders have valid, perfected security interests in the Cash Collateral.

15. ~~13.~~ Debtors are authorized and empowered to take all actions necessary to implement the relief granted in this Interim Order.

16. ~~14.~~ The Court shall retain jurisdiction to the maximum extent possible to interpret and enforce this Order.

Summary report: **Litera Compare for Word 11.8.0.56 Document comparison done on 7/7/2026 10:37:15 AM**	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original DMS: iw://filesitex.proskauer.com/CURRENT/160914657/1	
Modified DMS: iw://filesitex.proskauer.com/CURRENT/160914657/5	
Changes:	
Add	39
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Move To	1
Table Insert	0
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~~Table moves from~~	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	67

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE:	§	**Chapter 11**
SYNERGENX LEGACY HOLDINGS, LLC, *et al.*,[1]	§ §	**Case No. 26-90644**
	§ §	**Joint Administration Requested**
DEBTORS.	§	

INTERIM ORDER (I) AUTHORIIZNG DEBTORS' USE OF CASH COLLATERAL; (II) APPROVING ADEQUATE PROTECTION TO PREPETITION SECURED PARTIES; (III) SCHEDULING A FINAL HEARING; AND (IV) GRANTING RELATED RELIEF

Upon the motion (the "**Motion**")[2] filed by the above-captioned debtors and debtors in possession (collectively, the "**Debtors**") for entry of an interim order (this "**Order**") pursuant to sections 105, 361, 363 of title 11 of the United States Code (the "**Bankruptcy Code**"), and Rules 2002, 4001, 6004 and 9014 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**"), seeking authorization to use cash collateral, approval of the adequate protection of the Prepetition Lenders, scheduling a Final Hearing to consider entry of a Final Order, and granting all other related relief.

Having considered the Motion, the statements and testimony in support of the relief requested therein, and the record and docket of the Chapter 11 Cases the Court finds and concludes that: (i) it has jurisdiction over the matters raised in the Motion pursuant to 28 U.S.C §§ 157 and 1334; (ii) venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; (iii) the Motion constitutes a core proceeding pursuant to 28 U.S.C. § 157(b) as to which this Court has the constitutional authority to enter an interim order; (iv) proper and

[1] A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' proposed claims and noticing agent at https://cases.stretto.com/SynergenX. The location of Debtor SynergenX Legacy Holdings, LLC is 11445 Compaq Center Drive W., Ste 800, Houston, TX 77070.

[2] Capitalized terms not otherwise defined herein shall have the meanings set forth in the Motion.

adequate notice of the Motion and an opportunity for a hearing on the Motion has been given and no other or further notice is necessary; (v) the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and (vi) the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein.

IT IS HEREBY ORDERED THAT:

1. The Motion is **GRANTED** on an interim basis to the extent provided herein.

2. The Debtors are authorized to use Cash Collateral in accordance with the Approved Budget attached hereto as **Exhibit A**, subject to permitted variances on a line by line basis of [five percent (5%)] (the "Permitted Variances") until a final hearing (the "**Final Hearing**") on the Debtors' use of Cash Collateral has been held by the Court no later than July 21, 2026, unless otherwise extended by prior written agreement of the Loan Secured Parties. The Debtors are prohibited from making any payments or disbursements in excess of the amounts set forth in the Approved Budget plus the Permitted Variances without further order of this Court.

3. The Debtors are authorized to collect and receive all cash funds in the ordinary course of their businesses. For purposes of this Order, "proceeds" of any of the Prepetition Lenders' collateral shall mean Proceeds (as defined in the Uniform Commercial Code) of such collateral security for all Cash Collateral permitted to be used hereunder by the Debtors. Each financial institution where the Debtors maintain deposit accounts is directed to comply with the instructions it receives from the applicable Debtor(s) to access the Cash Collateral on deposit in any such accounts.

4. On an interim basis only, to the extent that the Prepetition Lenders, respectively, have a security interest in the Debtors' cash and deposit accounts, as well as all proceeds and collections thereof (the "**Cash Collateral**"), constituting "cash collateral" as defined in 11 U.S.C.

§ 363(a), the Court finds that the Prepetition Lenders are adequately protected.

5. As adequate protection for any Diminution[3] of the Loan Lenders' interests in the Loan Collateral and Cash Collateral, the Loan Lenders are hereby granted the following:

(a) continuing valid, binding, enforceable, and perfected postpetition replacement liens pursuant to sections 361, 363(e), and 364(d)(l) of the Bankruptcy Code (the "Replacement Liens") on Adequate Protection Collateral[4], which (x) shall otherwise be senior to all other security interests in, liens on, or claims against the Adequate Protection Collateral, and (y) shall not be made subject to or *pari passu* with any other lien or security interest heretofore or hereinafter granted in the Chapter 11 Cases or any Successor Cases, and shall be valid and enforceable against any trustee appointed in any of the Chapter 11 Cases or any

[3] "Diminution" means, collectively, any post-petition diminution in value of the Loan Parties' respective liens and interests in the Loan Collateral (including Cash Collateral) resulting from, among other things, (i) the use, sale, or lease by the Debtors of such collateral, (ii) the market value decline of such collateral, (iii) the use of Cash Collateral by each of the Debtors, (iv) the imposition of the automatic stay, and (v) any other act or omission which causes diminution in the value of their respective liens or interests in the Loan Collateral (including Cash Collateral).

[4] "Adequate Protection Collateral" means: all property of the estate under section 541 of the Bankruptcy Code, including all real and personal property, whether now existing or hereafter arising and wherever located, tangible and intangible, of the Debtor, including: (a) all cash, cash equivalents, deposit accounts, securities accounts, accounts, other receivables (including credit card receivables), chattel paper, contract rights, inventory (wherever located), instruments, documents, securities (whether or not marketable) and investment property (including all of the issued and outstanding capital stock of each of its subsidiaries), hedge agreements, real estate, furniture, fixtures, equipment (including documents of title), goods, franchise rights, trade names, trademarks, servicemarks, copyrights, patents, license rights, intellectual property, general intangibles (including, for the avoidance of doubt, payment intangibles), rights to the payment of money (including tax refunds and any other extraordinary payments), supporting obligations, guarantees, letter of credit rights, commercial tort claims, causes of action, and all substitutions, indemnification rights, all present and future intercompany debt, books and records related to the foregoing, accessions and proceeds of the foregoing, wherever located, including insurance or other proceeds; (b) subject to entry of a Final Order providing for such relief, the proceeds of any avoidance actions brought pursuant to Chapter 5 of the Bankruptcy Code or applicable state law equivalents; (c) subject to entry of a Final Order, proceeds from the Debtors' exercise of rights under section 506(c) and 550 of the Bankruptcy Code ("Avoidance Proceeds"); (d) all property of the Debtors that was not otherwise subject to valid, perfected, enforceable and unavoidable liens on the Petition Date; and (e) all proceeds from the sale, assignment, or other disposition of any leased real property. Notwithstanding the foregoing, Adequate Protection Collateral shall not include the Debtors' real property leases (but shall include all proceeds of such leases) solely to the extent that the grant of a Replacement Lien is prohibited or restricted by the terms of such real property lease or applicable nonbankruptcy law to attach to any such real property lease.

Successor Cases, and shall not be subject to sections 510, 549, or 550 of the Bankruptcy Code; and

(b) administrative superpriority expense claims in each of the Chapter 11 Cases (the "Adequate Protection Superpriority Claims"), pursuant to section 507(b) with priority over any and all other administrative expenses, administrative expense claims and unsecured claims against the Debtors or their estates, now existing or hereafter arising, of any kind or nature whatsoever as to and to the extent provided by sections 503(b) and 507(b) of the Bankruptcy Code.

6. As adequate protection for the Diminution in value of the interests of the Subordinated Lenders in the Cash Collateral, if any, the Subordinated Lenders are hereby granted, valid, binding and enforceable replacement liens and security interests, in the Cash Collateral of the Debtors to the same extent, nature, and priority the Subordinated Lender had prepetition, wherever located, now owned or hereafter acquired or arising and including all proceeds[5] and products, in accordance with Bankruptcy Code Sections 361, 363, 364(c)(2), 364(e), and 552, co-extensive with the Subordinated Lenders' pre-petition liens.

7. Pursuant to section 510 of the Bankruptcy Code, any applicable intercreditor or subordination provisions contained in any of the Loan Documents, the Subordinated Notes or otherwise (i) shall remain in full force and effect, (ii) shall continue to govern the relative priorities, rights, and remedies of the Prepetition Lenders, and (iii) shall not be deemed to be amended, altered, or modified by the terms of this Order, unless as expressly set forth herein.

8. This adequate protection is being given to the extent of any Diminution in value of the Cash Collateral as a result of the Debtors' post-petition use of the Cash Collateral.

[5] For purposes of this Order, "proceeds" of any of the Collateral shall mean "Proceeds," as defined in the Uniform Commercial Code, of such collateral.

9. The Replacement Liens granted to the Prepetition Lenders in this Order are automatically perfected without the need for filing of a UCC-1 financing statement with the Secretary of State's Office or any other such act of perfection.

10. The Debtors are prohibited from making any payments or distributions to non-Debtor insiders or their affiliates.

11. Good cause has been shown for the entry of this Order. The entry of this Order is in the best interests of the Debtors and their estates. The terms and conditions of the use of Cash Collateral and the security interests, liens, rights, and priorities granted to the Prepetition Lenders hereunder are fair and appropriate under the circumstances. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of the Order shall be immediately effective and enforceable upon its entry.

12. A Final Hearing on the Motion shall be held on **July ___, 2026, at ___ _.m., prevailing Central Time.** No later than July ___, 2026, any objections or responses to entry of a further interim or final order shall be filed with the Court and served on: (a) Debtors' proposed counsel, Law Offices of Frank J. Wright, PLLC, 1800 Valley View Lane, Suite 250 Farmers Branch, Texas 75234; (b) the U.S. Trustee; (c) counsel for the Loan Lenders; (d) counsel to the Subordinated Lenders; (e) counsel to any statutory committee appointed in this case; and (e) any party that has requested notice pursuant to Bankruptcy Rule 2002.

13. The contents of the Motion and the notice procedures set forth herein are good and sufficient notice and satisfy Bankruptcy Rules 4001 and 9014 by proving parties with notice and an adequate opportunity to object and be heard.

14. Nothing in this Order or Motion shall be construed as prejudicial to the rights of the Debtors to dispute or contest whether any or all of the Prepetition Lenders have valid, perfected

security interests in the Cash Collateral.

15. Debtors are authorized and empowered to take all actions necessary to implement the relief granted in this Interim Order.

16. The Court shall retain jurisdiction to the maximum extent possible to interpret and enforce this Order.