

IN THE UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11
)
 FUHU, INC., *et al.*,¹) Case No. 15-12465 (CSS)
)
 Debtors.) (Joint Administration Requested)

Re: Docket No. 8

**ORDER GRANTING DEBTOR’S MOTION FOR ORDER
 AUTHORIZING DEBTORS TO (I) PAY CERTAIN PREPETITION
 WAGES, COMPENSATION AND EMPLOYEE BENEFITS; (II) CONTINUE
 PAYMENT OF WAGES, COMPENSATION AND EMPLOYEE BENEFITS IN THE
 ORDINARY COURSE; AND (III) AUTHORIZING AND DIRECTING APPLICABLE
 BANKS AND OTHER FINANCIAL INSTITUTIONS TO PROCESS AND PAY
 ALL CHECKS PRESENTED FOR PAYMENT AND TO HONOR ALL FUND
TRANSFER REQUESTS MADE BY DEBTORS RELATING TO THE FOREGOING**

Upon consideration of the motion (“Motion”) of the above-referenced debtors and debtors in possession (the “Debtors”) in the above-captioned chapter 11 cases for the entry of an order (the “Order”), pursuant to sections 105(a), 363, and 507(a) of Title 11 of the United States Code (the “Bankruptcy Code”), authorizing the Debtor to pay, in its sole discretion, prepetition obligations relating to employees, including the Unpaid Compensation, Payroll Tax Obligations, and Benefits Obligations (each as defined below, together, the “Compensation Obligations”) and all costs incident to the foregoing; and (ii) authorizing and directing applicable banks and other financial institutions (collectively, the “Disbursement Banks”) to receive, process and pay any and all checks drawn on the Debtor’s payroll and

¹ The Debtors, together with the last four digits of each Debtor’s tax identification number, are: Fuhu, Inc. (7896); and Fuhu Holdings, Inc. (9761). The location of the Debtors’ headquarters and service address is 909 N. Sepulveda Blvd., Suite 540, El Segundo, CA 90245.



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general disbursement accounts (collectively the “Disbursement Accounts”), and automatic payroll transfers to the extent that such checks or transfers relate to any of the foregoing; and it appearing that the relief requested is in the best interest of the Debtors' estate, its creditors, and other parties in interest; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that this proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and it appearing that the requirements of Rule 6003 of the Federal Rules of Bankruptcy Procedure have been satisfied; and due and adequate notice of the Motion having been given under the circumstances; and after due deliberation and cause appearing therefor;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein.
2. The Debtor is authorized, but not directed, to pay and/or honor the

Compensation Obligations, in accordance with the Debtors' stated policies and in the ordinary course of the Debtors' business, including, but not limited to amounts due on account of Unpaid Compensation, Payroll Tax Obligations, and Benefits Obligations, and all costs associated therewith, subject to the following limits:

Wages or Benefits	LA	SJ	Fuhu, Inc (LA+SJ)	Fuhu Holdings	Total
Wages (Total)	359,055.85	11,769.24	370,825.09	-	370,825.09
Bi-Weekly	359,055.85		359,055.85	-	359,055.85
Semi-Monthly (4days)		11,769.24	11,769.24	-	11,769.24
Deductions	13,121.22	1,661.65	14,782.87	-	14,782.87
Payroll Taxes	21,536.35	368.5	21,904.85	-	21,904.85

CBIZ	300.00	300.00	600.00	-	600.00
Reimbursable Expenses	4,326.86		4,326.86	-	4,326.86

3. The Debtors are authorized, but not directed, to pay and honor all prepetition obligations associated with the Employees and to continue to utilize the services of the Employees in the ordinary course of business.

4. Nothing herein shall be deemed to authorize the payment of any accounts in satisfaction of bonus or severance obligations, or which are subject to section 503(b) of the Bankruptcy Code.

5. The Debtors are authorized, but not directed, to make payments to applicable third parties from Payroll Tax Obligations and in respect of the Benefit Obligations, and costs associated therewith, in accordance with the Debtors' ordinary course of business and stated policies, as set forth in the Motion.

6. The Debtors are authorized, but not directed, to pay unused vacation time upon an Employee's termination, to the extent required by state law. For the avoidance of doubt, vacation time may be used in the ordinary course of business.

7. The Debtors are authorized, but not directed, to honor outstanding checks for any Unpaid Compensation that may be outstanding as of the Petition Date.

8. In accordance with this Order and any other order of this Court, the Disbursement Banks at which the Debtors maintain their accounts are authorized to honor checks presented for payment, whether issued prior to or after the Petition Date, and to honor all fund

transfer requests made by the Debtors related thereto, to the extent that sufficient funds are on deposit in such accounts.

9. Notwithstanding anything in this Order to the contrary, the payments authorized by, and any authorizations contained in, this Order are subject to the respective terms and requirements set forth in any order authorizing use of cash collateral.

10. The Debtors are authorized to pay all processing and administrative fees associated with payment of the Compensation Obligations.

11. No payments to or on behalf of any Employee will exceed the \$12,475 cap provided under sections 507(a)(4) and 507(a)(5) of the Bankruptcy Code except to the extent required by applicable state law

12. Bankruptcy Rule 6003(b) has been satisfied because the relief requested is necessary to avoid immediate and irreparable harm to the Debtors

13. The requirements of Bankruptcy Rule 6004(a) are waived.

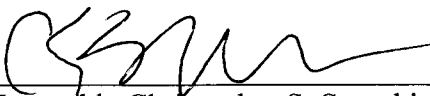
14. The stay under Rule 6005(h) is waived.

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

16. Notwithstanding anything to the contrary contained herein, any payment to be made or authorization contained hereunder shall not be deemed to constitute postpetition assumption or adoption of any contract, program, or policy pursuant to section 365 of the Bankruptcy Code and shall not affect the Debtors' right to contest the amount or validity of claims.

17. This Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Order.

Dated: December 9, 2015



Honorable Christopher S. Sontchi
United States Bankruptcy Judge