



CLERK, U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS

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THE DATE OF ENTRY IS ON
THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.

Signed September 8, 2016


United States Bankruptcy Judge

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re: § Chapter 11
§
TPP ACQUISITION, INC. d/b/a The § Case No. 16-33437-hdh-11
Picture People, §
§
Debtor. §

**AGREED ORDER AUTHORIZING (I) CONTINUED USE OF EXISTING BUSINESS
FORMS AND RECORDS, (II) AUTHORIZING MAINTENANCE OF EXISTING
CORPORATE BANK ACCOUNTS AND CASH MANAGEMENT SYSTEM, (III)
AUTHORIZING PAYMENT OF PREPETITION COSTS AND FEES ASSOCIATED
WITH CUSTOMER CREDIT AND DEBIT CARD TRANSACTIONS AND (IV)
MODIFYING CERTAIN U.S. TRUSTEE REQUIREMENTS**

On September 7, 2016, the Court conducted a hearing to consider the *Debtor's*
Emergency Motion for an Order (I) Authorizing Continued Use of Existing Business Forms and
Records, (II) Authorizing Maintenance of Existing Corporate Bank Accounts and Cash
Management System, (III) Authorizing Payment of Prepetition Costs and Fees Associated with



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Customer Credit and Debit Card Transactions; and (IV) Waiving Certain U.S. Trustee Requirements (the “Motion”), filed by the above-captioned debtor (the “Debtor”). The Court finds that: (i) it has jurisdiction over the matters raised in the Motion pursuant to 28 U.S.C. §§ 157 and 1334; (ii) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); (iii) the relief requested in the Motion is in the best interests of the Debtor, its estate, and its creditors; (iv) proper and adequate notice of the Motion has been given and no other or further notice is necessary; and (v) upon the record herein after due deliberation thereon, good and sufficient cause exists for the granting of the relief as set forth herein.

Therefore,

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED.
2. The Debtor is authorized to continue using its existing Cash Management System as described in the Motion, subject to the limitations in this Order, the DIP Financing Orders and the Budget. Any change to the Cash Management System shall require the prior written consent of the DIP Lender.
3. The Debtor is authorized to continue using the Studio Depository Accounts in accordance with its pre-petition practices during the pendency of the Chapter 11 Case consistent with the requirements of the DIP Financing Orders and Budget and the relevant provisions of this Order.
4. The Debtor shall maintain records of all transfers within the Cash Management System, so that all transfers and transactions shall be adequately and promptly documented in, and ascertainable from, the Debtor’s books and records, to the same extent as maintained prior to

the commencement of the Chapter 11 Cases, and shall be made available to the DIP Lender upon request.

Cash Management System and Bank Accounts

5. The Debtor is authorized but not directed to (a) maintain and continue to use the Fifth Third U.S. Accounts in the same manner and with the same account numbers, styles, and document forms as are currently employed, (b) deposit funds in, and withdraw funds from, the Bank Accounts by all usual means, including checks, wire transfers, automated clearinghouse (“ACH”) transfers, drafts, electronic fund transfers, or other items presented, issued or drawn on the Bank Accounts, (c) pay postpetition ordinary course bank fees in connection with the Bank Accounts, (d) perform its obligations under the documents and agreements governing the Bank Accounts, and (e) treat the Bank Accounts for all purposes as accounts of the Debtor in its capacity as debtor-in-possession.

6. The Debtor is authorized but not directed to (a) maintain and continue to use the Studio Depository Accounts in the same manner and with the same account numbers, styles, and document forms as are currently employed, (b) deposit funds in, and withdraw funds from, the Studio Depository Accounts by all usual means, including checks, wire transfers, automated clearinghouse (“ACH”) transfers, drafts, electronic fund transfers, or other items presented, issued or drawn on the Studio Depository Accounts, (c) pay postpetition ordinary course bank fees in connection with the Studio Depository Accounts, (d) perform its obligations under the documents and agreements governing the Studio Depository Accounts, and (e) treat the Studio Depository Accounts for all purposes as accounts of the Debtor in its capacity as debtor-in-possession.

7. The Debtor is authorized (i) to maintain its Bank Accounts subject to control agreements in form and substance satisfactory to the DIP Lender and (ii) to grant the DIP Lender and/or its authorized representative “view-only” electronic access to each of the Bank Accounts.

8. The Debtor shall: (i) instruct its banks to add the designation, “Debtor-in-Possession” or “DIP” to its current and any future Accounts; (ii) treat the Accounts for all purposes as Accounts of the Debtor as a Debtor-in-Possession; and (iii) maintain records that recognize the distinction between prepetition and postpetition transfers.

9. All Banks provided with notice of this Order maintaining any of the Bank Accounts shall not honor or pay any bank payments drawn on the listed Bank Accounts or otherwise issued before the Petition Date for which the Debtor specifically issues stop payment orders in accordance with the documents governing such Bank Accounts.

10. All Banks provided with notice of this Order maintaining any of the Bank Accounts shall not honor any Debit presented, issued, or drawn on any Bank Account on account of a claim arising prior to the Petition Date (a “Prepetition Debit”) unless the payment of such claim (a) has been represented by the Debtor to have been authorized by an order of this Court, (b) has been directed by the Debtor and not otherwise prohibited by a “stop payment” request received by the relevant Bank from the Debtor, and (c) is supported by sufficient funds in the relevant Bank Account.

11. Subject to the provisions of this Order, the Banks are authorized to rely on the representations of the Debtor as to which Debits are authorized to be honored or dishonored, whether or not such Debits are dated prior to, on, or subsequent to the Petition Date, and whether or not such bank believes the payment is authorized by an order of the Court. Any Banks are further authorized to (a) honor the Debtors’ directions with respect to the opening, re-opening,

and closing of any Bank Account, and (b) accept and hold, or invest, the Debtors' funds in accordance with the Debtors' instructions; provided, in each case, that the Debtors' Banks shall not have any liability to any party for relying on such representations. To the extent that the Debtor directs that any Debit be dishonored, the Debtor may issue replacement Debits consistent with the orders of this Court.

12. Any existing Deposit Account Control Agreements between the Debtor and the Banks shall continue to govern the postpetition cash management relationship between the Debtor and the Banks. All of the provisions of such Deposit Account Control Agreements, including, without limitation, the termination and fee provisions, shall remain in full force and effect. Either the Debtor or the Banks may, without further Order of this Court, implement changes to the Cash Management System and procedures in the ordinary course of business pursuant to terms of those certain existing Deposit Account Control Agreements, including, without limitation, the opening and closing of bank accounts; provided, however, that nothing contained herein shall constitute an assumption of the Deposit Account Control Agreements pursuant to section 365 of the Bankruptcy Code.

13. For accounts not subject to a Deposit Account Control Agreement, those certain existing deposit agreements between the Debtor and its existing depository and disbursement Banks shall continue to govern the postpetition cash management relationship between the Debtor and the Banks, and that all of the provisions of such agreements, including, without limitation, the termination and fee provisions, shall remain in full force and effect, (ii) either the Debtor or the Banks may, without further Order of this Court, implement changes to the cash management systems and procedures in the ordinary course of business pursuant to terms of

those certain existing deposit agreements, including, without limitation, the opening and closing of bank accounts.

14. In addition to the relief otherwise ordered or permitted by this Order, the Debtor is authorized to implement such changes to the Cash Management System, subject to the written consent of the DIP Lender (and subject to the terms of any existing Deposit Account Control Agreements), as the Debtor may deem necessary or appropriate, including, without limitation, closing any of the Bank Accounts or opening any additional bank accounts wherever the Debtor deems that such accounts are needed or appropriate (the "New Accounts"), and whether or not the banks in which such New Accounts are opened are designated depositories on the United States Trustee approved list in the Northern District of Texas and all such New Accounts shall be deemed to be Bank Accounts; provided that (a) any New Account shall be (i) with a bank that is organized under the laws of the United States of America or any state therein and that is insured by the Federal Deposit Insurance Corporation and (ii) designated a "Debtor in Possession" account by the relevant bank, and (b) the Debtor shall provide the U.S. Trustee with notice of any New Accounts. The Banks are authorized to honor the Debtor's requests to open or close (as the case may be) such Bank Account(s). If upon receipt of notice of such New Accounts the U.S. Trustee advises the Debtor that such New Accounts are not Approved Depositories in the Northern District of Texas and/or the parties are not able to reasonably resolve disputes, if any, regarding such New Accounts, the Debtor shall seek approval of the Court, pursuant to 11 U.S.C. § 345.

15. In the course of providing cash management services to the Debtor, any Bank, without further order of this Court, is authorized to (i) charge, and the Debtor is authorized to pay or honor, both prepetition and postpetition service and other fees, costs, charges and

expenses to which the Banks are entitled under the terms and in accordance with their contractual arrangements with the Debtor, and (ii) charge-back returned items to the Bank Accounts, whether such items are dated before, on, or after the Petition Date, in the ordinary course of business during the pendency of this Case.

Card Processing System

16. The Debtor is authorized (but not directed) to continue its Card Processing System with First Data. The Debtor is accordingly authorized (but not directed) to satisfy any outstanding pre-petition obligations on account of credit card processing fees, chargebacks, and other related obligations.

U.S. Trustee Guidelines

17. The U.S. Trustee Guideline requiring that the Debtor close all existing Bank Accounts and open new debtor-in-possession accounts is modified to the extent provided herein.

18. The U.S. Trustee Guideline requiring that the Debtor open separate debtor-in-possession accounts for payroll is modified to the extent provided herein.

19. The U.S. Trustee Guidelines requiring that the Debtor open separate debtor-in-possession accounts for the payment of taxes and deposit to such specific tax accounts sufficient funds to pay any tax liability (when incurred) associated with the Debtor's payroll are modified to the extent provided herein.

20. The Debtor is authorized to continue using check stock in the forms existing immediately prior to the Petition Date, but is required to note the Debtor's status of debtor-in-possession and case number on any check issued. Any new checks generated during the pendency of the Chapter 11 Case other than from the Debtor's existing stock of checks, shall include a legend referring to the Debtor as a "Debtor in Possession" and case number.

21. The Debtor is authorized to use all correspondence and other business forms (including, without limitation, letterhead, purchase orders, and invoices) substantially in the forms existing immediately prior to the Petition Date, without reference to the Debtor's status as a debtor-in-possession.

22. To the extent that the requirements set forth in Bankruptcy Code § 345(b) are inconsistent, or otherwise conflict, with any action taken by the Debtor in accordance with this Order or any other order entered in the Chapter 11 Case, including the DIP Financing Orders, such requirements are and shall be waived; provided, however, that the Debtor shall not place funds in any Bank Account that is not insured by the FDIC (or the CDIC, but only for the purpose of deposits or transfers of the Debtor's cash generated by or for the Debtor's Canadian operations).

23. For banks at which the Debtor holds bank accounts that are party to a Uniform Depository Agreement with the U.S. Trustee, within fifteen (15) days of the date of entry of this Order the Debtor shall (a) contact each bank, (b) provide the bank with each of the Debtor's employer identification numbers, (c) identify each of its bank accounts held at such banks as being held by a debtor in possession in a bankruptcy case, and (d) provide the bankruptcy case number.

24. For banks at which the Debtor holds accounts that are not party to a Uniform Depository Agreement with the U.S. Trustee, the Debtor shall use its good-faith efforts to cause the banks to execute a Uniform Depository agreement in a form prescribed by the U.S. Trustee within forty-five (45) days of the date of this Order. The U.S. Trustee's rights to seek further relief from this Court on notice in the event that the aforementioned banks are unwilling to execute a Uniform Depository Agreement in a form prescribed by the U.S. Trustee are fully

reserved. The Debtor is authorized to use its existing check stock; provided, however, that once the Debtor's existing checks have been used, the Debtor shall, when reordering checks, require the designation "Debtor in Possession" and the corresponding bankruptcy case number on all checks; provided, further, however, that with respect to checks which the Debtor or its agents print themselves, the Debtor shall begin printing on such checks "Debtor-in-Possession" and, to the extent that there is sufficient space on such checks, the corresponding bankruptcy case number, within ten (10) days of the date of the entry of this Order.

Other Orders

25. To the extent necessary, the Court finds and determines that the requirements of Bankruptcy Rule 6003 are satisfied and that the relief requested is necessary to avoid immediate and irreparable harm.

26. To the extent applicable, the requirements of Bankruptcy Rule 6004(a) are waived.

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

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

29. This Order is granted on an interim basis. Parties in interest shall have fourteen days after the Initial Debtor Interview to object to any of the relief provided herein. If no such objection is timely filed, this order shall become final without further order of the Court.

30. Nothing in this Order, nor as a result of any payment made pursuant to this Order, (a) is intended or shall be deemed to constitute an assumption of any agreement pursuant to Bankruptcy Code § 365 or an admission as to the validity of any claim against the Debtors and

their estates, (b) shall impair, prejudice, waive or otherwise affect the rights of the Debtor and its estate with respect to the validity, priority or amount of any claim against the Debtor and its estate, or (c) shall be construed as a promise to pay a claim.

END OF ORDER

CONSENTED AND AGREED TO:

HAYNES AND BOONE, LLP

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