

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

In re:

CLOVER TECHNOLOGIES GROUP, LLC, *et al.*,<sup>1</sup>

Debtors.

)  
) Chapter 11  
)  
) Case No. 19-12680 (\_\_\_\_)  
)  
) (Joint Administration Requested)  
)

**DEBTORS' MOTION FOR ENTRY OF INTERIM AND  
FINAL ORDERS AUTHORIZING THE DEBTORS TO (I) CONTINUE TO  
OPERATE THEIR CASH MANAGEMENT SYSTEM, (II) MAINTAIN EXISTING  
BUSINESS FORMS, AND (III) PERFORM INTERCOMPANY TRANSACTIONS**

The above-captioned debtors and debtors in possession (collectively, the “Debtors” and together with their non-debtor affiliates, the “Company”) respectfully state as follows in support of this motion:<sup>2</sup>

## Relief Requested

1. The Debtors seek entry of interim and final orders, substantially in the forms attached hereto as **Exhibit A** and **Exhibit B**, (respectively, the “Interim Order” and “Final Order”) authorizing the Debtors to (a) continue to operate their cash management system, (b) maintain existing business forms in the ordinary course of business, and (c) continue to perform the Intercompany Transactions (as defined herein) consistent with historical practice. In addition, the

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Clover Technologies Group, LLC (9236); 4L Holdings Corporation (0292); 4L Technologies Inc. (5035); Clover Ithaca Properties, LLC (9236); Refurb Holdings, LLC (1230); Clover Wireless, LLC (0313); and Valu Tech Outsourcing, LLC (3563). The location of the Debtors' service address in these chapter 11 cases is: 5850 Granite Parkway, Suite 720, Plano, Texas 75024.

2 A detailed description of the Debtors and their business, and the facts and circumstances supporting the Debtors’ chapter 11 cases, are set forth in greater detail in the *Declaration of Andrew Buck, Chief Financial Officer of Clover Wireless, LLC in Support of the Chapter 11 Petitions and First Day Motions* (the “First Day Declaration”), filed substantially contemporaneously with the Debtors’ voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) on December 16, 2019 (the “Petition Date”) and incorporated by reference herein. Capitalized terms used but not otherwise defined in this motion shall have the meanings ascribed to them in the First Day Declaration or in the Plan, as applicable.

Debtors request that the Court schedule a final hearing within approximately 21 days after the commencement of these chapter 11 cases to consider entry of the Final Order.

### **Jurisdiction and Venue**

2. The United States Bankruptcy Court for the District of Delaware (the “Court”) has jurisdiction over this matter 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. The Debtors confirm their consent, pursuant to rule 7008 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and rule 9013-1(f) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), to the entry of a final order by the Court in connection with this motion to the extent that it is later 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.

3. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

4. The statutory bases for the relief requested herein are sections 105, 345, 363, 503, and 507 of the Bankruptcy Code, Bankruptcy Rules 2002, 6004, 6006, and 6007, and Local Rules 2002-1 and 9013-1.

### **Background**

5. The Debtors collect and recycle electronic devices and provide aftermarket management services for mobile device carriers, manufacturers, retailers, insurance providers and enterprise businesses. Formed through organic growth and strategic acquisitions, the Debtors and their non-debtor affiliates operate repair centers in North America and abroad and provide services in over 120 countries. The Company’s comprehensive services portfolio includes a full suite of returns management, customized trade-in and buyback programs, and device re-marketing through

multiple sales channels, and their repair and reclamation services restore devices to high-quality condition while avoiding waste and maximizing value for their customers.

6. Prior to the Petition Date, the Debtors engaged in extensive discussions with the Consenting Stakeholders. These extensive, good faith, arm's-length discussions culminated in the execution of the Restructuring Support Agreement, which serves as the foundation for the Plan and has the support of the vast majority of the Debtors' funded debt holders. The Plan provides for a comprehensive restructuring of the Debtors' prepetition funded debt obligations, leaves General Unsecured Claims unimpaired, preserves the going-concern value of the Debtors' business, maximizes creditor recoveries, and protects the jobs of the Company's invaluable employees. The transactions contemplated by the Restructuring Support Agreement and Plan will enable the Debtors to substantially deleverage their balance sheet and position their business for stability and success after emergence from chapter 11.

7. On the Petition Date, each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtors have also filed a motion requesting joint administration of these chapter 11 cases pursuant to Bankruptcy Rule 1015(b). The Debtors are operating their business and managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No request for the appointment of a trustee or examiner has been made in these chapter 11 cases and no official committees have been appointed or designated.

### **The Cash Management System**

#### **I. Overview.**

8. In the ordinary course of business, the Debtors operate a complex cash management system, a schematic of which is attached as Exhibit 1 to **Exhibit A** hereto (the "Cash Management System"). The Debtors use their Cash Management System to collect, transfer and distribute funds

and to facilitate cash monitoring, forecasting, and reporting. The Debtors' treasury department is based in Ottawa, Illinois and maintains daily oversight of the Cash Management System and implements cash management controls for accepting, processing, and releasing funds, including in connection with intercompany transactions.

9. The Cash Management System is similar to those commonly employed by businesses comparable in size and scale to the Debtors to help control funds, ensure cash availability for each entity, and reduce administrative expenses by facilitating the movement of funds among multiple entities.

10. The Debtors estimate that their cash receipt collections averaged approximately \$20 million per month in the twelve months prior to the Petition Date. In addition, the Debtors estimate that total disbursements will range between \$19 million and \$22 million per month during these chapter 11 cases. Because of the nature of the Debtors' business and the disruption to the business that would result if they were forced to close their existing bank accounts, it is critical that the existing Cash Management System remain in place.

## **II. The Cash Management System.**

11. As of the Petition Date, the Debtors' Cash Management System is composed of twenty-seven (27) bank accounts, twenty (20) of which are owned and controlled by the Debtors and seven (7) of which are owned and controlled by certain Mexico-based non-debtor affiliates and funded daily or weekly by the Debtors (the "Bank Accounts"), each identified on Exhibit 2 annexed to Exhibit A attached hereto, with the following banking institutions (collectively, the "Cash Management Banks"):

### Debtors' Bank Accounts:

- 17 Bank Accounts maintained at PNC Financial Services Group, Inc. ("PNC");
- 1 Bank Account maintained at Royal Bank of Canada ("RBC");

- 1 Bank Account maintained at Citizens Financial Group, Inc. (“Citizens”); and
- 1 Bank Account maintained at Bank of Montreal (“BMO”).

Mexico-Based Non-Debtor Affiliates’ Bank Accounts:

- 2 Bank Accounts maintained at Grupo Financiero Banamex S.A. de C.V.; and
- 5 Bank Accounts maintained at HSBC Mexico, S.A.

12. The Debtors’ Mexico-based non-debtor affiliates’ Bank Accounts are used to fund the Debtors’ main operating facilities, which are located in Mexico. These facilities belong to non-debtor affiliates of the Debtors and are the main source of services that allow for the Debtors’ ongoing business operations. Ordinary course transfers to/ from these accounts are therefore an integral part of the Debtors’ Cash Management System.<sup>3</sup>

13. **Cash on Hand.** The bulk of the Debtors’ cash on-hand is comprised of proceeds from the Debtors’ ongoing business operations. As of December 13, 2019, there is approximately \$22.6 million in the Cash Management System Bank Accounts.

14. **Cash Flow from Operations.** Of the twenty (20) Debtors’ Bank Accounts, six (6) lockbox and operating accounts are used to collect cash from operations.<sup>4</sup> Cash generated from customers generally flows into the Cash Management System by way of check, wire transfer, and/or electronic fund transfer to the lockbox accounts. In addition, the Debtors maintain operating accounts which are used for collection of funds, and Amazon and PayPal accounts that

---

<sup>3</sup> Although cash transfers to non-debtors as of the Petition Date are prohibited unless expressly authorized in the budget associated with the Debtors’ proposed *Debtors’ Motion for Entry of Interim and Final Orders (I) Authorizing Postpetition Use of Cash Collateral, (II) Granting Adequate Protection to the Secured Parties, (III) Modifying the Automatic Stay, and (IV) Scheduling a Final Hearing* (the “Cash Collateral Budget”), the funding of these Mexico-based non-debtor affiliates’ Bank Accounts are among those transfers expressly authorized in the Cash Collateral Budget. These transfers will continue in the ordinary course on a postpetition basis.

<sup>4</sup> The Bank Accounts ending in 4347, 4291, 9646, 4371, 4363 and 4267 are the lockbox and operating accounts used to collect cash from operations (collectively, the “Cash Collection Accounts”).

are used to receive collections from third-party platforms, such as eBay. The PayPal account is also used to make disbursements, specifically purchases of devices and transaction fees.

15. Periodically, funds in the lockbox accounts and in the operating accounts are manually swept into the concentration bank account currently held at PNC in the name of, and controlled by, 4L Technologies, Inc. (the “Concentration Account”).<sup>5</sup> Each month, an average of approximately \$20 million is transferred from the lockbox accounts and the operating accounts to the Concentration Account.

16. Funds remain in the Concentration Account until they are transferred to one of Debtors’ disbursement or operating accounts. In addition, the Concentration Account funds certain Mexico-based non-debtor affiliates’ bank accounts on a daily or weekly basis, as needed (the “Mexico Funding Transactions”). The Concentration Account typically holds a balance of approximately \$10 million on average to ensure adequate funds for disbursement.

17. ***Disbursement Accounts.*** The disbursement accounts are used to fund the Debtors’ expenditure requirements, including payroll, rent, taxes, and other payments via check (the “Disbursement Accounts”). Other categories of disbursement accounts maintained by the Debtors include the following:

- ***Operating Accounts.*** The Debtors maintain two (2) operating accounts (the “Operating Accounts”) to fund various ordinary course operating expenditures. The Operating Accounts are also used for collections. In addition, as part of the Imaging Accounts (as defined herein), the Debtors maintain one operating account, which is used both for ordinary course expenditures and for collections.
- ***Payroll and Benefits Account.*** As part of the Imaging Accounts, the Debtors maintain a payroll and benefits account to fund employees’ payroll and other benefits.<sup>6</sup>

---

<sup>5</sup> From time to time, funds from the lockbox accounts are not transferred to the Concentration Accounts and are used to fund operating accounts, disbursement accounts and payroll and benefit accounts directly.

<sup>6</sup> A detailed description of the Debtors’ payroll, wages, and benefits programs can be found in the *Debtors’ Motion for Entry of Interim and Final Orders Authorizing the Debtors to (I) Pay Prepetition Wages, Salaries, Other*

18. ***Imaging Accounts.*** The Debtors maintain six (6) Bank Accounts that are used for the Imaging business, which was previously owned by the Debtors, and are subject to periodic remittance and reconciliation (the “Imaging Accounts”). Of the six (6) Imaging Bank Accounts, two (2) are lockbox accounts, two (2) are disbursement accounts, one is an operating account, and one is the payroll and benefits account discussed above.<sup>7</sup>

19. ***Non-Debtor Accounts.*** The Debtors’ Mexico-based non-debtor affiliates maintain a total of seven (7) Bank Accounts, three (3) of which are operating accounts, and four (4) are payroll and benefits (collectively, the “Non-Debtor Accounts”).<sup>8</sup> Certain Non-Debtor Accounts<sup>9</sup> are funded by the Concentration Account (on a daily or weekly basis, as needed) and the Operating Account ending in 4291 (on a weekly basis). In cases of “over funding”, the Non-Debtor Account ending in 2155 transfers funds back to these accounts in the United States.

20. ***Adequate Assurance Account.*** The Debtors maintain a segregated account that the Debtors propose will hold the Adequate Assurance Deposit for the benefit of Utility Providers

---

*Compensation, and Reimbursable Expenses and (II) Continue Employee Benefits Programs* (the “Wages Motion”), filed concurrently herewith and incorporated by reference herein.

<sup>7</sup> In addition, the Bank Account ending in 4195 (referred herein as the customer deposits account) is used for the Imaging business.

<sup>8</sup> For the avoidance of doubt, the Non-Debtor Accounts only include the seven (7) Bank Accounts maintained by Valu Tech Outsourcing, S.A. de C.V and Valu Tech Direct S. de R. L. de C.V, if any (collectively, the “Valu Tech Non-Debtor Affiliates”), which are expressly authorized in the Cash Collateral Budget.

<sup>9</sup> The Non-Debtor Accounts which are funded by the Concentration Account and the Operating Account ending in 4291 are the Bank Accounts ending in 2155, 6023, 4689, 2752, and 5211.

throughout the course of these chapter 11 cases (the “Adequate Assurance Account”).<sup>10</sup> The account is currently in the process of being repurposed as an adequate assurance account.

21. The Bank Accounts and the Cash Management System are described further in the following table:

<u>Bank Accounts</u>	<u>Account Description</u>
<u><b>Concentration Account</b></u> 4L Technologies, Inc. (4398)	<p>The Concentration Account receives funds from the lockbox accounts and operating accounts and disburses funds to the Debtors’ disbursement and operating accounts. The Concentration Account holds the main balance, used for Euro sweeps, payment of loan interest, payment of bank fees and FX trades.</p> <p>The Concentration Account also funds the Debtors’ Mexico-based non-debtor affiliates’ bank accounts on a daily or weekly basis, as needed.</p> <p>At any given time, there is a balance of approximately \$10 million on average in the Concentration Account.</p>
<u><b>Lockbox Account</b></u> Clover Wireless, LLC (4347)	<p>The lockbox account collects funds from the Debtors’ operating activities. Periodically, balance from the lockbox account is manually swept into the Concentration Account. In addition, from time to time, funds are not swept into the Concentration Account and are used directly to fund the Bank Account ending in 2425.</p>
<u><b>Disbursement Accounts</b></u> Clover Wireless, LLC (2425) Clover Wireless, LLC (3650) Clover Wireless, LLC (5003) Clover Wireless, LLC (6445) Clover Wireless, LLC (6517)	<p>The Disbursement Accounts each make payments on behalf of the Debtors in an amount necessary to fund the Debtors’ disbursement requirements. Each Disbursement Account is manually funded from the Concentration Account on an as-needed basis.</p> <p>Specifically, the Bank Account ending in 2425 is a controlled disbursement account which is used for A/P and payroll payments, the Bank Account ending in 3650 is used for vendor and payroll payments in CAD, the Bank Account ending in 5003 is used for payment runs and checks in CAD, the Bank Account ending in 6445 is used for disbursements in GBP,<sup>11</sup> and the Bank Account ending in 6517 is used for disbursements in EUR.</p>

<sup>10</sup> Contemporaneously herewith, the Debtors filed the *Debtors’ Motion for Entry of Interim and Final Orders (I) Determining Adequate Assurance of Payment for Future Utility Services, (II) Prohibiting Utility Providers from Altering, Refusing, or Discontinuing Services, and (III) Approving the Debtors’ Proposed Procedures for Resolving Adequate Assurance Requests* (the “Utilities Motion”). Capitalized terms used but not defined in this motion, the Plan, or the First Day Declaration will have the meaning ascribed to them in the Utilities Motion. The Adequate Assurance Account will be funded in accordance with the procedures described in the Utilities Motion and will be funded within five (5) business days after entry of an order granting the relief requested in the Utilities Motion.

<sup>11</sup> As of the Petition Date, the Bank Account ending in 6445 has not been used.



<b><u>Bank Accounts</u></b>	<b><u>Account Description</u></b>
<b><u>Operating Accounts</u></b> Valu Tech Outsourcing, LLC (4291) Valu Tech Outsourcing, LLC (9646)	<p>The Operating Accounts fund various ordinary course operating expenditures.</p> <p>Specifically, the Bank Account ending in 4291 is used both to collect A/R funds, make A/P and payroll payments (both through wires, checks and ACH payments) and to fund recurring weekly wires in MXN and USD to Mexico-based non-debtor affiliates' Bank Accounts. The Bank Account ending in 9646 is used for A/P payments (both through wires, checks and ACH payments).</p>
<b><u>CA Payable Account</u></b> Clover Wireless, LLC (6688)	<p>The CA payable account receives funds from the Bank Account ending in 2425 and is used for checks and NACHA file (ACH payments).</p>
<b><u>Customer Deposits Account</u></b> Clover Technologies Group, LLC (4195)	<p>The customer deposits account is a standalone account which receives and remits deposits from Perfect Output, a customer of the Debtors.</p>
<b><u>Restricted Cash Account</u></b> Clover Technologies Group, LLC (4224)	<p>The restricted cash account is a standalone account which holds funds designated to settle claims for closed operation in India.</p>
<b><u>Money Market Account</u></b> Clover Technologies Group, LLC (5966)	<p>The money market account holds \$1.35 million for cash collateral to support the Debtors' ACH debit and credit card exposure.</p>
<b><u>Adequate Assurance Account</u></b> Refurb Holdings, LLC (4339)	<p>While the Adequate Assurance Account holds no funds currently, the Debtors propose to fund this account in accordance with the procedures described in the Utilities Motion.</p> <p>The Adequate Assurance Account was historically used for intra-Debtor logistics. It received funds from the Concentration Account and transferred them to the Bank Accounts ending in 9646 and 4291, to fund Valu Tech ITAD operations. As of the Petition Date, the Adequate Assurance Account will be repurposed and hold the Adequate Assurance Deposit for the duration of these chapter 11 cases and, at the conclusion of these cases, the funds in the Adequate Assurance Account may be applied to any postpetition defaults in payment to the Utility Providers.</p>
<b><u>Imaging Accounts</u></b> <b><u>Lockbox Accounts:</u></b> Clover Technologies Group, LLC (4371) Clover Technologies Group, LLC DBA Clover Environmental Solutions (4363)  <b><u>Disbursement Account:</u></b> Clover Technologies Group, LLC (2417) Clover Technologies Group, LLC DBA Clover Environmental Solutions (2433)  <b><u>Operating Accounts:</u></b> Clover Technologies Group, LLC DBA Depot International (4267)  <b><u>Payroll and Benefits Account:</u></b> Clover Technologies Group, LLC (4275)	<p>The Debtors are in the process of consolidating, closing, or transferring these accounts to the Imaging business under their new ownership, but as of the Petition Date this process remains ongoing.</p> <p>The Imaging Accounts are maintained by the Debtors and contain funds held for the benefit of the Imaging business, which was previously owned by the Debtors. These amounts are held on behalf of Imaging, and are subject to periodic remittance and reconciliation.</p> <p>Specifically, the Bank Accounts ending in 4371 and 4363 are lockbox accounts (which collect funds from operations and, from time to time, fund certain operating accounts, disbursement accounts and payroll and benefit accounts), the Bank Accounts ending in 2417 and 2433 are controlled disbursement accounts (which are used to fund the disbursement requirement), the Bank Account ending in 4267 is an operating account (which is used for collections and to fund various ordinary course operating expenditures), and the Bank Account ending in 4275 is a payroll and benefits account (which funds payroll and benefits expenses).</p>

<u>Bank Accounts</u>	<u>Account Description</u>
<p><b><u>Non-Debtor Accounts</u></b></p> <p><u>Operating Accounts:</u></p> <p>Valu Tech Outsourcing, S.A. de C.V. (2155)</p> <p>Valu Tech Outsourcing, S.A. de C.V (6023)</p> <p>Valu Tech Outsourcing, S.A. de C.V (2752)</p> <p><u>Payroll and Benefits Accounts:</u></p> <p>Valu Tech Outsourcing, S.A. de C.V. (5211)</p> <p>Valu Tech Outsourcing, S.A. de C.V (8712)</p> <p>Valu Tech Outsourcing, S.A. de C.V (4689)</p> <p>Valu Tech Outsourcing, S.A. de C.V (3725)</p>	<p>The Non-Debtor Accounts are maintained by the Valu Tech Non-Debtor Affiliates, and receive funds from certain Debtors' Bank Accounts on a daily or weekly basis. These funds are used to make ongoing and necessary payments for the operations at these facilities.</p> <p><u>Operating Accounts</u></p> <p>The Bank Account ending in 2155 is used for payment of taxes, vendor A/P, and payroll in MXN and to fund the Bank Account ending in 8712 through recurring weekly wires in MXN, the Bank Account ending in 6023 is used for vendor A/P and rent in USD, and the Bank Account ending in 2752 is used both for operating and personnel related movements, including for payment of taxes, local vendor A/P and rent in MXN. In addition, in the ordinary course of business and on an as-needed basis, the non-debtor operating accounts transfer funds to the non-debtor payroll accounts.</p> <p><u>Payroll Accounts</u></p> <p>The Bank Account ending in 5211 is used for local vendor A/P and rent in USD, the Bank Account ending in 8712 receives funds from the Bank Account ending in 2155 and is used for payroll payments in MXN, the Bank Account ending in 4689 is either funded from the Concentration Account, the Bank Account ending in 4291, or from the Bank Account ending in 2155 and is used for executive payroll payments in MXN, and the Bank Account ending in 3725 receives funds from the Bank Account ending in 2752 and is used for employee saving fund payments, including the funding of an investment account controlled by Technology Solutions and Services S.A. de C.V., Valu Tech Outsourcing, S.A. de C.V's landlord. Funds from this investment accounts are distributed to the Debtors' Mexico-based non-debtor affiliates' employees once a year, at the end of November.</p>

### III. Compliance with the Bankruptcy Code and Guidelines.

#### A. Compliance with U.S. Trustee Guidelines and Section 345 of the Bankruptcy Code.

22. Section 345(a) of the Bankruptcy Code governs a debtor's cash deposits during a chapter 11 case and authorizes deposits of money as "will yield the maximum reasonable net return on such money, taking into account the safety of such deposit or investment." To comply with section 345 of the Bankruptcy Code, the Office of the United States Trustee for the District of Delaware's (the "U.S. Trustee") *Operating Guidelines and Reporting Requirements for Debtors in Possession and Trustees* (the "U.S. Trustee Guidelines") generally require chapter 11 debtors

to, among other things, deposit all estate funds into an account with an authorized depository that agrees to comply with certain requirements set by the U.S. Trustee.

23. Three (3) of the Cash Management Banks—PNC, Citizens, and BMO, where the Debtors maintain nineteen (19) of their twenty (20) Debtors' Bank Accounts—are authorized depositories under the U.S. Trustee Guidelines, while the remaining Cash Management Bank—at which the Debtors maintain one Bank Account—is not. In addition, the Cash Management Banks in which the Non-Debtor Accounts are maintained are based in Mexico and are not authorized depositories.

24. The principal basis for the exclusion of certain of these financial institutions from the U.S. Trustee Guidelines is location, not financial soundness or stability. Indeed, all of these institutions are simply based outside of the United States and thus are less likely to be identified by the U.S. Trustee as authorized depositories. The Debtors believe that these financial institutions are well-positioned to continue to perform depository and cash management functions during the chapter 11 cases and, accordingly, respectfully submit that cause exists to allow the Debtors to continue utilizing the existing Bank Accounts consistent with historical practice. Given the international component of the Debtors' and their non-debtor affiliates' operations, it is not feasible to consolidate all cash activities into the narrow group of financial institutions approved in the U.S. Trustee Guidelines.

25. Requiring the Debtors to transfer their Bank Accounts to designated authorized depositories or for the Cash Management Banks to post a bond would place a needless administrative burden on the Debtors and impose unnecessary costs on the Debtors' estates. Especially here, where the Debtors have commenced prepackaged chapter 11 cases, changes to the Cash Management System would be a needless and costly distraction. Accordingly, the Debtors

respectfully submit that cause exists (a) to continue to allow the Debtors to utilize their existing Bank Accounts, subject to any reasonable changes the Debtors may implement to the Cash Management System, and (b) to waive the deposit requirements of section 345(b) of the Bankruptcy Code.

**B. Compliance with U.S. Trustee Guidelines as to Business Forms.**

26. As part of the Cash Management System, the Debtors utilize a number of preprinted business forms in the ordinary course of their business, including, but not limited, letterhead, purchase orders, invoices, and preprinted and future checks (the “Business Forms”). The U.S. Trustee Guidelines require that the Cash Management Banks print “Debtor in Possession” and the bankruptcy case number on checks issued after the Petition Date. To minimize expenses to their estates and avoid confusion on the part of employees, customers, vendors, and suppliers during the pendency of these chapter 11 cases, the Debtors request that the Court authorize their continued use of all Business Forms in existence immediately before the Petition Date, without reference to the Debtors’ status as debtors in possession.

**IV. Bank Fees.**

27. In the ordinary course, the Debtors incur periodic service charges and other fees in connection with maintaining the Cash Management System (collectively, the “Bank Fees”). The Debtors incur approximately \$97,000 in Bank Fees each month under the Cash Management System in the aggregate. The Debtors estimate that approximately \$56,000 in prepetition Bank Fees remain outstanding as of the Petition Date. To maintain the integrity of their Cash Management System, the Debtors request authority to pay any prepetition Bank Fees for prepetition transactions that are charged postpetition and to continue to pay the Bank Fees in the ordinary course on a postpetition basis.

**V. The Debtors' Corporate Cards.**

28. As part of the Cash Management System, the Debtors provide employees with corporate credit or debit cards (the "Corporate Cards") or reimburse employees directly for business-related expenses incurred in carrying out their employment responsibilities, including, but not limited to, payments to vendors, expenses for meals, hotels, flights, car rentals, and other expenses (the "Corporate Card Program"), as set forth in further detail in the Wages Motion. The Debtors' Corporate Cards are funded from the Imaging Account ending in 2417.<sup>12</sup> As of the Petition Date, the Debtors have issued fifty-one Corporate Cards (credit cards) to their employees, both in the United States and in Mexico. In addition, the Debtors' Mexico-based non-debtor affiliates have issued one Corporate Card (debit card) to an employee in Mexico, which is funded from the Non-Debtor Account ending in 4689.

29. The Corporate Card Program is an integral part of the Debtors' Cash Management System. Employees' continued use of the Corporate Cards for procurement and travel purposes and the Debtors' ability to reimburse expenses incurred through the Corporate Card Program is essential to the continued operation of the Debtors' businesses. On average, the Debtors pay approximately \$140,000 per month for amounts incurred on the Corporate Cards submitted for reimbursement.

30. As applicable, and to the extent not otherwise authorized under any interim and final order(s) of this Court granting the Wages Motion filed contemporaneously herewith, the Debtors seek authority to issue Corporate Cards pursuant to the Corporate Card Program, subject

---

<sup>12</sup> As of the Petition Date, because the transition period with regard to the Imaging business is ongoing, amounts due on the Corporate Cards are paid by Imaging and amounts owing are invoiced back to the Debtors.

to any terms and conditions thereof, and to pay any amount due and owing thereunder in the ordinary course of business on a postpetition basis.

#### **VI. Intercompany Transactions.**

31. The Debtors and their non-debtor affiliates operate together as a global enterprise, and thus, the Debtors routinely engage in intercompany financial transactions with other Debtors and non-debtor affiliates, including the Mexico Funding Transactions (the “Intercompany Transactions”). Intercompany Transactions may arise from one Debtor entity’s payment of accounts payable owed by another Debtor or non-debtor entity or one Debtor entity’s receipt of accounts receivable payments due to another Debtor or non-debtor entity. Other intercompany balances recorded in the Debtors’ books and records can reflect accrued, unpaid intercompany fees relating to the Debtors’ business operations. At any given time, as a result of the Intercompany Transactions, there may be claims owing by, or owed from, one Debtor or non-debtor to another Debtor or non-debtor entity.

32. The Intercompany Transactions are an essential component of the Debtors’ operations and centralized Cash Management System. Any interruption of the Intercompany Transactions would severely disrupt the Debtors’ operations and result in great harm to the Debtors’ estates and their stakeholders. Accordingly, the Debtors seek authority—and, to the extent applicable, relief from the automatic stay—to continue the Intercompany Transactions in the ordinary course of business on a postpetition basis, in a manner substantially consistent with the Debtors’ past practice.<sup>13</sup>

---

<sup>13</sup> This motion provides an overview of the Debtors’ typical Intercompany Transactions. The relief requested herein is applicable with respect to all Intercompany Transactions and is not limited to those Intercompany Transactions described in this motion. To the extent that there are any outstanding prepetition obligations related to Intercompany Transactions not described herein, the Debtors, out of an abundance of caution, seek authority to honor such obligations.

**Basis for Relief**

**I. Maintaining the Existing Cash Management System Is Essential to the Debtors' Ongoing Operations and Restructuring Efforts.**

33. The U.S. Trustee Guidelines require debtors in possession to, among other things:

- a. establish one debtor in possession bank account for all estate monies required for the payment of taxes, including payroll taxes;
- b. close all existing bank accounts and open new debtor in possession accounts;
- c. make all disbursements of estate funds by check with a notation representing the reason for the disbursement; and
- d. maintain a separate debtor in possession account for cash collateral.

34. These requirements are intended to provide a clear line of demarcation between prepetition and postpetition transactions and operations and to prevent inadvertent payment of prepetition claims. Considering, however, that the Debtors' business and financial affairs are complex and require the collection, disbursement, and movement of funds through the Debtors' bank accounts, enforcement of these provisions of the U.S. Trustee Guidelines during these chapter 11 cases would severely disrupt the Debtors' operations. Accordingly, the Debtors respectfully request that the Court allow them to operate each of the Bank Accounts listed on Exhibit 2 attached to **Exhibit A** hereto, as they were maintained in the ordinary course of business before the Petition Date.

35. The continuation of the Cash Management System is permitted pursuant to section 363(c)(1) of the Bankruptcy Code, which authorizes a debtor in possession to "use property of the estate in the ordinary course of business without notice or a hearing." 11 U.S.C. § 363(c)(1). Bankruptcy courts routinely treat requests for authority to continue utilizing existing cash management systems as a relatively "simple matter." *In re Baldwin-United Corp.*, 79 B.R. 321, 327 (Bankr. S.D. Ohio 1987). In addition, in granting such relief, courts recognize that an

integrated cash management system “allows efficient utilization of cash resources and recognizes the impracticalities of maintaining separate cash accounts for the many different purposes that require cash.” *In re Columbia Gas Sys., Inc.*, 136 B.R. 930, 934 (Bankr. D. Del. 1992), *aff’d in relevant part*, 997 F.2d 1039, 1061 (3d Cir. 1993).

36. Here, requiring the Debtors to adopt a new, segmented cash management system during these chapter 11 cases would be expensive, burdensome, and unnecessarily disruptive to the Debtors’ operations. Importantly, the Cash Management System provides the Debtors with the ability to quickly track and report the location and amount of funds, which, in turn, allows management to track and control such funds, ensure cash availability, and reduce administrative costs through a centralized method of coordinating the collection and movement of funds. Any disruption of the Cash Management System could have a negative effect on the Debtors’ restructuring efforts. Indeed, absent the relief requested herein, requiring the Debtors to adopt a new, segmented cash management system would cause the Debtors’ operations to grind to a halt, jeopardizing the Debtors’ business enterprise. By contrast, maintaining the current Cash Management System will facilitate the Debtors’ transition into chapter 11 by, among other things, minimizing delays in paying postpetition debts and eliminating administrative inefficiencies. Moreover, maintaining the current Cash Management System is particularly appropriate here where the Debtors’ proposed Plan and requested first day relief seeks to pay all unsecured obligations (including employees, customers, and vendors) in the ordinary course of business in order to minimize disruption to the Debtors’ businesses. Finally, maintaining the current Cash Management System will allow the Debtors’ treasury and accounting employees to focus on their daily responsibilities.



37. The Debtors respectfully submit that parties in interest will not be harmed by their maintenance of the Cash Management System, including maintenance of the Bank Accounts and the Intercompany Transactions, because the Debtors have implemented appropriate mechanisms to ensure that unauthorized payments will not be made on account of prepetition obligations. Specifically, with the assistance of their advisors, the Debtors have implemented internal control procedures that prohibit payments on account of prepetition debts without the prior approval of the Debtors' respective treasury departments. In light of such protective measures, the Debtors submit that maintaining the Cash Management System is in the best interests of their estates and creditors.

38. Accordingly, the Debtors respectfully request the Court authorize the continued use of the existing Cash Management System to facilitate the Debtors' transition into chapter 11. Specifically, the Debtors respectfully request that the Court authorize the Cash Management Banks to continue to maintain, service, and administer the Bank Accounts as accounts of the Debtors as debtors in possession, without interruption and in the ordinary course of business. In this regard, the Cash Management Banks should be authorized to receive, process, honor, and pay any and all checks, ACH transfers and other instructions, and drafts payable through, drawn, or directed on such Bank Accounts after the Petition Date by holders, makers, or other parties entitled to issue instructions with respect thereto. Notwithstanding the foregoing, any check, draft, or other notification that the Debtors advise the Cash Management Banks to have drawn, issued, or otherwise presented before the Petition Date may be honored by the Cash Management Banks only to the extent authorized by order of the Court. If the Debtors' ability to conduct transactions by these methods is impaired, the Debtors may be unable to perform under certain contracts, and

payments to vendors could be delayed, resulting in unnecessary disruption to their business operations and additional costs to their estates.

39. The Debtors further request that the Court authorize the Cash Management Banks to accept and honor all representations from the Debtors as to which checks, drafts, wires, or ACH transfers should be honored or dishonored consistent with any order of the Court and governing law, whether such checks, drafts, wires, or ACH transfers are dated before or subsequent to the Petition Date. The Debtors also request that, to the extent a bank honors a prepetition check or other item drawn on any account either: (a) at the direction of the Debtors; (b) in the good-faith belief that the Court has authorized such prepetition check or item to be honored; or (c) as a result of a mistake made despite implementation of reasonable customary item handling procedures, such bank will not be deemed to be liable to the Debtors, their estates, or any other party on account of such prepetition check or other item honored postpetition. The Debtors respectfully submit that such relief is reasonable and appropriate because the Cash Management Banks are not in a position to independently verify or audit whether a particular item may be paid in accordance with a Court order or otherwise.

40. Courts in this district routinely allow debtors in large chapter 11 cases to maintain their existing cash management systems and such relief generally is non-controversial. *See, e.g., In re Anna Holdings, Inc.*, No. 19-12551 (CSS) (Bankr. D. Del. Dec. 3, 2019) (authorizing the debtors to continue using the cash management system maintained by the debtors prepetition on an interim basis); *In re Destination Maternity Corp.*, No. 19-12256 (BLS) (Bankr. D. Del. Nov. 12, 2019) (authorizing the debtors to continue using the cash management system maintained by the debtors prepetition on a final basis); *In re Forever 21 Inc.*, No. 19-12122 (KG) (Bankr. D. Del. Oct. 28, 2019) (same); *In re PES Holdings, LLC*, No. 19-11626 (KG) (Bankr. D. Del. Aug. 20,

2019) (same); *In re Blackhawk Mining LLC*, No. 19-11595 (LSS) (Bankr. D. Del. Aug. 9, 2019) (same).<sup>14</sup>

## **II. The Court Should Authorize the Debtors to Continue Using the Business Forms.**

41. To avoid disruption of the Cash Management System and unnecessary expense, the Debtors request that they be authorized to continue to use the Business Forms substantially in the form existing immediately before the Petition Date, without reference to their status as debtors in possession. The Debtors submit that parties in interest will not be prejudiced by this relief. Parties doing business with the Debtors undoubtedly will be aware of their status as debtors in possession and, thus, changing business forms is unnecessary and would be unduly burdensome.

42. In other large chapter 11 cases, courts in this district have allowed debtors to use their prepetition business forms without the “debtor in possession” label. *See, e.g., In re Anna Holdings, Inc.*, No. 19-12551 (CSS) (Bankr. D. Del. Dec. 3, 2019) (authorizing debtors’ continued use of preprinted business forms without a “Debtor in Possession” marking until the supply is exhausted on an interim basis); *In re Destination Maternity Corp.*, No. 19-12256 (BLS) (Bankr. D. Del. Nov. 12, 2019) (authorizing debtors’ continued use of preprinted business forms without a “Debtor in Possession” marking until the supply is exhausted on a final basis); *In re Forever 21 Inc.*, No. 19-12122 (KG) (Bankr. D. Del. Oct. 28, 2019) (same); *In re PES Holdings, LLC*, No. 19-11626 (KG) (Bankr. D. Del. Aug. 20, 2019) (same); *In re Blackhawk Mining LLC*, No. 19-11595 (LSS) (Bankr. D. Del. Aug. 9, 2019) (same).

---

<sup>14</sup> Because of the voluminous nature of the orders cited herein, such orders have not been attached to this motion. Copies of these orders are available upon request to the Debtors’ proposed counsel.

**III. The Court Should Authorize the Debtors to Continue Conducting Intercompany Transactions in the Ordinary Course and Grant Administrative Priority Status to Postpetition Intercompany Claims Among the Debtors.**

43. The Debtors' funds move through the Cash Management System as described above. At any given time, there may be Intercompany Claims owed by one Debtor or to another Debtor, or a Debtor to a non-debtor affiliate (or vice versa). Intercompany Transactions are made between and among Debtors and non-debtor affiliates in the ordinary course as part of the Cash Management System. The Debtors track all fund transfers in their accounting system and can ascertain, trace, and account for all Intercompany Transactions previously described. The Debtors, moreover, will continue to maintain records of such Intercompany Transactions. If the Intercompany Transactions were to be discontinued, the Cash Management System and related administrative controls would be disrupted to the Debtors' and each of their estates' detriment. Accordingly, the Debtors respectfully submit that the continued performance of the Intercompany Transactions is in the best interest of the Debtors' estates and their creditors and, therefore, the Debtors should be permitted to continue such performance.

44. The Debtors further request that pursuant to section 503(b)(1) of the Bankruptcy Code, all postpetition payments between or among a Debtor and another Debtor or a non-debtor affiliate on account of an Intercompany Transaction be accorded administrative expense status, which would result in an administrative expense claim in favor of the applicable Debtor-payer. This relief will ensure that each entity receiving payments from a Debtor will continue to bear ultimate repayment responsibility for such ordinary course transactions, thereby reducing the risk that these transactions would jeopardize the recoveries available to each Debtor's respective creditors. For the avoidance of doubt, the relief requested herein with respect to the postpetition Intercompany Transactions and the intercompany balances resulting therefrom shall not constitute an admission of the Debtors or any other party as to the validity, priority, or status

of any prepetition intercompany balance or the Intercompany Transaction(s) from which such intercompany balance may have arisen.

45. Courts in this district have routinely granted administrative expense status to postpetition intercompany transfers in other large chapter 11 cases for similar reasons. *See, e.g., In re Anna Holdings, Inc.*, No. 19-12551 (CSS) (Bankr. D. Del. Dec. 3, 2019) (granting administrative expense status to intercompany claims on an interim basis); *In re Forever 21 Inc.*, No. 19-12122 (KG) (Bankr. D. Del. Oct. 28, 2019) (granting administrative expense status to intercompany claims on a final basis); *In re PES Holdings, LLC*, No. 19-11626 (KG) (Bankr. D. Del. Aug. 20, 2019) (same); *In re Blackhawk Mining LLC*, No. 19-11595 (LSS) (Bankr. D. Del. Aug. 9, 2019) (same); *In re Z Gallerie, LLC, Inc.*, No. 19-10488 (LSS) (Bankr. D. Del. Apr. 9, 2019) (same).

**IV. Cause Exists to Waive Section 345 of the Bankruptcy Code to the Extent it Is applicable to the Cash Management System.**

46. Section 345(a) of the Bankruptcy Code governs a debtor's deposits during a chapter 11 case and authorizes deposits of money as "will yield the maximum reasonable net return on such money, taking into account the safety of such deposit or investment." 11 U.S.C. § 345(a). Section 345(b) of the Bankruptcy Code requires that a debtor's bank post a bond unless a debtor's funds are "insured or guaranteed by the United States or by a department, agency, or instrumentality of the United States or backed by the full faith and credit of the United States." 11 U.S.C. § 345(b).

47. The Debtors believe that the Bank Accounts generally comply with section 345 of the Bankruptcy Code. To the extent the Bank Accounts are not in compliance with section 345(b) of the Bankruptcy Code, the Debtors submit that cause exists to waive any such noncompliance. Although RBC is not an authorized depository under the U.S. Trustee Guidelines, it is a highly

rated, global financial institution that is widely recognized as well-capitalized and financially stable. Because RBC is based outside of the United States, it is less likely to be identified by the U.S. Trustee as an authorized depository. Additionally, RBC is a member of the Canada Deposit Insurance Corporation, which protects eligible deposits up to CAD \$100,000. The Debtors believe that RBC is well positioned to perform depository and cash management functions during the chapter 11 cases and respectfully submit that cause exists to allow the Debtors to continue utilizing the existing Bank Accounts consistent with historical practices. As a prepackaged chapter 11 case, changes to the Cash Management System would be a needless and relatively costly distraction. Therefore, the Debtors request that section 345 of the Bankruptcy Code be waived to the extent it is applicable to the Cash Management System.

**Processing of Checks and Electronic Fund Transfers Should Be Authorized**

48. The Debtors have sufficient funds to pay the amounts described in this motion in the ordinary course of business by virtue of expected cash flows from ongoing business operations, and anticipated access to cash collateral. In addition, under the Debtors' existing cash management system, the Debtors can readily identify checks or wire transfer requests as relating to any authorized payment in respect of the relief requested herein. Accordingly, the Debtors believe that checks or wire transfer requests, other than those relating to authorized payments, will not be honored inadvertently. Therefore, the Debtors respectfully request that the Court authorize all applicable financial institutions, when requested by the Debtors, to receive, process, honor, and pay any and all checks or wire transfer requests in respect of the relief requested in this motion.

**The Requirements of Bankruptcy Rule 6003 Are Satisfied**

49. Bankruptcy Rule 6003 empowers a court to grant relief within the first 21 days after the Petition Date "to the extent that relief is necessary to avoid immediate and irreparable harm." For the reasons discussed above, the Debtors believe an immediate and orderly transition into

chapter 11 is critical to the viability of their operations and that any delay in granting the relief requested could hinder the Debtors' operations and cause irreparable harm. Furthermore, the failure to receive the requested relief during the first 21 days of these chapter 11 cases would severely disrupt the Debtors' operations at this important juncture. For the reasons discussed herein, the relief requested is necessary for the Debtors to operate their businesses in the ordinary course and preserve the ongoing value of the Debtors' operations and maximize the value of their estates for the benefit of all stakeholders. Accordingly, the Debtors submit that they have satisfied the "immediate and irreparable" standard of Bankruptcy Rule 6003 to support granting the relief requested herein.

#### **Reservation of Rights**

50. Nothing contained herein is intended or shall be construed as: (a) an admission as to the amount of, basis for, or validity of, any claim against the Debtors under the Bankruptcy Code or other applicable nonbankruptcy law; (b) a waiver of the Debtors' or any other party in interest's right to dispute any claim; (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, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; or (g) a waiver of any claims or causes of action which may exist against any entity under the Bankruptcy Code or any other applicable law. 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 the Debtors' rights to subsequently dispute such claim.

**Waiver of Bankruptcy Rule 6004(a) and 6004(h)**

51. To implement the foregoing successfully, the Debtors seek a waiver of the notice requirements under Bankruptcy Rule 6004(a) and the 14-day stay of an order authorizing the use, sale, or lease of property under Bankruptcy Rule 6004(h).

**Notice**

52. The Debtors have provided notice of this motion to the following parties or their respective counsel: (a) the office of the U.S. Trustee for the District of Delaware; (b) the holders of the 30 largest unsecured claims against the Debtors (on a consolidated basis); (c) the Term Loan Agent; (d) counsel to the Ad Hoc Term Loan Lender Group; (e) the office of the attorneys general for the states in which the Debtors operate; (f) the United States Attorney's Office for the District of Delaware; (g) the Internal Revenue Service; (h) the Cash Management Banks; and (i) any party that has requested notice pursuant to Bankruptcy Rule 2002. As this motion is seeking "first day" relief, within two business days of the hearing on this motion, the Debtors will serve copies of this motion and any order entered in respect to this motion as required by Local Rule 9013-1(m). The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

**No Prior Request**

53. No prior request for the relief sought in this motion has been made to this or any other court.

*[Remainder of page intentionally left blank]*



WHEREFORE, the Debtors respectfully request that the Court enter interim and final orders, substantially in the forms attached hereto as **Exhibit A** and **Exhibit B**, granting the relief requested herein and such other relief as the Court deems appropriate under the circumstances.

Dated: December 17, 2019  
Wilmington, Delaware

*/s/ Domenic E. Pacitti*

---

Domenic E. Pacitti (DE Bar No. 3989)  
Michael W. Yurkewicz (DE Bar No. 4165)  
**KLEHR HARRISON HARVEY BRANZBURG LLP**  
919 N. Market Street, Suite 1000  
Wilmington, Delaware 19801  
Telephone: (302) 426-1189  
Facsimile: (302) 426-9193  
Email: dpacitti@klehr.com  
myurkewicz@klehr.com

-and-

Morton R. Branzburg (*pro hac vice* pending)  
**KLEHR HARRISON HARVEY BRANZBURG LLP**  
1835 Market Street, Suite 1400  
Philadelphia, Pennsylvania 19103  
Telephone: (215) 569-3007  
Facsimile: (215) 568-6603  
Email: mbranzburg@klehr.com

-and-

Joshua A. Sussberg, P.C. (*pro hac vice* pending)  
Matthew C. Fagen (*pro hac vice* pending)  
**KIRKLAND & ELLIS LLP**  
**KIRKLAND & ELLIS INTERNATIONAL LLP**  
601 Lexington Avenue  
New York, New York 10022  
Telephone: (212) 446-4800  
Facsimile: (212) 446-4900  
Email: joshua.sussberg@kirkland.com  
matthew.fagen@kirkland.com

*Proposed Co-Counsel for the Debtors and Debtors in Possession*

**Exhibit A**

**Proposed Interim Order**

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

In re:

CLOVER TECHNOLOGIES GROUP, LLC, *et al.*,<sup>1</sup>

Debtors.

)  
 ) Chapter 11  
 )  
 ) Case No. 19-12680 (\_\_\_\_)  
 )  
 ) (Joint Administration Requested)  
 )  
 ) **Re: Docket No.** \_\_\_\_\_

**INTERIM ORDER AUTHORIZING  
THE DEBTORS TO (I) CONTINUE TO OPERATE  
THEIR CASH MANAGEMENT SYSTEM, (II) MAINTAIN EXISTING  
BUSINESS FORMS, AND (III) PERFORM INTERCOMPANY TRANSACTIONS**

Upon the motion (the “Motion”)<sup>2</sup> of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of an interim order (this “Interim Order”), authorizing the Debtors to (a) continue to operate their Cash Management System, (b) maintain existing Business Forms in the ordinary course of business, (c) continue to perform the Intercompany Transactions consistent with historical practice, and (d) scheduling a final hearing to consider approval of the Motion on a final basis, all as more fully set forth in the Motion; and upon the First Day Declaration; and this Court having jurisdiction over this matter 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; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Clover Technologies Group, LLC (9236); 4L Holdings Corporation (0292); 4L Technologies Inc. (5035); Clover Ithaca Properties, LLC (9236); Refurb Holdings, LLC (1230); Clover Wireless, LLC (0313); and Valu Tech Outsourcing, LLC (3563). The location of the Debtors' service address in these chapter 11 cases is: 5850 Granite Parkway, Suite 720, Plano, Texas 75024.

<sup>2</sup> Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Motion.

this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; 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 in this Interim Order.
2. The final hearing (the "Final Hearing") on the Motion shall be held on \_\_\_\_\_, 2020, at \_\_\_\_:\_\_\_\_ m., prevailing Eastern Time. Any objections or responses to entry of a final order on the Motion shall be filed on or before 4:00 p.m., prevailing Eastern Time, on \_\_\_\_\_, 2020.
3. The Debtors are authorized, but not directed, to: (a) continue operating the Cash Management System, substantially as identified on Exhibit 1 attached hereto and as described in the Motion; (b) honor their prepetition obligations related thereto; (c) maintain existing Business Forms; and (d) continue to perform Intercompany Transactions consistent with historical practice.
4. The Debtors are authorized, but not directed, to: (a) continue to use, with the same account numbers, the Bank Accounts in existence as of the Petition Date, including those accounts identified on Exhibit 2 attached hereto, and need not comply with certain guidelines relating to bank accounts set forth in the U.S. Trustee Operating Guidelines; (b) use, in their present form, all preprinted correspondence and Business Forms (including letterhead) without reference to the Debtors' status as debtors in possession; (c) treat the Bank Accounts for all

purposes as accounts of the Debtors as debtors in possession; and (d) deposit funds in and withdraw funds from the Bank Accounts by all usual means, including checks, wire transfers, and other debits, and to otherwise perform their obligations under the documents governing the Bank Accounts.

5. The Cash Management Banks are authorized to continue to maintain, service, and administer the Bank Accounts as accounts of the Debtors as debtors in possession, without interruption and in the ordinary course, and to receive, process, honor, and pay, to the extent of available funds, any and all checks, drafts, wires, credit card payments, and ACH transfers issued and drawn on the Bank Accounts after the Petition Date by the holders or makers thereof, as the case may be.

6. Any existing deposit agreements between, among other parties, the Debtors and the Cash Management Banks shall continue to govern the postpetition cash management relationship between the Debtors and the Cash Management Banks, and all of the provisions of such agreements, including, without limitation, the termination and fee provisions, shall remain in full force and effect unless otherwise ordered by the Court, and the Debtors and the Cash Management Banks may, without further order of this Court, agree to and implement changes to the Cash Management System and cash management procedures in the ordinary course of business, including, without limitation, the opening and closing of bank accounts, subject to the terms and conditions of this Interim Order.

7. Section 345 of the Bankruptcy Code and any provision of the U.S. Trustee Guidelines requiring that the Bank Accounts be U.S. Trustee authorized depositories is suspended for an interim period of forty-five (45) days, subject to the entry of a Final Order, with respect to the Bank Accounts existing as of the Petition Date; *provided* that such date may be further extended

without further motion by the Debtors, and upon further order from the Court submitted on certification of counsel filed on the docket and served on the notice parties, with prior consent of the U.S. Trustee and any official committee appointed in these cases, if any (which consent may be by email); *provided, further*, that this relief is without prejudice to the Debtors' rights to request further extensions thereof by motion (including if the Debtors, the U.S. Trustee, and any committee appointed in these cases, if any, are unable to reach agreement pursuant to the preceding proviso).

8. Subject to the terms hereof, the Debtors are authorized, but not directed, in the ordinary course of business, to open any new bank accounts or close any existing Bank Accounts and enter into any ancillary agreements, including deposit account control agreements, related to the foregoing, as they may deem necessary and appropriate; *provided, however*, that the Debtors give notice of such opening or closing within fifteen (15) days to (a) the Office of the United States Trustee for the District of Delaware, (b) the Term Loan Agent, (c) counsel to the Ad Hoc Term Loan Lender Group, and (d) should any official committee be appointed, any official committee; *provided* that any new Bank Account shall be opened with a bank that has executed a Uniform Depository Agreement with the United States Trustee for the District of Delaware or that is willing to immediately execute such an agreement.

9. All banks maintaining any Imaging Accounts or other accounts related to assets sold prepetition are authorized to transfer such accounts and/or funds therein to the purchaser at the Debtors' direction, and may rely upon the representations of the Debtors without any further investigation.

10. The relief granted in this Interim Order is extended to any new bank account opened by the Debtors in the ordinary course of business after the date hereof, which account shall be

deemed a “Bank Account,” and to the bank at which such account is opened, which bank shall be deemed a “Cash Management Bank.”

11. All banks maintaining any of the Bank Accounts that are provided with notice of this Interim Order shall not honor or pay any bank payments drawn on the listed Bank Accounts or otherwise issued before the Petition Date for which the Debtors specifically issue timely stop payment orders in accordance with the documents governing such Bank Accounts.

12. The Debtors’ Cash Management Banks are authorized to debit the Debtors’ accounts in the ordinary course of business without the need for further order of this Court for all checks drawn on the Debtors’ account.

13. The Cash Management Banks are authorized, without further order of this Court, to charge back to the appropriate accounts of the Debtors any amounts resulting from returned checks or other returned items, including returned items that result from ACH transactions, wire transfers, or other electronic transfers of any kind, regardless of whether such returned items were deposited or transferred prepetition or postpetition and regardless of whether the returned items relate to prepetition or postpetition items or transfers.

14. Subject to the terms set forth herein, any bank, including the Cash Management Banks, may rely upon the representations of the Debtors with respect to whether any check, draft, wire, or other transfer drawn or issued by the Debtors prior to the Petition Date should be honored pursuant to any order of this Court, and no bank that honors a prepetition check or other item drawn on any account that is the subject of this Interim Order (a) at the direction of the Debtors, (b) in a good-faith belief that this Court has authorized such prepetition check or item to be honored, or (c) as a result of a mistake made despite implementation of reasonable customary handling procedures, shall be deemed to be nor shall be liable to the Debtors, their estates, or any

other party on account of such prepetition check or other item being honored postpetition, or otherwise deemed to be in violation of this Interim Order.

15. Except as otherwise provided in this Interim Order, the Cash Management Banks are authorized to charge, and the Debtors are authorized to pay, honor, or allow, prepetition and postpetition fees, costs, charges, and expenses, including the Bank Fees, whether such items were deposited prepetition or postpetition, to the Bank Accounts in the ordinary course of business and consistent with prepetition practices. Any such postpetition fees, costs, charges, and expenses, including the Bank Fees, that are not so paid shall be entitled to priority as administrative expenses pursuant to section 503(b)(1) of the Bankruptcy Code.

16. Any banks, including the Cash Management Banks, are further authorized to honor the Debtors' directions with respect to the opening and closing of any bank account and accept and hold, or invest, the Debtors' funds in accordance with the Debtors' instructions; *provided that* the Cash Management Banks shall not have any liability to any party for relying on such representations to the extent such reliance otherwise complies with applicable law.

17. The Debtors are authorized, but not directed, to continue issuing and reimbursing the Corporate Cards and using the Corporate Card Program in the ordinary course of business and consistent with prepetition practices, including by paying prepetition and postpetition obligations outstanding with respect thereto, subject to the limitations of this Interim Order and any interim and final order(s) of this Court granting the Wages Motion, and any other applicable interim and/or final orders of this Court.

18. The Debtors are authorized, but not directed, to continue engaging in Intercompany Transactions in connection with the Cash Management System in the ordinary course of business. The Debtor shall maintain accurate and detailed records of all Intercompany



Transactions so that all transactions may be readily traced and ascertained. All postpetition payments from a Debtor to another Debtor under any postpetition Intercompany Transactions authorized hereunder are hereby accorded administrative expense status under section 503(b) of the Bankruptcy Code and any such payments to a non-debtor affiliate shall result in an intercompany claim of each such non-debtor affiliate in favor of such Debtor.

19. Nothing contained in the Motion or this Interim Order shall be construed to (a) create or perfect, in favor of any person or entity, any interest in cash of a Debtor that did not exist as of the Petition Date or (b) alter or impair the validity, priority, enforceability, or perfection of any security interest or lien or setoff right, in favor of any person or entity, that existed as of the Petition Date.

20. The banks and financial institutions on which checks were drawn or electronic payment requests made in payment of the prepetition obligations approved herein are authorized to receive, process, honor, and pay all such checks and electronic payment requests when presented for payment, and all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Interim Order.

21. Notwithstanding the relief granted in this Interim Order and any actions taken pursuant to such relief, nothing in this Interim Order shall be deemed: (a) an admission as to the validity of any prepetition claim against a Debtor entity; (b) a waiver of the Debtors' or any other party in interest's right to dispute any prepetition claim on any grounds; (c) a promise or requirement to pay any prepetition claim; (d) an implication or admission that any particular claim is of a type specified or defined in this Interim Order or the Motion; (e) a request or authorization to assume any prepetition agreement, contract, or lease pursuant to section 365 of the

Bankruptcy Code; (f) a waiver of the Debtors' or any other party in interest's 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 the Motion are valid, and the rights of all parties in interest are expressly reserved to contest the extent, validity, or perfection or seek avoidance of all such liens.

22. The Debtors are authorized to issue postpetition checks, or to effect postpetition fund transfer requests, in replacement of any checks or fund transfer requests that are dishonored as a consequence of these chapter 11 cases with respect to prepetition amounts owed in connection with the relief granted herein.

23. For Cash Management Banks at which the Debtors hold Bank Accounts that are party to a Uniform Depository Agreement with U.S. Trustee, within fifteen (15) days of the date of entry of this Interim Order, the Debtors shall (a) contact each bank, (b) provide the bank with each of the Debtors' employer identification numbers and bankruptcy case number, and (c) identify each of their Bank Accounts held at such banks as being held by a debtor in possession in a bankruptcy case.

24. For Cash Management Banks that are not party to a Uniform Depository Agreement with the Office of the United States Trustee for the District of Delaware, the Debtors shall use their good faith efforts to cause the Cash Management Banks to execute a Uniform Depository Agreement in a form prescribed by the Office of the United States Trustee within forty five (45) days of the date of entry of this Interim Order.

25. The contents of the Motion satisfy the requirements of Bankruptcy Rule 6003(b).

26. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a) and the Local Rules are satisfied by such notice.

27. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Interim Order are immediately effective and enforceable upon its entry.

28. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Interim Order in accordance with the Motion.

29. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Interim Order.

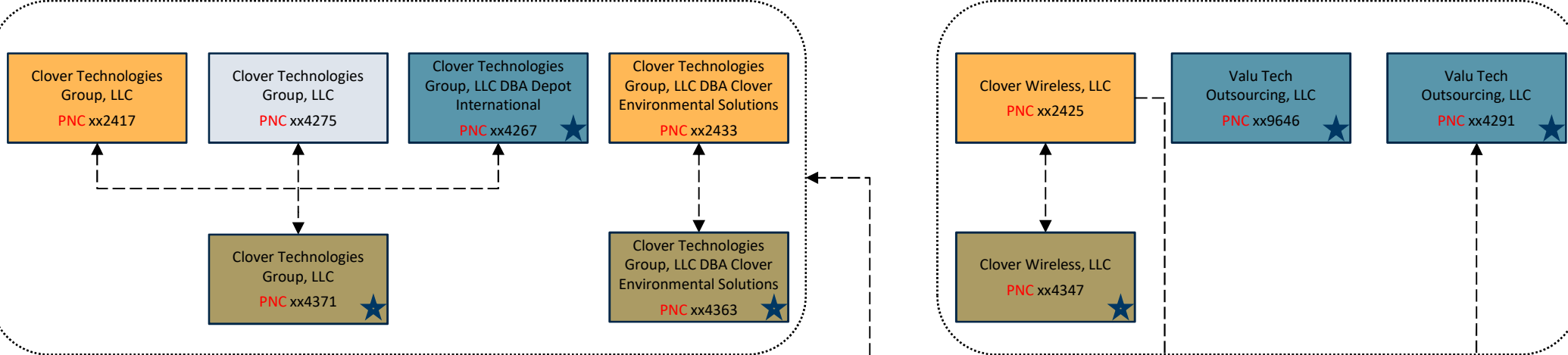
Dated: \_\_\_\_\_, 2019  
Wilmington, Delaware

\_\_\_\_\_  
United States Bankruptcy Judge

**Exhibit 1**

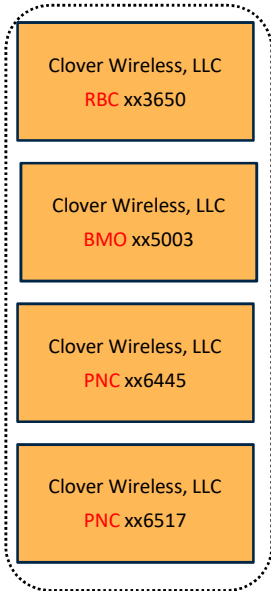
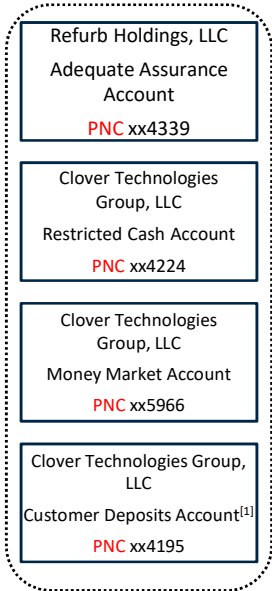
**Cash Management System Schematic**

### Imaging Accounts



### Disbursement Accounts in Foreign Currency (e.g., CAD, GBP, EUR)

### Standalone Accounts



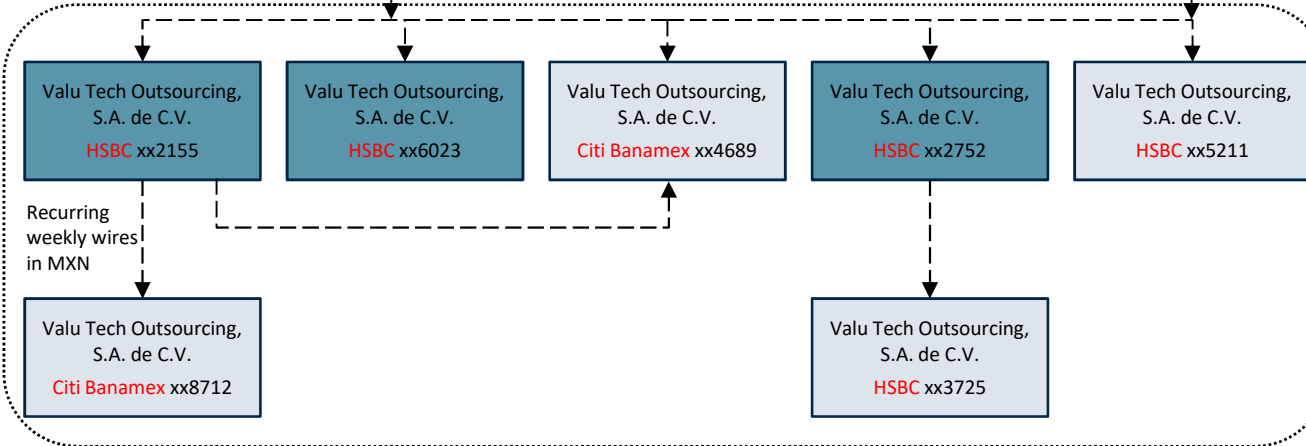
4L Technologies, Inc.  
PNC xx4398

Recurring weekly / daily wires in MXN and USD to Mexico accounts

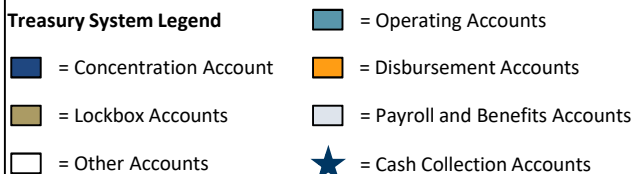
Clover Wireless, LLC  
CA Payable Account  
Citizens xx6688

Recurring weekly wires in MXN and USD to Mexico accounts

### Non-Debtor Accounts



### Treasury System Legend



[1] – The bank account ending in 4195 is used for the Imaging business.

**Exhibit 2**

**Bank Accounts**

No.	Entity	Bank	Location	Description	Account No.	Currency
1	4L Technologies, Inc.	PNC Bank	Pittsburgh, PA	Concentration	4398	USD
2	Clover Technologies Group, LLC	PNC Bank	Pittsburgh, PA	Imaging (Lockbox)	4371	USD
3	Clover Technologies Group, LLC	PNC Bank	Pittsburgh, PA	Imaging (Disbursement)	2417	USD
4	Clover Technologies Group, LLC	PNC Bank	Pittsburgh, PA	Imaging (Payroll and Benefits)	4275	USD
5	Clover Technologies Group, LLC DBA Depot International	PNC Bank	Pittsburgh, PA	Imaging (Operating)	4267	USD
6	Clover Technologies Group, LLC DBA Clover Environmental Solutions	PNC Bank	Pittsburgh, PA	Imaging (Disbursement)	2433	USD
7	Clover Technologies Group, LLC DBA Clover Environmental Solutions	PNC Bank	Pittsburgh, PA	Imaging (Lockbox)	4363	USD
8	Clover Technologies Group, LLC	PNC Bank	Pittsburgh, PA	Restricted Cash	4224	USD
9	Clover Technologies Group, LLC	PNC Bank	Pittsburgh, PA	Customer Deposits	4195	USD
10	Clover Wireless, LLC	PNC Bank	Pittsburgh, PA	Lockbox	4347	USD
11	Clover Wireless, LLC	PNC Bank	Pittsburgh, PA	Disbursements	2425	USD
12	Refurb Holdings, LLC	PNC Bank	Pittsburgh, PA	Adequate Assurance	4339	USD
13	Valu Tech Outsourcing, LLC	PNC Bank	Pittsburgh, PA	Operating	9646	USD
14	Valu Tech Outsourcing, LLC	PNC Bank	Pittsburgh, PA	Operating	4291	USD
15	Clover Wireless, LLC	PNC Bank	Pittsburgh, PA	Disbursements	6445	GBP
16	Clover Wireless, LLC	PNC Bank	Pittsburgh, PA	Disbursements	6517	EUR
17	Clover Technologies Group, LLC	PNC Bank	Pittsburgh, PA	Money Market	5966	USD
18	Clover Wireless, LLC	Royal Bank Canada	Toronto, ON	Disbursements	3650	CAD
19	Clover Wireless, LLC	Bank of Montreal	Burling, ON	Disbursements	5003	CAD
20	Clover Wireless, LLC	Citizens Financial Group, Inc.	Riverside, RI	CA Payables	6688	USD
21	Valu Tech Outsourcing, S.A. de C.V	HSBC Mexico S.A.	Mexicali, MX	Non-Debtor (Operating)	2155	MXN
22	Valu Tech Outsourcing, S.A. de C.V	HSBC Mexico S.A.	Mexicali, MX	Non-Debtor (Operating)	6023	USD
23	Valu Tech Outsourcing, S.A. de C.V	Grupo Financiero Banamex S.A. de C.V.	Mexicali, MX	Non-Debtor (Payroll and Benefits)	8712	MXN
24	Valu Tech Outsourcing, S.A. de C.V	Grupo Financiero Banamex S.A. de C.V.	Mexicali, MX	Non-Debtor (Payroll and Benefits)	4689	MXN
25	Valu Tech Outsourcing, S.A. de C.V	HSBC Mexico S.A.	Juárez, MX	Non-Debtor (Operating)	2752	MXN
26	Valu Tech Outsourcing, S.A. de C.V	HSBC Mexico S.A.	Juárez, MX	Non-Debtor (Payroll and Benefits)	5211	USD
27	Valu Tech Outsourcing, S.A. de C.V	HSBC Mexico S.A.	Juárez, MX	Non-Debtor (Payroll and Benefits)	3725	MXN

**Exhibit B**

**Proposed Final Order**



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

In re: \_\_\_\_\_ )  
 CLOVER TECHNOLOGIES GROUP, LLC, *et al.*,<sup>1</sup> ) Chapter 11  
 Debtors. ) Case No. 19-12680 (\_\_\_\_)  
 ) (Joint Administration Requested)  
 )  
 ) **Re: Docket No. \_\_\_\_**

**FINAL ORDER AUTHORIZING  
THE DEBTORS TO (I) CONTINUE TO OPERATE THEIR  
CASH MANAGEMENT SYSTEM, (II) MAINTAIN EXISTING  
BUSINESS FORMS, AND (III) PERFORM INTERCOMPANY TRANSACTIONS**

Upon the motion (the “Motion”)<sup>2</sup> of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of a final order (this “Final Order”), authorizing the Debtors to (a) continue to operate their Cash Management System, (b) maintain existing Business Forms in the ordinary course of business, and (c) continue to perform the Intercompany Transactions consistent with historical practice, all as more fully set forth in the Motion; and upon the First Day Declaration; and this Court having jurisdiction over this matter 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; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Clover Technologies Group, LLC (9236); 4L Holdings Corporation (0292); 4L Technologies Inc. (5035); Clover Ithaca Properties, LLC (9236); Refurb Holdings, LLC (1230); Clover Wireless, LLC (0313); and Valu Tech Outsourcing, LLC (3563). The location of the Debtors' service address in these chapter 11 cases is: 5850 Granite Parkway, Suite 720, Plano, Texas 75024.

<sup>2</sup> Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Motion.

this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; 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 in this Final Order.
2. The Debtors are authorized, but not directed, to: (a) continue operating the Cash Management System, substantially as identified on Exhibit 1 attached hereto and as described in the Motion; (b) honor their prepetition obligations related thereto; (c) maintain existing Business Forms; and (d) continue to perform Intercompany Transactions consistent with historical practice.
3. The Debtors are authorized, but not directed, to: (a) continue to use, with the same account numbers, the Bank Accounts in existence as of the Petition Date, including those accounts identified on Exhibit 2 attached hereto, and need not comply with certain guidelines relating to bank accounts set forth in the U.S. Trustee Operating Guidelines; (b) use, in their present form, all preprinted correspondence and Business Forms (including letterhead) without reference to the Debtors' status as debtors in possession; (c) treat the Bank Accounts for all purposes as accounts of the Debtors as debtors in possession; and (d) deposit funds in and withdraw funds from the Bank Accounts by all usual means, including checks, wire transfers, and other debits, and to otherwise perform their obligations under the documents governing the Bank Accounts.

4. The Cash Management Banks are authorized to continue to maintain, service, and administer the Bank Accounts as accounts of the Debtors as debtors in possession, without interruption and in the ordinary course, and to receive, process, honor, and pay, to the extent of available funds, any and all checks, drafts, wires, credit card payments, and ACH transfers issued and drawn on the Bank Accounts after the Petition Date by the holders or makers thereof, as the case may be.

5. Any existing deposit agreements, between, among other parties, the Debtors and the Cash Management Banks shall continue to govern the postpetition cash management relationship between the Debtors and the Cash Management Banks, and all of the provisions of such agreements, including, without limitation, the termination and fee provisions, shall remain in full force and effect unless otherwise ordered by the Court, and the Debtors and the Cash Management Banks may, without further order of this Court, agree to and implement changes to the Cash Management System and cash management procedures in the ordinary course of business, including, without limitation, the opening and closing of bank accounts, subject to the terms and conditions of this Final Order.

6. Section 345 of the Bankruptcy Code and any provision of the U.S. Trustee Guidelines requiring that the Bank Accounts be U.S. Trustee authorized depositories is waived with respect to the Bank Accounts existing as of the Petition Date.

7. Subject to the terms hereof, the Debtors are authorized, but not directed, in the ordinary course of business, to open any new bank accounts or close any existing Bank Accounts and enter into any ancillary agreements, including deposit account control agreements, related to the foregoing, as they may deem necessary and appropriate; *provided, however*, that the Debtors give notice of such opening or closing within fifteen (15) days to the Office of the United States

Trustee for the District of Delaware and any official committee; *provided* that any new Bank Account shall be opened with a bank that has executed a Uniform Depository Agreement with the United States Trustee for the District of Delaware or that is willing to immediately execute such an agreement.

8. All banks maintaining any Imaging Accounts or other accounts related to assets sold prepetition are authorized to transfer such accounts and/or funds therein to the purchaser at the Debtors' direction, and may rely upon the representations of the Debtors without any further investigation.

9. The relief granted in this Final Order is extended to any new bank account opened by the Debtors in the ordinary course of business after the date hereof, which account shall be deemed a "Bank Account," and to the bank at which such account is opened, which bank shall be deemed a "Cash Management Bank."

10. All banks maintaining any of the Bank Accounts that are provided with notice of this Final Order shall not honor or pay any bank payments drawn on the listed Bank Accounts or otherwise issued before the Petition Date for which the Debtors specifically issue timely stop payment orders in accordance with the documents governing such Bank Accounts.

11. The Debtors' Cash Management Banks are authorized to debit the Debtors' accounts in the ordinary course of business without the need for further order of this Court for all checks drawn on the Debtors' account.

12. The Cash Management Banks are authorized, without further order of this Court, to charge back to the appropriate accounts of the Debtors any amounts resulting from returned checks or other returned items, including returned items that result from ACH transactions, wire transfers, or other electronic transfers of any kind, regardless of whether such returned items were

deposited or transferred prepetition or postpetition and regardless of whether the returned items relate to prepetition or postpetition items or transfers.

13. Subject to the terms set forth herein, any bank, including the Cash Management Banks, may rely upon the representations of the Debtors with respect to whether any check, draft, wire, or other transfer drawn or issued by the Debtors prior to the Petition Date should be honored pursuant to any order of this Court, and no bank that honors a prepetition check or other item drawn on any account that is the subject of this Final Order (a) at the direction of the Debtors, (b) in a good-faith belief that this Court has authorized such prepetition check or item to be honored, or (c) as a result of a mistake made despite implementation of reasonable customary handling procedures, shall be deemed to be nor shall be liable to the Debtors, their estates, or any other party on account of such prepetition check or other item being honored postpetition, or otherwise deemed to be in violation of this Final Order.

14. Except as otherwise provided in this Final Order, the Cash Management Banks are authorized to charge, and the Debtors are authorized to pay, honor, or allow, prepetition and postpetition fees, costs, charges, and expenses, including the Bank Fees, whether such items were deposited prepetition or postpetition, to the Bank Accounts in the ordinary course of business and consistent with prepetition practices. Any such postpetition fees, costs, charges, and expenses, including the Bank Fees, that are not so paid shall be entitled to priority as administrative expenses pursuant to section 503(b)(1) of the Bankruptcy Code.

15. Any banks, including the Cash Management Banks, are further authorized to honor the Debtors' directions with respect to the opening and closing of any Bank Account and accept and hold, or invest, the Debtors' funds in accordance with the Debtors' instructions; *provided that*

the Cash Management Banks shall not have any liability to any party for relying on such representations to the extent such reliance otherwise complies with applicable law.

16. The Debtors are authorized, but not directed, to continue issuing and reimbursing the Corporate Cards and using the Corporate Card Program in the ordinary course of business and consistent with prepetition practices, including by paying prepetition and postpetition obligations outstanding with respect thereto, subject to the limitations of this Final Order and any interim and final order(s) of this Court granting the Wages Motion, and any other applicable interim and/or final orders of this Court.

17. The Debtors are authorized, but not directed, to continue engaging in Intercompany Transactions in connection with the Cash Management System in the ordinary course of business. The Debtor shall maintain accurate and detailed records of all Intercompany Transactions so that all transactions may be readily traced and ascertained. All postpetition payments from a Debtor under any postpetition Intercompany Transactions authorized hereunder are hereby accorded administrative expense status under section 503(b) of the Bankruptcy Code.

18. Nothing contained in the Motion or this Final Order shall be construed to (a) create or perfect, in favor of any person or entity, any interest in cash of a Debtor that did not exist as of the Petition Date or (b) alter or impair the validity, priority, enforceability, or perfection of any security interest or lien or setoff right, in favor of any person or entity, that existed as of the Petition Date.

19. The banks and financial institutions on which checks were drawn or electronic payment requests made in payment of the prepetition obligations approved herein are authorized to receive, process, honor, and pay all such checks and electronic payment requests when presented

for payment, and all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Final Order.

20. Notwithstanding the relief granted in this Final Order and any actions taken pursuant to such relief, nothing in this Final Order shall be deemed: (a) an admission as to the validity of any prepetition claim against a Debtor entity; (b) a waiver of the Debtors' or any other party in interest's right to dispute any prepetition claim on any grounds; (c) a promise or requirement to pay any prepetition claim; (d) an implication or admission that any particular claim is of a type specified or defined in this Final Order or the Motion; (e) a request or authorization to assume any prepetition agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) a waiver of the Debtors' or any other party in interest's 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 the Motion are valid, and the rights of all parties in interest are expressly reserved to contest the extent, validity, or perfection or seek avoidance of all such liens.

21. The Debtors are authorized to issue postpetition checks, or to effect postpetition fund transfer requests, in replacement of any checks or fund transfer requests that are dishonored as a consequence of these chapter 11 cases with respect to prepetition amounts owed in connection with the relief granted herein.

22. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a) and the Local Rules are satisfied by such notice.

23. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Final Order are immediately effective and enforceable upon its entry.

24. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Final Order in accordance with the Motion.

25. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Final Order.

Dated: \_\_\_\_\_, 2020  
Wilmington, Delaware

---

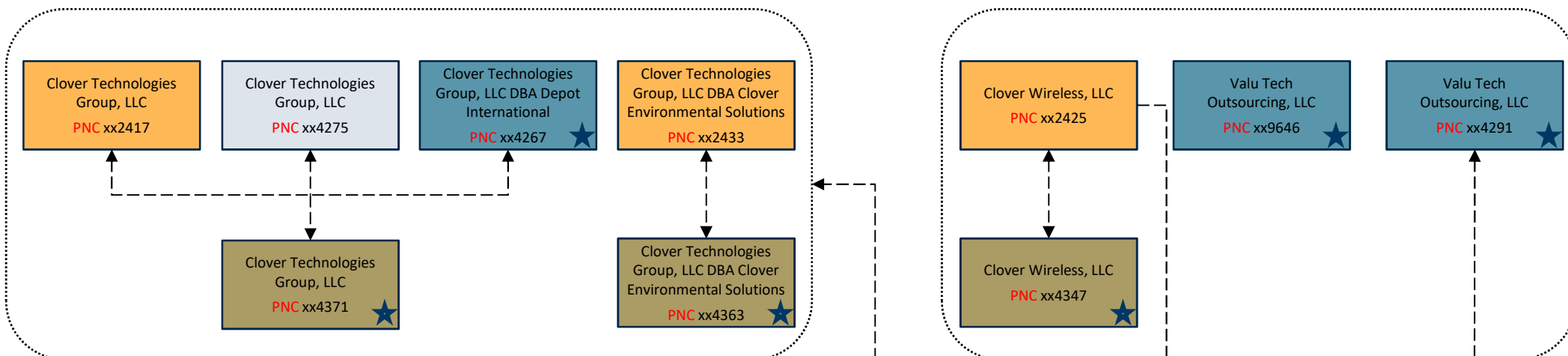
United States Bankruptcy Judge



**Exhibit 1**

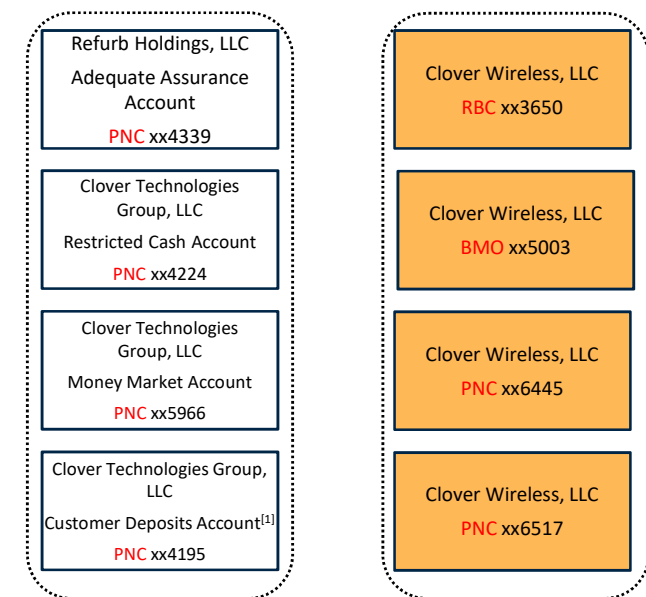
**Cash Management System Schematic**

## Imaging Accounts

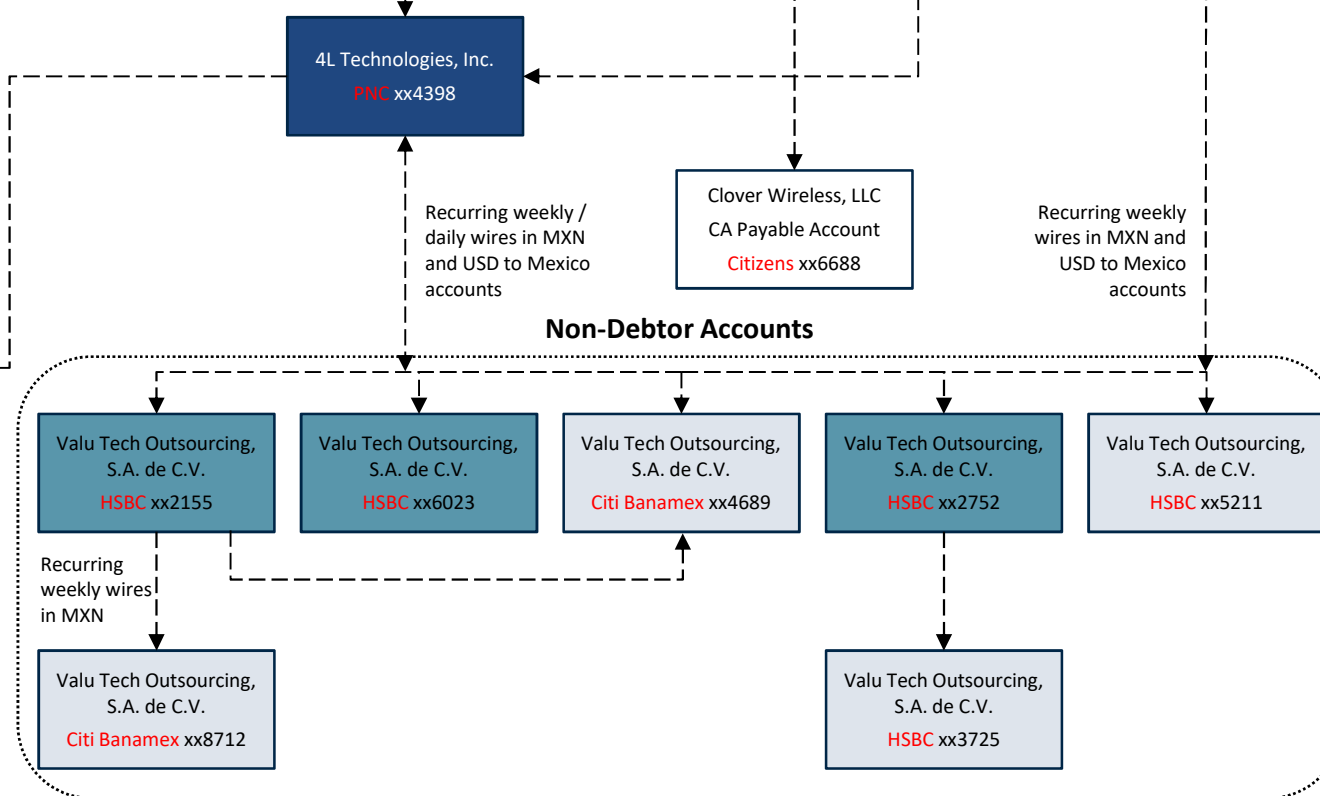


**Disbursement Accounts in  
Foreign Currency (e.g.,  
CAD, GBP, EUR)**

## Standalone Accounts





### Non-Debtor Accounts




### Treasury System Legend

 = Operating Accounts

 = Concentration Account

 = Disbursement Accounts

 = Lockbox Accounts

 = Payroll and Benefits Accounts

☐ = Other Accounts

★ = Cash Collection Accounts

[1] – The bank account ending in 4195 is used for the Imaging business.

**Exhibit 2**

**Bank Accounts**

No.	Entity	Bank	Location	Description	Account No.	Currency
1	4L Technologies, Inc.	PNC Bank	Pittsburgh, PA	Concentration	4398	USD
2	Clover Technologies Group, LLC	PNC Bank	Pittsburgh, PA	Imaging (Lockbox)	4371	USD
3	Clover Technologies Group, LLC	PNC Bank	Pittsburgh, PA	Imaging (Disbursement)	2417	USD
4	Clover Technologies Group, LLC	PNC Bank	Pittsburgh, PA	Imaging (Payroll and Benefits)	4275	USD
5	Clover Technologies Group, LLC DBA Depot International	PNC Bank	Pittsburgh, PA	Imaging (Operating)	4267	USD
6	Clover Technologies Group, LLC DBA Clover Environmental Solutions	PNC Bank	Pittsburgh, PA	Imaging (Disbursement)	2433	USD
7	Clover Technologies Group, LLC DBA Clover Environmental Solutions	PNC Bank	Pittsburgh, PA	Imaging (Lockbox)	4363	USD
8	Clover Technologies Group, LLC	PNC Bank	Pittsburgh, PA	Restricted Cash	4224	USD
9	Clover Technologies Group, LLC	PNC Bank	Pittsburgh, PA	Customer Deposits	4195	USD
10	Clover Wireless, LLC	PNC Bank	Pittsburgh, PA	Lockbox	4347	USD
11	Clover Wireless, LLC	PNC Bank	Pittsburgh, PA	Disbursements	2425	USD
12	Refurb Holdings, LLC	PNC Bank	Pittsburgh, PA	Adequate Assurance	4339	USD
13	Valu Tech Outsourcing, LLC	PNC Bank	Pittsburgh, PA	Operating	9646	USD
14	Valu Tech Outsourcing, LLC	PNC Bank	Pittsburgh, PA	Operating	4291	USD
15	Clover Wireless, LLC	PNC Bank	Pittsburgh, PA	Disbursements	6445	GBP
16	Clover Wireless, LLC	PNC Bank	Pittsburgh, PA	Disbursements	6517	EUR
17	Clover Technologies Group, LLC	PNC Bank	Pittsburgh, PA	Money Market	5966	USD
18	Clover Wireless, LLC	Royal Bank Canada	Toronto, ON	Disbursements	3650	CAD
19	Clover Wireless, LLC	Bank of Montreal	Burling, ON	Disbursements	5003	CAD
20	Clover Wireless, LLC	Citizens Financial Group, Inc.	Riverside, RI	CA Payables	6688	USD
21	Valu Tech Outsourcing, S.A. de C.V	HSBC Mexico S.A.	Mexicali, MX	Non-Debtor (Operating)	2155	MXN
22	Valu Tech Outsourcing, S.A. de C.V	HSBC Mexico S.A.	Mexicali, MX	Non-Debtor (Operating)	6023	USD
23	Valu Tech Outsourcing, S.A. de C.V	Grupo Financiero Banamex S.A. de C.V.	Mexicali, MX	Non-Debtor (Payroll and Benefits)	8712	MXN
24	Valu Tech Outsourcing, S.A. de C.V	Grupo Financiero Banamex S.A. de C.V.	Mexicali, MX	Non-Debtor (Payroll and Benefits)	4689	MXN
25	Valu Tech Outsourcing, S.A. de C.V	HSBC Mexico S.A.	Juárez, MX	Non-Debtor (Operating)	2752	MXN
26	Valu Tech Outsourcing, S.A. de C.V	HSBC Mexico S.A.	Juárez, MX	Non-Debtor (Payroll and Benefits)	5211	USD
27	Valu Tech Outsourcing, S.A. de C.V	HSBC Mexico S.A.	Juárez, MX	Non-Debtor (Payroll and Benefits)	3725	MXN