

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

In re:

BHCOSMETICS HOLDINGS, LLC, *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 22-10050 (\_\_\_\_)

(Joint Administration Requested)

**DEBTORS' MOTION FOR ENTRY OF INTERIM AND FINAL  
ORDERS (I) AUTHORIZING CONTINUED USE OF CASH  
MANAGEMENT SYSTEM; (II) AUTHORIZING USE OF  
PREPETITION BANK ACCOUNTS AND CERTAIN PAYMENT  
METHODS; (III) WAIVING THE REQUIREMENTS OF 11 U.S.C. § 345(b)  
ON AN INTERIM BASIS; AND (IV) GRANTING RELATED RELIEF**

BHCosmetics Holdings, LLC and its affiliated debtors and debtors in possession (collectively, the “Debtors”) in the above-captioned chapter 11 cases (collectively, these “Chapter 11 Cases”) hereby move the Court (this “Motion”) for entry of an interim order (the “Interim Order”) and a final order (the “Final Order,” and together with the Interim Order, the “Proposed Orders”), substantially in the forms attached hereto as Exhibits A and B respectively, pursuant to sections 105, 345, 363, 364(b), and 503(b) of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “Bankruptcy Code”), Rules 6003 and 6004 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rule 2015-2 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), (i) authorizing the Debtors’ continued use of their existing cash management system; (ii) authorizing the Debtors to continue using prepetition bank accounts and payment methods, including debit, wire, and ACH payments; (iii) waiving the requirements of 11 U.S.C. § 345(b) on

---

<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 as follows: BHCosmetics Holdings, LLC (7827); BHCosmetics Intermediate, LLC (2918); BHCosmetics, LLC (9106); and Visceral Agency LLC (9266). The Debtors’ service address for purposes of these chapter 11 cases is 8161 Lankershim Blvd., North Hollywood, CA 91605.

an interim basis; and (iv) granting related relief. In support of this Motion, the Debtors rely on the *Declaration of Spencer M. Ware in Support of Chapter 11 Petitions and Requests for First Day Relief* (the “First Day Declaration”),<sup>2</sup> which was filed contemporaneously with this Motion and is incorporated herein by reference. In further support of this Motion, the Debtors respectfully represent as follows:

### **JURISDICTION AND VENUE**

1. The Court has jurisdiction over these Chapter 11 Cases and this Motion pursuant to 28 U.S.C. §§ 157 and 1334, and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated as of February 29, 2012. This is a core proceeding pursuant to 28 U.S.C. § 157(b), and pursuant to Local Rule 9013-1(f), the Debtors consent 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. Venue of these Chapter 11 Cases and this Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409.

2. The statutory and legal predicates for the relief requested herein are sections 105, 345, 363, 364(b), and 503(b) of the Bankruptcy Code, Bankruptcy Rules 6003 and 6004, and Local Rule 2015-2.

### **BACKGROUND**

#### **A. General Background**

3. On January 14, 2022 (the “Petition Date”), each of the Debtors commenced a voluntary case under chapter 11 of the Bankruptcy Code. The Debtors are authorized to continue

---

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

to operate their business and manage their property as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. To date, no trustee, examiner or statutory committee has been appointed in these Chapter 11 Cases. Additional factual background relating to the Debtors' business, capital structure and the commencement of these Chapter 11 Cases is set forth in detail in the First Day Declaration.

4. The Debtors are a leading beauty brand specializing in clean, vegan, and cruelty-free cosmetics and other beauty products. The Debtors sell their products on their e-commerce platform directly to consumers and wholesale to various major retailers. On or about September 29, 2021, the Debtors engaged an investment banker to conduct an exhaustive search to identify a going concern buyer. In parallel, the Debtors commenced various operational cost-savings initiatives to improve liquidity. When it became clear that a going concern sale may not be successful, the Debtors engaged a professional liquidator to commence a liquidation of their physical inventory assets (the "Inventory Sale Process"). In addition, the Debtors engaged a firm to focus on the sale of their intellectual property assets (together with the Inventory Sale Process, the "Sale Process").

5. After a robust and thorough approximately four (4) month marketing and solicitation process, and in consultation with their professional advisors and prepetition lenders, the Debtors ultimately secured a stalking horse agreement with RBI Acquisition Holdings, LLC for the sale of a substantial portion of the Debtors' assets.

6. The Debtors filed these Chapter 11 Cases with the goal of (i) monetizing their assets; (ii) maximizing the value of their assets for the benefit of their creditors and parties in interest; and (iii) minimizing estate obligations, to the extent possible. To that end, the Debtors will proceed with a robust bidding and auction process to maximize the value of the Debtors' assets

for the benefit of the Debtors' estates and all stakeholders. Once the Debtors consummate the sale of their assets, the Debtors will close their merchandise distribution center and look to unburden the estates of the administrative expenses associated therewith and monetize the non-inventory assets located therein. The Debtors anticipate that the Sale Process will be completed in the first quarter of 2022.

#### **B. The Cash Management System**

7. In the ordinary course of business, the Debtors maintain a centralized cash management system (the "Cash Management System") that primarily utilizes a single checking account (the "Operating Account"). The Debtors also have three legacy accounts (the "Dormant Accounts") and together with the Operating Account, the "Bank Accounts") that have not been actively utilized in the recent past. The Debtors designed their Cash Management System to efficiently collect, transfer, and disburse funds generated through the Debtors' operations and to accurately record such collections, transfers, and disbursements as they are made. A chart depicting the flow of funds in the Cash Management System is attached hereto as **Exhibit C**. A schedule of the Bank Accounts is attached hereto as **Exhibit D**.

8. The Debtors' financial activities are conducted through the Operating Account maintained at Fifth Third Bank, N.A. ("Fifth Third Bank"), held by Debtor BHCosmetics, LLC ("BHCosmetics"). In the ordinary course of business, the Debtors use the Operating Account to collect proceeds from wholesale and retail sales and to make disbursements, such as payments to third parties to fund payroll, accounts payable, taxes, and other general corporate obligations and costs of operation. The proceeds from online credit card sales, online payment processors, and other miscellaneous ACH and wires are deposited by the third-party processors of such transactions, net of certain customer chargebacks and fees, directly into the Operating Account.

9. Debtor BHCosmetics maintains two Dormant Accounts, one with Fifth Third Bank and one with Pacific Premier Bank. Debtor Visceral Agency LLC maintains a Dormant Account at Fifth Third Bank, which the Debtors are currently using or will use to maintain adequate assurance of payment deposits for their utility services during the pendency of these Chapter 11 Cases.

10. The Cash Management System is an important element of the Debtors' ordinary, usual, and essential business practices. The Debtors' system provides numerous benefits, including the ability to: (a) quickly create status reports on the location and amount of funds, thereby allowing management to track and control corporate funds; (b) ensure cash availability and prompt payment of corporate, employee, and vendor related expenses; and (c) reduce administrative costs by facilitating the efficient movement of funds. Any disruption of the Cash Management System would confuse customers, and could result in disruptions to projected revenue at a time when such disruptions could be detrimental to the Sale Process and the success of these Chapter 11 Cases.

### **C. Intercompany and Non-Debtor Affiliate Transactions**

11. In the ordinary course of their business, the Cash Management System provides for one centralized account to handle the Debtors' cash management among the Debtor entities, including, but not limited to, the Debtors' intercompany transactions with each other (collectively, the "Intercompany Transactions"). The Intercompany Transactions may result in intercompany receivables and payables among the Debtors (the "Intercompany Claims"), which will be accounted for and recorded in the Debtors' accounting systems.

12. In addition, historically, the Debtors provided certain products and services in the ordinary course of business to their non-Debtor affiliate, BHCosmetics GMBH (the "German Affiliate"), operating in Germany (the "Affiliate Transactions"). The Debtors have

invoiced the German Affiliate on account of the Affiliate Transactions, and to the extent paid, those invoices have been satisfied in cash. As of the Petition Date, the intercompany receivable owing to the Debtors by the German Affiliate is approximately \$3.2 million. The Debtors do not anticipate continuing the Affiliate Transactions during the pendency of these Chapter 11 Cases, unless they are paid in cash, in advance, for goods and/or services, and except to receive payments owed on account of the outstanding intercompany receivable. The Debtors will not otherwise engage in Intercompany Transactions with any non-debtor affiliate, absent approval by the Court.

13. To ensure that each individual Debtor entity will not be disadvantaged by funding costs that are fairly allocable to another Debtor, the Debtors request that, pursuant to Bankruptcy Code section 503(b)(1), the Court grant administrative expense status to all Intercompany Claims that arise post-petition as a result of the Intercompany Transactions. For the avoidance of doubt, the Debtors are not seeking authority to pay any claims arising out of prepetition Affiliate Transactions, and will not pay such claims absent a further order of the Court.

**D. Bank Fees**

14. In the ordinary course of their business, the Debtors incur and pay, honor, or allow to be deducted from the appropriate Bank Accounts certain service charges and other fees, costs, and expenses charged by the Banks (collectively, the “Bank Fees”). The Bank Fees are debited directly from the Debtors’ Bank Accounts or are paid in connection with wire transfers. The Debtors paid the Banks approximately \$2,150 per month in Bank Fees on average for the last 12 months. The Debtors estimate that approximately \$2,365 has accrued on account of the Bank Fees as of the Petition Date, of which approximately \$1,700 will become due and payable within 21 days of the Petition Date.

**E. Business Forms**

15. In the ordinary course of business, the Debtors may utilize a variety of business forms, including, *inter alia*, checks, invoices, and letterhead (the “Business Forms”). To minimize expenses, the Debtors seek authority to continue to use all Business Forms in substantially the form used immediately prior to the Petition Date, without reference to the Debtors’ status as debtors in possession.

**RELIEF REQUESTED**

16. The Debtors hereby request entry of the Proposed Orders, pursuant to sections 105, 345, 363, 364(b), and 503(b) of the Bankruptcy Code, Bankruptcy Rules 6003 and 6004, and Local Rule 2015-2, (i) authorizing the Debtors’ continued use of the Cash Management System; (ii) authorizing the Debtors to continue using prepetition bank accounts and making debit, wire, and ACH payments; (iii) waiving the requirements of 11 U.S.C. § 345(b) on an interim basis; and (iv) granting related relief.

**BASIS FOR RELIEF REQUESTED****A. Maintaining the Existing Cash Management System Is Important to the Debtors’ Operations and Chapter 11 Efforts**

17. Maintenance of the Cash Management System is important for preserving and maximizing the value of the Debtors’ assets. The Debtors maintain the integrated Cash Management System in the ordinary course of their business operations, which allows them to effectively and efficiently administer their cash and financial affairs.

18. As described herein, any disruption to the Cash Management System would have an immediate adverse impact on the Debtors’ business and would impair the Debtors’ ability to successfully administer these Chapter 11 Cases. It would be time-consuming, difficult, and costly for the Debtors to establish an entirely new system of accounts and a new cash management

system. The attendant delays from revising cash management procedures, redirecting receipts and implementing new payment protocols would create unnecessary pressure on the Debtors and their employees while they work to meet the other administrative obligations imposed by chapter 11 of the Bankruptcy Code. In addition, preserving a “business as usual” atmosphere and avoiding the unnecessary and costly distractions that would inevitably be associated with any substantial disruption in the Cash Management System will facilitate the Debtors’ efforts in this regard.

19. The Debtors will maintain records of all transfers within the Cash Management System to the same extent they were recorded by the Debtors before the commencement of these Chapter 11 Cases. As a result, the continued use of the Debtors’ Cash Management System will enable the Debtors to record the transactions occurring within the Cash Management System without interruption for the benefit of all parties in interest.

20. The Debtors’ request for authorization to continue to use the Cash Management System is consistent with 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). Section 363(c)(1) is intended to provide a debtor in possession with the flexibility to engage in the ordinary transactions required to operate its business. *See, e.g., In re Roth Am., Inc.*, 975 F.2d 949, 952 (3d Cir. 1992); *see also In re Nellson Nutraceutical, Inc.*, 369 B.R. 787, 796 (Bankr. D. Del. 2007). Included within the purview of section 363(c) is a debtor’s ability to continue the routine transactions necessitated by its cash management system. *See Amdura Nat’l Distrib. Co. v. Amdura Corp. (In re Amdura Corp.)*, 75 F.3d 1447, 1453 (10th Cir. 1996). Nevertheless, the Debtors bring this Motion out of an abundance of caution, to the extent any aspect of the Cash Management System could be considered as outside the ordinary course of business for purposes of section 363(c).



21. Courts in this and other districts have noted 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), *rev’d on other grounds*, 997 F.2d 1039 (3d Cir. 1993); *see also Southmark Corp. v. Grosz (In re Southmark Corp.)*, 49 F.3d 1111, 1114 (5th Cir. 1995) (finding cash management system allows a debtor “to administer more efficiently and effectively its financial operations and assets”). The United States Court of Appeals for the Third Circuit has agreed, emphasizing that requiring a debtor to maintain separate accounts “would be a huge administrative burden and economically inefficient.” *In re Columbia Gas Sys., Inc.*, 997 F.2d 1039, 1061 (3d Cir. 1993). For these reasons, the Debtors should be permitted to continue use of the Cash Management System.

22. The Court may also exercise its equitable powers to grant the relief requested herein. Section 105(a) of the Bankruptcy Code empowers the Court to “issue any order, process or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a). Continuing the Cash Management System without interruption is important to the success of these Chapter 11 Cases, and it is well within the Court’s equitable power under section 105(a) to approve its continued use.

**B. The Court Should Authorize the Debtors to Maintain Existing Bank Accounts and Continue to Use Their Existing Business Forms**

23. The United States Trustee for the District of Delaware (the “U.S. Trustee”) has set forth certain operating and reporting requirements for chapter 11 cases (the “U.S. Trustee Guidelines”) that require debtors in possession to, among other things: (i) establish one debtor in possession bank account for all estate monies required for the payment of taxes, including payroll taxes; (ii) close all existing bank accounts and open new debtor in possession accounts;

(iii) maintain a separate debtor in possession account for cash collateral; and (iv) obtain checks that bear the designation “debtor in possession” and reference the bankruptcy case number and type of account on such checks. These requirements are designed to provide a clear line of demarcation between prepetition and postpetition claims and payments, and to help protect against the inadvertent payment of prepetition claims by preventing banks from honoring checks drawn before the Petition Date.

24. Enforcement of the U.S. Trustee Guidelines during these Chapter 11 Cases would severely disrupt the Debtors’ ordinary financial operations. Accordingly, the Debtors respectfully request that the Court allow them to operate each of the Bank Accounts as such were maintained in the ordinary course of business before the Petition Date.

25. In addition, the Debtors have concurrently filed several motions seeking authorization to pay prepetition obligations in the ordinary of business. If the Debtors were required to open new accounts, they would likely be unable to timely implement the critical relief sought in those motions. The Debtors have the ability to monitor disbursements from the Bank Accounts to ensure that only those prepetition obligations expressly approved by the Court are paid.

26. In the ordinary course of their business, the Debtors use a variety of checks and business forms. To avoid disruption of the Cash Management System and unnecessary expense, the Debtors request that they be authorized to continue to use their existing Business Forms, as such forms were in existence immediately before the Petition Date, without reference to the Debtors’ status as debtors in possession. Pursuant to Local Rule 2015-2, in the event the Debtors need to purchase new check stock during the pendency of these Chapter 11 Cases, such check stock will include a legend referring to the Debtors as “Debtors in Possession” or “DIP” and

the lead case number. In addition, within fifteen days of the entry of the Proposed Order, the Debtors will cause any electronically produced checks to reflect “Debtor in Possession” or “DIP” and the lead case number.

27. The Debtors submit that parties in interest will not be prejudiced if the Debtors are authorized to continue to use their existing Business Forms. The Debtors will be sending a notice of commencement of these Chapter 11 Cases to all creditors. Most parties doing business with the Debtors undoubtedly will be aware of their status as debtors in possession; thus, changing Business Forms immediately is unnecessary and unduly burdensome.

**C. The Court Should Authorize Intercompany Transactions to Preserve and Maximize Estate Value**

28. Under Bankruptcy Code section 363(c)(1), a debtor in possession “may enter into transactions, including the sale or lease of property of the estate, in the ordinary course of business . . . and may use property of the estate in the ordinary course of business without notice or a hearing.” 11 U.S.C. § 363(c)(1). Under Bankruptcy Code section 503(b)(1), after notice and a hearing “there shall be allowed, administrative expenses . . . including the actual, necessary costs and expenses of preserving the estate . . . .” 11 U.S.C. § 503(b)(1)(A).

29. Pursuant to Bankruptcy Code section 363(c)(1), the Intercompany Transactions are likely ordinary course transactions within the meaning of section 363(c)(1) of the Bankruptcy Code and, thus, do not require the Court’s approval. Nonetheless, out of an abundance of caution, the Debtors are seeking express authority to engage in the Intercompany Transactions on a postpetition basis in the ordinary course of business. Consistent with their prepetition practices, the Debtors will maintain records of the Intercompany Transactions electronically in their accounting system and be able to ascertain, trace, and account for them.

30. The continuation of the Intercompany Transactions is essential to the Debtors' ability to manage their day-to-day operations and execute the Cash Management System. If the Intercompany Transactions were to be discontinued, the Cash Management System and related administrative controls would be disrupted to the detriment of the Debtors, their estates, and their creditors. Therefore, authorizing the Debtors, in their business judgment, to continue the Intercompany Transactions, in the ordinary course of business and consistent with historical business practices, will assist the Debtors in fulfilling their fiduciary obligations to maximize the value of their estates for all creditors.

31. To ensure that each individual Debtor will not fund the operation of an affiliated entity at the expense of its own creditors, the Debtors respectfully request that, pursuant to sections 364(b) and 503(b)(1) of the Bankruptcy Code, Intercompany Claims arising after the Petition Date in the ordinary course of business be granted administrative expense status. If the Court authorizes the Debtors to treat Intercompany Claims as administrative expenses, then each entity utilizing funds flowing through the Cash Management System and receiving services through the intercompany arrangements should continue to bear ultimate repayment responsibility for such ordinary course transactions and its relative share of the cost of services provided.

32. Accordingly, the Debtors seek authority to continue the Intercompany Transactions and request, pursuant to sections 503(b)(1) and 364(b) of the Bankruptcy Code, that postpetition Intercompany Claims be accorded administrative priority. In addition, the Debtors seek authority to continue the Intercompany Transactions in the ordinary course of business on a post-petition basis; *provided, however*, that the Debtors are not seeking to make cash payments on account of prepetition Intercompany Claims absent further Court order.

**D. The Court Should Authorize the Banks to Continue to Maintain, Service, and Administer the Bank Accounts in the Ordinary Course of Business**

33. The Debtors respectfully request that the Court authorize the Banks to continue to maintain, service, and administer the Bank Accounts as accounts of debtors in possession, without interruption and in the ordinary course of business. In this regard, the Banks should be authorized to receive, process, honor, and pay any and all checks, ACH payments, and other instructions, and drafts payable through, drawn, or directed on the Bank Accounts after the Petition Date by holders, makers, or other parties entitled to issue instructions with respect thereto.

34. The Debtors further request that the Court authorize the Banks to accept and honor all representations from the Debtors as to which checks, drafts, wires, or ACH payments should be honored or dishonored consistent with any order of the Court and governing law, whether such checks, drafts, wires, or ACH payments are dated before or after the Petition Date. The Debtors can and will identify all prepetition checks and other forms of payment outstanding on the Petition Date and notify the appropriate Bank which checks or obligations should be honored, as have been authorized by the Court. The Debtors also request that, to the extent a Bank honors a prepetition check or other item drawn on any account: (i) at the direction of the Debtors; (ii) in a good-faith belief that the Court has authorized such prepetition check or item to be honored; or (iii) as a result of an innocent mistake made despite the above-described protective measures, such Bank shall not be deemed to be liable to the Debtors or their estates on account of such prepetition check or other item honored postpetition. The Debtors respectfully submit that such relief is reasonable and appropriate because the 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.

35. The Debtors further request that the Banks be authorized to (i) honor the Debtors' directions with respect to the opening and closing of any Bank Account; and (ii) accept

and hold, or invest, the Debtors' funds in accordance with the Debtors' instructions; *provided*, in each case that the Banks shall not have any liability to any party for relying on such representations.

36. Moreover, the Debtors request that the Court authorize (i) the Banks to charge, and the Debtors to pay or honor, both prepetition and postpetition service and other fees, costs, charges, and expenses to which the Banks are entitled under the terms and in accordance with their contractual arrangements with the Debtors; and (ii) charge-back returned items to the Bank Accounts, whether such items are dated before, on or subsequent to the Petition Date, in the ordinary course. Based on historical averages, the Debtors estimate that approximately \$2,400.00 in prepetition Bank service and other fees have accrued but are not yet due and owing on account of the Bank Accounts.

**E. Cause Exists for Waiving the Deposit and Investment Guidelines Under Section 345 of the Bankruptcy Code on an Interim Basis**

37. Section 345(a) of the Bankruptcy Code authorizes a debtor in possession to make deposits or investments of estate money in a manner "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). If a deposit or investment is not "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," section 345(b) of the Bankruptcy Code provides that a debtor must require that the entity with which the deposit or investment is made obtain a bond in favor of the United States that is secured by the undertaking of an adequate corporate surety or deposit securities of the kind specified in 31 U.S.C. § 9303, unless the court for cause orders otherwise. *See* 11 U.S.C. § 345(b); *see also* 140 Cong. Rec. H10767 (1994) (stating that while the requirement under section 345(b) for debtor funds to be FDIC insured, collateralized, or bonded may be "wise in the case of

a smaller debtor with limited funds that cannot afford a risky investment to be lost, it can work to needlessly handcuff larger, more sophisticated debtors”).

38. All but one of the Debtors’ Bank Accounts are compliant with the requirements of section 345 of the Bankruptcy Code because, upon information and belief, each of the applicable Banks has executed a Uniform Depository Agreement (“UDA”) with the United States Trustee that covers the Bank Accounts held at such Bank. Accordingly, the Debtors request an interim waiver of the requirements of section 345(b) for thirty (30) days for the bank account ending 0178 (the “Pacific Premier Account”), which, upon information and belief, is currently held at Pacific Premier Bank.

39. The Debtors submit that cause exists for an interim waiver of the section 345(b) requirements for the Pacific Premier Account. The Pacific Premier Account is a dormant account that the Debtors no longer actively use, and there are *di minimis* funds in the account. Given that such funds are minimal and held at a reputable financial institution, the Debtors believe that the risks associated with the Pacific Premier Account are minimal. Thus, for the reasons set forth above, the Court should waive the requirements of section 345(b) on an interim basis for the Pacific Premier Account, without prejudice to the rights of the Debtors to seek a further interim or permanent waiver.

### **IMMEDIATE RELIEF IS NECESSARY**

40. Bankruptcy Rule 6003 provides that the relief requested in this Motion may be granted if the “relief is necessary to avoid immediate and irreparable harm.” Fed. R. Bankr. P. 6003. The Debtors submit that for the reasons already set forth herein, the relief requested in this Motion is necessary to avoid immediate and irreparable harm to the Debtors.

**WAIVER OF ANY APPLICABLE STAY**

41. The Debtors also request that the Court waive the stay imposed by Bankruptcy Rule 6004(h), which provides that “[a]n order authorizing the use, sale, or lease of property other than cash collateral is stayed until the expiration of 14 days after entry of the order, unless the court orders otherwise.” Fed. R. Bankr. P. 6004(h). As described above, the relief that the Debtors seek in this Motion is necessary for the Debtors to operate their business without interruption, conduct going out of business sales at their retail locations, and to preserve value for their estates. Accordingly, the Debtors respectfully request that the Court waive the fourteen-day stay imposed by Bankruptcy Rule 6004(h), as the exigent nature of the relief sought herein justifies immediate relief.

**RESERVATION OF RIGHTS**

42. Nothing contained herein is intended to be or should be construed as an admission of the validity of any claim against the Debtors; a waiver of the Debtors’ rights to dispute any claim; or an approval, assumption, or rejection of any agreement, contract, or lease under section 365 of the Bankruptcy Code. The Debtors expressly reserve their rights to contest any invoice or claim in accordance with applicable law and to assume or reject any agreements with such parties in accordance with the applicable provisions of the Bankruptcy Code. Likewise, if this Court grants the relief sought herein, any payment made pursuant to the Court’s order is not intended to be and should not be construed as an admission as to the validity of any claim or a waiver of the Debtors’ rights to subsequently dispute such claim.

**NOTICE**

43. Notice of this Motion has been given to (i) the U.S. Trustee; (ii) counsel to Fifth Third Bank, N.A.; (iii) holders of the twenty (20) largest unsecured claims on a consolidated



basis against the Debtors; (iv) the Office of the United States Attorney General for the District of Delaware; (v) the Internal Revenue Service; (vi) the Securities Exchange Commission; (vii) the Banks; and (viii) any party that has requested notice pursuant to Bankruptcy Rule 2002. Notice of this Motion and any order entered hereon will be served in accordance with Local Rule 9013-1(m). The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

*[remainder of page intentionally left blank]*

**CONCLUSION**

WHEREFORE, the Debtors respectfully request that the Court enter the Proposed Orders granting the relief requested herein and such other and further relief as is just and proper.

Dated: January 15, 2022  
Wilmington, Delaware

YOUNG CONAWAY STARGATT & TAYLOR, LLP

*/s/ M. Blake Cleary*

---

M. Blake Cleary (No. 3614)  
Allison S. Mielke (No. 5934)  
S. Alexander Faris (No. 6278)  
Rodney Square  
1000 North King Street  
Wilmington, Delaware 19801  
Tel: (302) 571-6600  
Fax: (302) 571-1253  
Email: mbcleary@ycst.com  
amielke@ycst.com  
afaris@ycst.com

*Proposed Counsel to the Debtors and Debtors in Possession*

**EXHIBIT A**

**Proposed Interim Order**

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

In re:

BHCOSMETICS HOLDINGS, LLC, *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 22-10050 (\_\_\_\_)

(Jointly Administered)

Ref: Docket No. \_\_\_\_

**INTERIM ORDER (I) AUTHORIZING CONTINUED USE OF CASH MANAGEMENT  
SYSTEM; (II) AUTHORIZING USE OF PREPETITION BANK ACCOUNTS AND  
CERTAIN PAYMENT METHODS; (III) WAIVING THE REQUIREMENTS OF  
11 U.S.C. § 345(b) ON AN INTERIM BASIS; AND (IV) GRANTING RELATED RELIEF**

Upon consideration of the motion (the “Motion”)<sup>2</sup> of the Debtors for entry of interim and final orders, pursuant to sections 105, 345, 363, 364(b), and 503(b) of the Bankruptcy Code, Bankruptcy Rules 6003 and 6004, and Local Rule 2015-2, (i) authorizing the Debtors’ continued use of the Cash Management System; (ii) authorizing the Debtors to continue using prepetition bank accounts and using debit, wire, and ACH payments; (iii) waiving the requirements of 11 U.S.C. § 345(b) on an interim basis; and (iv) granting related relief; and upon consideration of the First Day Declaration; and this Court having jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 1334 and 157, and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated February 29, 2012; and it appearing that this is a core matter pursuant to 28 U.S.C. § 157(b)(2) and this Court having determined that it may enter a final order consistent with Article III of the United States Constitution; and it appearing that

---

<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 as follows: BHCosmetics Holdings, LLC (7827); BHCosmetics Intermediate, LLC (2918); BHCosmetics, LLC (9106); and Visceral Agency LLC (9266). The Debtors’ service address for purposes of these chapter 11 cases is 8161 Lankershim Blvd., North Hollywood, CA 91605.

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

venue of these Chapter 11 Cases and of the Motion is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that due and adequate notice of the Motion has been given under the circumstances, and that no other or further notice need be given; and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; and after due deliberation and sufficient cause appearing therefor;

**IT IS HEREBY ORDERED THAT:**

1. The Motion is GRANTED on an interim basis, as set forth herein.
2. Objections to entry of an order granting the Motion on a final basis must be filed by \_\_\_\_\_, 2022 at 4:00 p.m. (ET) and served on: (i) proposed counsel to the Debtors, Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, Delaware 19801, Attn: M. Blake Cleary, Esq. (mbcleary@ycst.com) and Allison S. Mielke, Esq. (amielke@ycst.com); (ii) the U.S. Trustee, 844 King Street, Suite 2207, Wilmington, Delaware, 19801, Attn: Timothy J. Fox, Jr., Esq. (Timothy.J.Fox@usdoj.gov); (iii) counsel to the Debtors' prepetition lenders, Stoll Keenon Ogden PLLC, Attn: Lea Pauley Goff, Esq. (Lea.Goff@skofirm.com), 500 West Jefferson Street, Suite 2000, Louisville, KY 40202-2828, and Attn: Amelia Martin Adams, Esq. (Amelia.Adams@skofirm.com), 300 West Vine Street, Suite 2100 Lexington, KY 40507-1801 and Stevens & Lee, P.C., Attn: Joseph H. Huston, Jr., Esq. (joseph.huston@stevenslee.com), 919 North Market Street, Suite 1300 Wilmington, DE 19801; and (iv) counsel to any statutory committee appointed in these Chapter 11 Cases. A final hearing, if required, on the Motion will be held on \_\_\_\_\_, 2022 at \_\_\_\_\_ .m. (ET). If no objections are filed to the Motion, this Court may enter a final order without further notice or hearing.

3. The Debtors are authorized, in their sole discretion, to: (i) continue operating the Cash Management System and honor any prepetition obligations related thereto; (ii) maintain existing Bank Accounts and Business Forms; (iii) maintain the ability to use debit, wire and ACH payments; and (iv) continue to deposit and invest funds in accordance with their current practices to the extent set forth herein.

4. The Debtors are further authorized, in their sole discretion, to: (i) continue to use, with the same account numbers, all of the Bank Accounts in existence as of the Petition Date, including Bank Accounts identified on **Exhibit D** to the Motion; (ii) use, in their present form, all Business Forms, without reference to the Debtors' status as debtors in possession; (iii) treat the Bank Accounts for all purposes as accounts of the Debtors as debtors-in-possession; (iv) deposit funds in and withdraw funds from the Bank Accounts by all usual means, including checks, wire transfers, ACH payments, and other debits; and (v) pay any ordinary course prepetition or postpetition fees incurred in connection with the Bank Accounts and to otherwise perform their obligations under the documents governing the Bank Accounts.

5. All Banks at which the Bank Accounts are maintained are authorized, but not directed, to continue to maintain, service, and administer the Bank Accounts in accordance with prepetition practices as accounts of debtors in possession, without interruption and in the ordinary course of business. In this regard, the Banks are authorized, but not directed, to receive, process, honor and pay any and all checks, ACH payments and other instructions, and drafts payable through, drawn or directed on the Bank Accounts by holders, makers or other parties entitled to issue instructions with respect thereto on account of any claim, if the Debtors have sufficient standing in their credit with such Bank, arising (i) on or after the Petition Date or

(ii) prior to the Petition Date and authorized by this Court upon receipt from the Debtors of a list of such checks, ACH payments and other instructions, and drafts that should be honored.

6. In the course of providing cash management services to the Debtors, any Bank, without further order of this Court, is authorized, but not directed, to (i) charge, and the Debtors are authorized to pay or honor, both prepetition and postpetition service and other fees, costs, charges and expenses to which the Banks are entitled under the terms and in accordance with their contractual arrangements with the Debtors, and (ii) charge-back returned items to the Bank Accounts, whether such items are dated before, on or subsequent to the Petition Date, in the ordinary course.

7. The Debtors and the Banks are hereby authorized, but not directed, to continue to perform pursuant to the terms of any unexpired prepetition cash management agreements that may exist between them, except and to the extent otherwise directed by the terms of this Interim Order and except as amended, modified, or supplemented by agreement between the Debtors and such Bank in the ordinary course of business.

8. Notwithstanding any other provision of this Interim Order, any Bank is authorized, but not directed, to rely on 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 any Bank that honors a prepetition check or other item drawn on any account that is the subject of this Interim Order (i) at the direction of the Debtors, (ii) in a good-faith belief that this Court has authorized such prepetition check or item to be honored, or (iii) as a result of an innocent mistake made despite the above-described protective measures, shall neither be deemed to be in violation of this Interim Order nor 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.

9. Any Banks are further authorized, but not directed, to accept and hold, or invest, the Debtors' funds in accordance with the Debtors' instructions; *provided*, in each case, that the Banks shall not have any liability to any party for relying on such representations.

10. For those Banks at which the Debtors hold Bank Accounts that are party to a Uniform Depository Agreement with the U.S. Trustee, within fifteen (15) days of the date of entry of this Interim Order, the Debtors shall (i) contact each Bank; (ii) provide the Bank with each of the Debtors' employer identification numbers; and (iii) identify each of the Bank Accounts held at such Banks as being held by a debtor in possession in a bankruptcy case and provide the lead bankruptcy case number.

11. For Banks at which the Debtors hold accounts that are not party to a Uniform Depository Agreement with the U.S. Trustee, the Debtors shall have thirty (30) days to comply with section 345 of the Bankruptcy Code unless further extended by agreement of the U.S. Trustee or order of this Court, and the Debtors shall use their good-faith efforts to cause the banks to execute a Uniform Depository Agreement in a form prescribed by the U.S. Trustee within thirty (30) days of the date of this Interim Order.

12. The Debtors are authorized to use their existing Business Forms; *provided*, *however*, that once the Debtors' existing checks have been used, the Debtors shall, when reordering checks, require the designation "Debtor in Possession" or "DIP" and the corresponding bankruptcy case number on all checks; *provided, further*, within ten (10) days of entry of this Interim Order, any electronically produced checks shall reflect the designation "Debtor in Possession" or "DIP" and the corresponding bankruptcy case number.



13. Notwithstanding anything contained herein, despite the Debtors' use of the consolidated Cash Management System, the Debtors shall calculate quarterly fees under 28 U.S.C. § 1930(a)(6) based on the disbursements of each Debtor, regardless of which Debtor pays those disbursements.

14. Each of the Banks is authorized, but not directed, to debit the Debtors' accounts in the ordinary course of business without need for further order of this Court for: (i) all checks, items, and other payment orders drawn on the Debtors' accounts which are cashed at such Bank's counters or exchanged for cashier's checks by the payees thereof prior to the Bank's receipt of notice of filing of the Petition; (ii) all checks, automated clearing house entries, and other items deposited or credited to one of Debtors' accounts with such Bank prior to filing of the petitions which have been dishonored, reversed, or returned unpaid for any reason, together with any fees and costs in connection therewith, to the same extent the Debtors were responsible for such items prior to filing of the petitions; and (iii) all undisputed prepetition amounts outstanding as of the date hereof, if any, owed to any Bank or Payment Processor Providers as service charges for the maintenance of the Cash Management System.

15. Nothing contained herein shall prevent the Debtors from closing any Debtor Bank Account(s) or opening any additional bank accounts, as they may deem necessary and appropriate, and any relevant Bank is authorized, but not directed, to honor the Debtors' requests and to close or open such Bank Accounts or additional bank accounts, or to add or terminate any treasury management functions or additional functions, as the case may be, under the terms of the documents governing the Bank Accounts or otherwise agreed to by the relevant Bank, and to make any other modification to the prepetition cash management structure to comply with the requirements of any order entered by the Court authorizing debtor-in-possession financing under

section 364 of the Bankruptcy Code entered in these Chapter 11 Cases; *provided* that notice of the opening or closure of any account shall be given to the U.S. Trustee, counsel to Fifth Third Bank, N.A., and any statutory committee within fifteen (15) days; and *provided*, further, that any new bank accounts shall be opened at a bank that is party to a Uniform Depository Agreement with the U.S. Trustee, or at a bank that is willing to immediately execute a Uniform Depository Agreement.

16. The Debtors shall maintain accurate and detailed records of all transfers within the Cash Management System, including intercompany transfers, so that all transactions may be readily ascertained, traced, recorded properly, and distinguished between prepetition and postpetition transactions.

17. The Debtors shall not make any intercompany transfers to non-debtor affiliates or subsidiaries absent further order of this Court.

18. Notwithstanding the relief granted herein and any actions taken hereunder, nothing contained in the Motion or this Interim Order shall constitute, nor is it intended to constitute, an admission as to the validity or priority of any claim or lien against the Debtors or a waiver of the Debtors' rights to dispute any claim or lien.

19. Bankruptcy Rule 6003(b) has been satisfied because the relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtors. The requirements of Bankruptcy Rule 6004(a) are waived under the circumstances.

20. Notwithstanding any provision in the Bankruptcy Rules to the contrary: (i) this Interim Order shall be effective immediately and enforceable upon its entry; (ii) the Debtors are not subject to any stay in the implementation, enforcement, or realization of the relief granted in this Interim Order; and (iii) the Debtors are authorized and empowered, and may in their

discretion and without further delay, take any action necessary or appropriate to implement this Interim Order.

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

22. This Court retains jurisdiction with respect to all matters arising from or related to the implementation or interpretation of this Interim Order.

**EXHIBIT B**

**Proposed Final Order**

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

In re:

BHCOSMETICS HOLDINGS, LLC, *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 22-10050 (\_\_\_\_)

(Jointly Administered)

Ref: Docket No. \_\_\_\_

**FINAL ORDER (I) AUTHORIZING CONTINUED USE OF CASH MANAGEMENT  
SYSTEM; (II) AUTHORIZING USE OF PREPETITION BANK ACCOUNTS AND  
CERTAIN PAYMENT METHODS; (III) WAIVING THE REQUIREMENTS OF  
11 U.S.C. § 345(b) ON AN INTERIM BASIS; AND (IV) GRANTING RELATED RELIEF**

Upon consideration of the motion (the “Motion”)<sup>2</sup> of the Debtors for entry of interim and final orders, pursuant to sections 105, 345, 363, 364(b), and 503(b) of the Bankruptcy Code, Bankruptcy Rules 6003 and 6004, and Local Rule 2015-2, (i) authorizing the Debtors’ continued use of the Cash Management System; (ii) authorizing the Debtors to continue using prepetition Bank Accounts and using debit, wire, and ACH payments; (iii) waiving the requirements of 11 U.S.C. § 345(b) on an interim basis; and (iv) granting related relief; and upon consideration of the First Day Declaration; and this Court having jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 1334 and 157, and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated February 29, 2012; and it appearing that this is a core matter pursuant to 28 U.S.C. § 157(b)(2) and this Court having determined that it may enter a final order consistent with Article III of the United States

---

<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 as follows: BHCosmetics Holdings, LLC (7827); BHCosmetics Intermediate, LLC (2918); BHCosmetics, LLC (9106); and Visceral Agency LLC (9266). The Debtors’ service address for purposes of these chapter 11 cases is 8161 Lankershim Blvd., North Hollywood, CA 91605.

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

Constitution; and it appearing that venue of these Chapter 11 Cases and of the Motion is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that due and adequate notice of the Motion has been given under the circumstances, and that no other or further notice need be given; and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; and after due deliberation and sufficient cause appearing therefor;

**IT IS HEREBY ORDERED THAT:**

1. The Motion is GRANTED on a final basis, as set forth herein.
2. The Debtors are authorized, in their sole discretion, to: (i) continue operating the Cash Management System and honor any prepetition obligations related thereto; (ii) maintain existing Bank Accounts and Business Forms; (iii) maintain the ability to use debit, wire and ACH payments; and (iv) continue to deposit and invest funds in accordance with their current practices to the extent set forth herein.
3. The Debtors are further authorized, in their sole discretion, to: (i) continue to use, with the same account numbers, all of the Bank Accounts in existence as of the Petition Date, including those accounts identified on **Exhibit D** to the Motion; (ii) use, in their present form, all Business Forms, without reference to the Debtors' status as debtors in possession; (iii) treat the Bank Accounts for all purposes as accounts of the Debtors as debtors-in-possession; (iv) deposit funds in and withdraw funds from the Bank Accounts by all usual means, including checks, wire transfers, ACH payments, and other debits; and (v) pay any ordinary course prepetition or postpetition fees incurred in connection with the Bank Accounts and to otherwise perform their obligations under the documents governing the Bank Accounts.

4. All Banks at which the Bank Accounts are maintained are authorized, but not directed to continue to maintain, service, and administer the Bank Accounts in accordance with prepetition practices as accounts of debtors in possession, without interruption and in the ordinary course of business. In this regard, the Banks are authorized, but not directed, to receive, process, honor and pay any and all checks, ACH payments and other instructions, and drafts payable through, drawn or directed on the Bank Accounts by holders, makers or other parties entitled to issue instructions with respect thereto on account of any claim, if the Debtors have sufficient standing in their credit with such Bank, arising (i) on or after the Petition Date or (ii) prior to the Petition Date and authorized by this Court upon receipt from the Debtors of a list of such checks, ACH payments and other instructions, and drafts that should be honored.

5. In the course of providing cash management services to the Debtors, any Bank, without further order of this Court, is authorized, but not directed, to (i) charge, and the Debtors are authorized to pay or honor, both prepetition and postpetition service and other fees, costs, charges and expenses to which the Banks are entitled under the terms and in accordance with their contractual arrangements with the Debtors; and (ii) charge-back returned items to the Bank Accounts, whether such items are dated before, on or subsequent to the Petition Date, in the ordinary course. No liens on any of the Bank Accounts granted to any creditors shall take priority over the prepetition and postpetition service and other fees, costs, charges, and expenses to which the Banks are entitled under the terms and in accordance with their contractual arrangements with the Debtors.

6. The Debtors and the Banks are hereby authorized, but not directed, to continue to perform pursuant to the terms of any unexpired prepetition cash management agreements that may exist between them, except and to the extent otherwise directed by the terms

of this Final Order and except as amended, modified, or supplemented by agreement between the Debtors and such Bank in the ordinary course of business.

7. Notwithstanding any other provision of this Final Order, any Bank is authorized, but not directed, to rely on 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 any Bank that honors a prepetition check or other item drawn on any account that is the subject of this Final Order (i) at the direction of the Debtors; (ii) in a good-faith belief that this Court has authorized such prepetition check or item to be honored; or (iii) as a result of an innocent mistake made despite the above-described protective measures, shall neither be deemed to be in violation of this Final Order nor 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.

8. Any Banks are further authorized, but not directed, to accept and hold, or invest, the Debtors' funds in accordance with the Debtors' instructions; *provided*, in each case, that the Banks shall not have any liability to any party for relying on such representations.

9. For Banks at which the Debtors hold accounts that are not party to a Uniform Depository Agreement with the U.S. Trustee, the Debtors shall have thirty (30) days from the entry of the Interim Order to comply with section 345 of the Bankruptcy Code unless further extended by agreement of the U.S. Trustee or order of this Court, and the Debtors shall use their good-faith efforts to cause the banks to execute a Uniform Depository Agreement in a form prescribed by the U.S. Trustee within thirty (30) days from the entry of the Interim Order.

10. The Debtors are authorized to use their existing Business Forms; *provided*, *however*, that once the Debtors' existing checks have been used, the Debtors shall, when reordering



checks, require the designation “Debtor in Possession” or “DIP” and the corresponding bankruptcy case number on all checks.

11. Notwithstanding anything contained herein, despite the Debtors’ use of the consolidated Cash Management System, the Debtors shall calculate quarterly fees under 28 U.S.C. § 1930(a)(6) based on the disbursements of each Debtor, regardless of which Debtor pays those disbursements.

12. Each of the Banks is authorized, but not directed, to debit the Debtors’ accounts in the ordinary course of business without need for further order of this Court for: (i) all checks, items, and other payment orders drawn on the Debtors’ accounts which are cashed at such Bank’s counters or exchanged for cashier’s checks by the payees thereof prior to the Bank’s receipt of notice of filing of the Petition; (ii) all checks, automated clearing house entries, and other items deposited or credited to one of Debtors’ accounts with such Bank prior to filing of the petitions which have been dishonored, reversed, or returned unpaid for any reason, together with any fees and costs in connection therewith, to the same extent the Debtors were responsible for such items prior to filing of the petitions; and (iii) all undisputed prepetition amounts outstanding as of the date hereof, if any, owed to any Bank or Payment Processor Providers as service charges for the maintenance of the Cash Management System.

13. Nothing contained herein shall prevent the Debtors from closing any Debtor Bank Account(s) or opening any additional bank accounts, as they may deem necessary and appropriate, and any relevant Bank is authorized, but not directed, to honor the Debtors’ requests and to close or open such Bank Accounts or additional bank accounts, or to add or terminate any treasury management functions or additional functions, as the case may be, under the terms of the documents governing the Bank Accounts or otherwise agreed to by the relevant Bank, and to make

any other modification to the prepetition cash management structure to comply with the requirements of any order entered by the Court authorizing debtor-in-possession financing under section 364 of the Bankruptcy Code entered in these Chapter 11 Cases; *provided* that notice of the opening or closure of any account shall be given to the U.S. Trustee, counsel to Fifth Third Bank, N.A., and any statutory committee within fifteen (15) days; and *provided*, further, that any new bank accounts shall be opened at a bank that is party to a Uniform Depository Agreement with the U.S. Trustee, or at a bank that is willing to immediately execute a Uniform Depository Agreement.

14. The Debtors shall maintain accurate and detailed records of all transfers within the Cash Management System, including intercompany transfers, so that all transactions may be readily ascertained, traced, recorded properly, and distinguished between prepetition and postpetition transactions.

15. The Debtors shall not make any intercompany transfers to non-debtor affiliates or subsidiaries absent further order of this Court.

16. Notwithstanding the relief granted herein and any actions taken hereunder, nothing contained in the Motion or this Final Order shall constitute, nor is it intended to constitute, an admission as to the validity or priority of any claim or lien against the Debtors or a waiver of the Debtors' rights to dispute any claim or lien.

17. Notwithstanding any provision in the Bankruptcy Rules to the contrary: (i) this Final Order shall be effective immediately and enforceable upon its entry; (ii) the Debtors are not subject to any stay in the implementation, enforcement, or realization of the relief granted in this Final Order; and (iii) the Debtors are authorized and empowered, and may in their discretion and without further delay, take any action necessary or appropriate to implement this Final Order.

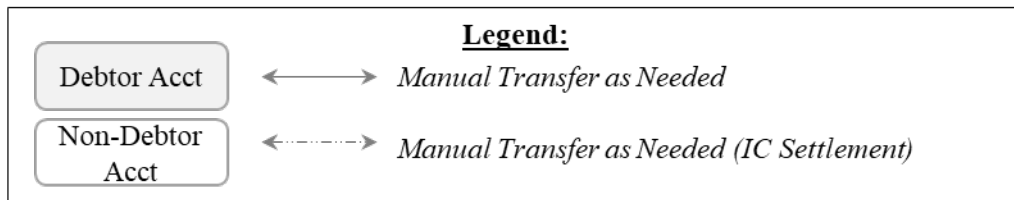
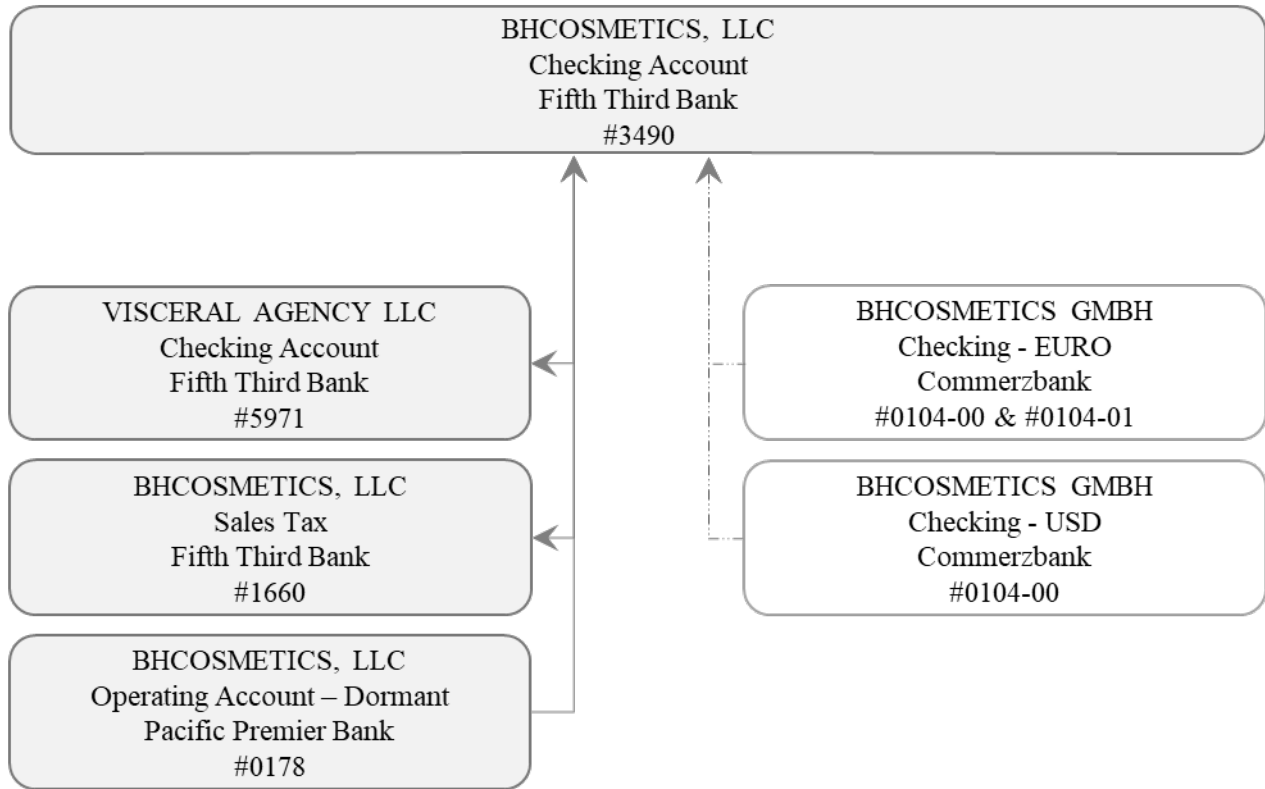
18. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Final Order shall be immediately effective and enforceable upon its entry.

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

20. This Court retains jurisdiction with respect to all matters arising from or related to the implementation or interpretation of this Final Order.

# EXHIBIT C

## Cash Flow Chart



**EXHIBIT D****List of Bank Accounts**

<b>Bank Name</b>	<b>Type of Account</b>	<b>Entity</b>	<b>Last Four Digits of Bank Account No.</b>	<b>Bank Address</b>
Fifth Third Bank, N.A.	Operating	BHCosmetics, LLC	3490	38 Fountain Square Plaza Cincinnati, OH 45202
Fifth Third Bank, N.A.	Checking	Visceral Agency LLC	5971	38 Fountain Square Plaza Cincinnati, OH 45202
Fifth Third Bank, N.A.	Dormant	BHCosmetics, LLC	1660	38 Fountain Square Plaza Cincinnati, OH 45202
Pacific Premier Bank	Dormant	BHCosmetics, LLC	0178	17901 Von Karman Avenue, Suite 1200 Irvine, CA 92614