

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
Eastern Division

In Re:) BK No.: 15-15249
)
GULF PACKAGING, INC.,) Chapter: 11
) Honorable Pamela S. Hollis
)
)
Debtor(s))

**INTERIM ORDER (I) AUTHORIZING THE DEBTOR TO PAY
CERTAIN PREPETITION (A) WAGES, SALARIES, COMMISSIONS AND OTHER
COMPENSATION, (B) REIMBURSABLE EMPLOYEE EXPENSES, AND (C) OBLIGATIONS
RELATING TO BENEFITS PROGRAMS, IN THE
ALTERNATIVE (II) AUTHORIZING THE DEBTOR TO PAY CERTAIN PREPETITION
CLAIMS FOR COMPENSATION AND COMMISSIONS RELATED TO AFFILATE
EMPLOYEES AND ADP AS CRITICAL VENDORS, (III) GRANTING RELATED RELIEF,
AND (III) SCHEDULING A FINAL HEARING**

Upon the Motion (I) for Interim and Final Orders (A) Authorizing the Debtor to Pay Certain Prepetition (1) Wages, Salaries, and other Compensation, (2) Reimbursable Employee Expenses, and (3) Obligations Relating to Benefits Programs, in the Alternative (II) Authorizing the Debtor to Pay Certain Prepetition Claims for Compensation and Commissions related to Affiliate Employees and ADP as Critical Vendors, (C) Granting Related Relief, and (II) Scheduling a Final Hearing (the "Motion"), filed by Gulf Packaging, Inc., the above-captioned debtor and debtor in possession (the "Debtor"); and the Court having jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334; and consideration of the Motion being a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and it appearing that due and sufficient notice of the Motion has been provided by the Debtor under the circumstances and that no other or further notice is required; and upon the hearing on the Motion conducted on May 12, 2015 and the record made thereat; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is granted, in part, and continued, in part, as set forth herein.
2. The Debtor is authorized, but not directed, in the Debtor's business judgment to honor the PTO of Debtor's two current employees incurred during the pre-petition period and to reimburse Gulf Systems, Inc. in an amount not to exceed the sum of \$10,000 for Gulf Systems, Inc.'s payroll and payroll related expenses which are due on Friday, May 15, 2015; provided, however that nothing in this Order affects the Committee's rights to object to the propriety of such payments or to seek recovery of such payments under the provisions of the Bankruptcy Code, including but not limited to §§548 and 549, or other applicable law.
3. The Debtor is authorized, but not directed, in the Debtor's business judgment to make the following payments requested by the Motion, only upon prior written consent of the Committee:
 - a) payments for prepetition Personnel Compensation and Benefits for any current employees of the Debtor, current Affiliate Employees or current ADP Employees;
 - b) payments of prepetition Commissions not to exceed the total amount of \$50,000; and

c) payments of Reimbursable Expenses and the de minimis Obligations.

4. The Committee reserves all rights to object to the payments described in paragraph 3 herein and under no circumstances shall the Debtor make any such payments, in whole or part, without prior written consent of the Committee, through its counsel. If the Debtor does not obtain such prior written consent from the Committee, then the Committee shall be deemed to object to such payments.

5. Nothing in this Order shall be deemed to be a ruling that the Affiliate Employees or ADP Employees are employees of the Debtor or entitled to any priority claim under the Bankruptcy Code. The aggregate compensation of any individual under paragraph 3 shall not exceed \$12,475. The Committee does not waive and reserves its right to object to any priority treatment of the Affiliate Employees or ADP Employees under §507(4) of the Bankruptcy Code.

6. The Debtor is authorized, but not directed, to issue post-petition checks, or to effect post-petition wire transfer requests, in replacement of any checks or wire transfer requests in respect of payments of prepetition obligations described in the Motion that are dishonored or rejected.

7. 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 the Debtor; (b) a waiver of the Committee's or the Debtor'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; or (f) a waiver of the Committee's or the Debtor's rights under the Bankruptcy Code or any other applicable law.

8. 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 and directed 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 Debtor's designation of any particular check or electronic payment request as approved by this Interim Order.

9. Notwithstanding anything in this Interim Order to the contrary, any payment to be made, or any authorization contained, hereunder shall be subject to the terms of any orders granting the use of cash collateral approved by this Court in this chapter 11 case (including with respect to any budgets governing or relating to such use) including, without limitation, the Order Authorizing Debtor To (A) Use Cash Collateral On An Emergency Basis Pending A Final Hearing; And (B) Grant Adequate Protection And Provide Security And Other Relief To FCC, LLC, D/B/A First Capital, As Lender (the "Cash Collateral Order") and the Final Order (as defined in the Cash Collateral Order); and to the extent there is any inconsistency between the terms of such cash collateral orders and any action taken or proposed to be taken hereunder, the terms of such cash collateral orders shall control.

10. Nothing in the Motion nor any payments made by the Debtor pursuant to this Interim Order shall be deemed an assumption, adoption, or rejection of any employee contract or agreement, including employee benefit plans or any other program or contract that otherwise affects the Debtor's rights under section 365 of the Bankruptcy Code.

11. A final hearing (the "Final Hearing") on the Motion shall take place on May 26, 2015, at 10:00 a.m., prevailing Central Time. Objections, if any, to the relief requested in the Motion and entry

of the Final Order shall be filed with the Clerk of the United States Bankruptcy Court for the Northern District of Illinois, Eastern Division, and served on the following parties, such as to be actually received no later than May 19, 2015: (i) Gray Reed & McGraw, P.C., 1601 Elm Street, Suite 4600, Dallas, Texas 75201, Attn: Jason S. Brookner and FrankGecker LLP, 325 N. LaSalle Street, Suite 625, Chicago, Illinois, 60654, Attn: Joseph D. Frank, Counsel to the Debtor; (ii) Goldberg Kohn Ltd., 55 East Monroe Street, Suite 3300, Chicago Illinois 60603, Attn: Dimitri G. Karcazes, Counsel to FCC; (iii) the Office of the United States Trustee for the Northern District of Illinois, 219 S. Dearborn Street, Room 873, Chicago, Illinois 60604; (iv) Freeborn & Peters LLP, 311 South Wacker Drive, Suite 3000, Chicago, IL 60606, Attn: Richard S. Lauter and Shelly A. DeRousse, Counsel to the Official Committee of Unsecured Creditors of Gulf Packaging, Inc. (the "Committee"); and (v) any party that has filed a notice of appearance and request for service of pleadings in this case. In the event no objections to entry of a final order on the Motion are timely received, this Court may enter such final order without need for the Final Hearing.

12. A status hearing on the interim relief sought in the Motion is set for May 19, 2015 at 10:30 a.m.

Enter:

MAY 12 2015

Dated:



United States Bankruptcy Judge

Prepared by:

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