

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE MIDDLE DISTRICT OF TENNESSEE  
NASHVILLE DIVISION**

<b>IN RE:</b>	§	<b>CASE NO. 07-9024</b>
	§	<b>CHAPTER 11</b>
<b>SOFA EXPRESS, INC.</b>	§	<b>JUDGE PAINE</b>
	§	
<b>Debtor.</b>	§	

**INTERIM ORDER DETERMINING ADEQUATE ASSURANCE OF PAYMENT  
FOR FUTURE UTILITY SERVICES AND SETTING A FINAL HEARING**

Upon the motion (the “Motion”) of the above-captioned debtor and debtor in possession (the “Debtor”) for the entry of an interim order (the “Interim Order”) and a final order determining adequate assurance of payment for future utility services and the Harris Affidavit; it appearing that the relief requested is in the best interests of the Debtor’s estate, its creditors and other parties in interest; the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); venue being proper before this court pursuant to 28 U.S.C. §§ 1408 and 1409; notice of the Motion having

been adequate and appropriate under the circumstances; and after due deliberation and sufficient cause appearing therefore, it is hereby ORDERED

1. The Motion is granted on an interim basis.

2. The Debtor's utilities (as such term is used in Section 366 of the Bankruptcy Code, 11 U.S.C. §§ 101-1532 (the "Bankruptcy Code"), (collectively, the "Utility Providers") are prohibited from altering, refusing or discontinuing service on account of any unpaid prepetition charges.

3. The Debtor's Utilities Providers are prohibited from requiring additional adequate assurance of payment, other than a deposit equal to two weeks of utility service, calculated based on the historical average over the 12 months before the Petition Date (as defined in the Motion)(the "Adequate Assurance Deposit"), in conjunction with the Debtor's ability to pay for future utility services in the ordinary course of business (collectively, the "Debtor's Adequate Assurance"), pending entry of an order (the "Final Order") after the final hearing (the "Final Hearing") on the Motion.

4. The Final Hearing is set for January 4, 2008 at 10:00 a.m. (prevailing Central Time) in Courtroom One, Customs House, 701 Broadway, Nashville, Tennessee.

5. A Utility Provider who desires an Adequate Assurance Deposit must request the same in writing and serve it upon the Debtor so that it is actually received no later than ten days before the Final Hearing by 4 P.M. (Prevailing Eastern Time) at the following addresses: (a) Sofa Express, Inc., 4600 South Hamilton Road, Groveport, Ohio 43125, Attn: Scott Pasquith; and (b) Alston & Bird LLP, 1201 West Peachtree Street, Atlanta, Georgia 30309, Attn: Jason H. Watson, Esq. and Wendy R. Reiss, Esq. (collectively, the "Notice Parties").

6. All requests for an Adequate Assurance Deposit must (a) be made in writing, (b) set forth the location for which utility services are provided, and (c) include a summary of the Debtor's payment history relevant to the affected account(s), including any security deposits.

7. A Utility Provider who requests and accepts an Adequate Assurance Deposit shall be deemed to have stipulated that the Adequate Assurance Deposit constitutes adequate assurance of payment to such Utility Provider within the meaning of Section 366 of the Bankruptcy Code and such Utility Provider shall be deemed to have waived any right to seek additional adequate assurance during the course of this chapter 11 case.

8. A Utility Provider desiring additional assurances of payment in the form of deposits, prepayments or otherwise, in excess of the Adequate Assurance Deposit, must file an objection (an "Objection") in accordance with the procedures (the "Objection Procedures") set forth in the Motion.

9. All Objections must (a) be made in writing, (b) set forth the location for which utility services are provided, (c) include a summary of the Debtor's payment history relevant to the affected account(s), including any security deposits, and (d) explain why the Utility Provider believes the Debtor's Adequate Assurance is not sufficient adequate assurance of future payment and be served upon the Notice Parties no later than 4 P.M. (Prevailing Eastern Time) December 26, 2007.

10. Upon the Debtor's receipt of any Objection, the Debtor shall have until the Final Hearing to negotiate with such Utility Provider to resolve such Utility Provider's Objection.

11. The Debtor may, in its discretion, resolve any Objection by mutual agreement with the Utility Provider and without further order of the Court, and may, in connection with any such agreement, in its sole discretion, provide a Utility Provider with additional adequate assurance of payment, including, but not limited to, cash deposits, prepayments and other forms

of security, without further order of this Court if the Debtor believes such additional assurance is reasonable.

12. If the Debtor determines that an Objection is not reasonable and is not able to reach an alternative resolution with the Utility Provider filing such Objection prior to the Final Hearing on this Motion, the Objection will be heard and considered at the Final Hearing.

13. A Utility Provider shall be deemed to have adequate assurance of payment within the meaning of Section 366 of the Bankruptcy Code unless and until (a) the Debtor, in its sole discretion, agrees to an alternative assurance of payment with the Utility Provider or (b) the Court enters an order at the Final Hearing requiring that additional adequate assurance of payment be provided.

14. The Debtor is authorized, in its sole discretion, to amend the utility service list attached as Exhibit C to the Motion (the “Utility Service List”) to add or delete any Utility Provider, and this Interim Order shall apply to any such Utility Provider that is subsequently added to the Utility Service List.

15. Such subsequently added entities that either (a) request additional or different adequate assurance or (b) object to the Interim Order or Final Order must make such request or file such objection in accordance with the procedures set forth herein.

16. All Utility Providers, including subsequently added Utility Providers, shall be prohibited from altering, refusing or discontinuing utility services to the Debtor absent further order of the Court.

17. The form of the notice of the Final Hearing attached to the Motion as Exhibit A-1 (the “Final Hearing Notice”) is approved.

18. The Debtor shall serve a copy of the Motion, this Interim Order, the applicable portion of the Utility Service List and the Final Hearing Notice on each Utility Provider listed on

the Utility Service List no later than two business days after the date this Interim Order is entered, and shall similarly serve a copy of the Motion, this Interim Order, the applicable portion of the Utility Service List and the Final Hearing Notice on each Utility Provider subsequently added by the Debtor to the Utility Service List. Such subsequently added entities would then have 20 days from service of the Motion, the Final Order and the applicable portion of the Utility Service List to serve a request for additional or different adequate assurance or serve an Objection upon the Notice Parties.

19. To the extent that such subsequently added Utility Provider's request for additional or different adequate assurance or objection cannot be resolved by mutual agreement between the Debtor and the Utility Provider, the Debtor will request a hearing before the Court on proper notice to determine the adequacy of assurances of payment with respect to a particular Utility Provider pursuant to Section 366(c)(3) of the Bankruptcy Code.

20. The Debtor is authorized to take all actions necessary to effectuate the relief granted pursuant to this Interim Order in accordance with the Motion.

21. The terms and conditions of this Interim Order shall be immediately effective and enforceable upon its entry.

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

**THIS ORDER WAS SIGNED AND ENTERED ELECTRONICALLY AS INDICATED  
AT THE TOP OF THE FIRST PAGE.**

APPROVED FOR ENTRY:

/s/ William L. Norton III

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