



IT IS ORDERED as set forth below:

Date: August 7, 2025

**Sage M. Sigler
U.S. Bankruptcy Court Judge**

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION**

In re:

WELLMADE FLOOR COVERINGS
INTERNATIONAL, INC., *et al.*,¹

Debtors.

)
)
) Chapter 11

)
) Case No. 25-58764-sms

)
) (Joint Administration Requested)

)
)
) **Re: Docket No. 8**

**INTERIM ORDER (I) AUTHORIZING THE DEBTORS TO PAY
PREPETITION WAGES, PAYROLL TAXES, CERTAIN EMPLOYEE
BENEFITS, AND RELATED EXPENSES AND (II) DIRECTING
BANKS TO HONOR RELATED TRANSFERS**

Upon the *Emergency Motion of the Debtors for Entry of Interim and Final Orders (I) Authorizing the Debtors to Pay Prepetition Wages, Payroll Taxes, Certain Employee Benefits, and Related Expenses, and (II) Directing Banks to Honor Related Transfers* (the “Motion”);² and

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: Wellmade Industries MFR. N.A LLC (1058) and Wellmade Floor Coverings International, Inc. (8425). The mailing address for the Debtors for purposes of these chapter 11 cases is: 1 Wellmade Drive, Cartersville, GA 30121.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.



the Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and this matter being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue of these Chapter 11 Cases and the Motion in this district being 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 this Court having held a hearing (the “Hearing”) to consider the relief requested in the Motion; and upon the First Day Declaration and the record of the Hearing, this Court having determined that there is good and sufficient cause for the relief set forth in this Order; and after due deliberation thereon,

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED on an interim basis to the extent provided herein.
2. The Debtors are authorized, but not directed, to pay all Employee Obligations that have accrued by virtue of the services rendered by the Employees prior to the Petition Date. The Employee Obligations that the Debtors are authorized to pay are described in the Motion and include, without limitation, (a) Wages and Commissions; (b) Independent Contractor Obligations; (c) Payroll Taxes; (d) Medical, Benefit and Retirement Plans, (e) PTO and Reimbursement Programs, and (f) Workers Compensation Programs.
3. The Debtors shall not honor any prepetition claims or obligations on account of the Employee Obligations to any individual that exceeds the priority amounts set forth in sections 507(a)(4) and 507(a)(5) of the Bankruptcy Code.
4. The Debtors are authorized, but not directed, to continue to honor and pay their PTO and Reimbursable Expenses in the ordinary course of business and consistent with the Debtors’ prepetition practices and modify, change, and discontinue any of the PTO and

Reimbursable Expenses Programs and to implement new programs, policies, and benefits in the ordinary course of business during these chapter 11 cases.

5. Notwithstanding any other provision of this Order, nothing in this Order shall authorize the Debtors to cash out unpaid PTO, unless applicable non-bankruptcy law requires such payment.

6. The Debtors are authorized to continue the Workers' Compensation Programs and pay all prepetition amounts relating thereto in the ordinary course.

7. The Debtors are authorized to continue to honor and pay amounts related to the Medical Plans, Benefits Plans, and Retirement Plans in the ordinary course of business, including any such prepetition obligations.

8. The Debtors are authorized, but not directed, to make payments to applicable third parties in connection with the Employee Obligations, including, without limitation, all Payroll Taxes, in accordance with the Debtors' ordinary course of business and stated policies, as set forth in the Motion.

9. The Debtors are authorized to make postpetition payments with respect to the foregoing in the ordinary course of business.

10. All of the Debtors' banks are authorized and directed to receive, process, honor, and pay any and all checks or electronic transfers drawn on the Debtors' payroll and disbursement accounts related to the Employee Obligations authorized by the Interim Order, whether presented before or after the Petition Date, provided that sufficient funds are on deposit in the applicable accounts to cover such payments.

11. To the extent that any employment or related agreements may be deemed executory contracts within the meaning of section 365 of the Bankruptcy Code, the Debtors have not sought

authority to assume such contracts, and no relief is granted in respect thereof.

12. Nothing in the Motion or the Interim Order, nor as a result of any payment made pursuant to the Interim Order, shall be deemed or construed as an admission as to the validity or priority of any claim against the Debtors, an approval or assumption of any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code, or a waiver of the rights of the Debtors, or shall impair the ability of the Debtors, or any other party in interest, to the extent applicable, to contest the validity and amount of any payment made pursuant to the Interim Order.

13. Notwithstanding anything to the contrary contained in this Interim Order, any payment, deposit, or other transfer made or to be made under this Interim Order, any authorization contained in this Interim Order, or any claim for which payment is authorized hereunder, shall be subject to the terms and provisions of any orders of this Court approving any debtor-in-possession financing for, or any use of cash collateral by, the Debtors and any approved budget (subject to permitted variances thereto) in connection therewith. Nothing herein is intended to modify, alter, or waive, in any way, any terms, provisions, requirements, or restrictions of (a) any such orders approving any debtor-in-possession financing or use of cash collateral or (b) any debtor-in-possession financing agreements and documents related thereto.

14. Nothing herein shall be deemed to authorize (i) the payment of any amounts in satisfaction of bonus or severance obligations to an insider of the Debtors, which are subject to section 503(c) of the Bankruptcy Code, or (ii) the payment of any amounts owing to any retired or former employees under any supplemental executive retirement plan or otherwise.

15. A final hearing to consider the relief requested in the Motion shall be held on **August 21, 2025 at 10:00 a.m. (prevailing Eastern Time)** and any objections to entry of such order shall be in writing and filed with this Court no later than **August 14, 2025 at 4:00 p.m.**

(prevailing Eastern Time) and served on: (i) the Debtors, c/o Wellmade Floor Coverings International Inc., 1197 Peachtree St. NE, Suite 780, Atlanta, GA 30361, Attn: David Baker (dbaker@auroramp.com); (ii) proposed counsel to the Debtors, Greenberg Traurig, LLP, Terminus 200, 3333 Piedmont Road, NE, Suite 2500, Atlanta, Georgia 30305, Attn: John D. Elrod (elrodj@gtlaw.com) and Allison J. McGregor (Allison.McGregor@gtlaw.com); (iii) counsel for the Prepetition Lenders, King & Spalding LLP, 1180 Peachtree Street, NE, Suite 1600, Atlanta, GA 30309, Attn: Austin Jowers (AJowers@kslaw.com); (iv) counsel for the DIP Lenders, Rountree Leitman Klein & Geer, LLC, Century Plaza I, 2987 Clairmont Road, Suite 350, Atlanta, GA 30329 Attn: Will B. Geer (WGeer@rlkglaw.com); and (v) the Office of the United States Trustee for Region 21, 362 Richard Russell Building & U.S. Courthouse, 75 Ted Turner Drive, S.W., Atlanta, GA 30303 Attn: Lindsay Kolba (Lindsay.P.Kolba@usdoj.gov).

16. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order.

17. The requirements of Bankruptcy Rule 6003(b) are satisfied.

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

19. The Court shall retain jurisdiction with respect to all matters arising from or related to the implementation and/or interpretation of this Order.

END OF DOCUMENT

Prepared and presented by:

GREENBERG TRAURIG, LLP

/s/ John D. Elrod

John D. Elrod, GA Bar No. 246604

Jake Evans, GA Bar No. 797018

Allison J. McGregor, GA Bar No. 860865

3333 Piedmont Road NE, Suite 2500

Atlanta, GA 30305

Telephone: 678-553-2259

Facsimile: 678-553-2269

Email: elrodj@gtlaw.com

Jake.Evans@gtlaw.com

Allison.McGregor@gtlaw.com

Proposed Counsel for the Debtors in Possession

Distribution List

Wellmade Floor Coverings International, Inc.
1197 Peachtree St. NE, Suite 780
Atlanta, GA 30361
Attn: David Baker

Greenberg Traurig, LLP
Terminus 200
3333 Piedmont Road, NE, Suite 2500
Atlanta, Georgia 30305
Attn: John D. Elrod

Kurtzman Carson Consultants LLC d/b/a Verita Global
222 N. Pacific Coast Highway, 3rd Floor
El Segundo, CA 90245
Attn: Drake D. Foster

Office of the United States Trustee
362 Richard Russell Federal Building
75 Ted Turner Drive, SW
Atlanta, GA 30303
Attn: Lindsay Kolba

King & Spalding LLP
1180 Peachtree Street, NE, Suite 1600
Atlanta, GA 30309
Attn: Austin Jowers

Rountree Leitman Klein & Geer, LLC
Century Plaza I
2987 Clairmont Road, Suite 350
Atlanta, GA 30329
Attn: Will B. Geer