

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

In re:	)	Chapter 11
	)	
MONTESQUIEU, INC. <i>et al.</i> , <sup>1</sup>	)	Case No. 19-10599 (BLS)
	)	
Debtors.	)	Jointly Administered
	)	
	)	<b>Re: D.I. 12, 30</b>
	)	

**FINAL ORDER (A) AUTHORIZING DEBTORS TO PAY PREPETITION CLAIMS OF  
CRITICAL VENDORS AND (B) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”)<sup>2</sup> of Montesquieu, Inc. and certain of its affiliates, as debtors and debtors in possession (collectively, the “Debtors”), for entry of an Final order (this “Final Order”) (i) authorizing but not directing, Debtors to pay the liquidated, non-contingent, and undisputed prepetition claims of vendors and service providers (the “Prepetition Vendor Claims”) in the ordinary course of business under the terms and conditions set forth described in this Motion; and (ii) granting such other and further relief as the Court deems proper, all as more fully set forth in the Motion; and upon the First Day Declaration; and the Court having found that the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and the 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 the 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 the Court having found that the Debtors provided appropriate notice of the Motion and the opportunity for a hearing on the

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<sup>1</sup> The Debtors and the last four digits of their respective taxpayer identification numbers include: Montesquieu, Inc. (8069), WG Best Weinkellerei, Inc. dba Montesquieu Winery (California) (0458) and Montesquieu Corp. (California) (4025). The headquarters and service address for the above-captioned Debtors is 8929 Aero Dr, San Diego, California 92123.

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

Motion under the circumstances; and the Court having reviewed the Motion and having heard the statements in support of the relief requested therein before the Court (the "Hearing"); and the 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 this Court having entered its Interim Order on the Motion [D.I. 30]; 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, but not directed to, in their discretion to pay the liquidated, non-contingent, and undisputed prepetition claims of vendors and service providers (the "Prepetition Vendor Claims") up to an aggregate amount of \$15,000.
3. The Debtors are further authorized to condition the payment of the Critical Vendor Claims upon the Critical Vendors' agreement to continue—or recommence—supplying goods and services to the Debtors in accordance with trade terms at least as favorable as those practices and programs (including credit limits, pricing, timing of payments, availability, and other terms) in place 12 months prior to the Petition Date, or such other trade terms that are acceptable to the Debtors in their discretion (the "Customary Trade Terms").
4. If the Critical Vendors accept payment pursuant to the relief requested by the Motion and thereafter do not continue to provide goods or services on Customary Trade Terms, then: (a) the Debtors may then take any and all appropriate steps to cause such Critical Vendors to repay payments made to it on account of its prepetition claim to the extent that such payments exceed the postpetition amounts then owing to such Critical Vendors; (b) upon recovery by the Debtors, any prepetition claim of such party shall be reinstated as if the payment had not been made; and (c) if there exists an outstanding postpetition balance due from the Debtors to such

party, the Debtors may elect to re-characterize and apply any payment made pursuant to the relief requested by the Motion to such outstanding postpetition balance and such supplier or vendor will be required to repay to the Debtors such paid amounts that exceed the postpetition obligations then outstanding without the right of any setoffs, claims, provisions for payment of any claims, or otherwise.

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


6. Notice of the Motion 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.

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

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

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

Dated: April 24, 2019

  
The Honorable Brendan Linehan Shannon  
United States Bankruptcy Judge