

FILED

DEC 02 2025

MARY K. COSTELLO, P.J.Ch. *Dec 02 2025*

MARY K. COSTELLO, P.J.Ch.

GREENBERG TRAURIG, LLP

Alan J. Brody, Esq.
500 Campus Drive, Suite 400
Florham Park, New Jersey 07932
(973) 443-3543 (Telephone)
(973) 295-1333(Facsimile)
brody@gtlaw.com

Attorneys for the Assignee DMR (ABC), LLC

In the Matter of the General Assignment for
the Benefit of Creditors of:

**DermaRite Industries LLC; Derma South,
LLC; DermaLan, LLC,**

Assignors,

-to-

DMR (ABC), LLC

Assignee.

SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION: PROBATE PART
HUDSON COUNTY

DOCKET NO. 330634

On Assignment

ORDER TO SHOW CAUSE

THIS MATTER being brought before the Court by DMR (ABC) LLC ("Assignee"), by and through its counsel, Greenberg Traurig, LLP, seeking relief by way of summary action based upon the facts set forth in the Verified Complaint filed herewith; and the Court having determined that this matter may be commenced by order to show cause as a summary proceeding pursuant to Rule 4:83-1, and for good cause shown:

IT IS ON THIS 2nd day of *December*, 2025, ORDERED that the parties in interest named appear and show cause on the 2nd day of *January*, 2026, before the Hon. Mary K. Costello, P.J.Ch., at the Superior Court, Chancery Division, Probate Part, located at the Brennan Courthouse, 583 Newark Avenue, Second Floor, Jersey City, New Jersey, at a time to be determined by the Court, why judgment should not be entered for the relief sought in the Complaint, attached herein as Exhibit 1 (including the Exhibit A attached hereto);

And it is further ORDERED that:

1. Any party in interest who wishes to be heard with respect to any of the relief requested in the Verified Complaint served with this Order to Show Cause and attached as Exhibit 1 to the Order to Show Cause (including the Exhibit A attached hereto) shall file with the Surrogate of Hudson County and serve upon the attorney for the plaintiff at the address set forth above, a written answer, an answering affidavit, a motion returnable on the date this matter is scheduled to be heard, or other response to this order to show cause and to the relief requested in the Verified Complaint by December 24, 2025. Filing shall be made with the Surrogate of Hudson County at 595 Newark Avenue, Room 407, Jersey City, New Jersey, 07306. Such responding party in interest shall also file with such Surrogate by the foregoing date a proof of service upon the plaintiff.

2. Any party in interest who fails to timely file and serve a response in the manner provided in Paragraph 1 of this Order to Show Cause shall be deemed in default, the matter may proceed to judgment without any further notice to or participation by such defaulting party in interest, and the judgment shall be binding upon the defaulting party in interest.

3. Parties in interest are hereby advised that a telephone call to the plaintiff, to the plaintiff's attorney, to the Surrogate, or to the Court will not protect your rights; you must file and serve your answer, answering affidavit, motion or other response with the filing fee required by the statute. The check or money order for the filing fee shall be made payable to the Surrogate of Hudson County. If you cannot afford an attorney, you may call the Legal Services office in the county in which you live. If you do not have an attorney or are not eligible for free legal assistance through the Legal Services office (or such office does not provide services for this particular type of proceeding), you may obtain a referral to an attorney by calling one of the Lawyer Referral Services.

4. If no party in interest timely files and serves a response to this order to show cause as provided for above, the application may be decided by the Court on or after the date this matter is scheduled to be heard, and may be decided on the papers without a hearing, provided that the plaintiff has filed a proof of service and a proposed form of judgment as required by Paragraphs 7 and 9 of this Order to Show Cause.

5. If a party in interest timely files a response as provided for above, the court may entertain argument and may take testimony on the date this matter is scheduled to be heard.

6. The plaintiff must file and serve any written reply to the response of a party in interest by December 29, 2025. The reply papers, together with proof of service, must be filed with the Surrogate of Hudson County.

7. Plaintiff shall submit to the Surrogate of Hudson County an original and two copies of a proposed form of judgment addressing the relief sought on the date this matter is scheduled to be heard (along with a postage-paid return envelope) at least ten (10) days before the date this matter is scheduled to be heard.

8. A copy of this Order to Show Cause, the Verified Complaint, and all other affidavits submitted in support of this application, all of which shall be certified thereon by plaintiff's attorney to be true copies, shall be served upon the parties in interest listed in the complaint, by certified mail, return receipt requested (or by registered mail, return receipt requested with respect to any party in interest who resides outside the United States), and by regular mail within ten (10) days of the date hereof, in accordance with Rule 4:67-3, Rule 4:4-3, and Rule 4:4-4, this Order to Show Cause being original process.

9. The plaintiff shall file with the Surrogate of Hudson County a proof of service of the documents required by Paragraph 8 above to be served on the parties in interest at least ten (10) days before the date this matter is scheduled to be heard.

10. The Court will entertain argument, but not testimony, on the return date of the Order to Show Cause, unless the Court and parties are advised to the contrary before the return date.

Mary K. Costello
Hon. Mary K. Costello, P.J.Ch.

Exhibit 1

EXHIBIT 1

ORDER

In the Matter of the General Assignment for
the Benefit of Creditors of:

**DermaRite Industries LLC; Derma South,
LLC; DermaLan, LLC,**

Assignors,

-to-

DMR (ABC), LLC

Assignee.

SUPERIOR COURT OF NEW JERSEY
HUDSON COUNTY: SURROGATE COURT

Docket No.

PROPOSED ORDER

**ORDER AUTHORIZING
THE USE OF CASH COLLATERAL AND GRANTING ADDITIONAL
LIENS ON SUPER-PRIORITY BASIS, EFFECTIVE RETROACTIVELY TO THE
ASSIGNMENT DATE**

DMR (ABC), LLC, a Delaware limited liability company, in its capacity as assignee pursuant to N.J. Stat. Ann. § 2A:19-1 to 50 (2024) (the “**Assignee**”), under the Deed of Assignment for the Benefit of Creditors executed by DermaRite Industries LLC, Derma South, LLC, and DermaLan, LLC (collectively, the “**Assignors**”) on November 18, 2025 (the “**Deed of Assignment**”), has filed with this Court the Assignee’s *Verified Complaint for Entry of an Order Authorizing the Use of Cash Collateral and Granting Additional Liens on Super-Priority Basis, Effective Retroactively to the Assignment Date*, dated November 18, 2025 (the “**Verified Complaint**”);¹ and this Court having jurisdiction to consider the Verified Complaint, and venue being proper; and this Court having found that the Assignee’s notice of the Verified Complaint and opportunity for a hearing on the Verified Complaint were appropriate under the circumstances

¹ Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Verified Complaint.

and no other notice need be provided; and this Court having considered the Verified Complaint and all papers related thereto filed; and the Court having found cause to enter this Order being fully advised in these matters:

THIS COURT MAKES THE FOLLOWING FINDINGS:

- A. The Court has jurisdiction over this Case pursuant to the New Jersey Statutes.
- B. The recitals and provisions in the Verified Complaint are true and correct in all material respects.
- C. Twin Brook Capital Partners, LLC, in its capacity as administrative agent and collateral agent (in such capacities, “Agent”) for the secured lenders (collectively, the “**Lenders**,” and together with “Agent” the “**Secured Parties**”) under that certain Credit and Guaranty Agreement, dated as of March 3, 2017 (as amended, restated, supplemented or otherwise modified from time to time, the “**Credit Agreement**,” and together with the other documents, instruments and agreements executed in connection therewith and as further defined in the Credit Agreement, the “**Pre-Assignment Credit Documents**”), holds valid, first priority, and perfected liens on and security interests in (i) all now-existing and after-acquired or generated cash of the Assignors (the “**Cash Collateral**”) and (ii) all of the Assets that constitute Pre-Assignment Collateral. For the avoidance of doubt, the Pre-Assignment Collateral includes all Assets and proceeds thereof arising on or after the date of the Deed of Assignment (the “**Assignment Date**”).

- D. To maximize the value of all Assets, and to pay the costs and expenses relating to the administration of the Assets, including, without limitation, (i) ongoing operational costs, payroll and related tax obligations (ii) costs and expenses to maintain, repair, protect and sell the Assets for the highest value, (iii) anticipated professional fees and costs, and (iv) other items as set

forth in the Budget (collectively, the “**Assignment Expenses**”), it is necessary for the Assignee and/or Assignors to use certain Cash Collateral.

E. Agent is willing to permit the Assignee and/or Assignors, as applicable, to use Cash Collateral pursuant to, and in accordance with, the terms of this Order and the Budget attached hereto **as Exhibit A, provided** that (a) the Assignee grants to Agent, on behalf of the Secured Parties, super-priority liens on all Assets to the extent of any diminution in value of the Pre-Assignment Collateral² resulting from the use of Cash Collateral, which liens shall be senior to all other liens and encumbrances on the Assets, including, without limitation, the pre-assignment liens of Agent and the Lenders on such Assets, and (b) all Assignment Expenses pursuant to the Budget shall be paid from the proceeds of the Pre-Assignment Collateral in accordance with the Budget as and when permitted by this Order.

F. Good cause exists for the entry of this Order because it will facilitate the Assignee’s smooth transition in overseeing the administration of the Assets and attempting to maximize the recovery and value of the Assets for the benefit of the Assignors’ creditors. Further, the entry of this Order will avoid diminution of the Assets by (a) avoiding immediate and irreparable harm to the Assets; (b) protecting the Assets from waste; and (c) allowing the Assignee and/or Assignors to pay employees and other relevant expenses and to maintain, repair, protect, and sell the Assets.

² Notwithstanding anything to the contrary in the Pre-Assignment Credit Documents, Agent, individually and on behalf of the Secured Parties, has agreed not to pursue or recover from individual third-party claimants any payments made directly by the applicable insurer(s) to such claimants on account of claims filed by such claimants under the directors and officers (D&O) and/or product liability insurance policies of the Credit Parties (collectively, the “**D&O/Product Liability Policies**”); *provided, however*, nothing in this Order shall waive, impair, alter or otherwise affect any liens or other rights or claims the respective Secured Parties may have against any other insurance policies of the Credit Parties or the proceeds thereof, all of which rights and claims have been fully reserved.

G. By agreeing to permit the Assignee and/or Assignors, as applicable, to use Cash Collateral pursuant to, and in accordance with, the Budget and this Order, Agent and the Lenders are acting in good faith.

NOW, THEREFORE, IT IS HEREBY ORDERED:

1. The Verified Complaint is granted, effective retroactively to the Assignment Date.
2. All financial accommodations made by Agent and the Lenders during the pendency of this Case (including permitting the use of Cash Collateral by Assignee prior to the entry of this Order on an emergency basis) are hereby found and ordered to be costs and expenses of administration and reasonable and necessary in this Case.
3. The Assignee and/or Assignors, as applicable, are authorized to use Cash Collateral to pay the Assignment Expenses up to the respective amounts (subject to the Variance specified in paragraph 5 below) and for the respective purposes set forth in each line item of the Budget attached hereto as **Exhibit A** and as provided in this Order; provided, however, the Assignee shall not be permitted to expend in the aggregate more than \$4,460,153 of Cash Collateral and other Pre-Assignment Collateral or proceeds thereof without the prior written consent of Agent. Except as expressly permitted pursuant to this Order, the Assignee shall not be authorized or permitted to expend or otherwise use Cash Collateral or other Pre-Assignment Collateral or proceeds thereof.
4. For the avoidance of doubt, to the extent such liabilities have not been satisfied prior to the Assignment Date, the Assignee is authorized and obligated to pay the line items in the Budget up to the then unspent amounts, and for the specific purposes set forth in the Budget, as and when due and owing by the Assignee, including, without limitation, paying the Assignors any amounts received from SBRWC LLC that are due and owing to Assignors under the terms of the TSA or otherwise.

5. On the Tuesday of each week commencing with the Tuesday immediately following entry of this Order, the Assignee shall deliver to Agent a (i) variance report showing comparisons of actual line-item disbursements (the “**Actual Disbursements**”) compared against such line-items set forth in the then current Budget (the “**Budgeted Disbursements**”) on both a weekly and cumulative basis and (ii) written report explaining any line-item variance between actual disbursements and budgeted disbursements (any such variance, a “**Variance**”) greater than 15%. When calculating a Variance, if the aggregate amount of cumulative Actual Disbursements made during any week is less than the amount of Budgeted Disbursements during such week, then, for purposes of calculating a line-item Variance, the Assignee may carry over such unused or excess amounts to the corresponding line-item in future periods in the then-current Budget. The Assignee, without the prior written consent of Agent, shall not exceed the aggregate dollar amount of disbursements set forth in the Budget, whether on a weekly or cumulative basis and irrespective of any Variance allowed on a line-item basis. Subject to the foregoing in this paragraph 5, the Assignee shall not permit (i) any Variance for a line-item in the Budget to exceed 15% on both a weekly or cumulative basis or (ii) the aggregate Actual Disbursements to exceed the Budgeted Disbursements across all line-items on a weekly or cumulative basis without Agent’s written consent, irrespective of any Variance permitted on a single line-item basis.

6. Subject to the Budget and the TSA, on every business day commencing with the Tuesday immediately following the Assignment Date, the Assignee shall remit to an account specified by Agent in writing all cash and cash equivalents then in the possession, custody, or control of the Assignee (not counting the cash or cash equivalents held in the Segregated Account

or Provider Account³, but including, for the avoidance of doubt, any proceeds of Pre-Assignment Collateral and any cash and cash equivalents that existed as of the Assignment Date) in excess of (a) \$1,000,000 from the Assignment Date through and including January 13, 2026, and (b) \$500,000 on and after January 14, 2026 (any such remittance, a “**Cash Sweep**”), in each case to repay the Obligations (including reimbursement of Agent’s accrued unpaid fees, costs and expenses) in accordance with the terms of the Credit Agreement. Following a Cash Sweep, if remaining cash on hand is not sufficient to fund the Assignment Expenses then budgeted to be funded as set forth in the Budget, the Secured Parties shall make additional Revolving Loans under, and as defined in, the Credit Agreement in an original principal amount sufficient to fund only such Assignment Expenses then budgeted to be disbursed in accordance with the Budget; provided, however, and notwithstanding the foregoing provision, Agent shall not be obligated to make such additional Revolving Loans in an amount exceeding the then current amount of total Cash Sweeps. Any and all such Revolving Loan advances made by the Secured Parties (i) shall be governed by the terms and conditions of the Credit Agreement, except as to representations and warranties established thereto, and (ii) shall constitute Obligations and Loans (each as defined in the Credit Agreement) and shall be treated *pari passu* with the Obligations and Loans in existence as of the Assignment Date. Agent, for the benefit of the Secured Parties, shall be granted super-priority, priming liens on all Assets not constituting Pre-Assignment Collateral to the extent of any net increase in Loans and Obligations as a result of such Revolving Loans, if any, made to the Assignee under this paragraph 6. Such liens shall be perfected automatically and without the requirement of filing any UCC-1 financing statements or taking any other action.

³ “Provider Account” means that certain account for collection of deposits and/or reimbursements from Recipient for services provided by Provider under the TSA, which funds will then be distributed to the applicable Provider(s) of the Services pursuant to the terms and conditions of the TSA. Following the distribution of funds to the applicable Provider(s), this account will maintain a zero balance.

7. The Assignee and Agent are authorized, upon their written agreement, to amend, revise or otherwise modify the Budget without further order from the Court, provided that any amendments, revisions, or modifications to the Assignor-Earmarked Line Items of the Budget shall be subject to the prior written approval of the Assignors unless such amendments, revisions, or modifications are to the Assignors' benefit.

8. Following entry of this Order, subject to the TSA, and at all times during the pendency of this Case, the Assignee shall deposit and retain all funds (including, for the avoidance of doubt, any proceeds of Pre-Assignment Collateral and any cash and cash equivalents that existed as of the Assignment Date, but excluding any funds required to be held in the Segregated Account as provided in paragraph 9 below) in blocked account(s) that are subject to a deposit account control agreement in favor of the Secured Parties (collectively, the "**Blocked Accounts**"). If, and to the extent that the Assignee improperly deposits and/or retains funds in a separate, non-Blocked Account (including but not limited to the Segregated Account), Agent shall continue to hold properly perfected, first-priority security interests in and liens on all cash in such account(s). Notwithstanding the foregoing, the Assignee is authorized, subject to the TSA, at the Assignee's sole discretion and without further order of the Court, to (i) deposit checks made payable to one or more of the Assignors and other parties into the Blocked Accounts to be used by the Assignee and/or the Assignors for the Assignment Expenses in accordance with the Budget; (ii) make disbursements to Agent, for the benefit of the Secured Parties, in accordance with the Budget and this Order; and (iii) make demands for funds of the Assignors held by third parties.

9. Notwithstanding anything to the contrary in this Order (including but not limited to paragraphs 6 and 8 above), and subject to the terms and conditions set forth in the TSA, (i) the Assignee shall establish (to the extent not already established prior to entry of this Order pursuant

to the terms of the TSA) and maintain a segregated deposit account (the “**Segregated Account**”) at TD Bank, N.A., which shall be used exclusively for the deposit of the first one million dollars (\$1,000,000) of proceeds from accounts receivable that (a) arose from the sale of inventory related to the Assignors’ wound care business (and any related services) prior to October 24, 2025 and (b) have been assigned to the Assignee by the Assignors on or after the Assignment Date (collectively, the “**Wound Care Receivable Proceeds**”); (ii) the first one million dollars (\$1,000,000) of Wound Care Receivable Proceeds paid or collected shall be deposited by the Assignee into the Segregated Account and shall constitute proceeds of Pre-Assignment Collateral; (iii) the Segregated Account shall be maintained in the Assignee’s name but held in trust for the benefit of Recipient, and shall be earmarked for the sole purpose of securing and satisfying any claims for which Recipient seeks recovery pursuant to the terms of the TSA; (iv) the Assignee is authorized to remit funds to Recipient from the Segregated Account, as permitted under and in accordance with the terms of the TSA, free and clear of Agent’s liens on such funds; and (v) the amount of any Wound Care Receivable Proceeds deposited in the Segregated Account shall not count toward the calculations of any fees or other amounts owed directly to the Assignee or its professionals or other contractors pursuant to the Budget (including, but not limited to, any line items in the section of the Budget entitled “Professional Fees”), and neither the Assignee nor its professionals or other contractors shall be paid any such Wound Care Receivable Proceeds that have been deposited into the Segregated Account, unless and until such Wound Care Receivable Proceeds are permitted to be released to Agent (on behalf of the Secured Parties) and/or the Assignors under and in accordance with the terms of the TSA and this Order.

10. As to any Cash Collateral used to pay Assignment Expenses, Agent, on behalf of the Secured Parties, shall be granted, as adequate protection and to the extent of any diminution in

value of the Pre-Assignment Collateral, super-priority, priming, liens on all Assets, which liens shall be senior in priority to all other security interests and liens on the Assets, including, without limitation, the pre-assignment liens of Agent on such Assets. Such liens shall be perfected automatically and without the requirement of filing any UCC-1 financing statements or taking any other action.

11. Notwithstanding any language to the contrary in the Credit Agreement or the other Pre-Assignment Credit Documents, Agent and the Lenders shall not be obligated to fund any amounts pursuant to the terms of the Credit Agreement, and instead shall only be obligated to permit the use of Cash Collateral and make additional advances in accordance with the terms and conditions of this Order (including the Budget).

12. The terms and provisions of this Order are final and shall be effective retroactively to the Assignment Date.

13. Any action taken pursuant to this Order shall survive entry of, and shall govern with respect to any conflict with, any other order which may be entered in this case. To the extent anything contained herein is inconsistent with the Verified Complaint, the TSA, or the Pre-Assignment Credit Documents, the terms of this Order control.

14. Notice of the Verified Complaint as provided therein shall be deemed good and sufficient notice of such Verified Complaint, and the applicable requirements of this jurisdiction and the Court are satisfied by such notice. Within seven (7) days of entry of this Order, the Assignee shall serve a copy of this Order, by regular first-class mail, on all known creditors and parties in interest, including those set forth in the Deed of Assignment.

15. Notwithstanding anything to the contrary in this Order, Greenberg Traurig, LLP (“Greenberg Traurig”), as proposed counsel for the Assignee in this Case, shall be authorized to

(i) continue to hold its pre-Assignment Date retainer during the pendency of this Case, and
(ii) apply the retainer to its pre- and post-Assignment Date fees and expenses, without the need of
filing a proof of claim and without the necessity of prior Court approval; provided, further, that
after application of the retainer, Greenberg Traurig shall remit to the Assignee any remaining
retainer funds. Such carveout is acknowledged and agreed to by Agent, on behalf of the Secured
Parties.

16. This Court shall retain jurisdiction to hear and determine all matters arising from
or relating to the interpretation or implementation of this Order.

#####

Exhibit A

Budget

All in US Funds

	Budget	Notes
1 Beginning Cash	\$ 4,237,962	
2 Cash Inflows		
2.01 AR	\$ -	
2.02 Sale of FF&E	\$ 250,000	
2.03 Other Inflows	\$ 10,000	
Total Cash Inflows	\$ 260,000	
3 Fiduciary & Employee Disbursements		
3.01 Payroll, to the extent not paid	\$ 82,500	Earmarked for Assignor
3.02 Warehouse KERP / Commissions, to the extent not paid	\$ 165,000	Earmarked for Assignor
3.03 Severance	\$ 50,000	Plus a percentage of line 2.01. Earmarked for Assignor
3.04 Continued Payroll	\$ 720,190	Earmarked for Assignor
3.05 Payroll reimbursement	\$ (720,190)	Earmarked for Assignor
3.06 Admin Payroll, to the extent not paid	\$ 300,993	Earmarked for Assignor
3.07 ABC subcontractors	\$ 275,000	
3.08 Fully Burdened PTO Disbursements	\$ -	Earmarked for Assignor
3.09 Employee Health Insurance, net of TSA reimbursement	\$ 80,103	Earmarked for Assignor
3.10 Package Policy (General Liability; Property) premium	\$ 48,582	Earmarked for Assignor
3.11 Work Comp Insurance, net of TSA reimbursement	\$ 8,827	Earmarked for Assignor
3.12 D&O Tail	\$ 49,252	Earmarked for Assignor
3.13 Product Liability Premium	\$ 39,587	Earmarked for Assignor
3.14 Product Liability Runoff	\$ 327,103	Earmarked for Assignor
3.15 Product Liability Deductible	\$ 50,000	Earmarked for Assignor
3.16 Product Recall Deductible	\$ 5,000	Earmarked for Assignor
3.17 Flex Spending Accounts	\$ -	Earmarked for Assignor
3.18 Employee Expense Reimbursements	\$ 16,000	Earmarked for Assignor
3.19 Taxes	\$ 308,865	Earmarked for Assignor
Total Fiduciary & Employee Disbursements	\$ 1,806,812	
4 Company Wind Down Expenses		
4.01 401(k) Dissolution	\$ 1,500	
4.02 Appraisal	\$ -	
4.03 Bond	\$ -	
4.04 Assignor storage of Books and Records	\$ 7,500	Earmarked for Assignor
4.05 Assignee Access to Books and Records	\$ 7,500	
4.06 Tax Return Preparation	\$ -	
4.07 Notice to Interested Parties	\$ 25,000	
4.08 SPE Set Up / W2 Prep / 1099	\$ 15,000	
4.09 Product Disposal	\$ -	
4.10 Equipment removal for Sale	\$ -	
4.11 Company/SPE Dissolution costs	\$ 5,000	Earmarked for Assignor
4.12 Company legal	\$ 240,000	Earmarked for Assignor
4.13 Lender legal	\$ 250,000	
Total Wind Down Expenses	\$ 551,500	

All in US Funds

	Budget	Notes
5 Other Operating Expenses		
5.01 Rent & CAM Fees	\$ 171,848	
5.02 Utilities, building, IT, supplies, transportation & banking	\$ 333,285	
5.03 Miscellaneous	\$ 453,208	
Total Other Operating Expenses	\$ 958,342	
6 Professional Fees		
6.01 Assignee Fixed Fee	\$ 250,000	
6.02 Assignee Variable Fee	\$ TBD	Based on future cash inflows. See 6.02 Note below
6.03 Assignee Variable Fee - UCC	\$ 385,000	
6.04 Assignee Legal	\$ 458,500	
6.05 Travel & misc. expenses	\$ 50,000	
Total Professional Fees	\$ 1,143,500	
Summary:		
Beginning Cash	\$ 4,237,962	
Incoming Cash	\$ 260,000	
Expenses	\$ 4,460,153	
Net	\$ 37,809	

6.02 Note: (a) 2% of A/R received in the first 45 days of the ABC, (b) 5% of A/R after the first 45 days of the ABC and (c) 5% of other recoveries received during the ABC