UNITED STATES BANKRUPTCY COURT
DISTRICT OF NORTH DAKOTA

In re:

JTD Enterprises LLC,
dba Finish Line Automobile Addictions,
dba Automotive Addictions,
dba FLAA,

Debtor.

Chapter 11, Subchapter V
Case No. 26-30337

ORDER GRANTING DEBTOR'S MOTION TO USE CASH COLLATERAL

Debtor JTD Enterprises LLC filed a Motion for Entry of Order Authorizing the Use of Cash Collateral on an interim and final basis. Doc 32. Gate City Bank filed an objection to the motion. The Court overruled the objection as to interim relief only and granted interim relief on the motion on May 29, 2026.

Gate City Bank withdrew its objection on June 9, 2026, after the parties entered a Stipulation for Entry of Order Authorizing the Use of Cash Collateral. Docs. 60, 84, 85. Debtor and the Subchapter V Trustee entered into a stipulation regarding use of cash collateral as well. Doc. 87. This stipulation included Debtor's budget from May 1 to July 31, 2026. Doc. 87 at 4.

1. Based on the motion, exhibits and other evidence received during the May 29, 2026, hearing, the Court finds that Debtor's use of cash collateral from petition date to July 31, 2026, is necessary to avoid immediate and irreparable harm including, but not limited to, (i) disruption or cessation of operations; (ii) loss of employees and key personnel; (iii) damage to relationships with customers, vendors, and other stakeholders;

and (iv) diminution in the value of the Debtor's estate to the detriment of all creditors. In other words, the relief provided in this Order is necessary to maintain the Debtor's operations during the period allowed. Accordingly,

IT IS ORDERED:

2. The motion is granted, subject to the terms and conditions in this Order and Debtor's stipulations with Gate City Bank and the Subchapter V Trustee. Debtor shall not use Cash Collateral except as expressly authorized and permitted in this Order or by subsequent order of the Court.

3. Subject to the terms and conditions of this Order, and consistent with the expenses outlined in the budget [Doc. 87 at 4] in support of the motion, Debtor is authorized to use Cash Collateral for the period from the Petition Date through July 31, 2026. Debtor's expenditures may vary no more than 10% from the total expenses outlined in its budget. See Doc. 87 at 4.

4. The Cash Collateral may be subject to the liens of Gate City Bank, Radiance Funding, Itria Ventures LLC, Morris Trade Solutions, and Madison Advance LLC (the "Prepetition Lenders").

5. For purposes of adequate protection, and to the extent of the use of prepetition cash collateral in which the Prepetition Lenders have security interests, Debtor is authorized to grant to the Prepetition Lenders replacement liens, notwithstanding 11 U.S.C. § 552, in the Debtor's postpetition assets of the same validity, priority, and effect as their prepetition liens, if any, on Debtor's prepetition property.

6. Debtor is also authorized to grant Gate City Bank a continuing first priority security interest in and lien upon all tangible and intangible personal property now

owned or hereinafter acquired, generated or received by Debtor after the Petition Date including, but not limited to, all equipment, inventory, chattel paper, accounts, accounts receivable and general intangibles, including the Cash Collateral with such replacement liens being of the same priority, dignity and effect as their respective prepetition liens.

7. In addition to the adequate protection listed above, the evidence received at the preliminary hearing shows Gate City Bank is oversecured and has sufficient equity cushion to provide adequate protection.

8. For the avoidance of doubt, Chapter 5 causes of action arising under 11 U.S.C. § 501 *et seq* are excluded from the replacement liens authorized by this Order.

9. The Court retains jurisdiction to enforce this Order according to its terms.

10. The rights of all parties to raise any and all arguments with respect to any further interim orders, or any final order, regarding the motion are preserved.

11. The stay in Fed. R. Bankr. P. 6004(h) is waived, and this Order is effective immediately.

12. The hearing scheduled for June 11, 2026, is cancelled.

Dated: June 10, 2026.

Shon Hastings

Shon Hastings, Judge
United States Bankruptcy Court