

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

IN RE: §
S. H. LEGGITT COMPANY, § CHAPTER 11
Debtor. § CASE NO. 10-10279-CAG

EMERGENCY MOTION FOR USE OF CASH COLLATERAL

COMES NOW S. H. LEGGITT COMPANY, Debtor in the above referenced proceeding, and files this its *Emergency Motion for Use of Cash Collateral*, and in support thereof would respectfully show the Court the following:

1. Debtor filed its voluntary petition for relief pursuant to Chapter 11 of Title 11 of the United States Code on February 2, 2010.

2. The Debtor operates a business that manufactures and assembles LP gas regulators, hose assemblies, custom brass fittings and plumbing components within the state of Texas and Indiana.

3. One or more creditors may assert a lien in the property, which may or may not be validly perfected. The creditors which appear to be the holders of lien indebtedness are as follows:

a. Don C. Leggitt, Sr.
2225 Garden Court
San Marcos, TX 78666

4. Debtor is responsible for the operations of its service/labor business and must have the use of income to operate the business. Income from these services may be the cash collateral of the creditor named in paragraph 3. Utility bills and other operating expenses must be paid in a timely manner, or the Debtor will be unable to continue its business, to the great detriment of all creditors in this case. Debtor must also pay its employees to maintain its

business. Immediate and irreparable injury, loss, or damage will result to Debtor and to the bankruptcy estate should the relief requested herein not be granted immediately.

5. Debtor has sent a copy of this *Emergency Motion for Use of Cash Collateral* to all parties in interest as reflected on the certificate of service attached hereto. A copy of this Motion was sent by fax to each creditor shown in Paragraph 3, by sending a fax to its attorneys or else directly to its office. Debtor has, or will shortly, circulated a proposed interim budget, attached hereto as Exhibit A, to the parties named in Paragraph 3 and to the U.S. Trustee.

6. The total dollar amount requested to be authorized for use is all of the cash receipts from its operations, as received, up to the amount needed for operating expenses.

7. The information required in the schedules and statement of affairs will be furnished to any entity so requesting. All schedules and statements will be filed within the time allowed by the Bankruptcy Rules.

WHEREFORE, PREMISES CONSIDERED, Debtor asks that the Court enter an order authorizing the use of cash collateral herein by the Debtor in the ordinary course of business and up to the amount set out in this motion, and for such other relief as is just.

Respectfully submitted,

MARTINEC, WINN, VICKERS & MCELROY, P.C.
600 Congress Avenue, Suite 500
Austin, TX 78701-2957
(512) 476-0750/FAX (512) 476-0753
martinec@mwvmlaw.com

By: /s/ Joseph D. Martinec
Joseph D. Martinec
State Bar No. 13137500
ATTORNEYS FOR DEBTOR-IN-POSSESSION

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing *Emergency Motion for Use of Cash Collateral* has been sent to the creditors and parties in interest listed on the attached matrix by facsimile transmission, unless otherwise indicated below, on the 5th day of February, 2010, and to the following:

S. H. Leggitt Company
1000 Civic Center Loop
San Marcos, TX 78666-9568
Debtor

Don C. Leggitt, Sr.
2225 Garden Court
San Marcos, TX 78666
Cash Collateral Creditor

U. S. Trustee
903 San Jacinto Blvd., Room 230
Austin, TX 78701

/s/ Joseph D. Martinec
Joseph D. Martinec

S. H. Leggitt Company
21 Day Operating Expense Budget

		Feb. '10
Salaries (including P/R Taxes)		\$ 92,487
Contract labor		\$ 10,329
Overtime		\$ 350
	Personnel	<u>\$ 103,166</u>
Employee Reimbursements		\$ 3,694
401(k)/other employee exp.		\$ 2,137
	Fringe	<u>\$ 5,831</u>
Freight Out		\$ 24,008
	Equipment	<u>\$ 24,008</u>
Rent		\$ 1,413
Operating Lease Expenses		\$ 2,119
Telephone		\$ 3,151
Internet Charges		\$ 524
Utilities		\$ 6,511
Medical Insurance		\$ 37,172
Travel		\$ 6,502
	Occupancy	<u>\$ 57,392</u>
Professional Services		\$ 1,750
Legal Expense		\$ 7,000
	Prof. Servs	<u>\$ 8,750</u>
Bank/ Payroll Fees		\$ 890
Insurance-Property & Cont.		\$ 1,197
Insurance- General Liab.		\$ 3,691
Payments to Suppliers		\$ 560,000
	Admin.	<u>\$ 565,778</u>
	Totals	<u><u>\$ 764,925</u></u>

IN RE: S.H. LEGGITT COMPANY
CH. 11 NO. 10-10279-CAG
FILED: 2/2/2010 JDM/bw

Halcor S.A. – Head Office
115 Kifisias Ave.
57th Km National Road
Athens, GREECE

GTM Plastics, Inc.
P.O. Box 671534
Dallas, TX 75267

Matrix – Service List (2/2/2010)

S.H. Leggitt Company
1000 Civic Center Loop
San Marcos, TX 78666-9568

NSF International
6195 Reliable Parkway
Chicago, IL 60686-0061
(Sent via e-mail)

Copreci de Mexico SA de CV
Calle Uno #736, Zona Industrial
Guadalajara, Jalisco, MEXICO
44940

U.S. Trustee
903 San Jacinto Blvd., Room 230
Austin, TX 78701

Flex-Tech Hose & Tubing, Inc.
1100 Civic Center Loop
San Marcos, TX 78666

Parker Hannifin Corp.
12299 Collection Center Dr.
Chicago, IL 60693

Top 20 Unsecured Creditors

Protech Global Solutions
45 Butterfield Trail
El Paso, TX 79906

Ninbo Huashuo Molding
No 518 Maoyangshan Road
Beliun Science/Tech Industrial Pk
Ninbo City, CHINA P.C. 315806

Chase Brass & Copper Co., LLC
12570 Collection Center Dr.
Chicago, IL 60693

Production Castings
P.O. Box 66726
St. Louis, MO 63166-6726

Headwaters BD, LLC
c/o John S. Phillips, Esq.
1899 Wynkoop St., 8th Floor
Denver, CO 80202

Fivestar Die Casting
5275 Quincy St.
Mounds View, MN 55112

Manth Brownell, Inc.
1120 Flyer Road
Kirkville, NY 13082

Seven Universe Industrial Co., Ltd.
No. 5 Lane 471
Feng-Shih Rd., Shih-Kang Hsiang
Taichung, TAIWAN

Ka Shui Manufactory Co.
11 Dongshen Highway
Egongling, Pinghu, Longgang District
Shenzhen, CHINA 51811

Tribal Manufacturing
450 Leggitt Road
Marshall, MI 49068

Hutmen S.A.
UL. Grabiszynska 241
53-234 Wroclaw, POLAND

Allied Insurance
c/o Bauman Loewe
8765 E. Bell Rd., Ste. 204
Scottsdale, AZ 85260

Novasfer
25080 Calvagese D Riviera
Fraz. Carzago, Calvagese D
Riviera, Brescia, ITALY 25080

Diacom
5 Howe Drive
Amherst, NH 03031