

1 NANCY WENG, ESO. (SBN: 251215)
2 TSAO-WU & YEE LLP
3 99 North First Street, Suite 200
4 San Jose, CA 95113
5 Telephone: 408.635-2334
6 Fax: 408.890.4774
7 nweng@trinhlawfirm.com

8 Attorney for Debtor(s)
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18 **UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA – SAN JOSE DIVISION**

19 In re:) Case No. 17-42149 RLE
20)
21 PNEUMA INTERNATIONAL, INC.) Chapter 11
22)
23 Debtor(s),) MOTION TO USE CASH COLLATERAL
24)
25) Date:
26) Time:
27) Place: 1300 Clay Street, Suite 300
28) Oakland, CA 94612
1) Before: Hon. Roger L. Efremsky
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19 COMES NOW Debtor Pneuma International, Inc.(the “Debtor”) by and through Tsao-Wu &
20 Yee LLP, its [proposed] attorneys of record, and moves the Court for authorization to use
21 secured creditor’s cash collateral. In support of this motion, Debtor states the following:

22 1. This Court has jurisdiction in this matter pursuant to 28 U.S.C. §1334(a). The subject
23 matter of this motion is a “core proceeding” under 28 U.S.C. §157(b)(2)(A) and (M).
24 Venue is proper under 28 U.S.C. §1408.
25 2. Debtor commenced Case No. 17-42149-RLE by filing a voluntary petition under Chapter
26 11 in the United States Bankruptcy Court for the Northern District of California, Oakland
27 Division, on August 25, 2017.
28 3. Debtor’s plan has not yet been proposed.

4. Debtor's assets at the time of filing consisted of the following: See, Schedule A/B Attached as Exhibit A.
5. Schedule D is a list of creditors who hold security interests in debtor's collateral, including Bank of America with a UCC lien and judgment creditors Yong Kwon Cho, Central United Packaging, inc., and Bruch Chalmers (collectively "Judgment Creditors"), who have a lien pursuant to an OEX Order. See, Schedule D Attached as Exhibit B . All assets are fully encumbered as of the commencement date.
6. Debtor is owed approximately \$160,000 in accounts receivables from customers as of the date of the petition filing, and approximately \$10,000 in cash in the bank account.
7. To continue operations, without interim financing, Debtor must use receivables as these are received.
8. WHEREFORE, Debtor prays for an order:
 1. Allowing Debtor to use the proceeds of accounts receivable and available cash to continue operations.
 2. Condition the use of such receivables and cash by giving the fully secured creditors and the partially secured Judgment Creditors a replacement lien for a like amount of post-petition receivables, cash and cash equivalents until such time as the herein case is confirmed, dismissed or converted.
 3. Condition the use of such receivables on payment to the fully secured creditors (Bank of America on Exhibit "A" in full and Judgment Creditors on Exhibit "A", the partially secured creditor as to its lien the sum of \$1,000/month paid in pro-rata distributions (relative to the amount of its secured debt) commencing on October 1, 2017.
 4. And for such other and further relief as is just and equitable.

Respectfully submitted,

Dated: August 26, 2017

TSAO-WU & YEE LLP

By: /s/ Nancy Weng

NANCY WENG
[Proposed] Counsel for the Debtor

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