

**UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION
www.flmb.uscourts.gov**

In re:

Case No: 6:17-bk-07685-CCJ

J + T, LLC

Chapter 11

EIN: 47-515805

Debtor.

**MOTION BY DEBTOR-IN-POSSESSION FOR AUTHORITY TO USE CASH
COLLATERAL AND REQUEST FOR EMERGENCY PRELIMINARY HEARING**

COMES NOW, J + T, LLC, (“JT” or the “Debtor”), as the debtor and debtor-in-possession, pursuant to 11 U.S.C. §§ 361 and 363 and Federal Rules of Bankruptcy Procedure 4001 and 9014, moves for an order authorizing the use cash collateral and to provide adequate protection to SunTrust Bank (“SunTrust” or “Secured Creditor”)¹. The Debtor respectfully requests an emergency preliminary hearing. In support of this Motion, the Debtor comes forward and states:

Background

1. On December 10, 2017 (the “Petition Date”), the Debtor filed a voluntary petition for relief under Chapter 11 of Title 11 of the United States Code (“Bankruptcy Code”). The Debtor continues to operate its business and manages its property as a debtor-in-possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

2. As of the date hereof, no creditors’ committee has been appointed in this case. In addition, no trustee or examiner has been appointed.

Jurisdiction and Venue

¹ The Debtor reserves its right to contest the validity, priority, or extent of such alleged security interest that may be asserted by SunTrust.

3. This Court has jurisdiction to consider this Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding under 28 U.S.C. §157.

4. Venue in this District is proper under 28 U.S.C. §§ 1408 and 1409.

5. The statutory basis for the relief requested herein are §§ 105, 361, and 363 of the Bankruptcy Code; Rules 2002, 4001, 6003 and 9012 of the Bankruptcy Rules; and Administrative Order FLMB-2009-1 of the Rules of the United States Bankruptcy Court for the Middle District of Florida (“Local Rules”).

The Debtor

6. JT is a Florida limited liability company formed pursuant to the Florida Limited Liability Act on September 25, 2015.

7. JT owns and operates a Haagen-Dazs Ice Cream Shop and Nestle Toll House Case located in the Seminole Towne Center.

Events Leading to Chapter 11 Filing

8. JT filed an emergency voluntary petition under Chapter 11 because of a pending eviction.

Cash Collateral and the Relief Sought by the Debtor

9. SunTrust may assert a first priority security interest in the Debtor’s accounts and inventory by virtue of a recorded lien on the Debtor’s personal property. As of the Petition Date, the Debtor owed United approximately \$100,000.00 in principle secured by a blanket lien on the Debtor’s personal property.

10. In its effort to successfully reorganize its business, it is essential that the Debtor continue, without interruption, operations which will require the use of funds on hand and funds

to be received. Those funds may be subject to a lien in favor of Secured Creditor as further discussed below.

11. The cash collateral, which the Debtor seeks to use, is comprised in whole or in part of the Debtor's income, cash, receivables and proceeds received from or on account of its prepetition or post petition business operations herein called revenue or cash collateral.

12. As adequate protection for the use of Creditor's Cash Collateral, the Debtor proposes to grant Secured Creditor replacement liens to the same validity, extent, and priority as their respective prepetition liens.

13. The Debtor continues to incur debtor-in-possession expenses, including U.S. Trustee fees, and monthly obligations pursuant to its agreements with the various clients. As a result, the Debtor requires the use of Debtor's Cash Collateral to pay these expenses during the chapter 11 proceeding.

14. The Debtor estimates it will require the use of approximately \$52,395.00 of Cash Collateral to continue to maintain operations through the end of January, 2018, and depending on the month, a greater or lesser amount will be required each comparable period thereafter

15. A budget showing estimated income and expenses for the Debtor through January, 2018 (the "Budget") is attached hereto as **Exhibit "A"** and is incorporated herein by reference.

16. If the Debtor is not permitted to use the Cash Collateral, it may be forced to halt operations, which would result in the loss of the going concern value of the business and a reduction in the value of the estate's assets. Such a result would adversely affect the Debtor's creditors.

WHEREFORE, the DEBTOR, respectfully requests this Honorable Court grant: (i) the use of Cash Collateral on a preliminary basis, (ii) approve the form of adequate protection provided to United and the Inferior Creditors., and (iii) grant such other relief as this Honorable Court may deem just and proper.

Respectfully Submitted,

By: /s/ Jeffrey S. Ainsworth

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Attorney for Debtor

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished, via Bankruptcy Noticing Center this 9th day of January, 2018 or via U.S. Mail, on the 10th day of January, 2018 to: U.S. Trustee, 400 W. Washington Street, Suite #3100, Orlando, Florida 32801; SunTrust Bank, Attn.: Registered Agent, Corporation Service Company, 1201 Hays Street, Tallahassee, Florida 32301, and the Local Rule 1007-2 Parties in Interest Matrix.

/s/ Jeffrey S. Ainsworth

Jeffrey S. Ainsworth, Esquire
BransonLaw, PLLC

J+T, LLC BUDGET

December 11-31, 2017

	Total
	Dec 11-31, 2017
Income	
Sales	
Sales - Ha Da Ice Cream	13,369.27
Sales - NTHC	31,263.84
Total Sales	\$ 44,633.11
Total Income	\$ 44,633.11
Cost of Goods Sold	
Cost Of Goods Sold	
COGS - HaDa	
HaDa A - Ice Cream	3,088.38
HaDa Cups, Cones, Dry Goods	1,128.72
HaDa Other	999.75
Total COGS - HaDa	\$ 5,216.85
COGS - NTHC	
NTHC - Brownies & Cookies	4,653.82
NTHC Other	413.06
Total COGS - NTHC	\$ 5,066.88
Total Cost Of Goods Sold	\$ 10,283.73
Total Cost of Goods Sold	\$ 10,283.73
Gross Profit	\$ 34,349.38
Expenses	
Advertising and Promotion	
Adv & Promo HaDa	584.27
Total Advertising and Promotion	\$ 584.27
Bank Service Charges	
Other Financial Institutions	7.47
SunTrust Fees	42.50
Total Bank Service Charges	\$ 49.97
Depreciation & Amortization	
Insurance Expense	
General Liability Ins	185.00
Workers Comp Ins	120.57
Total Insurance Expense	\$ 305.57
Interest Expense	499.01
Office Supplies	203.89
Payroll Expenses	93.10
EE Payroll	5,203.12
Payroll Tax Expense	1,156.49
Third Party Process Fees (ADP)	224.02

Total Payroll Expenses	\$ 6,676.73
Professional Fees	
Legal & Legal Related	1,717.00
Total Professional Fees	\$ 1,717.00
Rent Expense	-
Repairs and Maintenance	16.90
Royalties-HaDa	637.08
Royalties-NTHC	1,703.89
Take Out & Delivery Fees	25.00
Telephone Expense	235.13
Total Expenses	\$ 12,654.44
Net Operating Income	\$ 21,694.94
Other Income	
Interest Income	0.09
Total Other Income	\$ 0.09
Net Other Income	\$ 0.09
Net Income	\$ 21,695.03

Monday, Jan 08, 2018 08:52:34 PM GMT-8 - Cash Basis

J+T, LLC BUDGET

Month Ending 1/31/2018

	Total
	January 31, 2018
Income	
Sales	
Discounts	-800.00
Refunds	-25.00
Sales - Ha Da Ice Cream	14,500.00
Sales - NTHC	18,000.00
Total Sales	\$ 31,675.00
Total Income	\$ 31,675.00
Cost of Goods Sold	
Cost Of Goods Sold	
COGS - HaDa	
HaDa A - Ice Cream	4,600.00
HaDa Cups, Cones, Dry Goods	650.00
HaDa Other	900.00
Total COGS - HaDa	\$ 6,150.00
COGS - NTHC	
NTHC - Brownies & Cookies	4,500.00
NTHC - Coca Cola Beverages	250.00
NTHC Other	300.00
Total COGS - NTHC	\$ 5,050.00
Total Cost Of Goods Sold	\$ 11,200.00
Total Cost of Goods Sold	\$ 11,200.00
Gross Profit	\$ 20,475.00
Expenses	
Advertising and Promotion	
Adv & Promo HaDa	600.00
Adv & Promo NTHC	155.00
Total Advertising and Promotion	\$ 755.00
Bank Service Charges	
Heartland	1,125.35
Other Financial Institutions	25.00
SunTrust & TD Bank	75.00
Total Bank Service Charges	\$ 1,225.35
Computer and Internet Expenses	75.00
Depreciation & Amortization	
Insurance Expense	
General Liability Ins	187.00
Workers Comp Ins	150.32
Total Insurance Expense	\$ 337.32
Interest Expense	594.65

Office Supplies	100.00
Payroll Expenses	
EE Payroll	6,000.00
Officer's Salary	1,154.00
Payroll Tax Expense	547.28
Third Party Process Fees (ADP)	188.87
Total Payroll Expenses	\$ 7,890.15
Postage and Shipping Expenses	15.00
Professional Fees	
Pest Control / Cleaning Svc	50.29
Total Professional Fees	\$ 50.29
Rent Expense	4,500.00
Repairs and Maintenance	300.00
Royalties-HaDa	616.25
Royalties-NTHC	1,485.00
Take Out & Delivery Fees	25.00
Telephone Expense	260.00
Training	
Employee - Training Other / ServSafe	125.00
Training NTHC	
Total Training	\$ 125.00
Travel	
Mileage	400.00
Total Travel	\$ 400.00
Uniforms	120.00
Total Expenses	\$ 18,257.76
Net Operating Income	\$ 2,217.24
Other Income	
Interest Income	0.03
Total Other Income	\$ 0.03
Ask My Accountant	
Total Other Expenses	\$ 0.00
Net Other Income	\$ 0.03
Net Income	\$ 2,217.27

(*Note- Jan 2017 Net Sales \$31,849.00)

Monday, Jan 08, 2018 08:17:08 PM GMT-8 - Cash Basis

Label Matrix for local noticing
 113A-6
 Case 6:17-bk-07685-CCJ
 Middle District of Florida
 Orlando
 Tue Jan 9 17:12:36 EST 2018

Crest Foods, Inc.
 101 W. Renner Road
 Suite 240
 Richardson, TX 75082-2002

Crest Foods, Inc.
 101 W. Remer Road
 Suite 240
 Richardson, TX 75082

Haagen-Dazs Shoppe Compan
 500 Washington Ave South
 Suite 2040
 Minneapolis, MN 55415-1183

Jeffrey S. Ainsworth
 BransonLaw, PLLC
 1501 E. Concord Street
 Orlando, FL 32803-5411

PDMS Design Group
 2225 E. Randol Mill Rd.
 Suite 300
 Arlington, TX 76011-6306

Robert B. Branson
 BransonLaw
 1501 E. Concord Street
 Orlando, FL 32803-5411

SunTrust Bank
 PO Box 79079
 Baltimore, MD 21279-0079

Washington Prime Group Inc
 c/o Ronald E Gold
 3300 Great American Tower
 301 East Fourth Street
 Cincinnati OH 45202-4245

Washington Prime Group Inc.
 c/o Ronald E. Gold
 Frost Brown Todd LLC
 3300 Great American Tower
 301 E. Fourth Street
 Cincinnati, Ohio 45202-4257

Whigham Tax & Accg Service
 200 E. Commercial St. Ste4
 Sanford, FL 32771-1362

The following recipients may be/have been bypassed for notice due to an undeliverable (u) or duplicate (d) address.

(d)Crest Foods, Inc.
 101 W. Remer Road
 Suite 240
 Richardson, TX 75082

(d)SunTrust Bank
 PO Box 79079
 Baltimore, MD 21279-0079

End of Label Matrix	
Mailable recipients	10
Bypassed recipients	2
Total	12