

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION**

|                 |   |                                   |
|-----------------|---|-----------------------------------|
| In Re:          | : |                                   |
|                 | : |                                   |
| QUICK CARS, LLC | : | Case Number: 17-61776             |
|                 | : | Chapter 11                        |
|                 | : |                                   |
| Debtor.         | : | <b>EMERGENCY RELIEF REQUESTED</b> |
|                 | : |                                   |

**EMERGENCY MOTION FOR AUTHORITY TO USE CASH COLLATERAL  
AND TO  
MAKE ADEQUATE PROTECTION PAYMENTS**

Quick Cars, LLC (“Debtor”), by and through its undersigned counsel files this Emergency Motion For Authority to Use Cash Collateral and to Make Adequate Protection Payments (this “Cash Collateral Motion”) and, in support thereof, states as follows:

**GENERAL BACKGROUND**

1. On July 5, 2017 Debtor filed its voluntary petition under Chapter 11 of Title 11 of the United States Code (“Petition Date”).
2. The Debtor is operating its business as a debtor-in-possession pursuant to 11 U.S.C. §§ 1107 and 1108.
3. No trustee or examiner has been appointed for the Debtor.
4. No committee has been appointed in the Debtor’s case.

5. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334.

6. The subject matter of this Cash Collateral Motion is a core proceeding pursuant to 28 U.S.C. § 157(b).

7. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

#### **BACKGROUND FACTS**

8. On or about July 5, 2017, Debtor learned that it was in danger of having its cash accounts overdrawn or frozen due to weekly curtailment payments due to its three primary lenders in its used car business.

9. The three secured creditors are as follows: Auto Use; NextGear Capital (“NextGear”); and Automotive Finance Corporation (“AFC”). All three lenders have security interests in the cars they finance and also in Debtor’s cash accounts.

10. The Debtor proposes to use Cash Collateral consistent with an operating budget to be supplied at the hearing (“Budget”). The Budget will reflect anticipated monthly expenses substantially required to preserve and continue operations in a profitable manner.

11. Additionally, Debtor proposes to pay adequate protection to each lender, monthly, in an amount equal to 1% of the purchase price on each secured vehicle until the effective date of the Chapter 11 plan.

#### **THE DEBTOR’S NEED TO USE CASH COLLATERAL**

12. The use of the Cash Collateral is essential for the Debtor's continued operations. Such continued operations will both preserve and protect the collateral and will maximize the value of the Debtor's assets and revenues to allow for a successful reorganization.

13. Without the use of the Cash Collateral, the Debtor will be required to cease operations, substantially impairing the value of the Debtor.

14. Specifically, the use of the Cash Collateral will enable the Debtor to continue operations, employ bankruptcy counsel and accountants, and retain its employees and contractors.

15. Correspondingly, the failure of the Debtor to be permitted to use Cash Collateral will necessitate closing Debtor, thus compromising the Debtor's ability to generate revenue and imperiling the likelihood of a successful reorganization for the benefit of lenders and all of the Debtor's creditors.

#### **ADEQUATE PROTECTION OFFERED**

16. Debtor will be able to pay adequate protection to each lender from a portion of surplus revenue after meeting its operating expenses and tax obligations on a monthly basis.

17. The payment of surplus cash to the lenders will act to provide adequate protection in at least two ways. First, lenders will get the benefit of the cash collateral generated from operations, net of operating expenses. Second, lenders' specific collateral will be preserved due to the continued operations of the Debtor.

18. Such payments will pay down the balance of the secured or unsecured claim each lender may hold as will be determined pursuant to 11 U.S.C. § 506.

19. The Debtor will, prior to any hearing on this Cash Collateral Motion, work with each lender's counsel to try to resolve any issues with respect to the use of the Cash Collateral and the offer of adequate protection payments.

**EMERGENCY NEED FOR HEARING ON CASH COLLATERAL MOTION**

20. Debtor makes this request for an emergency hearing to resolve any issues from the lender's weekly curtailment draws out of the Debtor's operating accounts.

WHEREFORE, Debtor respectfully requests that this Court enter an Order Granting this Cash Collateral Motion, providing for (i) the use of the Cash Collateral on the terms outlined herein and in the Budget to be filed under separate cover; (ii) authority to make monthly adequate protection payments to lenders; and (iii) granting such other and further relief as this Court deems just and appropriate.

DATED this the 6<sup>th</sup> day of July, 2017

/s/ Howard P. Slomka, Esquire

Howard P. Slomka, Esquire  
***Attorney for Chapter 11 Debtor***  
Georgia Bar Number: 652875  
Slomka Law Firm, PC  
1069 Spring Street NW, Suite #200  
Atlanta, Georgia 30309  
Telephone: 678-732-0001  
Facsimile: 678-666-3980