

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MASSACHUSETTS**

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In Re:  
LTS NATIONWIDE, INC.  
Debtor(s)

Chapter 11  
Case No. 17-10542-FJB

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**EXPEDITED MOTION OF DEBTOR, LTS NATIONWIDE, INC. FOR  
AUTHORIZATION ON AN INTERIM AND PERMANENT BASIS FOR USE OF  
CASH COLLATERAL**

NOW comes LTS Nationwide, Inc. and states as follows:

1. LTS Nationwide, Inc., the Chapter 11 Debtor herein, having filed its case on February 20, 2017. At present, it is operating as a Debtor-in-Possession.
2. The Debtor is the owner of a livery service and is the owner/lessor of fifteen (15) vehicles which is attached hereto as Exhibit A.
3. Ace Funding Source of 366 North Broadway, Jericho, NY 11753 is the present holder of the sole lien on the cash sales and receivables of the Debtor. Ace Funding Source is secured by UCC Filing No. 201633000030 recorded at the Secretary of State for the Commonwealth of Massachusetts corporation division on December 6, 2016 at 8:35 a.m. The security agreement contains an assignment and pledge of all receivables. The lien was granted to secure a note of \$44,970.00 with a daily payment of \$599.00 in the document between Ace and the Debtor is 12%.
4. The lender has alleged a default under the terms of the note and agreement and is in the process of attempting to collect the same.
5. The Debtor acknowledges a default under the note and agreement.

6. The Debtor believes that the value of the corporation has an approximate value of between \$250,000.00 and \$300,000.00.
7. The income that is derived from the livery service constitutes cash collateral as to Ace Funding Source. The Debtor has prepared a budget for the period of February 2017 through April 2017. Said budget is attached hereto as Exhibit B.
8. The Debtor requests the entry of an order by way of this Motion for Authority to Use Cash Collateral in the ordinary course of business to pay the expenses indicated in the budget and for the purposes of providing adequate protection to the lienholder regarding the collateral.
9. It is necessary for the Debtor to make use of the income in order to maintain and preserve the value of the Debtor's business and the protection and the security of the Debtor's employees. Absent the Debtor's ability to use the cash collateral to maintain the Debtor's business and to service debt and to pay usual and ordinary operating expenses of the Debtor's livery business, the value of the Debtor's business is certain to diminish.
10. The use of cash collateral is necessary in order to preserve the value of the Debtor's bankruptcy estate.
11. The income is necessary for the purposes outlined and the Debtor has no other financing sources at this time that could be used to replace the cash flow from the income from the Debtor's customers.
12. As adequate protection the Debtor proposes the following:

- a. To maintain insurance on the property. At present, the property is insured and insurance binders have been provided to the United States Trustee's Office;
- b. To grant the lienholder a replacement lien on the same types of post-petition property of the estate against which the lienholder held liens as of February 20, 2017, the Chapter 11 petition date. Said replacement liens shall maintain the same priority, validity and enforceability as the lienholder's pre-petition lien. Said replacement liens shall be recognized only to the extent of the diminution in the value of the mortgage holder's pre-petition collateral after the petition date resulting from the Debtor's use of cash collateral during the pendency of this case;
- c. To continue to make payments consistent with the budget attached as Exhibit B on a monthly basis.

13. The Debtor submits that this proposal adequately protects the interest of the lienholder with regard to its collateral. The Debtor has not formulated its Plan of Reorganization at this juncture given the early stage of the case.

WHEREFORE, the Debtor respectfully requests that this Honorable Court:

1. Grant a hearing on an expedited basis with regard to this Motion;
2. Enter an Order authorizing the Debtor to use cash collateral on a continuing basis in accordance with this Motion;
3. Grant the lienholder a replacement lien on the receipts of the property securing its claim;

4. Schedule further hearings with regard to the use of cash collateral as the Court deems necessary to protect the interest of the lienholder;
5. Enter an Order for such other and further relief as is proper and as justice may require.

/s/Joseph P. Foley

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Veh #	Insured ID	Plate #	Year	Make	Model	VIN	Seating capacity
9		LV63246	2013	TOYOTA	AVALON	4T1BK1EB1DU017984	7
10		LV61736	2013	TOYOTA	AVALON	4T1BK1EB6DU019827	7
11		LV63464	2013	TOYOTA	AVALON	4T1BK1EB4DU017946	7
13		LV67744	2014	MERCED	E3504M	WDDHF8JB9EA927733	7
14		LV67745	2014	MERCED	E 250 B	WDDHF9HB8EA887933	7
16			2015	CADILL	XTS LUX	2G61M5S35F9167758	
18			2015	CADILL	XTS LUX	2G61M5S36F9186657	
19			2015	CADILL	ESCALAD	1GYS4SKJ6FR554821	
20			2015	CADILL	XTS LUX	2G61M5S34F9187824	
21			2015	MERCED	SPRINTE	WD3PF4CC2F5973235	
22			2015	CADILL	ESCALAD	1GYS4SKJ7FR572826	
24			2015	CHEVRO	K1500 S	1GNSKJKC9FR670612	
25			2015	CHEVRO	K1500 S	1GNSKJKC0FR649678	
26			2015	CADILL	XTS LUX	2G61N5S33F9265135	
28			2016	MERCED	SPRINTE	WDAPF4CC5GP176945	12

Exhibit B

LTS NATIONWIDE, INC.

Projected Income & Expenses		Feb -- April 2017	
		1-Feb	March-17 April-17
<b>Receipts</b>		\$ 75,000.00	\$ 75,000.00
<b>Expenses:</b>			
Office Rent		\$ 3,443.32	\$ 3,443.32
Car Insurance		\$ 6,750.00	\$ 6,750.00
Internet		\$ 375.00	\$ 375.00
Office Payroll		\$ 10,000.00	\$ 10,000.00
Drivers' Payroll		\$ 9,866.96	\$ 9,866.96
Tolls		\$ 3,433.96	\$ 3,433.96
Fuel		\$ 6,500.00	\$ 6,500.00
Office Phones		\$ 375.00	\$ 375.00
Verizon		\$ 1,025.00	\$ 1,025.00
Carwash		\$ 500.00	\$ 500.00
Cellphones		\$ 425.00	\$ 425.00
LimoAnywhere		\$ 375.00	\$ 375.00
Oscar		\$ 4,000.00	\$ 4,000.00
Accounting		\$ 600.00	\$ 600.00
<b>Total Expenses</b>		<b>\$ 47,659.24</b>	<b>\$ 47,659.24</b>
Adequate Protection Profit/Loss		\$ 27,341.00	

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**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a copy of the attached **Expedited Motion of Debtor, LTS Nationwide, Inc. for Authorization on an Interim and Permanent Basis for Use of Cash Collateral** has been served on the following parties and on the attached service list by first-class mail, postage pre-paid, or by ECF and/or e-mail transmission.

- John Fitzgerald, U.S. Trustee's Office USTPRegion01.BO.ECF@USDOJ.GOV

Ace Funding Source, LLC  
366 North Broadway, Suite 410  
Jericho, NY 11753

100 Cambridge Street  
P.O. Box 9564  
Boston, MA 02114

Advantage Funding  
3 Dakota Drive, Suite 210  
Lake Success, NY 11042

Merchants Fleet Management  
1278 Hooksett Road  
Hooksett, NH 03106

Bank of America  
P.O. Box 15019  
Wilmington, DE 19886

Protection Legal Group  
331 Newman Springs Road, Suite 143  
Red Bank, NJ 07701

Capital Advance Services, LLC  
One Evertrust Plaza, Suite 1401  
Jersey City, NJ 07302

Small Business Owners of America  
3553 Olentangy Boulevard  
Columbus, OH 43214

Internal Revenue Service  
Special Procedures  
P.O. Box 9112  
Boston, MA 02203

Toyota Financial Services  
P.O. Box 5855  
Carol Stream, IL 60197

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Revere, MA 02151

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/s/Joseph P. Foley, Esq.  
Joseph P. Foley