

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MASSACHUSETTS**

In Re:)	
)	
PROMOMANAGERS INC.)	Chapter 11
)	Case No. 17-10747-JNF
DEBTOR)	
)	

**EXPEDITED MOTION FOR AUTHORIZATION
FOR USE OF CASH AND NON-CASH COLLATERAL**
(Request for hearing not later than March 8, 2017)

Now comes Promomanagers, Inc., Debtor-In- Possession herein (“Debtor” and/or “Promomanagers”) and states:

1. Debtor filed its petition under Chapter 11 of Title 11 of the United States Code on March 6, 2017, and since such date has continued in possession of its property and operation of its business as Debtor-In-Possession.

2. The Debtor is the owner of an on-line business which provides custom imprinted promotional products, corporate gifts, promotional items and corporate apparel to clients worldwide. The company specializes in providing high quality custom backpacks, promotional holiday gifts, custom USB drives and totes and other items, delivered directly to the customer by the vendor, but with shipping paid by the Debtor.

3. The Debtors business enterprise fulfills orders placed on-line through the use of the corporate website as well as by orders placed directly by the customer on the telephone.

4. In the course of its operations, the Debtor-In-Possession requests the use of the pre-petition cash and non-cash collateral in order to continue to operate the business and to accept and fulfill orders placed. In accordance with the requirements of 11 U.S.C. Section

363(c)(4), the cash proceeds of the debtor's operations will be segregated in a separate bank account until such time as the debtor is authorized to utilize same.

5. Debtor-In-Possession has no source of income other than the proceeds from its sales and if it is not permitted to use such proceeds, it will be unable to operate in the ordinary course.

6. The Debtor-In-Possession requests use of the pre-petition cash and non-cash collateral in order to continue to operate its consulting business.

7. The Debtor is indebted the Commonwealth of Massachusetts Department of Revenue, which claims are outstanding in the sum of \$28,990.11 and secured by tax liens recorded with the Secretary of State on March 15, 2016 and September 26, 2016 (hereinafter "MDOR")

8. Debtor-In-Possession requests an emergency and preliminary hearing on this Motion not later than March 8, 2017 in order to be able to operate the business from the revenues to be received¹.

9. Based upon historical and projected expenses, the Debtor seeks to utilize cash collateral as set forth in the proposed Budget annexed here as Exhibit A. The Budget is based, in part, upon historical information as well as projected income and expenses due to the factors surrounding the filing.

10. The Debtor is willing to grant a replacement lien to the MDOR on the revenues acquired by the Debtor in the course of operating the business after the petition date of the same type, nature or description encompassed within their pre-petition liens, with such liens to be of the same priority as their perfected, pre-petition lien.

¹ In addition, counsel to the Debtor is unavailable on March 9-March 11, 2017 due to attendance at an out of state conference.

11. Debtor has no unencumbered assets to fund post-petition operation of its business, pay expenses or wages. Debtor states that it is unable to obtain, in the ordinary course of business or otherwise, unsecured credit allowable under Section 502(b)(1) of the Bankruptcy Code as an administrative expense.

12. The Debtor believes that its continued operation is in the best interest of the estate in that it will preserve the fair market value of the business and thereby increase the likelihood of reorganization which reorganization will be fruitless in the event of the inability to use cash and noncash collateral.

13. The Debtor is concurrently with the filing, serving this Motion by fax/electronic notice/regular mail to the secured parties named above, the taxing authorities and the United States Trustee and by regular or electronic mail or fax to the twenty largest unsecured creditors,

14. The MDOR will be adequately protected as the value of the collateral will not be diminished by the use of the business revenues, which proceeds represent the cash collateral of the MDOR as it shall be granted replacement liens on the cash proceeds acquired by the Debtor after the petition date of the same type, nature or description encompassed within their liens. In the event that the Debtors assets were to be liquidated, the value of the non-cash collateral would be significantly diminished.

Expedited Determination Requested

15. The Debtor requests an expedited determination on the within Motion so that it will be able to make payments in the ordinary course and able to make payment for deposits for utilities and adequate protection payment to be offered to the MDOR.

16. The failure to continue to provide sales to customers would result in the loss of the ability to fulfill pending contracts or to accept new contracts as vendors will require payment

upon placing of the orders. The failure to be able to use the cash proceeds would be fatal to the efforts to reorganize through a restructuring.

17. The Debtor seeks authorization for the use of cash and non-cash collateral and for authorization to provide replacement liens on the cash proceeds from the rents and consulting services provided by the Debtor of the same type, nature or description encompassed within their pre-petition security interests with such liens to be of the same priority as their perfected, pre-petition lien.

WHEREFORE, the Debtor respectfully requests that the Court:

1. Find that service of this Motion as outlined in paragraph 13 to the alleged secured creditors the taxing authorities, and the United States Trustee and the twenty largest creditors is reasonable and adequate under these circumstances;
2. Enter an order authorizing the Debtor to use cash and non-cash collateral on the basis provided for herein, without prejudice to the Debtor's right to seek to modify such order for any other reasons, upon further notice and a hearing; and
3. Grant such other relief as is just and proper.

Respectfully submitted,
Promomanagers, Inc.
By its attorney,

DATED: March 6, 2017

/s/ Nina M. Parker
Nina M. Parker (BBO #389990)
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**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MASSACHUSETTS**

<hr/>)	
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)	
PROMOMANAGERS, INC.)	Chapter 11
)	Case No. 17-10084-JNF
DEBTOR)	
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CERTIFICATE OF SERVICE

I, Nina M. Parker, do hereby certify that I have given either electronic notice, facsimile notice and/or mailed, postage prepaid, copies of **Expedited Motion for Authorization for Use of Cash and Non-Cash Collateral (Request for Hearing Not Later than March 8, 2017)** to the parties listed on the annexed service list.

/s/ Nina M. Parker
Nina M. Parker (BBO #389990)
nparker@ninaparker.com
Marques C. Lipton (BBO #676087)
mlipton@ninaparker.com
Parker & Associates
10 Converse Place, Suite 201
Winchester, MA 01890
(781)729-0005

DATED: March 6, 2017

Electronic Mail Notice List

- John Fitzgerald USTPRegion01.BO.ECF@USDOJ.GOV
- Nina M. Parker nparker@ninaparker.com,
rgorski@ninaparker.com;aprilp@ninaparker.com;mlipton@ninaparker.com

Manual Notice List

Promomanagers, Inc.
31 Home Depot Drive, #184
Plymouth, MA 02360

Apollo Group
1650 W. Artesia Boulevard
Gardena, CA 90248

Bagmakers Inc.
6606 South Union Road
Union, IL 60181

Bullet
6301 East 10th Avenue, Ste. 110
Hialeah, FL 33013

Capital One
General Correspondence
P.O. Box 30285
Salt Lake City, UT 84130

Charles River Apparel
1205 Providence Highway (Rt. 1)
Sharon, MA 02067

Chase Card Services
P.O. Box 15153
Wilmington, DE 19880

Dell Financial Services
P.O. Box 81577
Austin, TX 78708

Express A Button/SAMCO
28458 Selke Road
Dakota, MN 55925

Gemline
9 International Way
Lawrence, MA 01843

Hit Promotional Products
7150 Bryan Dairy Road
Largo, FL 33777

Leed's
400 Hunt Valley Road
New Kensington, PA 15068

Massachusetts Department of Revenue
Bankruptcy Unit
P.O. Box 9564
Boston, MA 02114

PopTops Co. Inc.
Easton Industrial Park
10 Plymouth Drive
South Easton, MA 02375

Prime Line
1100 Boston Avenue
Bridgeport, CT 06610

SanMar Corp.
P.O. Box 643693
Cincinnati, OH 45264

Shell Mastercard
Shell Fleet Card Processing
P.O. Box 183019
Columbus, OH 43218

Sweda Company, LLC
117411 Valley Boulevard
City of Industry, CA 91744

Walmart Business
P.O. Box 530932
Atlanta, GA 30353

Promomanagers, Inc.

March 2017 Budget

Sales(Projected)	\$	25,000.00
Expenses (Projected)		
Cost of Goods Sold	\$	(20,000.00)
Bank/Credit Card Fees	\$	(1,000.00)
Internet Fees	\$	(419.00)
Telephone/Fax	\$	(500.00)
Software Expense	\$	(249.00)
Commission/Consulting	\$	(800.00)
Payroll/Payroll taxes	\$	(1,500.00)
Office Rent/ Supplies/Licenses	\$	(203.00)
	\$	<u>329.00</u>