

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MASSACHUSETTS
(Eastern Division)

)	
In Re:)	
)	Chapter 11
J&S AUTO, INC.)	Case No. 17-13911-MSH
)	
Debtor.)	
)	

INTERIM ORDER AUTHORIZING USE OF CASH COLLATERAL AND GRANTING ADEQUATE PROTECTION AND SETTING FURTHER HEARING THEREON

Upon the Motion (the “Motion”) by Debtor, J&S Auto, Inc. (the “Debtor”) For Entry of Interim and Final Orders Authorizing Use of Cash Collateral, and Providing Adequate Protection, and Setting a Final Hearing Thereon (the “Motion”), seeking entry of an Order approving the Motion authorizing the Debtor’s use of cash collateral, and providing adequate protection to the Debtor’s secured creditors including App Group International, LLC, and Swift Capital, LLC (the “Secured Creditors”); and the Court having reviewed the Motion; and the Court having determined that the relief requested in the Motion is in the best interests of the Debtor, its estate, its creditors, and other parties in interest; and the Court having found that approval of the Motion on an interim basis is necessary to avoid immediate and irreparable harm to the Debtor’s estate pending further hearing; and it appearing that proper and adequate notice of the Motion has been given and that no other further notice is necessary; and upon the record herein; and after due deliberation thereon, good and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. Subject to the terms of this Order, the Motion is GRANTED and has the force and effect of an Order of the Court, on an interim basis pending a final hearing thereon.
2. The Debtor is authorized to use Cash Collateral through and including November 8, 2017 for the following items set forth in the 10 Day Budget attached to the Motion: (i) \$30,000 for post-petition

Drivers for a 2 week period; (ii) \$6,000 for vehicle and liability insurance; and (iii) \$2,216.59 for pre-petition commission owed to the Drivers.

3. In consideration of, and as adequate protection for any diminution in the value of the Secured Creditors' cash and non-cash Collateral, and to secure the claims of the Secured Creditors, the Secured Creditors are hereby granted a replacement lien, pursuant to § 361(2) and § 552 of the Bankruptcy Code, in all accounts, inventory, machinery, equipment, general intangibles, intellectual property, goods, and leasehold interests, as well as all products and proceeds thereof, generated or acquired post-petition; (collectively, the "Post-Petition Collateral") to the same extent as existed prior to the Chapter 11 filing; provided, however, that the liens granted herein shall not attach to any avoidance actions pursuant to Chapter 5 of the Bankruptcy Code or the proceeds thereof. The liens granted to the Secured Creditors herein may not be primed by any other lien, security interest and/or encumbrance whether by order of the Bankruptcy Court or the passage of time. The liens granted herein shall be deemed valid and perfected notwithstanding the requirements of non-bankruptcy law with respect to perfection. The post-petition grant of liens shall be supplemental of, and in addition to, the lien and security interests that Secured Creditors possess pursuant to their loan documents.

4. Nothing contained herein shall be deemed to constitute a determination of the ownership of the accounts receivable or the nature, extent and priority of the claims of the Secured Creditors against the accounts receivable or any of the Debtor's other assets, all such issues being reserved.


5. The Court shall hold a further hearing on the use of cash collateral and adequate protection on **November 8, 2017 at 10:15 a.m.** at the United States Bankruptcy Court in Boston, Massachusetts, 5 Post Office Square, 12th Floor, Courtroom No. 2, Boston, MA 02109.

6. The Debtor is directed to immediately serve a copy of this Order on all Secured

Creditors, the twenty largest unsecured creditors of the Debtor, the taxing authorities, the U.S. Trustee, and all parties who have filed a notice of appearance in this case, and file a certificate of service regarding the same.

7. The Court shall retain jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: October 27, 2017



Honorable Melvin S. Hoffman
Chief United States Bankruptcy Judge