

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

Ch. 11
Case No. 18-41982
Hon. Phillip J. Shefferly

In re:

WORLD VIEW INTERNATIONAL TRADE, LLC,
Debtor.

**COVER SHEET FOR FIRST DAY MOTION TO USE CASH
COLLATERAL OR TO OBTAIN CREDIT**

The Debtor, WORLD VIEW INTERNATIONAL TRADE, LLC, has filed a motion to use cash collateral or to obtain postpetition financing, which is attached to this Cover Sheet. In accordance with LBR 4001-2(b) (E.D.M.), the debtor has identified below, by page and paragraph number, the location in the proposed order accompanying the motion of each of the following provisions:

Provision	Contained in	Location in Proposed Order
(1) Provisions that grant liens on the estate's claims and causes of action arising under Chapter 5 of the Code.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Page _____, ¶ _____
(2) Provisions that grant cross-collateralization protection to the prepetition secured creditor (i.e., clauses that secure prepetition debt with categories of collateral that were not covered by the secured party's lien prepetition) other than liens granted solely as adequate protection against diminution in value of a prepetition creditor's collateral.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Page _____, ¶ _____
(3) Provisions that establish a procedure or conditions for relief from the automatic stay.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Page _____, ¶ _____

(4) Provisions regarding the validity or perfection of a secured creditor's prepetition liens or that release claims against a secured creditor.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Page ____, ¶ __
(5) Provisions that prime any lien without that lienholder's consent.	<input type="checkbox"/> Yes	Page ____, ¶
(6) Provisions that relate to a sale of substantially all of the debtor's assets.	<input type="checkbox"/> Yes	Page ____, ¶
(7) Provisions for the payment of professional fees of the debtor or any committees, including any	<input type="checkbox"/> Yes	Page ____, ¶
(8) Provisions for the payment of prepetition debt.	<input checked="" type="checkbox"/> Yes	Page 7, ¶ 16
(9) Provisions that waive the debtor's exclusive right to file or solicit acceptances of a plan during	<input type="checkbox"/> Yes	Page ____, ¶
(10) Provisions that require the debtor's plan to be on terms acceptable to the secured creditor.	<input type="checkbox"/> Yes	Page ____, ¶
(11) Provisions that require or prohibit specific terms in the debtor's plan.	<input type="checkbox"/> Yes	Page ____, ¶
(12) Provisions establishing that proposing a plan inconsistent with the order constitutes a default.	<input type="checkbox"/> Yes	Page ____, ¶
(13) Provisions that waive surcharge under 11 U.S.C. § 506(c).	<input type="checkbox"/> Yes	Page ____, ¶
(14) Provisions that address the rights and obligations of guarantors or co-obligors.	<input type="checkbox"/> Yes	Page ____, ¶
(15) Provisions that prohibit the debtor from seeking approval to use cash collateral without the	<input type="checkbox"/> Yes	Page ____, ¶

(16) Provisions that purport to bind a subsequent trustee.	_____ Yes	Page _____, ¶
(17) Provisions that obligate the debtor to pay any of a secured creditor's professional fees.	_____ Yes	Page _____, ¶

February 20, 2018

Respectfully submitted,

/s/ Don Darnell

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In re:

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FIRST DAY MOTION FOR AUTHORITY TO USE CASH COLLATERAL

WORLD VIEW INTERNATIONAL TRADE, LLC, debtor in possession,
by its proposed counsel, represents as follows:

1. On February 16, 2018, the Debtor, World View International Trade, LLC filed a voluntary petition initiating this Chapter 11 case and is now operating its business as a debtor-in-possession.
2. Debtor brings this motion for use of cash collateral under 11 U.S.C. 363(c)(2) in accordance with F.R.Bankr.P. 4001(a)(b) and L.B.R., 4001-2. Debtor seeks authority to use cash collateral on a expedited basis following a hearing by the Court. A proposed Order Authorizing Debtor's Use of Cash Collateral is attached as Exhibit A to this motion.
3. There is one party that has an interest in cash collateral - Old National Bank. Said creditor have filed liens in the following order and amount:

Secured Creditor	Date(s) of Lien	Type	Amount
Old National Bank	10/07/2013 to 05/05/2016	UCC-11	\$1,139,480.27

4. As of the Petition Date, the principal amount alleged owed to Old National Bank was approximately \$1,139,480.27.
5. The Debtor is a Michigan corporation incorporated June 4, 2011, as “World View International Trade, LLC” which does business under its corporate name and Mikek & Sons, LLC. Debtor’s principle place of business is in Dexter, Michigan, operating a office only. Debtor also operates an operations center and warehouse at 3322 West Long Lake Rd., in Belding, Michigan.
6. Pursuant to the liens filed by Old National Bank, the Bank claims a lien in “property you own now and that you acquire” and “cash proceeds.” (See Exhibit D).
7. No creditor other than Old National Bank holds a recorded or perfected security interest or lien in Cash Collateral.
8. As of the date of this motion, no Creditor's Committee has been formed.
9. Cash generated by the Debtor consist almost exclusively as a result of the export sale of inventory as a supplier, and that cash is the proceeds, product, offspring, or profits of the inventory which the Old National Bank holds an security interest pre-petition.

10. Cash collateral is defined by the Bankruptcy Code as:

...cash, negotiable instruments, documents of title, securities, deposit accounts, or other cash equivalents whenever acquired in which the estate and an entity other than the estate have an interest and includes the proceeds, products, offsprings, rents or profits of property....whether existing before or after the commencement of a case under this title.

11 U.S.C. § 363(a)

11. Debtor's property consists of four categories of personal property:

a.	Cash	\$26,128.37
b.	8 Trucks & 1 Trailer	\$65,000
c.	Office furniture & equip.	\$5,000
d.	Supplies (salt)	\$3,000
e.	Pallets	\$500
f.	Misc. Hand Tools	\$500
g.	Inventory	<u>\$65,000</u>
		\$165,128.37

12. The Debtor believes that the fair market value of the Debtor's trucks, computers, telephones, copier, office furniture, supplies, and inventory is \$165,128.37. Therefore, Old National Bank's liens are collateralized in the amount of \$165,128.37.

Secured Creditor	Amount of Lien	Secured	Undersecured
Old National Bank	\$1,139,480.27	\$165,128.37	\$974,261.90

13. Adequate protection exists in the offer of:

- a. granting of post-petition liens;
- b. fully insured collateral;

- c. payment of post-petition interest on secured claim;^{1 2 3}
 - d. maintenance of expenditures within approved monthly budget.
14. Because Debtor uses cash generated by sales to pay for replacement inventory, rents, utilities, wages, insurance, and supplies, and Debtor does not otherwise have adequate funds to pay for such expenses, Debtor will be immediately and irreparably harmed if it is not able to use cash collateral.
15. The adequate protection to Bank of America lies in the value of the Debtor's equipment, inventory, and receivables. Debtor proposes to provide adequate protection by a continued lien in the vehicles, equipment, inventory, and supplies of Debtor, preserving the value of the collateral subject to lien without further depreciation, or the cash equivalent on account, and thereby maintaining a cash value of personal property, inventory, supplies, and cash of \$165,128.37.
16. Adequate protection must be provided only where the security is decreasing in value or being consumed during the stay. *In re Shriver*, 33 B.R. 176 (Bankr.

¹ . Post-petition lien and interest payments only to the extent of any equity position that the secured creditor may have had in debtor's assets prior to the filing of the petition.

² . Debtor calculates interest payments to Old National Bank at 5.5% of \$165,128.37 at \$756.84 monthly.

³ . Old National Bank notes to Debtor provide the highest non-default interest rate of 1 percent over prime as reported by WSJ - prime being currently reported by the WSJ at 4.5 percent.

N.D. Ohio 1983). The Debtor's property, consisting of used 8 trucks and 1 trailer, office furniture and equipment, and misc. tools are not likely to suffer material depreciation during the pendency of this small business case. Inventory, consisting of leather, hides, gloves, salt, and pallets are being replaced as used or as necessary to fill order for leather raw materials.

17. Debtor is in immediate need to use post-petition revenues to pay wages, inventory, taxes, and other expenses incurred in the ordinary course of business.
18. For the Debtor to continue operating business in a normal and uninterrupted manner, providing products and services to its customers and employment for its employees, the Debtor must be permitted to use the cash proceeds of the Debtor's accounts, which are subject to the liens of Old National Bank. The affidavit of the Debtor's Manager, Jeffrey Wilkerson, is filed contemporaneously with this motion (Exhibit C).
19. The Debtor anticipates that it may need as much \$209,508 per month to operate its business, plus cost of sales. Debtor's First and Second Quarterly 2018 monthly budget is attached hereto as Exhibit B. All cash collateral will be used in accordance with the Debtor's First and Second Quarterly 2018 monthly budget.
20. Debtor is unable to obtain (1) adequate unsecured credit allowable under §§

503(b)(1) of the Code as an ordinary administrative expense, (2) unsecured credit allowable under § 364(a) or (b) of the Code, or (3) secured credit under § 364(c)(1) of the Code from any source sufficient to enable Debtor to continue its business operations. Debtor is also unable to obtain financing without (1) granting a lender claims with priority over administrative expenses of the kind specified in §§ 503(b) and 507(b) of the Code in accordance with § 364(c)(1) of the Code; (2) securing the post-petition Indebtedness with liens on all Debtor's post petition assets in accordance with § 364(c)(2) of the Code; and (3) securing the Post-petition Indebtedness with junior liens on Debtor's Prepetition assets in accordance with § 364(c)(3) of the code.

21. For the reasons set forth herein the Debtor World View International Trade, LLC requests the Court to enter an order allowing the debtor to use up to \$209,508 cash collateral per month.

Wherefore, Debtor World View International Trade, LLC requests that after such notice and hearing as this Court deems appropriate, this Court enter an interim order allowing Debtor to use cash collateral and for adequate protection, and that the Court schedule a hearing and enter an order pursuant to 11 U.S.C. § 363(c)(2) permitting the Debtor to use cash collateral, and for other relief as is just and appropriate.

February 20, 2018

Respectfully submitted,

/s/ Don Darnell

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SCHEDULE OF EXHIBITS

- A Proposed Order
- B Budget
- C Affidavit of Jeffrey Wilkerson
- D Notes and Liens