

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

In the Matter of:

TRITON AUTOMATION GROUP, LLC

Debtor(s)

In Bankruptcy:

**Case No. 18-54684-mar
Chapter 11
Hon. Mark A. Randon**

**INTERIM ORDER (I) AUTHORIZING DEBTOR TO
UTILIZE CASH COLLATERAL PURSUANT TO 11 U.S.C.
§ 363; (II) GRANTING ADEQUATE PROTECTION TO
PRE- PETITION SECURED PARTIES PURSUANT TO
11 U.S.C. §§ 361, 362, and 363; AND (III) SCHEDULING FINAL
HEARING PURSUANT TO BANKRUPTCY RULE 4001(b)**

THIS MATTER came to be heard upon the motion (the “Motion”) of Triton Automation Group, LLC, pursuant to 11 U.S.C. §§361, 362, and 363(c) and Fed. R. Bankr. P. 2002, 4001 and 9014 for (a) Authorization of Debtor's use of cash collateral for the payment of Debtor's operating expenses as set forth in Exhibit “A” attached to the Motion; (b) Granting of adequate protection to pre-petition secured parties; and (c) Scheduling a final hearing (“Final Hearing”).

Upon consideration of the Affidavit of Philip Peloso in Support of Chapter 11 Petitions and First Day Motions filed on the Petition Date; the Court having jurisdiction to consider the Motions and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334; due notice of this

Motion has been provided to (1) the Court Clerk for the United States Bankruptcy Court for the Eastern District of Michigan, Southern Division; (2) Eastern Michigan Bank (“Eastern”); (3) Fanuc America (“Fanuc”); (4) On Deck Capital (“On Deck”), (5) Ascentium Capital (“Ascentium”); (6) Quicksilver Capital (“Quicksilver”); (7) Debtor's twenty (20) largest unsecured creditors; and (8) the Office of the United States Trustee; and it appearing that no other or further notice need be provided; the Court having determined that the relief sought in the Motion is in the best interests of Debtor, its creditors, and all parties in interest; upon the Motion and all of the proceedings before this Court; and after due deliberation and sufficient cause appearing therefore:

IT IS ORDERED that the Motion is **GRANTED**; and

It is further **ORDERED** that Debtor is authorized to use cash collateral for the payment of Debtor's operating expenses consistent with Exhibit “A” attached to the Motion for the period of 90 days following entry of this order in a total amount not to exceed 10% in excess of \$192,988.94, and the amount of \$64,329.65 per 30-day period (*see* attached revised budget);

It is further **ORDERED** that the Court finds that Eastern (for purposes of entry of this consent order and without giving up its right to

challenge the finding if and when more accurate or appraised values are obtained and provided) and Fanuc are adequately protected by virtue of its equity cushion on the Collateral;

It is further **ORDERED** that the Debtor shall make adequate protection payments in the aggregate amount of \$5,000.00 monthly to be paid to Triton's secured creditors in the following amounts:

Eastern Michigan Bank shall receive \$2,446.40;

Fanuc America shall receive \$323.76;

On Deck Capital shall receive \$1,434.97;

Ascentium Capital shall receive \$328.96; and

Quicksilver Capital shall receive \$465.92.

It is further **ORDERED** that Debtor shall grant Eastern, Fanuc, On Deck, Ascentium and Quicksilver (collectively the "Secured Claimants") a replacement perfected security interest under §361(2) of the Bankruptcy Code (a) to the extent the Secured Claimants' cash collateral is used by Debtor, and (b) to the extent and with the same priority in Debtor's post-petition collateral, and proceeds thereof, that the Secured Claimants hold a perfected security interest in Debtor's prepetition collateral, all without

prejudice to any party's right to challenge the Secured Claimants' perfection, indebtedness, or any other potential liability;

It is further **ORDERED** that such replacement lien shall be deemed to be perfected automatically upon entry of this Order;

It is further **ORDERED** that, upon request by the Secured Claimants, Debtor shall execute and deliver to the Secured Claimants any and all UCC Financing Statements, and UCC Continuation Statements, or other instruments or documents considered by the the Secured Claimants to be necessary in order to perfect the security interest and liens granted by this Order, and the Secured Claimants are authorized to receive, file and record the foregoing, which actions shall not be deemed a violation of the automatic stay; moreover, any such filing shall be without prejudice to all claims that Debtor asserts against the Secured Claimants in any avoidance or other action or concerning lack of perfection; finally, the Secured Claimants shall not make any further charges against the Debtor for such documentation;

It is further **ORDERED** that Debtor shall provide the Secured Claimants with a timely copy of Debtor's chapter 11 monthly operating reports, and any other reports reasonably required by the Secured Claimants shall be provided by Debtor;

It is further **ORDERED** that a Final Hearing on this motion shall be set for **November 19, 2018 at 11:00 a.m. at 211 West Fort Street, Courtroom 1825, Detroit, MI 48226**. Creditors may file objections to the interim order by **no later than November 15, 2018**.

**Signed on November 02,
2018**



/s/ Mark A. Randon

**Mark A. Randon
United States Bankruptcy Judge**