

**UNITED STATES BANKRUPTCY COURT FOR THE  
WESTERN DISTRICT OF NORTH CAROLINA  
STATESVILLE DIVISION**

IN RE:	)	Case Number: 19-50072
	)	Chapter 11
Allison Transportation, LLC,	)	
Debtor	)	<b>Notice of Hearing on Motion to</b>
	)	<b>to Use Cash Collateral</b>
_____	)	

The debtor has filed documents with the Court to request the use of cash collateral. A copy of the motion accompanies this notice.

**Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one in this bankruptcy case. If you do not have an attorney, you may wish to consult one.**

The Hearing will be held on February 20, 2019, at 9:30 a.m. in Judge Beyers Courtroom, United States Bankruptcy Court, Charles Jonas Federal Building, 401 West Trade Street, Charlotte, NC 28202.

This the 9 day of February, 2019.

/s/Robert P. Laney  
Robert P. Laney  
Attorney for Debtor  
NC Bar #7850  
906 Main Street  
North Wilkesboro, NC 28659  
Telephone: (336) 838-1111  
Facsimile: (336) 838-5069  
E-mail: blaney@mcelweefirm.com

### CERTIFICATE OF SERVICE

This is to certify that the undersigned has this date served this Notice and Motion to Use Cash Collateral in the above entitled action by depositing a copy of it in a postpaid envelope to the United States Post Office, properly addressed to the party or attorney as follows:

Rhonda Jones, Debtor-in-Possession  
PO Box 4240  
Mooresville, NC 28117  
And  
via email

Shelley Abel,  
Bankruptcy Administrator  
402 West Trade Street, Suite 200  
Charlotte, NC 28202-1669  
And  
via ECF

Multi Service Technology Solutions  
8650 College Blvd.  
Overland Park, KS 66210  
And  
via email to [sbwhitters@multiservice.com](mailto:sbwhitters@multiservice.com)

FC Marketplace, LLC  
747 Front Street, Floor 4  
San Francisco, CA 94111  
and  
via fax to 1-800-237-0971

On-Deck  
c/o Financial Agent Services  
PO Box 2576  
Springfield, IL 62708  
And  
via email to [Uccsprep@cscinfo.com](mailto:Uccsprep@cscinfo.com)

PAR Funding  
c/o Complete Business Solutions  
22 N. 3<sup>rd</sup> Street  
Philadelphia, PA 19106  
and  
via email to [dealbin@parfunding.com](mailto:dealbin@parfunding.com)

Idea 247, Inc.  
200 SE 1<sup>st</sup> Street, Suite 703  
Miami, FL 33131  
And  
via email to [underwriting@ideafinancial.com](mailto:underwriting@ideafinancial.com)

Hunter Caroline Holdings  
145 West 67<sup>th</sup> Street #22B  
New York, NY 10023  
and  
via email to [uccsprep@cscglobal.com](mailto:uccsprep@cscglobal.com)

Attached matrix of 20 largest creditors holding unsecured claims

This is the 9 day of February, 2019.

/s/Robert P. Laney  
Robert P. Laney, Attorney

**UNITED STATES BANKRUPTCY COURT FOR THE  
WESTERN DISTRICT OF NORTH CAROLINA  
STATESVILLE DIVISION**

<b>IN RE:</b>	)	Bankruptcy #: 19-50072
	)	Chapter: 11
	)	
Allison Transportation, LLC,	)	
Debtor	)	
		<b>MOTION to USE CASH COLLATERAL</b>

**NOW COMES** the debtor-in-possession (DIP), Allison Transportation, LLC, pursuant to 11 USC 363(c), FRBP 2002 and 4001(b), and LBR 1002-4 with Appendix B and moves the Court to approve the use the cash collateral under liens to Multi Service Technology Solutions, FC Marketplace, LLC, On-Deck Financial, PAR Funding, Idea 247, Inc. and Hunter Caroline Holdings. In support of this motion the DIP represents to the Court as follows:

1. On February 9, 2019, the DIP filed a Chapter 11 emergency bankruptcy petition with this Court.
2. The DIP owns and operates a trucking business in Statesville, NC.
3. On July 7, 2017, Multi Service Technology Solutions, Inc. filed a UCC Financing Statement with the North Carolina Secretary of State with collateral consisting of “The following properties, assets and rights of the Debtor, whether now owned or hereafter acquired, and all proceeds and products thereof: account receivable.” The debt for this creditor is \$23,598.
4. On October 31, 2017, FC Marketplace, LLC filed a UCC Financing Statement with the North Carolina Secretary of State with collateral consisting of “All machinery, equipment, furniture, furnishings, tools, tooling, fixtures, and accessories, and all inventory, accounts receivable, instruments, contract rights and other rights to receive the payment of money, patents, chattel paper, licenses, leases and general intangibles, including all trade names and trade styles and all additions, accessions, modifications, improvements, replacements and substitutions thereto and therefor, whether now owned or hereafter acquired or arising, and the proceeds, products and income of any of the foregoing, including insurance proceeds.” The debt for this creditor is \$171,330.
5. On June 30, 2018, Financial Agent Services, acting as representative for On-Deck Financial, filed a UCC Financing Statement with the North Carolina Secretary of State with collateral consisting of “Any and all assets whether now owned or hereafter acquired or arising.” The debt for this creditor \$45,482.
6. On December 7, 2018, Complete Business Solutions Group, acting as representative for PAR Funding, filed a UCC Financing Statement with the North Carolina Secretary of State with collateral consisting of “The collateral includes the following property that borrower now owns or shall acquire or create immediately upon the acquisition or creation thereof: (i) any

of all amounts owing to borrower now or in the future from any merchant processor(s) processing charges made by customers of Borrower via credit card or debit card transactions and (ii) all other tangible and intangible personal property, including, but not limited to (a) inventory, (b) equipment, (c) investment property, including certificated and uncertified securities, securities accounts, security entitlements, commodity contracts and commodity accounts, (d) instruments, including promissory notes, (e) chattel paper, including tangible chattel paper and electronic chattel paper (f) documents, (g) letter of credit rights, (h) accounts, including health-care insurance receivables (i) deposit accounts, (j) commercial tort claims, (k) general tangibles, including payment intangibles and software and (l) as extracted collateral as such terms may from time to time be define in the Uniform Commercial Code. The security interest Borrower grants includes all accessions, attachments, parts, supplies and replacements for the Collateral, all products, proceeds and collections thereof and all records and state relating thereto.” The debt for this creditor \$292,931.

7. On January 8, 2019, Idea 247, Inc. filed a UCC Financing Statement with the North Carolina Secretary of State with collateral consisting of “All machinery, equipment, furniture, furnishings, tools, tolling, fixtures, and accessories, and all inventory, accounts receivable, instruments, contract rights and other rights to receive the payment of money, patents, chattel paper, licenses, leases and general intangibles, including all trade names and trade styles and all additions, accessions, modifications, improvements, replacements and substitutions thereto and therefor, whether now owned or hereafter acquired or arising, and the proceeds, products and income of any of the foregoing, including insurance proceeds.” The debt for this creditor \$75,295.
8. On January 17, 2019, Corporation Service Company, as representative for Hunter Caroline Holdings, filed a UCC Financing Statement with the North Carolina Secretary of State with collateral consisting of “All debtor’s present and future accounts and the direct and indirect proceeds thereof, notice pursuant to an agreement between debtor and secured party, debtor has agreed not to further encumber the collateral described herein, the further encumbering of which my constitute the tortious interference with the secured part’s right by such encumbrances in the event that any entity is granted a security interest in the debtor’s accounts, chattel paper or general intangibles contrary to the above, the secured party asserts a claim to any proceeds thereof received by such entity.” The debt for this creditor \$22,798.
9. At the time of the filing of this motion, the DIP has not filed the required Schedule A/B or Schedule D showing the assets and debts. However, the DIP will file the required schedules before the hearing on this motion. The DIP represents it has \$16,400 in bank accounts and has \$58,000 accounts receivable for a total cash or liquid equivalents of \$74,400.
10. Based on the lien priorities as listed above and the anticipated equity in the business assets, the DIP intends to pay adequate protection to the cash collateral holders as follows:
  - a. Multi Service Technology Solutions, Inc. is a debt for gas credit cards used by the drivers of the DIP and has historically been paid in full each week. This creditor is critical to the continued operation of business. The DIP intends to keep paying

this creditor in full each week as part of their normal operating expenses, which averages \$22,000 per week, or \$95,260 per month.

- b. FC Marketplace, LLC will be paid adequate protection consisting of interest payments at the Till rate of 7.5%, based on the remaining collateral equity of \$50,802, in the yearly amount of \$3,810, which is \$318 per month. There is no remaining equity in cash collateral after Multi Service Technology Solutions and FC Marketplace, LLC liens.
  - c. On-Deck Financial will not be paid adequate protection. This debt is unsecured based on the debt of the 2 senior cash collateral liens and the equity of the cash collateral.
  - d. PAR Funding will not be paid adequate protection. This debt is unsecured based on the debt of the 3 senior cash collateral liens and the equity of the cash collateral.
  - e. Idea 247, Inc. will not be paid adequate protection. This debt is unsecured based on the debt of the 4 senior cash collateral liens and the equity of the cash collateral.
  - f. Hunter Caroline Holdings will not be paid adequate protection. This debt is unsecured based on the debt of the 5 senior cash collateral liens and the equity of the cash collateral.
11. The DIP intends to propose a Reorganization Plan that will continue to operate the business and pay the creditors over a period of years.
12. The cash collateral will be used to pay operating expenses, employee payroll, manager payroll, adequate protection to secured creditors and other necessary expenses for the DIP's operations. The DIP must use cash collateral in order to continue operations during the Chapter 11 proceeding.
13. See attached as **Exhibit A**, the DIP's projected Business Income and Expenses by category, for the next 3 months, hereafter referred to as the Budget.
14. It is in the best interest of the Chapter 11 estate to allow the DIP to operate and use cash collateral.

**WHEREFORE** the DIP moves the court to enter an order allowing the DIP's use of cash collateral during the Chapter 11 proceeding until the entry of an order confirming the reorganization plan; or a conversion to Chapter 7 or a dismissal. .

This the 9 day of February, 2019.

/s/Robert P. Laney

Robert P. Laney, Attorney for Debtor  
State Bar No. 7850

OF COUNSEL:  
McELWEE FIRM, PLLC  
906 Main Street  
North Wilkesboro, NC 28659  
Telephone: (336) 838-1111  
Facsimile: (336) 838-5069  
E-mail: BLaney@mcelweefirm.com

**Fill in this information to identify the case:**

Debtor name Allison Transportation, LLC

United States Bankruptcy Court for the: Western District of North Carolina

Case number (If known): \_\_\_\_\_

☐ Check if this is an amended filing

## Official Form 204

### Chapter 11 or Chapter 9 Cases: List of Creditors Who Have the 20 Largest Unsecured Claims and Are Not Insiders

12/15

A list of creditors holding the 20 largest unsecured claims must be filed in a Chapter 11 or Chapter 9 case. Include claims which the debtor disputes. Do not include claims by any person or entity who is an *insider*, as defined in 11 U.S.C. § 101(31). Also, do not include claims by secured creditors, unless the unsecured claim resulting from inadequate collateral value places the creditor among the holders of the 20 largest unsecured claims.

	Name of creditor and complete mailing address, including zip code	Name, telephone number, and email address of creditor contact	Nature of the claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of unsecured claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
					Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
1	Kalamata Capital Group 80 Broad Street, 12th Floor New York, NJ, 10004		Monies Loaned / Advanced				94,488.00
2	PAR Funding c/o Complete Business Solutions Group 22 N 3rd Street Philadelphia, PA, 19106		2nd Deed of Trust owned by Larry and Rhonda Jones, unsecured to the debtor				78,000.00
3	Lendini 884 Town Center Drive Langhorne, PA, 19047	Fax: 855-361-7594 855-212-6614	Monies Loaned / Advanced				72,225.00
4	SPG Advance, LLC 1221 McDonald Ave. Brooklyn, NY, 11230	212-225-8279	Monies Loaned / Advanced				37,475.00
5	Chase Marriott Rewards PO Box 15298 Wilmington, DE, 19850		Credit Card Debt				30,106.00
6	Bank of America Attn: Bankruptcy PO Box 982238 El Paso, TX, 79998		Credit Card Debt				29,467.00
7	Capital One Spark Business PO Box 30285 Salt Lake City, UT, 84130		Credit Card Debt				12,489.00
8	GTR Source 111 John Street, Suite 1210 New York, NY, 10038		Monies Loaned / Advanced				11,175.00

Debtor Allison Transportation, LLC  
Name

Case number (if known) \_\_\_\_\_

	Name of creditor and complete mailing address, including zip code	Name, telephone number, and email address of creditor contact	Nature of the claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of unsecured claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
					Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
9	InFlux Capital LLC 32 Court Street, Suite 205 Brooklyn, NY, 11201	646-921-9516	Monies Loaned / Advanced				11,000.00
10	Suntrust Cardmember Services PO Box 305183 Nashville, TN, 37230		Credit Card Debt				9,674.00
11	Community Bank PO Box 6353 Fargo, ND, 58125		Credit Card Debt				5,411.00
12							
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19							
20							



<b>Allison Transportation, LLC</b>			
<b>Projected Statements of Earnings</b>			
	<b>(4 week month)</b>	<b>(5 week month)</b>	<b>(4 week month)</b>
	<b>February 28, 2019</b>	<b>March 31, 2019</b>	<b>April 30, 2019</b>
<b>Revenue</b>	<b>\$ 334,700</b>	<b>\$ 420,000</b>	<b>\$ 356,000</b>
<i>Operating Expenses</i>			
Brokerage	76,981	96,600	81,880
Driver Cost	66,425	83,418	66,734
Fuel (Multi Service Technology Solutions)	83,675	105,000	89,000
Repairs & Maintenance	8,368	10,500	8,900
Insurance	8,300	8,300	8,300
Taxes, Licenses & Permits	500	500	500
Other	11,000	11,000	11,000
<b>Total Operating Exp</b>	<b>255,248</b>	<b>315,318</b>	<b>266,314</b>
<i>General &amp; Administrative</i>			
Advertising	250	250	2,509
Bank Fees	125	125	125
Dues, Subscriptions & Memberships	50	50	50
Office Supplies	200	200	200
Postage	75	75	75
Professional Fees	-	-	-
Travel	1,000	1,000	1,000
Utilities	1,100	1,100	1,100
<b>Total General &amp; Administrative</b>	<b>2,800</b>	<b>2,800</b>	<b>5,059</b>
<b>Earnings Before Interest, Income Taxes,</b>			
<b>Depreciation &amp; Amortization</b>	<b>\$ 76,652</b>	<b>\$ 101,882</b>	<b>\$ 84,627</b>
Adequate protection to FC Marketplace, LLC	\$ (318)	\$ (318)	\$ (318)
Adequate protection to secured creditors	to be determined		
Owner Draws	(14,583)	(14,583)	(14,583)
<b>Net Income</b>	<b>\$ 61,751</b>	<b>\$ 86,981</b>	<b>\$ 69,726</b>