

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF OHIO  
WESTERN DIVISION**

In Re: ) Case No. 17-32918  
Rocky Pine Farms LLC ) Judge Mary Ann Whipple  
Debtor(s) ) Chapter 11 Proceeding

**MOTION OF ROCKY PINE FARMS LLC FOR THE ENTRY OF AN ORDER TO USE  
CASH COLLATERAL PURSUANT TO 11 U.S.C. § 363, AND GRANT  
ADEQUATE PROTECTION PURSUANT TO 11 U.S.C. § 361**

The Debtor, Rocky Pine Farms LLC (the "**Debtor**"), by and through the undersigned counsel, would file this Motion for the Entry of an Order to Use Cash Collateral Pursuant to 11 U.S.C. § 363. In support thereof, the Debtor respectfully states as follows:

**JURISDICTION**

1. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory predicate for the relief requested in this Motion is 11 U.S.C. §§ 105 and 363 and Rule 4001(d)(1)(D) of the Federal Rules of Bankruptcy Procedure.

**BACKGROUND AND HISTORY**

3. On September 12, 2017, the Debtor filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code (the "**Petition Date**"). At the present time, the Debtor is operating the business and managing its affairs as a debtor in possession. As of the date hereof, no trustee, examiner, or statutory committee has been appointed in this Chapter 11 case.

4. The Debtor has designated Patricia Nye, as the responsible person for the debtor-in-possession.

5. The Debtor is engaged in the business of management and logistics for trucking and hauling. It arranges for contract delivery services of goods and operates from facilities located at Tiffin, Ohio.

6. The Debtor also leases multiple vehicles and maintains multiple hauling contracts to supply services.

7. The majority of the Debtor's value arises from its ongoing operations, and its ability to continue servicing its customers. Without authority to use cash collateral the Debtor will suffer irreparable harm because it will be forced to shut down all of its operations. Without the ability to use funds, the Debtor will be unable to obtain all the goods and services needed on a daily basis to operate.

8. On the Petition Date, the Debtor believes that it had the following cash collateral, as defined in 11 U.S.C. §363, ("**the cash collateral**"), consisting of proceeds of the following:

- a. Cash of approximately \$71,773.02 and
- b. Accounts receivable valued at approximately \$87,000.00 giving an estimated total cash value of \$ 158,773.02.

#### **SECURITY INTERESTS AND LIENS IN CASH COLLATERAL**

9. Commencing in 2016 in an effort to gain the use of immediate funds for operations, the Debtor obtained "merchant agreements" the Debtor entered into such agreements with the following creditors ("**Prepetition Secured Creditors**").

- a. Yellowstone Capital LLC "merchant agreement" with purchase of accounts receivable and security agreements.
- b. Retail Capital LLC, dba Credibly, "merchant agreement" with purchase of accounts receivable and security agreements.
- c. New Era Lending and "merchant agreement" with purchase of accounts receivable and security agreements.
- d. Knight Capital Funding "merchant agreement" with purchase of accounts receivable and security agreements.

10. There is also of record a financing statement in favor of the Prepetition Secured Creditors filed with the Ohio Secretary of State as to Rocky Pine Farms LLC.

11. The Debtor does not believe that any other entity other than the Prepetition Secured Creditors has a lien or claim in the Cash Collateral.

12. The Debtor believes that some or all of the Prepetition Secured Creditors claims may be disputed and reserves the right of the Debtor and other parties in interest to determine the extent and priority of the respective claims. The replacement liens as contemplated by this motion shall be subject to final determination and approval of this Court as to the extent and priority of the listed creditors.

### **REQUEST FOR USE OF CASH COLLATERAL**

13. The Debtor requires the use of Cash Collateral to make such payments as are necessary for the continuation of its business as shown in the Budget for the next ninety (90) days, attached as Exhibit A. The projected revenue and expenses in the Budget are based upon historical financial data as well as its current customer contracts and schedules and the changes in operations that the Debtor intends to implement.

14. The Budget projects the Debtor's anticipated revenue and expenses and demonstrates the amount of funds the Debtor must expend on its operations over a ninety (90) day period and the Debtor projects that it will need to spend \$835,000.00 to avoid immediate and irreparable harm. The Debtor requests authority to spend that amount in accordance with the budget attached to this Motion (the "Budget"), with a twenty percent (20%) variance for each line item. Absent the ability to use cash collateral, the Debtor would be required to shut down all operations. As set forth, the Debtor's revenues exceed the necessary expense and it is anticipated that cash collateral values will actually increase over the Budget period.

15. Accordingly, authorizing the Debtor to use Cash Collateral as set forth in the Budget is in the best interests of all creditors and parties in interest.

### **ADEQUATE PROTECTION**

16. The Debtor proposes that as and for adequate protection under Sections 363 and 361 of the Bankruptcy Code, for the security interest of the Prepetition Secured Creditor, the Debtor offers replacement liens ("the **Replacement Liens**") in the Debtor's cash collateral now owned or hereafter acquired. The Replacement Liens shall be liens on the Debtor's assets which are created, acquired, or arise after the Petition Date, but limited to only those types and descriptions of collateral in which the Prepetition Secured Creditor holds a pre-petition lien or security interest. The Replacement Liens shall have the same priority and validity as the Prepetition Secured Creditors' pre-petition security interests and liens.

17. The replacement lien shall be provided to the prepetition secured creditors to the extent and priority as determined by this Court upon further hearing.

### **NOTICE**

18. Simultaneously with this Motion, the Debtor is also seeking an emergency and expedited hearing on this Motion pursuant to Bankruptcy Rule 2002(a)(2), Bankruptcy Rule 6003 and Bankruptcy Rule 9006(c), by which the Court may for cause shown shorten or direct another method of giving notice for the proposed relief requested, if the Debtor shows immediate or irreparable harm.

19. The Debtor believes that the approval of this Motion is in the best interest of the Debtor, its creditors and its estate because it will enable the Debtor to (i) continue the orderly

operation of its business and avoid an immediate total shutdown of operations; (ii) meet its obligations for necessary ordinary course expenditures, and other operating expenses; and (iii) make payments authorized under other orders entered by this Court, thereby avoiding immediate and irreparable harm to the Debtor's estate.

**WHEREFORE**, the Debtor seeks the entry of an Order to Use Cash Collateral Pursuant to 11 U.S.C. § 363, and to set Adequate Protection pursuant to 11 U.S.C. §§ 361, and granting such other and further relief as is just and proper.

Respectfully submitted,

/s/ Raymond L Beebe

Raymond L. Beebe 0027096

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Attorney for the Debtor

**NOTICE PURSUANT TO LOCAL RULE 9013-1**

Please take note that the Respondent has fourteen (14) days from service of this Motion to file and serve a response or a request for hearing, and that if a response or request is not timely filed with the Court and served on Movant c/o Raymond L. Beebe, 1107 Adams St., Toledo, Ohio, 43604, this Court may grant the relief requested without further hearing.

/s/ Raymond L Beebe

Raymond L. Beebe 0027096

## CERTIFICATION

This is to certify that on 13 September 2017 a true and correct copy of the Motion for Use of Cash Collateral, as served:

Via the court's Electronic Case Filing System on these entities and individuals who are listed on the court's Electronic Mail Notice List:

Office of the United States Trustee at (Registered address)@usdoj.gov

Derrick Rippy UST11 at derrick.v.rippy@usdoj.gov

And by regular US Mail, postage prepaid, on:

See Attached Exhibit B.

/s/ Raymond L Beebe  
Raymond L. Beebe 0027096

## Exhibit A

Rocky Pine Farms  
Pro-Forma Cash Flow 90 day

	<b>30 Days</b>	<b>60 Days</b>	<b>90 Days</b>	<b>Total 90 Day</b>
Sales	\$ 321,333.33	\$ 321,333.33	\$ 321,333.33	\$ 963,999.99
Expenses				
Fuel	\$ 54,626.67	\$ 54,626.67	\$ 54,626.67	\$ 163,880.01
Labor	\$ 176,733.33	\$ 176,733.33	\$ 176,733.33	\$ 530,199.99
Repairs	\$ 19,280.00	\$ 19,280.00	\$ 19,280.00	\$ 57,840.00
Rent	\$ 666.67	\$ 666.67	\$ 666.67	\$ 2,000.01
Insurance	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 24,000.00
Other expenses	\$ 24,666.67	\$ 24,666.67	\$ 24,666.67	\$ 74,000.01
Total expenses	\$ 283,973.34	\$ 283,973.34	\$ 283,973.34	\$ 851,920.02
Net Income	\$ 37,359.99	\$ 37,359.99	\$ 37,359.99	\$ 112,079.97
Debt Service				
Ford Credit	\$ 829.00	\$ 829.00	\$ 829.00	\$ 2,487.00
CNH	\$ 400.00	\$ 400.00	\$ 400.00	\$ 1,200.00
Ag Credit	\$ 1,875.00	\$ 1,875.00	\$ 1,875.00	\$ 5,625.00
Tamco	\$ 225.00	\$ 225.00	\$ 225.00	\$ 675.00
J & B	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 3,000.00
H & K	\$ 19,783.67	\$ 19,783.67	\$ 19,783.67	\$ 59,351.01
Legal/Acctng/BK Fees	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 10,500.00
Total Debt Service	\$ 27,612.67	\$ 27,612.67	\$ 27,612.67	\$ 82,838.01
Excess Cash flow	\$ 9,747.32	\$ 9,747.32	\$ 9,747.32	\$ 29,241.96

**EXHIBIT B**

AgCREDIT  
2500 W MARKET ST  
TIFFIN OH 44883-8874

HOFFMAN & KUHN INC  
507 SCHROCK RD  
COLUMBUS OH 43229

B & D PARTS  
1498 PERRYSBURG RD  
FOSTORIA OH 44830

JEFF DEAN  
5285 STATE ROUTE 101 E  
CLYDE OH 43410

BENSON TRUCKING INC  
171 E COLLEGE AVE  
WESTERVILLE OH 43081

JMF EQUIP LTD  
311 FRANKLIN ST  
ROCKFORD OH 45882

CHASE INK  
PO BOX 15123  
WILMINGTON DE 19850-5123

JOHN S WELDING & TOWING  
850 N CO RD 11  
TIFFIN OH 44883

CINTAS CORPORATION  
PO BOX 630910  
CINCINNATI OH 45263-0910

KIMBALL MIDWEST  
PO BOX 2470  
COLUMBUS OH 43216

CNH  
PO BOX 3600  
LANCASTER PA 17604

KIRK NATIONAL LEASE  
PO BOX 4369  
SIDNEY OH 45365

CUSTOM METAL WORKS  
193 AKRON RD  
NORWALK OH 44857

KNIGHT CAPITAL FUNDING  
9 EAST LOOKERMAN STE 3A-543  
DOVER DE 19901

DOTOSHA CONSULTING  
PO BOX 7226  
PADUCAH KY 42002

MADISON MOTOR SERVICE  
2921 W STATE ST  
FREMONT OH 43420

FAN LUCUIS  
6125 W TWP RD 1014  
KANSAS OH 44841

MCA RECOVERY LLC  
17 STATE ST STE 4000  
NEW YORK NY 10004

FLAG CITY TRUCK  
151 STANFORD PARKWAY  
FINDLAY OH 45840

MCPC IMAGING  
PO BOX 66083  
DALLAS TX 75266

FORD MOTOR CREDIT COMPANY  
PO BOX 105704  
ATLANTA GA 30334

MULLER MULLER RICHMOND HARMS & MYER  
33233 WOODWARD AVE  
PO BOX 3026  
BIRMINGHAM MI 48012-3026

HANCOCK COUNTY TIRE  
975 NAVAJO DR  
BLUFFTON OH 45817

NEW ERA LENDING  
NORTH ORANGE STREET STE 762  
WILMINGTON DE 19801



OHIO ATTORNEY GENERAL  
C/O COLLECTIONS ENFORCEMENT  
150 EAST GAY ST 21ST FLOOR  
COLUMBUS OH 43215

OHIO DEPT OF TAXATION  
C/O BANKRUPTCY DIVISION  
PO BOX 530  
COLUMBUS OH 43266

PATRICIA K NYE  
7443 N LIBERTY TWP RD 70  
TIFFIN OH 44883

PHILLIP YATES ESQ  
1691 MICHIGAN AVE SUITE 230  
MIAMI FL 33189

PN TRANSPORTATION INC  
7443 N TWP RD 70 SUITE B  
TIFFIN OH 44883

PROMEDICA MEMORIAL HOSPITAL  
ATTN HEALTH LINK  
715 S TAFT AVE  
FREMONT OH 43420

RENATH BUKHMAN ESQ  
17 STATE ST STE 4000  
NEW YORK NY 10004

RETAIL CAPITAL LLC  
DBA CREDIBLY  
1250 KIRTS BLVD SUITE 100  
TROY MI 48084

SMILEY TIRE  
PO BOX 1147  
FREMONT OH 43420

SPARKS COMMERCIAL TIRES  
PO BOX 177  
FINDLAY OH 45839

STAR FINANCIAL  
PO BOX 790408  
SAINT LOUIS MO 63179

TAMCO  
PO BOX 79445  
CITY OF INDUSTRY CA 91716

TERMINAL SUPPLY COMPANY  
1800 THUNDERBIRD  
TROY MI 48084

TIFFIN AG TURF  
2000 W CO RD 54  
TIFFIN OH 44883

TIFFIN HARDWARE  
PO BOX Q  
TIFFIN OH 44883

TRI-COUNTY TARP  
PO BOX 600  
BRADNER OH 43406

WALK IN URGENT CARE  
211 EDGEFIELD BLVD  
MARION OH 43302

WEB BANK  
215 SOUTH STATE ST SUITE 1000  
SALT LAKE CITY UT 84111

WELL AT WORK  
3949 N MAIN ST  
FINDLAY OH 45840

WORLD TRUCK  
4970 PARK AVE WEST  
SEVILLE OH 44273

YELLOWSTONE CAPITAL LLC  
30 BROAD ST STE 1462  
NEW YORK NY 10004