

1 THE HONORABLE TIMOTHY W. DORE
2 Hearing Date: February 2, 2018
3 Hearing Time: 9:30 am
4 Hearing Location: Seattle
5 Response Date: January 26, 2018
6 Chapter 11

7
8 THE UNITED STATES BANKRUPTCY COURT FOR THE
9 WESTERN DISTRICT OF WASHINGTON AT SEATTLE

10 In re

11 SUNSHINE SEATTLE ENTERPRISES, LLC,
12 Debtor-in-Possession.

Case No. 17-14983

SUPPLEMENTAL MOTION FOR
CONTINUED AUTHORIZATION TO
USE CASH COLLATERAL

13
14 COMES NOW Sunshine Seattle Enterprises, LLC, the Debtor-in-Possession herein, by
15 and through its attorneys of record, Wells and Jarvis, P.S., and pursuant to 11 U.S.C. § 105(a),
16 § 363 and Fed. R. Bankr. Pro. 4001-2(b), requests a second interim order authorizing continued
17 use of cash collateral of Henry Kuo-Chiang Ku, pending further final hearing.

18 This motion supplements and incorporates by reference the initial motion for use of cash
19 collateral and the accompanying declaration and exhibits (see docket numbers 25 and 26). A
20 proposed second interim order and February 2018 budget are attached hereto.
21

22 Dated this 9th day of January, 2018.

23 /s/ Emily Jarvis
24 By: Emily Jarvis, WSBA #41841
25 Wells and Jarvis, P.S.
26 Attorneys for Debtor

27
SUPPLEMENTAL MOTION TO USE CASH COLLATERAL- 1

WELLS AND JARVIS, P.S.
502 Logan Building
500 Union Street
Seattle, WA 98101-2332
206-624-0088 Fax 206-624-0086

THE HONORABLE TIMOTHY W. DORE
Hearing Date: February 2, 2018
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Chapter 11

THE UNITED STATES BANKRUPTCY COURT FOR THE
WESTERN DISTRICT OF WASHINGTON AT SEATTLE

In re

SUNSHINE SEATTLE ENTERPRISES, LLC,
Debtor-in-Possession.

Case No. 17-14983

NOTICE OF SECOND INTERIM
HEARING ON MOTION FOR
AUTHORIZATION TO USE CASH
COLLATERAL

Please take notice that the second interim hearing on Debtor's **Motion for Authorization to Use Cash Collateral** is set as follows:

JUDGE: Timothy W. Dore

TIME: 9:30 a.m.

PLACE: U.S. Bankruptcy Court
700 Stewart St., Rm 8106
Seattle, WA 98101

DATE: February 2, 2018

IF YOU OPPOSE the Motion, you must file your written response with the court clerk NOT LATER THAN the RESPONSE DATE, which is January 26, 2018.

IF NO RESPONSE IS TIMELY FILED AND SERVED, the Court may, in its discretion, GRANT THE MOTION PRIOR TO THE HEARING, WITHOUT FURTHER NOTICE, and strike the hearing.

Dated this 9th day of January, 2018.

/s/ Jeffrey B. Wells
By: Jeffrey B. Wells, WSBA #6317
Wells and Jarvis, P.S.
Attorneys for Debtor

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8 THE UNITED STATES BANKRUPTCY COURT FOR THE
9 WESTERN DISTRICT OF WASHINGTON AT SEATTLE

10
11 In re

12 SUNSHINE SEATTLE ENTERPRISES, LLC,

13 Debtor-in-Possession.
14

Case No. 17-14983

15 SECOND INTERIM ORDER
16 AUTHORIZING NUNC PRO TUNC
17 USE OF CASH COLLATERAL AND
18 PAYMENT OF DECEMBER WAGE-
19 RELATED CLAIMS
20 - **Proposed** -
21

22 This matter having come before the Court for a preliminary hearing on a shortened time
23 basis on the Debtor's motion for authority to use cash collateral and to authorize payment of
24 wage claims, and the Court having entered a prior, first interim order authorizing use of cash
25 collateral and payment of wage-related claims and having continued the hearing for use of cash
26 collateral on an interim basis pending a final hearing, and the Court finding that further use of
27 cash collateral on an interim basis is necessary to avoid immediate and irreparable harm to the
estate pending a final hearing, and that the interests of Henry Ku are adequately protected under
the circumstances, and good cause having been shown for the relief requested, it is hereby

ORDERED and ADJUDGED as follows:

1. Final Hearing. A Final Hearing on Debtor's motion for authorization to use cash
collateral ("Cash Collateral Motion") shall commence on _____, 2018, at 9:30 a.m. before

ORDER FOR USE OF CASH COLLATERAL - 1

1 Judge Dore, room 8106, 700 Stewart Street, Seattle, WA 98101. Within three business days
2 of entry, Debtor shall serve this signed interim order, any agreement for use of cash collateral
3 entered into with Henry Ku and/or any proposed budget and order for continued use of cash
4 collateral, and notice of the time within which objections may be filed pursuant to Local
5 Rules W.D. Wash. Bankr. 9013(b), on Henry Ku and any other party which has an interest in
6 the cash collateral, any committee appointed pursuant to 11 U.S.C. § 1102 or its authorized
7 agent, the United States Trustee, the parties entitled to notice pursuant to Local Bankruptcy
8 Rule 4001-3(b), and creditors and equity security holders who have served on Debtor and
9 filed requests that all notices be mailed to them.

11 2. Interim Authorization to Use Cash Collateral. Pending the Final Hearing, Debtor
12 may use cash collateral in which Henry Ku has an interest in accordance with and subject to the
13 conditions set forth herein and the budget attached hereto as **Exhibit A**.

15 3. Terms of Use. Debtor's use of cash collateral consistent with the terms herein is
16 approved through the conclusion of the Final Hearing. Debtor's authorization to use cash
17 collateral shall terminate at the conclusion of the Final Hearing unless that authorization is
18 extended at that time.

19 4. Adequate Protection. Debtor shall provide adequate protection as follows:

21 4(a) Insurance. Upon request of Henry Ku, Debtor shall immediately provide
22 proof of all hazard insurance for all property, and shall maintain adequate insurance on all
23 property at all times.

24 4(b) Maintenance. Debtor shall maintain its property in good condition and
25 repair.

26 4(c) Payment. At this time, there is no request from Henry Ku for adequate
27

1 protection payments.

2 4(d) Budget. During the relevant time period Debtor shall ensure that no
3 expenditure exceeds the amount set forth on **Exhibit A** by more than 10% for any line-item,
4 and that overall expenditures not exceed 5% of the authorized budget.

5 4(e) Replacement Liens. Henry Ku shall have a lien on post-petition
6 Inventory, Chattel Paper, Accounts, Equipment and General Intangibles; whether any of the
7 foregoing is owned now or acquired later; all accessions, additions, replacements, and
8 substitutions relating to any of the foregoing; all records of any kind relating to any of the
9 foregoing; all proceeds relating to any of the foregoing (including insurance, general
10 intangibles and other accounts proceeds). Such lien is subordinated to the compensation and
11 expense reimbursement allowed to any trustee hereafter appointed in the case.
12

13 5. Default. An event of default occurs with (1) the termination or expiration of
14 Debtor's authority to use cash collateral; (2) failure to comply with the terms of this order; (3)
15 entry of an order terminating Debtor's authority to use existing collateral; and/or (4) entry of an
16 order dismissing or converting this bankruptcy case.
17

18 6. Remedy for Default. If an event of default occurs, and if the Debtor has not
19 cured the default within fourteen days after counsel for Debtor receives written notice of the
20 default, then Debtor's right to use cash collateral shall immediately cease and Henry Ku may
21 seek relief from the automatic stay or any other relief on fourteen days' written notice to
22 Debtor's counsel, all secured creditors, the U.S. Trustee, and either the Unsecured Creditors'
23 Committee if one exists or if not, upon the largest 20 unsecured creditors for further relief.
24

25 /// End of Order ///

26 Presented by:

27 ORDER FOR USE OF CASH COLLATERAL - 3

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/s/ Jeffrey B. Wells
Jeffrey B. Wells, WSBA #6317
Wells and Jarvis, P.S.
500 Union Street, Ste. 502, Seattle, WA 98101
206-624-0088

ORDER FOR USE OF CASH COLLATERAL - 4

4:58 PM
12/26/17
Cash Basis

Sunshine Seattle Enterprise LLC
Profit & Loss
February 2018

| | Nov 17 |
|-------------------------|-----------|
| Ordinary Income/Expense | |
| Income | |
| Food Sales | 81,600.28 |
| Total Income | 81,600.28 |
| Cost of Goods Sold | |
| Food Purchases | 17,588.17 |
| Merchant Account Fees | 2,150.05 |
| Restaurant Supplies | 5,937.47 |
| Total COGS | 25,675.69 |
| Gross Profit | 55,924.59 |
| Expense | |
| Automobile | 409.13 |
| B&O Tax | 698.28 |
| Bank Service Charges | 15.60 |
| Dues & Subscriptions | 55.05 |
| Insurance Expense | 226.33 |
| Office Supplies | 11.00 |
| Payroll Expenses | |
| Office Salaries | 27,090.00 |
| Officer Salaries | 10,000.00 |
| Payroll Tax Expense | 3,398.03 |
| Total Payroll Expenses | 40,488.03 |
| Professional Fees | 250.00 |
| Rent Expense | 5,529.92 |
| Utilities | 1,034.03 |
| US Trustee #650 | |
| Total Expense | 49,367.37 |
| Net Ordinary Income | 6,557.22 |
| Net Income | |