UNITED STATES BANKRUPTCY COURT WESTERN DISTRICT OF TEXAS AUSTIN DIVISION

IN RE: §

§ CHAPTER 11

BULLIONDIRECT, INC.,

§ §

CASE NO. 15-10940-tmd

Debtor.

EMERGENCY MOTION FOR ORDER AUTHORIZING PAYMENT OF EXPENSES OF DEBTOR IN POSSESSION

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

COMES NOW BullionDirect, Inc., debtor and debtor in possession in the above-styled and referenced case ("Debtor"), and files this its *Emergency Motion for Order Authorizing Payment of Expenses of Debtor In Possession* ("Motion"), and in support thereof would respectfully show the Court as follows:

Summary of Relief Requested

Debtor seeks authorization from the Bankruptcy Court for payment of operating expenses of the Debtor in Possession.

I. JURISDICTION AND VENUE

1. This Court has jurisdiction over the Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core matter pursuant to 28 U.S.C. § 157(b)(2)(A) and (O). Venue in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

II. BACKGROUND

2. On July 20, 2015 (the "Petition Date"), the Debtor filed its voluntary petition for relief under Chapter 11 of Title 11, United States Code (the "Bankruptcy Code"). The Debtor continues to operate its business as debtor-in-possession pursuant to §§ 1107 and

1108 of the Bankruptcy Code.

3. No examiner has been appointed in the Debtor's bankruptcy case, nor has any official committee been appointed pursuant to Section 1102 of the Bankruptcy Code.

III. RELIEF REQUESTED

- 4. The debtor's web-based precious metal trading business (www.bulliondirect.com) has ceased operations. However Debtor has certain assets, including a patent and a website platform, the licensing or sale of which may provide the source of repayment to holders of allowed claims¹. In order to continue with its efforts to complete transactions which were in progress as of the petition date, Debtor will need to maintain the website platform for purposes of demonstration and testing by potential licensees or purchasers.
 - 5. Debtor has prepared a budget (the "DIP Budget"), which is attached as Exhibit A.
- 6 The Debtor requests that the Court authorize it to pay or set aside funds for payment of the items set forth in the DIP Budget, pending further order of the court.

2

The website platform, which utilizes Debtor's process patent, is reliant on software developed, maintained and improved by its wholly owned subsidiary Nucleo Development Company, LLC ("Nucleo"), a non-debtor. The marketing of the platform and other IT products are being done in the name of Nucleo. Dan Bensimon has been designated the General Manager of Nucleo. Debtor will provide periodic reporting on Nucleo Development Company, LLC, pursuant to Bankruptcy Rule 2015.3.

WHEREFORE, PREMISES CONSIDERED, Debtor prays that this Court will approve its Emergency Motion for Order Authorizing Payment of Expenses of Debtor in

Possession and for such other and further relief to which it may show itself justly entitled.

Respectfully submitted,

MARTINEC, WINN & VICKERS, P.C. 919 Congress Avenue, Suite 200 Austin, TX 78701- 2117 (512) 476-0750/FAX (512) 476-0753

martinec@mwvmlaw.com

By: /s/ Joseph D. Martinec

> Joseph D. Martinec State Bar No. 13137500

PROPOSED ATTORNEYS FOR DEBTOR-IN-

POSSESSION

CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of the foregoing *Emergency Motion for* Order Authorizing Payment of Expenses Of Debtor In Possession has been served via the Court's ECF Noticing System, by First Class Mail, postage prepaid, or by facsimile

transmission, if so indicated, to the creditors and parties in interest on the attachment and to the

following on the 27th day of July, 2015.

BullionDirect, Inc.

P.O. Box 1987

Austin, TX 78767-1987

Debtor

U.S. Trustee

903 San Jacinto, Suite 230

Austin, TX 78701

/s/ Joseph D. Martinec Joseph D. Martinec

3

BULLIONDIRECT, INC.

DIP Budget

Income:

Debtor currently has cash on hand of \$162,009.87¹.

Expenses:

Description	7/20/15 -	8/2015	9/2015	10/2015
	7/31/15			
Communication/Internet Database	\$500	\$1,700	\$1,700	\$1,700
Rent and Storage	1,000	2,000	2,000	2,000
Contract Personnel	0	1,300	1,300	1,300
CRO/Financial Advisor ²	10,000	23,000	25,000	27,000
Legal ³	20,000	27,000	25,000	23,000
Tax Return Preparation	0	0	2,500	2,500
U.S. Trustee	0	500	500	500
Nucleo Advances ⁴	0	0	0	10,000
Totals	\$31,500.00	\$55,500.00	\$58,000.00	\$68,000.00

EXHIBIT

A

On the Petition Date Debtor had undeposited customer checks, drafts and money orders totaling \$563,218.18. Debtor is seeking Court approval for disposition of those checks.

² After Application and approval by the Court.

After Application and approval by the Court.

Nucleo Development Company, LLC will be required to upstream money each month.

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0542-1 Case 15-10940-tmd

Western District of Texas Austin

Mon Jul 27 14:59:34 CDT 2015

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Madison, NJ 07940-1162

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Mailable recipients 94
Bypassed recipients 0
Total 94

Proposed Order

UNITED STATES BANKRUPTCY COURT WESTERN DISTRICT OF TEXAS AUSTIN DIVISION

IN RE: \$ CHAPTER 11

BULLIONDIRECT, INC., \$ CASE NO. 15-10940-tmd

Debtor. \$

ORDER AUTHORIZING PAYMENT OF EXPENSES OF DEBTOR IN POSSESSION

CAME ON for consideration on this date the *Emergency Motion for Order Authorizing*Payment of Expenses of Debtor in Possession (the "Motion") filed by the above referenced Debtor. The Court, having considered the matters contained in the Motion, finds that good and sufficient cause exists for granting the Motion and that the terms of the Motion and the Order were discussed with and approved by the United States Trustee. Accordingly, it is hereby

ORDERED that Debtor is authorized pay or reserve funds for payment of the expenses set forth in DIP Budget attached to this Order.

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Order prepared by:

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