

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF KENTUCKY
LEXINGTON DIVISION**

In re	:	Case No. 25-50863
Lexington Blue, Inc.	:	Chapter 11
Debtor	:	Small business case
	:	
	:	Hon. Gregory Schaaf
	:	United States Bankruptcy Judge

**DEBTOR’S FIRST DAY MOTION FOR AN ORDER AUTHORIZING DEBTOR
TO MAINTAIN EXISTING BANK ACCOUNTS UNTIL JULY 7, 2025**

Lexington Blue, Inc. (“Debtor,” “Debtor in Possession,” or “LB”), by and through counsel, hereby requests the entry of an order authorizing debtor in possession to maintain existing bank accounts until July 7, 2025. Below is a memorandum in support of Debtor’s motion.

NOTICE AND OPPORTUNITY TO OBJECT

TAKE NOTICE that a hearing on the foregoing motion is scheduled to be held on Thursday, June 26, 2024 at 9:00 am at the U.S. Bankruptcy Court for the Eastern District of Kentucky, Community Trust Building, 100 East Vine Street, 2nd Floor, Lexington, KY 40507.

PLEASE TAKE FURTHER NOTICE: The hearing on Debtor’s motion was scheduled on an expedited basis. Any objections to the motion should be filed prior to the hearing, or made at the time of the hearing, or as the Court permits. If you do not object to the motion, the Court may enter an order without further notice or opportunity to object.

Respectfully,

/s/ J. Christian Dennery

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Proposed Attorney for Debtor and Debtor in Possession

MEMORANDUM

JURISDICTION AND VENUE

1. This Court has jurisdiction to consider this motion pursuant to 28 U.S.C. §§157 and 1334. This matter is a core proceeding as defined in 28 U.S.C. §157(b)(2). Venue is proper before this Court pursuant to 28 U.S.C. §§1408 and 1409. The statutory bases for the relief requested herein are 11 U.S.C. § 105.

BASIS FOR RELIEF

2. Debtor presently maintains three deposit accounts with Fifth Third Bank with account numbers ending in 3897, 2313, and 1008. As of April 30, 2025, only \$10.00 were on deposit in account ending 3897; the other two accounts show negative balances. Debtor has not generated any sales and has not conducted any transactions through the three deposit accounts, or any other account since April 30, 2025.

3. Debtor in possession remains mindful that the Office of the United States Trustee requires debtors-in-possession to close all existing bank accounts and open at least three new debtor-in-possession accounts, one for the deposit and payment of taxes, one for operational expenses, and one for payroll expenses. Debtor in possession is also aware that the Operating Order and the UST requirements are designed to ensure that the estate takes control of every bank account belonging to the debtor and safeguard against the comingling of funds.

4. However, Debtor does not anticipate receiving or maintaining any funds during the pendency of this case. Debtor does not intend to hire or retain any management or officers and therefore will not need to open a DIP Payroll Account. Nor does Debtor expect that it will incur any tax liabilities given that it will not be transacting any business for the duration of the case.

5. Nevertheless, WCP shall close all of its current bank accounts and proposes to establish one DIP into which deposits would be made, if any. Debtor requests that it be allowed until July

7, 2025: (a) to find an authorized depository bank that is willing to open the DIP Account; and (b) to obtain any bank records from Fifth Third Bank, which Debtor may not have in its possession.

WHEREFORE, Debtor in possession respectfully requests the entry of an order authorizing Debtor to maintain its existing deposit account until not later than July 7, 2025.

Respectfully,

/s/ J. Christian Dennery

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ORDER AUTHORIZING DEBTOR TO MAINTAIN EXISTING BANK ACCOUNTS

This matter having come before the Court on Debtor in Possession's First Day Motion for the Entry of an Order Authorizing Debtor to Maintain Existing Bank Accounts. Debtor in possession having shown that granting the motion is authorized by and consistent with §105 of the Bankruptcy Code; and the Court being otherwise sufficiently advised, it is ORDERED THAT:

1. Debtor's motion is GRANTED.
2. Debtor is authorized to maintain its current bank accounts until July 7, 2025.
3. Not later than July 8, 2025, Debtor shall open one new DIP account that comports with the Operating Guidelines and Reporting Requirements in Chapter 11 Cases for the Eastern District of Kentucky as promulgated by the Office of the U.S. Trustee.
4. Debtor in Possession shall, within two (2) days of the entry of this order and subject to any orders related to notice and service procedures in this case, serve a copy of the order on all parties in interests, the creditors described in FRBP 1007(d), all secured creditors, and the U.S. Trustee.

SO ORDERED,