

United States Bankruptcy Court for the Middle District of Tennessee

Fill in this information to identify the case. (Select only one Debtor per claim form)

- Auto Masters, LLC (Case No. 17-07036)
- AMC Finance, LLC (Case No. 17-07038)**
- America's United Financial, LLC (Case No. 17-07041)
- Capital Partners, LLC (Case No. 17-07042)
- Auto Masters of Clarksville, LLC (Case No. 17-07045)
- Direct Auto Finance, LLC (Case No. 17-07046)
- Auto Masters of Franklin, LLC (Case No. 17-07047)
- Auto Masters of Hermitage, LLC (Case No. 17-07048)
- Auto Masters of Madison, LLC (Case No. 17-07049)
- Auto Masters of Nashville, LLC (Case No. 17-07050)
- One Source Financial, LLC (Case No. 17-07051)
- Auto Master Sales & Services, Inc. (Case No. 17-07052)
- Southeast Financial, LLC (Case No. 17-07053)
- Auto Masters of Smyrna, LLC (Case No. 17-07054)
- Auto Masters of West Nashville, LLC (Case No. 17-07055)

Official Form 410

Proof of Claim

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) that you received.

Part 1: Identify the Claim

| | | |
|----------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1. Who is the current creditor?</p> | <p><u>CAPITAL ONE, NATIONAL ASSOCIATION, as agent</u></p> <p>Name of the current creditor (the person or entity to be paid for this claim)</p> <p>Other names the creditor used with the debtor _____</p> | |
| <p>2. Has this claim been acquired from someone else?</p> | <p><input checked="" type="checkbox"/> No</p> <p><input type="checkbox"/> Yes. From whom? _____</p> | |
| <p>3. Where should notices and payments to the creditor be sent?</p> <p>Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)</p> | <p>Where should notices to the creditor be sent?</p> <p><u>Robert P. Harris, Esq.</u></p> <p>Name</p> <p><u>Quarles & Brady LLP, 2 North Central Avenue</u></p> <p>Number Street</p> <p><u>Phoenix, Arizona 85004-2391</u></p> <p>City State ZIP Code</p> <p>Contact phone <u>602-229-5411</u></p> <p>Contact email <u>robert.harris@quarles.com</u></p> | <p>Where should payments to the creditor be sent? (if different)</p> <p>_____</p> <p>Name</p> <p>_____</p> <p>Number Street</p> <p>_____</p> <p>City State ZIP Code</p> <p>Contact phone _____</p> <p>Contact email _____</p> |
| <p>4. Does this claim amend one already filed?</p> | <p><input checked="" type="checkbox"/> No</p> <p><input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on _____</p> <p style="text-align: right;">MM / DD / YYYY</p> | |

5. Do you know if anyone else has filed a proof of claim for this claim? No Yes. Who made the earlier filing? _____

Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? At least \$64,082,721.79, plus accrued and accruing interest, costs, fees and other amounts owing under the applicable loan documents. Does this amount include interest or other charges? No Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card. Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c). Limit disclosing information that is entitled to privacy, such as health care information. See attachment

9. Is all or part of the claim secured? No Yes. The claim is secured by a lien on property.

Nature of property:

Real estate. If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.

Motor vehicle

Other. Describe: See attachment

Basis for perfection: See attachment

Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)

Value of property: \$ _____

Amount of the claim that is secured: \$ _____

Amount of the claim that is unsecured: \$ _____ (The sum of the secured and unsecured amounts should match the amount in line 7.)

Amount necessary to cure any default as of the date of the petition: \$ _____

Annual Interest Rate (when case was filed) ____%

Fixed

Variable

10. Is this claim based on a lease? No Yes. Amount necessary to cure any default as of the date of the petition. _____

11. Is this claim subject to a right of setoff? No Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

No

Yes. *Check all that apply:*

Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).

Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).

Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).

Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).

Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).

Other. Specify subsection of 11 U.S.C. § 507(a)() that applies.

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Amount entitled to priority

\$ _____

\$ _____

\$ _____

\$ _____

\$ _____

\$ _____

Part 3:

Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

I am the creditor.

I am the creditor's attorney or authorized agent.

I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 02 14 2018
MM / DD / YYYY

/s/ Robert P. Harris
Signature

Print the name of the person who is completing and signing this claim:

Name Robert P. Harris
First name Middle name Last name

Title Attorney

Company Quarles & Brady LLP
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address One Renaissance Square, Two North Central Avenue
Number Street

Phoenix AZ 84004-2391
City State Zip Code

Contact phone 602-229-5411 Email robert.harris@quarles.com

**ATTACHMENT TO PROOF OF CLAIM FILED BY
CAPITAL ONE, NATIONAL BANK ASSOCIATION**

Prior to October 17, 2017 (the "Petition Date") (the date on which the Debtors (defined below) commenced their above-referenced, jointly-administered Chapter 11 cases (collectively, the "Bankruptcy Cases")), all of the Debtors were obligated to, and they remain obligated to, the Lenders (defined below) under a revolving credit facility (defined below as the "Loans ").

The Debtors in the Bankruptcy Cases (collectively, the "Debtors") consist of fifteen (15) separate legal entities. Nine of the Debtor entities operated retail used car dealerships (the "Dealership Debtors").¹ The other six Debtor entities are auto finance companies that provided funding to the respective Dealership Debtors through the purchase of retail auto loans generated by the Dealership Debtors (the "Finance Company Debtors"). The Finance Company Debtors include the following entities: AMC Finance, LLC; America's United Financial, LLC; Capital Partners, LLC; Direct Auto Finance, LLC; One Source Financial, LLC; and Southeast Financial, LLC.

Capital One, as administrative agent and as a lender, together with other lenders (collectively, the "Lenders") and the Debtors, as borrowers, executed that certain Second Amended and Restated Credit Agreement dated as of August 7, 2015 (the "Credit Agreement"), pursuant to which the Lenders provided to the Debtors a revolving credit facility up to a maximum principal amount of \$63,000,000. The Credit Agreement and all related loan and security documents are referred to collectively as the "Loan Documents."

As of the Petition Date, the Debtors were indebted to the Lenders on loans owing under the Credit Agreement (collectively, the "Loans"). Collectively, all of the Debtors' obligations under the Loan Documents are referred to as the "Loan Obligations." Each of the Debtors are jointly and severally liable to the Lenders for the full amount of the Loan Obligations.

Copies of the Credit Agreement and certain other primary Loan Documents are attached to the *Appendix of Loan and Security Documents Filed by Capital One, National Association* [Docket No. 98] that Capital One filed in the Bankruptcy Cases (the "Appendix").

As security for timely payment and performance of the Loan Obligations, each of the Debtors granted to Capital One, for the benefit of the Lenders, first priority liens and security interests in certain of their assets, all as described in the Loan Documents (collectively, the

¹ The Dealership Debtors are as follows: Auto Masters of Hermitage, LLC; Auto Masters of Clarksville, LLC; Auto Masters of Franklin, LLC; Auto Masters of Madison, LLC; Auto Masters of Nashville, LLC; Auto Masters of Smyrna, LLC; Auto Masters of West Nashville, LLC; Auto Masters Sales & Service, Inc.; and Auto Masters, LLC.

"Collateral), which includes, among other things, retail installment contracts and other loan documentation (the "Consumer Paper") evidencing consumer auto loans generated by the Dealership Debtors, vehicle inventory that was not purchased with financing from a floorplan lender (the "Non-Floor Inventory"), and all proceeds therefrom. Capital One's security interests and liens in the Collateral have been properly perfected and are fully enforceable. Loan Documents evidencing, among other things, the scope and perfection of the security interests and liens granted to Capital One are included in the Appendix.

Computed as of October 17, 2017, the Debtors are indebted to the Lenders on the Loan Obligations in an aggregate amount in excess of \$64,082,721.79, comprised of the unpaid principal amount of at least \$62,994,791.73, plus accrued contract interest of at least \$1,087,930.06, plus accrued default rate interest, fees (including professional fees), costs, and other amounts owing under the Loan Documents. In addition, interest, fees, costs, and other amounts owing under the Loan Documents have accrued, and continue to accrue, from and after October 17, 2017.

The Debtors have acknowledged their liability to the Lenders for the Loan Obligations during the Bankruptcy cases. In particular, in connection with the *Second Interim Order (I) Authorizing the Debtors to Use Cash Collateral, (II) Granting Adequate Protection, and (III) Scheduling a Further Hearing* [Docket No. 120] (the "Cash Collateral Order"), the Debtors agreed that they "are obligated under the . . . Loan Documents for outstanding loans in the aggregate amount of more than \$63,000,000, plus accrued and accruing interest, costs, fees, and other amounts owing under the terms of the . . . Loan Documents." *Cash Collateral Order*, p. 3.

Capital One asserts a claim against the Debtors for all Loan Obligations owing by the Debtors under the Loan Documents. As noted, the Loan Obligations are secured by the Collateral as described in the Loan Documents. If, and to the extent the value of the collateral for the Loan Obligations is determined to be less than the amount of the Loan Obligations, Capital One asserts an unsecured claim for any deficiency. Capital One hereby gives notice that it intends to pursue any deficiency claim (or any other unsecured claim) as an unsecured claim to the full extent allowed by the Bankruptcy Code and other applicable law.

MIDDLE DISTRICT OF TENNESSEE

Claims Register

[3:17-bk-07038 AMC Finance, LLC](#)

Judge: Charles M Walker **Chapter:** 11
Office: Nashville **Last Date to file claims:**
Trustee: **Last Date to file (Govt):**

| | | |
|---------------------------------|-------------------------|-----------------------------|
| <i>Creditor:</i> (6568454) | Claim No: 6 | <i>Status:</i> |
| CAPITAL ONE | <i>Original Filed</i> | <i>Filed by:</i> CR |
| c/o John Harris & Robert Harris | <i>Date:</i> 02/14/2018 | <i>Entered by:</i> ROBERT P |
| Quarles & Brady LLP | <i>Original Entered</i> | HARRIS |
| 2 N. Central Avenue | <i>Date:</i> 02/14/2018 | <i>Modified:</i> |
| Phoenix, AZ 85004 | | |

Amount claimed: \$64082721.79
 Secured claimed: \$64082721.79

History:

[Details](#) [6-1](#) 02/14/2018 Claim #6 filed by CAPITAL ONE, Amount claimed: \$64082721.79 (HARRIS, ROBERT)

Description:

Remarks:

Claims Register Summary

Case Name: AMC Finance, LLC
Case Number: 3:17-bk-07038
Chapter: 11
Date Filed: 10/17/2017
Total Number Of Claims: 1

| | |
|------------------------------|---------------|
| Total Amount Claimed* | \$64082721.79 |
| Total Amount Allowed* | |

*Includes general unsecured claims

The values are reflective of the data entered. Always refer to claim documents for actual amounts.

| | Claimed | Allowed |
|-----------------------|---------------|---------|
| Secured | \$64082721.79 | |
| Priority | | |
| Administrative | | |