

**UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF TENNESSEE
NASHVILLE DIVISION**

IN RE:)	
)	
SOUTHEAST WAFFLES, LLC,)	CASE NO. 3:08-bk-07552
)	CHAPTER 11
Debtor.)	JUDGE LUNDIN
)	

THE DEADLINE FOR FILING A TIMELY RESPONSE IS: SEPTEMBER 15, 2008¹
IF A RESPONSE IS TIMELY FILED, THE HEARING WILL BE: OCTOBER 7, 2008, 9:00 a.m., U.S. Bankruptcy Court, Courtroom 2, Second Floor, Customs House, 701 Broadway, Nashville, Tennessee 37203

**OBJECTION TO APPLICATION TO APPROVE
LATTIMORE BLACK MORGAN & CAIN PC
AS FINANCIAL ADVISORS TO DEBTOR**

SunTrust Bank, a creditor in this case, objects to the *Application to Approve Lattimore Black Morgan & Cain PC as Financial Advisors to Debtor* (“Application”) and in support hereof would show:

1. The Application indicates that Lattimore Black Morgan & Cain PC (“Lattimore”) has been providing services to the Debtor since 2001, including professional tax, audit, and accounting services. These services would include, on information and belief, periodic advice as to internal controls and general accountability.

2. The Debtor’s recent history includes a massive check kite, resulting in a loss to SunTrust of approximately \$3.7 million, and a failure to pay federal withholding taxes and sales taxes totaling well over \$1 million. The Debtor’s failure to pay said taxes is apparently a chronic problem, and the Debtor’s principal testified on September 9, 2008, before this Court that he did not learn of the Debtor’s failure to pay withholding taxes, dating back to 2006, until August 11,

¹ By agreement with attorney for the Debtor, the deadline for SunTrust Bank to file a timely response to the Application was extended by one day to September 16, 2008.

2008. Additionally, the Debtor's principal has apparently compensated himself on a somewhat random basis based on his personal cash needs in disregard of the cash needs of the Debtor. During this time the Debtor was being audited by Lattimore, and at least one result of such audits should be discovery and a report to Debtor's principal of unpaid withholding taxes, which, according to the Debtor's principal, did not occur, and of the other ongoing mismanagement.

3. The gross mismanagement of the Debtor, as indicated by the above-described actions, while Lattimore was retained by the Debtor to provide professional tax, audit, and accounting services, indicates that Lattimore has not been successful historically in any attempts to "assist the Debtor with operational, strategic, or financial issues."

4. According to Debtor's testimony on September 9, 2008, the audited financial statements for the Debtor for the fiscal year ending May 31, 2007, prepared by Lattimore, understate withholding tax liabilities by approximately \$1 million. If that is true, then the audited statements appear to be inaccurate and misleading.

5. The Debtor's bankruptcy estate may have claims against Lattimore arising from the services provided by Lattimore pre-petition. Any financial professional retained by the Debtor should be in a position to evaluate such claims, not desire to defend them. To the extent grounds sufficient to merit a review of possible claims exist, Lattimore is not a disinterested person.

6. At this point SunTrust does not believe that Lattimore is in a position to help the Debtor in meetings with SunTrust or help the Debtor develop support for a plan to be filed by the Debtor.

THEREFORE, SunTrust requests that the Application be denied and that this Court provide other appropriate relief.

September 16, 2008.

Respectfully submitted,

/s/ Robert C. Goodrich Jr.

Robert C. Goodrich Jr. (Sup. Ct. No. 10454)

Madison L. Martin (Sup. Ct. No. 24027)

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CERTIFICATE OF SERVICE

I hereby certify that on September 16, 2008, the foregoing *Objection to Application to Approve Lattimore Black Morgan & Cain, PC as Financial Advisors to Debtor* was served electronically through the Court's ECF system upon all Filing Users accepting Notice of Electronic Filing and by placing true and correct copies in first class U.S. mail, postage prepaid, addressed to all parties requesting notice as listed on the Service List filed herewith.

/s/ Robert C. Goodrich Jr.