

UNITED STATES BANKRUPTCY COURT  
MIDDLE DISTRICT OF FLORIDA  
ORLANDO DIVISION

In re:

ONE FAT FROG, INCORPORATED,

Debtor  
\_\_\_\_\_ /

Case No.: 6:24-bk-02620-LVV

Chapter 11  
Subchapter v

**NOTICE OF FILING**

The Debtor, One Fat Frog, Incorporation, by and through the Trustee-in-Possession, L. Todd Budgen (hereinafter the “TIP” or the “undersigned”), hereby files this Notice of Filing, to wit: A Status Report

Dated this 7<sup>th</sup> day of May, 2025.

/s/ L. Todd Budgen  
\_\_\_\_\_  
L. TODD BUDGEN  
Chapter 11, Subchapter v Trustee  
P.O. Box 520546  
Longwood, Florida 32752  
Telephone: (407) 481-2888  
Todd@C11Trustee.com  
Florida Bar No: 296960

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**TRUSTEE IN POSSESSION'S STATUS REPORT**

The Debtor, One Fat Frog, Incorporation, by and through the Trustee-in-Possession, L. Todd Budgen (hereinafter the “undersigned” or the “TIP”), hereby files this status report and states as follows:

**Background**

1. L. Todd Budgen is the duly appointed, qualified and acting Subchapter v Trustee of the above styled bankruptcy estate. The Debtor’s Chapter 11, Subchapter v bankruptcy petition was filed on May 24, 2024. This honorable court entered an order on July 12, 2024 transferring the control and management of the Debtor to the Subchapter V Trustee herein (Doc. No. 71.). The Court further requested the Trustee to evaluate the Debtor’s options for financing, auctioning, or sale of the Debtor to potential buyers and provide a report to the Court.
2. The undersigned now provides the following as a status report.

**Current Status**

The Trustee has concluded the removal of personal property and return of the warehouse facility as of last fall. Efforts are now focused on litigation. The litigation phase of this case is focused on three areas: 1) financial institutions; 2) the U.S. government; and, 3)

“bad actors”.

**Financial Institutions – current estimated possible recovery \$1 mil to \$2 mil**

The fastest and most likely area of recovery are actions against financial institutions for under a few causes of actions. Those causes of action include recovery of money expended in the months leading up to the company’s bankruptcy filing, paid at a time when the company could not properly service all its debts and its customers proportionally. This will generate money for the estate to pursue other claims.

At this time a handful of lenders have been served subpoenas. Only one has responded. One other has been sued so far. Motions to compel discovery are expected, with one having been filed already.

**U.S. Government – current estimated possible recovery \$600,000.00**

There is an alleged \$600,000.00 Employee Retention Tax Credit (“ERTC”) due the estate. The undersigned has been assigned to an attorney in Washington D.C. who works for the Department of Justice, Tax Division. That attorney informed the undersigned that the IRS is not showing any record of the tax credit. However, officers of the Debtor have forwarded a completed and submitted ERTC application with Paychex, an employee leasing company who offered ERTC application services. The next step will be to conduct discovery, with the assistance of the U.S. DOJ Tax Division, and with Paychex. to find out what happened with the ERTC application.

The undersigned expects a few parties to make claims against the ERTC if found, including a possible offset claim by the U.S. Government. These claims will be litigated by the estate if and once the existence of the ERTC can be found.

### **Bad Actors**

Current estimated possible recovery  
undisclosed for litigation purposes, but mid-six figures

Numerous multi-day interviews have been conducted with both the Florida Attorney General's Office and at least four individuals who worked in management or were officers for the Debtor. Cabinets full of financials have now been reviewed. Special counsel believes any formal proceedings against such individuals will begin late summer or fall 2025. The undersigned believes *significant* (relative) collectability issues will exist against these individuals. The undersigned will seek direction at that time whether civil remedies will be pursued with estate funds where recovery will be less than the amounts expended for such pursuits. However, more information and formal discovery is needed before making those determinations.

### **Conclusion**

The undersigned continues to believe more money will be in the estate in 2025, with a distribution in 2026, if no interim distribution earlier. Current fund on hand today are \$69,374.64

The undersigned will provide a written status update later this year, but *not* at every hearing going forward, as some hearings will likely be solely to deal with discovery disputes, etc.

Dated this 7<sup>th</sup> day of May, 2025.

/s/ L. Todd Budgen  
L. TODD BUDGEN  
Chapter 11, Subchapter v Trustee  
P.O. Box 520546  
Longwood, Florida 32752  
Telephone: (407) 481-2888  
Todd@C11Trustee.com  
Florida Bar No: 296960



### **Update on Litigation and Recovery of Assets from Special Counsel to the Trustee-in-Possession**

I am Andrew J. Wit of law firm Jennis Morse and I am the attorney that has been hired by Todd Budgen, the Trustee-in-Possession as his special counsel. Because this is my first status update in this case, I will explain my role in this case to you and. The simplest explanation of what I am hired to do is to investigate and pursue all claims against third parties (other people and companies) to bring money into the estate so that One Fat Frog's creditors can receive as much of the amount they are owed back as possible.

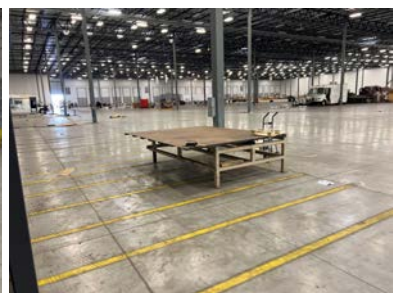
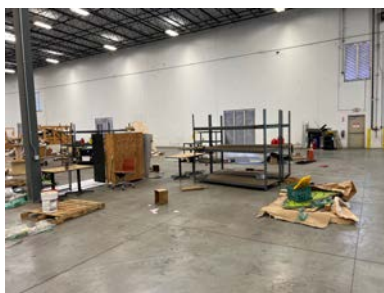
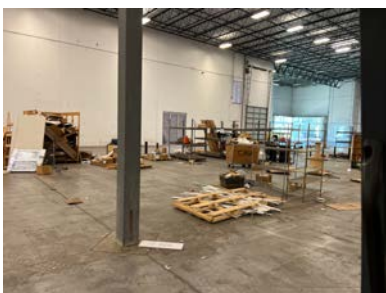
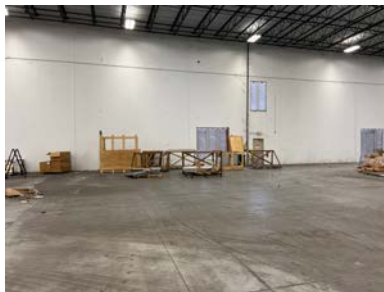
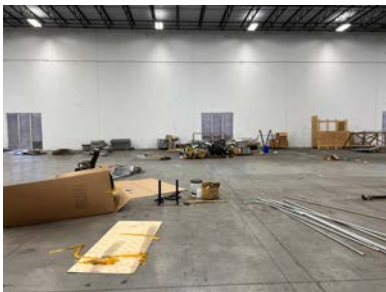
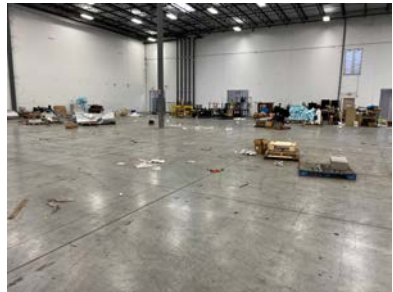
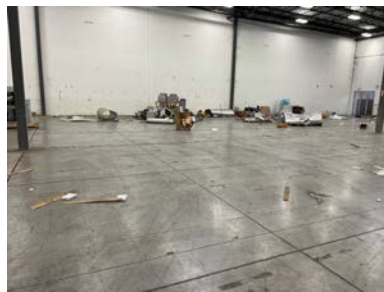
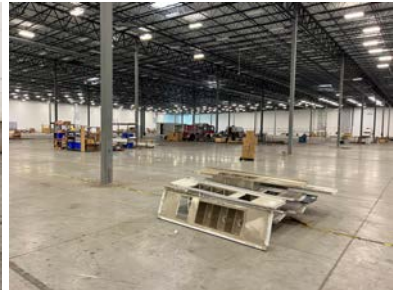
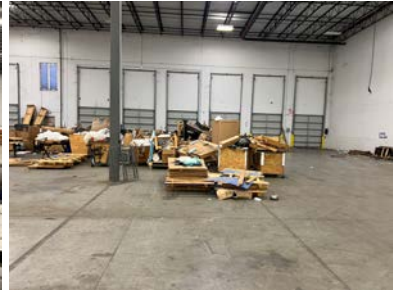
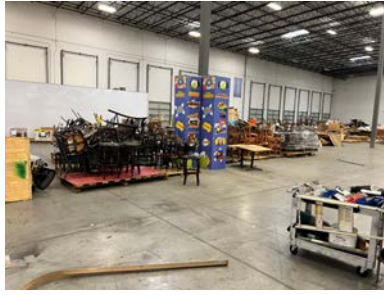
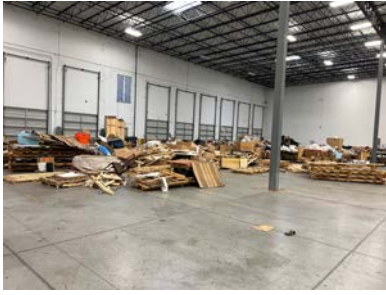
Before initiating any litigation to recover assets, we must conduct a thorough investigation so that we have a sufficient legal basis to pursue the claims against the bad actors that contributed to One Fat Frog's financial demise. The most common types of claims pursued by a special counsel in my position in a bankruptcy case are what are actions to recover what are called "avoidable transfers." Both bankruptcy law and state law provide a legal basis to avoid (make it as if the transfer never occurred) and recover avoidable transfers of assets belonging to One Fat Frog within certain time periods before the bankruptcy case was filed.

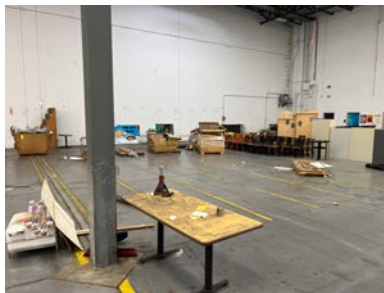
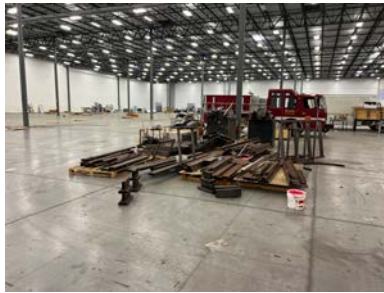
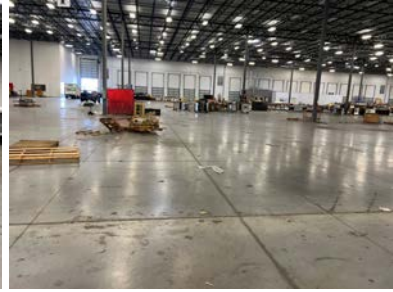
Following the Court's approval of my employment as special counsel, we continued our investigation of the assets and affairs of the Debtor and its principal both before and after the Petition Date. This allows us to develop a strategy for our investigation and to plan the most cost-effective approach to obtaining the information required to commence litigation against third parties. Below is the summary of the next steps we will be taking to complete our investigation and identify claims to pursue. Please understand that the planned dates of completion below are merely estimates, and the actual time is based on cooperation from the parties from whom we are seeking information.

<b>Action Items</b>	<b>Planned Date of Completion</b>
First Set of Document Requests Pursuant to Rule 2004 of the Bankruptcy Rules	Beginning on November 20, 2024
First Rule 2004 Examination of Parties with knowledge of the Debtor's Assets and Affairs	January 10, 2024
First wave of Demand Letters sent regarding preferential transfers and other avoidable transfers identified from initial investigation.	December 20, 2024
First Adversary Proceedings Commenced to Recover Assets for the Estate (with a focus on claims for preferential transfers or assets at risk of depletion)	January 31, 2024

Please know that my team and I are working as expeditiously as possible to analyze the large amount of information present in this case and identify every avenue that could possibly increase the amount of funds available to make payments to creditors.

**Photos of Debris remaining as of Friday, November 15, 2024**







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Chapter 11, Subchapter V

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**STATUS REPORT OF SPECIAL COUNSEL TO TRUSTEE-IN-POSSESSION**

I am Andrew J. Wit of law firm Jennis Morse and I am the attorney that has been hired by L. Todd Budgen, the Trustee-in-Possession as his special counsel. This document is intended to share the status of the investigation and pursuit of claims that would recover funds and provide a distribution to creditors of One Fat Frog, Incorporated (“One Fat Frog”).

As I discussed in my previous status report, I must conduct a thorough investigation before I can pursue litigation to recover assets. The purpose of this investigation is twofold. First, I am required to have a sufficient legal and factual basis to bring any claims against parties that contributed to One Fat Frog’s financial demise. To accomplish this, I must gather documents and information and then analyze whether the facts give rise to a claim that will result in a recovery. Second, because of the limited funds currently available, I must be mindful of the cost-benefit of pursuing each claim. The initial claims I am pursuing are those that will have the highest likelihood of resulting in funds to distribute to creditors of One Fat Frog, which are largely comprised of parties that paid funds to One Fat Frog for a food truck or trailer but did not receive a finished product.

Since being retained, I have endeavored to perform a thorough, yet efficient investigation into the circumstances that resulted in One Fat Frog seeking bankruptcy relief.

As part of this investigation, I have: (1) analyzed transactions across numerous bank accounts spanning multiple years, (2) conducted interviews with key parties, (3) identified parties with information relating to One Fat Frog and began issuing subpoenas to those parties, and (4) identified potentially avoidable transfers exceeding \$2 million within 10 months of the date One Fat Frog filed its bankruptcy petition.

Now that the initial avoidable transfer analysis has been completed, I will begin filing claims to avoid and recover those transfers. While it is difficult to estimate a time from for recovery for the imminent avoidable transfer claims, I hope to begin recovering funds as soon as possible. Additionally, I will be serving additional subpoenas to obtain information from sources that have been identified in my investigation thus far.

I will continue to diligently assess all available avenues for recovery to maximize the funds available to distribute to creditors of One Fat Frog.

Respectfully submitted,

**JENNIS MORSE**  
606 East Madison Street  
Tampa, FL 33602

/s/ Andrew J. Wit

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*Special Counsel to L. Todd Budgen as Trustee  
in Possession*

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on May 7, 2025, a true copy of the foregoing has been filed with the Court's CM/ECF system and served on parties receiving electronic service in the ordinary course.

/s/ Andrew J. Wit

Andrew J. Wit