

IN THE UNITED STATES BANKRUPTCY COURT FOR
THE NORTHERN DISTRICT OF ALABAMA
NORTHERN DIVISION

In the Matter of:)
)
All-Star Medical, LLC.)
EIN: XX-XXX2851) CASE NO. 17-82507-CRJ-11
)
Debtor.) CHAPTER 11
)
_____)

**INTERIM ORDER GRANTING DEBTOR'S
MOTION FOR USE OF CASH COLLATERAL**

THIS MATTER came before the Court on September 6, 2017 upon the Motion by All Star Medical, LLC, as Debtor and Debtor in Possession (“Debtor”), for Use of Cash Collateral pursuant to 11 U.S.C § 363 of the Bankruptcy Code and Rule 4001(d) of the Federal Rules of Bankruptcy Procedure (“Motion”). [Doc. 14]. Proper notice of the hearing was given and present at the hearing were Kevin D. Heard as counsel for the Debtor and Richard Blythe on behalf of the Bankruptcy Administrator’s Office.

The record reflects that no objection to the Motion was filed, and no objections were raised at the hearing. Based on representations of counsel for the Debtor at the hearing, the Court finds that the Debtor has met the requirements under § 363 of the Bankruptcy Code for the use of cash collateral.

It is therefore ORDERED, ADJUDGED and DECREED that:

The Debtor’s Motion for Use of Cash Collateral pursuant to 11 U.S.C. § 363 of the Bankruptcy Code is **GRANTED**. Accordingly, the Debtor is authorized to use Cash Collateral in the ordinary course of business subject to the terms and conditions of this Order. The Debtor shall not use Cash Collateral in any manner or in any amount other than as authorized specifically by this Order.

The Debtor has established a Debtor-in-Possession bank account with North Alabama Bank, which account complies with all applicable requirements of the Bankruptcy Administrator’s Office

for the Northern District of Alabama, designated in the following manner: “All Star Medical LLC., Debtor-in-Possession, Case Number 17-82507-CRJ11,” (hereinafter “DIP Account”). The Debtor shall collect, deposit and maintain all Cash Collateral, whether received prior to, on or after the date of filing its Voluntary Petition in the DIP Account.

As adequate protection for the use of the Cash Collateral, all properly perfected lien creditors are granted a replacement lien *nunc pro tunc* as of the Petition Date on and in all cash collateral acquired or generated post-petition by the Debtor, including without limitation all proceeds, products, rents or profits therefrom, to the same extent and priority as such interest existed pre-petition. The continuing lien granted herein in connection with the use of Cash Collateral shall be valid and perfected without the need for the execution, filing or recording of any further documents or instruments, otherwise required to be executed or filed under non-bankruptcy law.

The Court’s grant of adequate protection pursuant to this Order shall not preclude a lienholder from asserting in the future that their interest in the Cash Collateral is not adequately protected or to seek any other relief in this Bankruptcy case.

Subject to the terms and conditions of this Order, the Debtor is hereby authorized to use Cash Collateral only to satisfy (i) those actual expenses reasonable and necessary to the operation and maintenance of the Debtor’s business in accordance with the thirteen (13) week cash projection attached hereto and incorporated herein by reference as Exhibit “A” (hereinafter, the “Cash Requirements Budget”). Under no circumstances shall any principal, director, shareholder, member, partner or other owner of the Debtor be permitted to receive any distributions or compensation in excess of that shown on the Cash Requirements Budget. Furthermore, the Debtor must pay all withholding taxes due to the appropriate taxing authority when paying payroll expenses in whatever amounts.

A final hearing on the Motion is scheduled for September 20, 2017 at 1:30 p.m. at the Federal Building, 101 Holmes Avenue, Huntsville, AL 35801.

Dated this the 13th day of September, 2017.

/s/ Clifton R. Jessup, Jr.
Clifton R. Jessup, Jr.
United States Bankruptcy Judge

cc: Debtor
Kevin D. Heard, Esq.
Richard Blythe
Richard O'Neal