



Order Filed on January 23, 2018
by Clerk
U.S. Bankruptcy Court
District of New Jersey

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William J. Focazio, M.D., P.A.	:	UNITED STATES BANKRUPTCY COURT
	:	FOR THE DISTRICT OF NEW JERSEY
	:	
Debtor.	:	CHAPTER 11
	:	
	:	CASE NO. 18-10752 (VFP)
	:	
	:	

ORDER FOR SEGREGATION OF CASH COLLATERAL AND OTHER RELIEF

The relief set forth on the following pages 2 and 4 is hereby **ORDERED**:

DATED: January 23, 2018

Honorable Vincent F. Papalia
United States Bankruptcy Judge

Debtor: William J. Focazio, M.D., P.A.
Case No.: 18-10752 (VFP)
Caption of Order: **ORDER FOR SEGREGATION OF CASH COLLATERAL AND
OTHER RELIEF**

This matter being opened to the Court on application of William J. Focazio, M.D., P.A. (“Debtor”) seeking authorization for the use of cash collateral, which authorization request was opposed by First Commerce Bank (“FCB”), a creditor and party in interest; and

FCB claims a perfected security interest in property of the Debtor, including but not limited to pre-petition accounts receivable of the Debtor and insurance payments/reimbursements due to the Debtor (together, the “FCB Cash Collateral”); and

William J. Focazio, individually, has represented to the Court and to FCB and the Office of the United States Trustee that he has made a prepetition capital contribution to the Debtor in the amount of \$25,000 to fund Debtor’s initial operations post-petition; and

The Debtor and FCB having reached agreement that the Debtor will not use FCB Cash Collateral unless and until an Order is entered allowing such use; and

The Court having considered the moving and opposing papers and the arguments of counsel, and good cause appearing therefor:

It is ORDERED as follows:

1. The Debtor shall not use any FCB Cash Collateral unless and until an Order is entered by this Court allowing such use.

2. The bank account maintained by the Debtor at Clifton Savings Bank, account number ****0381 (with any successor account(s), the “Segregated Account”) shall be used by the Debtor solely for the deposit of FCB Cash Collateral in accordance with the terms of this Order, and shall not at any time after the first deposit of any FCB Cash Collateral contain any

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funds which are not FCB Cash Collateral, except the Focazio contribution to the extent that it has not been moved out of the Segregated Account. The Focazio contribution, to the extent contained in the Segregated Account, shall be immediately moved by the Debtor to another account or accounts of Debtor in its entirety.

3. All FCB Cash Collateral paid to or received by the Debtor or its agents post-petition shall be treated as follows:

A. Payments of FCB Cash Collateral received in cash, by check, or in any other manner not covered by subsection “B” below, shall be deposited in the Segregated Account not later than the first business day after receipt.

B. Payments of FCB Cash Collateral received by electronic funds transfer, wire transfer, or otherwise deposited by any means into any other bank account of the Debtor (or its agents) post-petition, shall be withdrawn by the Debtor (or its agents) from such account, and shall be deposited into the Segregated Account, not later than the first business day after receipt.

4. Debtor shall provide to counsel for FCB a daily report, which may be by email, of the receipt, amount and source of all FCB Cash Collateral received by Debtor or its agents post-petition, and the dates and amounts of all deposits of FCB Cash Collateral into the Segregated Account. On Friday of each calendar week, the Debtor shall provide to counsel for FCB a copy of the Bank statement for the Segregated Account.

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5. To the extent that the amounts contained in bank accounts of the Debtor existing on the petition date are traceable to FCB Cash Collateral, and to the extent such funds are used by the Debtor in its operations post-petition, FCB is hereby granted a replacement perfected lien on post-petition accounts receivable of the Debtor, to the same extent and priority as FCB's pre-petition liens on Debtor's accounts receivable.

6. Nothing in this Order shall preclude the Debtor from seeking an Order authorizing the use of FCB Cash Collateral, on notice to FCB and otherwise in accordance with the Bankruptcy Code and the Rules, or shall preclude FCB from opposing any such request. Nothing in this Order shall preclude FCB from seeking an Order for relief from the automatic stay or other relief for the turnover of FCB Cash Collateral, on notice to the Debtor and otherwise in accordance with the Bankruptcy Code and the Rules, or shall preclude the Debtor from opposing any such request.

7. The provisions of this Order with respect to bank accounts of the Debtor shall control any general Order entered by the Court with respect to Debtor bank accounts.

END