



ENTERED
06/09/2017

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
MCALLEN DIVISION**

IN RE: §
§ Case No. 17-70151
Medex Transportation Services, Inc. §
Debtor § CHAPTER 11

ORDER AUTHORIZING USE OF CASH COLLATERAL [Doc. 16]

After considering Debtor's Expedited Motion for Use of Cash Collateral; Request for Temporary Relief; and Request For Hearing (the "Motion") this Court hereby grants this Motion. The interim hearing was held on May 12, 2017 and the final hearing was held on June 5, 2017. Based on evidence presented, the Court rules as follows:

IT IS ORDERED that Medex Transportation Services, Inc. (Debtor) is authorized to use cash collateral pursuant to the budget projection attached to the Motion as Exhibit "A" for ninety (90) days in furtherance of reorganization process of the above-entitled bankruptcy proceeding and for necessary expenses to be incurred by the Bankruptcy Estate including i.) reasonable and necessary operating expenses incurred in the ordinary course of business; ii.) maintenance and preservation of property of the estate; iii.) property taxes; and iv.) payment of expenses associated with this Chapter 11 case, including professional bankruptcy fees and United States Trustee's fees;

IT IS FURTHER ORDERED that Debtor is authorized a 5% deviation from the Budget without further order of this Court;

IT IS FURTHER ORDERED that the Internal Revenue Service is hereby granted a replacement lien on all inventory and accounts receivable acquired by the Debtor since Petition Date and such lien is hereby ratified and confirmed on Debtor's inventory

and accounts receivables if perfected by the Internal Revenue Service prior to the filing of the Debtor's petition in this case with such lien and replacement lien to continue until further Order of this Court or confirmation of a Plan of Reorganization with the same priority such liens had before the filing of this bankruptcy case. As a condition for the Debtor's use of cash collateral, Internal Revenue Service will require the following:

a. Debtor shall remain current of all post-petition tax obligations, including but not limited to, deposit of employee withholdings for income, Social Security taxes and hospital insurance (Medicare) and employer's contribution for Social Security taxes and deposit excise tax, if applicable. Debtor shall file all post petition tax returns as they become due and shall file the following returns as listed below:

- i. Form 1120 for tax year ending 12/31/2016, when due
- ii. Form 941 for tax quarter ending 3/31/2017; filed by May 31, 2017.

The Debtor shall prepare and file these returns at the following address:

Internal Revenue Service
Attn: Keri Templeton
300 East 8th Street, Stop 5026
AUS Austin, Texas 78701

b. In the event that Debtor defaults on any of the conditions of this Order, the Internal Revenue Service will notify Debtor of the default. If the default is not cured within twenty (20) days of the date of the notification the continued use of cash collateral is denied and the Service will file a Motion With the Court for dismissal or conversion after the 3rd default. The Debtor will be allowed three (3) defaults, however, the third (3rd) default cannot be cured.

Signed: June 09, 2017



Eduardo V. Rodriguez
United States Bankruptcy Judge

STIPULATED AND AGREED:

UNITED STATES ATTORNEY'S OFFICE
SOUTHERN DISTRICT OF TEXAS

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