




Frank W. Volk, Chief Judge
United States Bankruptcy Court
Southern District of West Virginia

**Dated: September 6th,
2017**

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF WEST VIRGINIA**

In re:

**VANSCOY CHIROPRACTIC
CORPORATION HOLISTIC HEALTH CENTER,**

**Case No. 17-30271
Chapter 11**

Debtor.

AGREED ORDER GRANTING INTERIM USE OF CASH COLLATERAL

Comes now the debtor, Vanscoy Chiropractic Corporation Holistic Health Center, by counsel, Joseph W. Caldwell; First Bank of Charleston by counsel, John W. Alderman, III; and the West Virginia State Tax Department by counsel, Eric Wilson, and advised the Court that the parties have reached an agreement on the Debtors use of cash collateral on an interim basis. Debtor=s counsel stated to the Court that the Internal Revenue Service of the United States of America holds a lien on pre-petition and post-petition cash collateral, but that that lien is subordinate to other secured creditors. The Court was advised that the Debtor and the parties agree as follows:

1. On June 12, 2017, the Debtor filed a voluntary petition for relief under Chapter 11 of the U.S. Bankruptcy Code. The Debtor is currently operating as a Debtor in Possession. No Committee of Unsecured Creditors, trustee or examiner has been appointed in this Chapter 11 case.
2. The Debtor filed a Motion for an order authorizing the use of cash collateral on July 19, 2017.
3. The Internal Revenue Service of the United States of America; the West Virginia State Tax Department; and First Bank of Charleston hold secured claims against the Debtor and the Debtor=s accounts receivable which had a face value of approximately \$86,000 at the time of the filing of the case.
4. First Bank of Charleston obtained a judgment against the Debtor in the Circuit Court of Putnam County, West Virginia, under Civil Action No. 13-C-89. The Banks judgment also runs to Darrin Vanscoy, individually.
5. The Debtor is engaged in a chiropractic practice. The Debtor generates accounts receivable from Highmark Blue Cross/Blue Shield, Aetna Insurance, and other insurance companies. The receivables constitute cash collateral as defined in Section 363 of the Bankruptcy Code, and the cash collateral is subject to the pre-petition liens.
6. The Debtor has asserted that it needs use of the cash collateral to pay post-petition operating expenses in the ordinary course of its business.

7. The secured creditors are willing to allow the Debtor the use certain amounts of cash collateral to continue to operate the business during the effective term of this Agreed Order, and subject to the terms and conditions as set forth in this Agreed Order.

The Court adopts the foregoing representations as its findings of fact and further finds that the Agreed Order has been negotiated in good faith and at arm's length and that entry of this Agreed Order is in the best interest of the Debtor, its creditors and its estate, and therefore there is good cause for the entry of this Agreed Order.

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. Subject to the terms and conditions set forth in this Agreed Order, the Debtor shall be, and hereby is, authorized to use the cash collateral in the ordinary course of its present business for a period of 90 days from the date of entry of this Agreed Order.

2. The creditors are granted (a) a post-petition priority security interest in the collateral to the same extent and in the same priority as held immediately prior to the petition date; except that First Bank of Charleston shall be recognized as holding a first priority lien on pre-petition receivables upon which it levied pre-petition to an amount not greater than 10,046.79; and (b) replacement and additional security interests and liens in and to all property of the Debtors estate to the same extent and in the same priority as the secured parties held immediately prior to the petition date. There is no need for the execution by the Debtor or the secured parties or the recording of security agreements or UCC Financing Statements.

3. Debtor is hereby authorized and directed to pay the West Virginia State Tax Department \$500 per month; the Internal Revenue Service of the United States of America \$500 per month; and First Bank of Charleston \$750 per month beginning the 15th of September, 2017, and the 15th of the month thereafter. First Bank and Debtor shall split all proceeds received by First Bank from Highmark on a 50/50 basis.

4. The Debtor shall keep all of its collateral insured in accordance with the requirements of the Office of the U.S. Trustee.

5. The Debtor is authorized to pay from the cash collateral only the normal and necessary operating expenses directly related to the Debtor's business.

6. The Debtor has prepared a budget for operating expenses which is attached to this Agreed Order as an exhibit and no other payments or expenses outside the Debtor's ordinary operating expenses shall be paid out of the cash collateral without the prior consent of the secured parties.

7. In the event of a default of payment by the Debtor, any secured party is hereby authorized to file a motion for relief from the automatic stay seeking adequate protection and/or the right to foreclose upon its security interest in the collateral.

8. The Debtor shall provide to the Office of the U.S. Trustee all financial information as required to monitor the condition of the accounts receivable and collateral.

9. Highmark Blue Cross Blue Shield and Aetna shall be released from any responsibility from turning over to Vanscoy Chiropractic Corporation Holistic Health Center payments issued for post-petition services. Amounts owing to the Debtor for post-petition services shall be subject to this Cash Collateral Order and by signing this Order, First Bank of Charleston consents to the use of cash collateral and direct payments to the Debtor.

This Agreed Order shall expire 90 days after entry unless extended by agreement of the Debtor and the secured parties or by further order of this Court.

VANSCOY CHIROPRACTIC CORPORATION
HOLISTIC HEALTH CENTER

By Counsel

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