

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

IN RE: RUBEN E. HINOJOSA,

* CASE NO. 10-70900-M-11

Debtor

* CHAPTER 11 PROCEEDING

**DEBTOR'S MOTION FOR AN ORDER AUTHORIZING CONTINUED USE OF
EXISTING BANK ACCOUNTS**

RULE 9013 NOTICE

THIS MOTION SEEKS AN ORDER THAT MAY ADVERSELY AFFECT YOU. IF YOU OPPOSE THE MOTION, YOU SHOULD IMMEDIATELY CONTACT THE MOVING PARTY TO RESOLVE THE DISPUTE. IF YOU AND THE MOVING PARTY CANNOT AGREE, YOU MUST FILE A RESPONSE AND SEND A COPY TO THE MOVING PARTY. YOU MUST FILE AND SERVE YOUR RESPONSE WITHIN 21 DAYS OF THE DATE THIS WAS SERVED ON YOU. YOUR RESPONSE MUST STATE WHY THE MOTION SHOULD NOT BE GRANTED. IF YOU DO NOT FILE A TIMELY RESPONSE, THE RELIEF MAY BE GRANTED WITHOUT FURTHER NOTICE TO YOU. IF YOU OPPOSE THE MOTION AND HAVE NOT REACHED AN AGREEMENT, YOU MUST ATTEND THE HEARING, UNLESS THE PARTIES AGREE OTHERWISE, THE COURT MAY CONSIDER EVIDENCE AT THE HEARING AND MAY DECIDE THE MOTION AT THE HEARING.

REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEYS.

TO THE HONORABLE U.S. BANKRUPTCY JUDGE:

COMES NOW, Ruben E. Hinojosa, (herein "Debtor"), and in support of his Motion for an Order Authorizing Continued Use of Bank Accounts and respectfully states as follows:

I.

Jurisdiction & Venue

1. The Court has jurisdiction over these matters pursuant to 28 U.S.C. §§1334 and 157. These matters concern the administration of these bankruptcy estates; accordingly, these are core proceedings pursuant to 28 U.S.C. §157(b)(2)(A) & (O). Venue is proper in this

Ruben E. Hinojosa

K:\235\235443\Motion for Continued Use of Bank Accounts.docx

Page 1 of 5

district pursuant to 28 U.S.C. §§ 1408 and 1409. The predicates for the relief requested herein are 11 U.S.C. §105(a), 345 and 363.

II.
Background

2. Debtor filed his petition under Chapter 11 of Title 11 of the United States Code on December 18, 2010, and since such date has continued in possession of his property as Debtor-in-Possession, pursuant to 11 U.S.C. §§1107 & 1108. This Court has not appointed a Trustee or Examiner no has an official committee been established in this Chapter 11 proceeding.

III.
The Debtor's Business

3. The debtor is a United States Congressman and holds some interests in real estate.

IV.
Existing and Proposed Cash Management System

4. Prior to the date of filing, the Debtor maintained a cash management system for use in his day-to-day business operations. Mainly his cash management system consisted of several accounts divided into two (2) categories: checking and savings divided into three separate accounts.

5. The existing bank accounts are maintained by Bank of America and Wachovia Bank, both authorized depositories.

6. All three (3) bank accounts are listed on the Debtor's Schedule B.

V.
**Continued Use of Pre-Existing Bank Accounts and
Cash Management System**

7. The U.S. Trustee generally requires a debtor-in-possession to close all pre-petition bank accounts and open new debtor-in-possession bank accounts. In addition, the U.S. Trustee may require a debtor-in-possession to maintain separate accounts for cash collateral and taxes.

Ruben E. Hinojosa

K:\235\235443\Motion for Continued Use of Bank Accounts.docx

Page 2 of 5

However, in some complex and some small business chapter 11 cases, courts often waive these requirements, recognizing that such requirements are often impractical in such cases.

8. The Debtor submits that a similar waiver is appropriate in this chapter 11 case. The Debtor's cash management system, of which the existing accounts are an integral part, provides an efficient and secure means of managing and disbursing cash for the Debtor's operations on a daily basis. The closing of each of the existing accounts and the opening of new accounts could unnecessarily impair the Debtor's business operations and disrupt the Cash Management System, thereby hindering the operation of the Debtor's business during the critical opening stages of this Chapter 11 case.

9. The Cash Management System is beneficial to the Debtor, his estate and his creditors because it enables the Debtor to reduce the administrative expense involved in moving funds, to maintain more accurate information regarding receipts, account balances and disbursements, to maintain a more efficient process for the investment of cash, and to ensure compliance with the Debtor's accounting and disbursement control procedures.

10. The Debtor requests authority to (i) maintain and continue to use any or all of his existing accounts in the name and with the account numbers existing immediately prior to the commencement of this chapter 11 case – specifically the following: (a) checking account number xxxx3003 at Bank of America; (b) savings account number xxxx8705 at Bank of America and (c) checking/savings account number xxxx4565 at Wachovia Bank; provided however, that the Debtor may reserve the right to close some or all of his existing accounts and open new debtor-in-possession accounts; (ii) deposit funds in and withdraw funds from any such accounts by all usual means, including checks, wire transfers, electronic funds transfers; and (iii) treat his existing account (and any accounts opened post-petition) for all purposes as debtor-in-possession accounts.

11. The Debtor requests that the Court authorize and direct all banks with which the Debtor maintains bank accounts to continue to maintain, service and administer such accounts.

12. Except as otherwise required by any application cash collateral or post-petition financing orders, the Debtor further requests that the Court authorize the Debtor to continue to use the Cash Management System, including, without limitation, the waiver of any requirement that

the Debtor establish separate accounts for cash collateral and/or tax payments and the authorization of payment of any costs or expenses associated with the maintenance of the Cash Management System.

VI.
Waiver of Requirement of Requiring Checks

13. The Debtor further seeks a waiver of the requirement to immediately purchase new checks that include the term "Debtor in Possession" and the case number assigned to this chapter 11 case for administrative purposes.

14. The Debtor issues checks in the ordinary course of business, and it will be impractical to obtain "Debtor in Possession" check stock during the initial days of this Chapter 11 case. The Debtor requires authority simply to use its existing check stock and mark checks manually with the notation "Debtor in Possession" and listing the chapter 11 case number under which this case will be administered. Once the existing check stock is depleted, the Debtor will obtain new check stock reflecting its status as debtor in possession.

WHEREFORE, the Debtor respectfully requests that the Court enter an Order granting the relief requested herein, and prays for any such order and further relief as the Court may deem proper.

Respectfully submitted,
MALAISE LAW FIRM

/s/ Eduardo V. Rodriguez _____
Eduardo V. Rodriguez
State Bar No. 00795621
Federal I.D. 19945
1265 North Expressway 83
Brownsville, TX 78520
Telephone No: 956-547-9638
Facsimile: 956-547-9630

CERTIFICATE OF SERVICE

I certify that the Debtor's Motion for an Order Authorizing Continued Use of Bank Accounts was served upon the entities listed below by United States Mail, First class, postage prepaid, unless otherwise requested by electronic filing, on December 29th, 2010:

United States Trustee
Barbara Jue
Wilson Plaza, Ste. 1107
606 N. Carancahua
Corpus Christi, Texas 78476

Ruben E. Hinojosa
6700 Melrose Drive
McLean Va 22101

and to all parties shown on attached matrix.

/s/ Eduardo V. Rodriguez
Eduardo V. Rodriguez

Bank of America, N.A.
P.O. Box 25118
Tampa, FL 33622-5118

Hinojosa Development Company
P.O. Box 358
Mercedes, TX 78570

Bill Ellis
ELLIS, KOENEKE & RAMIREZ, ATTORNEYS
1101 Chicago
McAllen, TX 78501

Long and Foster Real Estate, Inc.
14501 George Carter Way
Chantilly, VA 20151

City of Mercedes
P.O. Box 178
Edinburg, Texas 78540

Mercedes I.S.D.
P.O. Box 178
Edinburg, TX 78540

Corporation Service Company
dba CSC Lawyers Incorporating Service Co
211 E. 7th Street, Suite 670
Austin, TX 78701-3218

Rex N. Leach
Atlas & Hall
P.O. Box 3725
McAllen, TX 78502

Felipe Torres Fiscal, LLC
1120 Stites Road
Donna, TX 75357

South Texas College
Hidalgo County Tax Assessor-Collector
P.O. Box 178
Edinburg, TX 78540

Felix Vasquez
408 Wickham Lane
Southlake, TX 76092

South Texas I.S.D.
P.O. Box 178
Edinburg, TX 78540

Firm Consultants, Inc.
6700 Melrose Drive
McLean, VA 22101

Victor Carrera, Attorney
P.O. Box 720607
McAllen, TX 78504

Hidalgo County & Hidalgo County DDist #1
John T. Banks
Perdue Brandon Fielder Collins & Mott
3301 Northland Dr., Ste. 505
Austin, TX 78731

Wells Fargo Bank, N.A.
1000 Louisiana
4th Floor
Houston, TX 77002

Hidalgo County and Drainage Dist. #1
Hidalgo County Emergency Service Dept#3
Perdue Brandon Fielder Collins & MottLLP
3301 Northland Dr., Ste. 505
Austin, TX 78731

Zions First National Bank
c/o Karen E. Murray
CRADDOCK, MASSEY, LLP
1400 Post Oak Boulevard, Ste. 640
Houston, TX 77056

Hidalgo County Tax Office
P.O. Box 178
Edinburg, TX 78539