

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

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In re : Chapter 11
:
Laboratory Partners, Inc., *et al.*,¹ : Case No. 13-12769 (PJW)
:
Debtors. : (Joint Administration Pending)
:
: **Re: D.I. 10**
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**ORDER UNDER SECTIONS 105(A), 363(B), 507(A) AND 541 OF THE BANKRUPTCY
CODE AND BANKRUPTCY RULES 6003 AND 6004 AUTHORIZING PAYMENT OF
CERTAIN PREPETITION USE TAXES**

Upon the motion (the “Motion”) of the above-captioned debtors and debtors in possession (the “Debtors”)² for entry of an order, pursuant to sections 105(a), 363(b), 507(a) and 541 of the Bankruptcy Code and Bankruptcy Rules 6003 and 6004, (i) authorizing, but not directing, the Debtors to pay prepetition amounts owing in respect of use taxes (the “Taxes”) that the Debtors, in their discretion, deem necessary to various federal, state, county and city taxing authorities (the “Taxing Authorities”), and (ii) authorizing all banks and other financial institutions to honor all checks and other fund transfers authorized pursuant to the Motion, whether such checks or other fund transfers are issued or presented prior to or after the Petition Date; and upon the Brandt Declaration; and due and sufficient notice of the Motion having been

¹ The Debtors and the last four digits of their taxpayer identification numbers are as follows: Laboratory Partners, Inc. (3376), Kilbourne Medical Laboratories, Inc. (9849), MedLab Ohio, Inc. (9072), Suburban Medical Laboratory, Inc. (0859), Biological Technology Laboratory, Inc. (4370), Terre Haute Medical Laboratory, Inc. (1809), and Pathology Associates of Terre Haute, Inc. (6485). Certain of the Debtors do business as MEDLAB. The Debtors’ mailing address for notice in these cases is: 671 Ohio Pike, Suite K, Cincinnati, OH 45245.

² Capitalized terms used but not defined herein shall have the same meanings ascribed to such terms in the Motion.

given; and it appearing that no other or further notice need be provided; and it appearing that the relief requested by the Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; and after due deliberation and sufficient cause appearing therefor;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED.
2. The Debtors are authorized, but not directed, to pay and remit to the Taxing Authorities, the Taxes incurred prior to the Petition Date by the Debtors in the ordinary course of business (including, without limitation, Taxes subsequently determined to be owed by the Debtors for the prepetition period); provided that payments on account of Taxes incurred prior to the Petition Date shall not exceed \$8,000 in the aggregate without further order of this Court.
3. The Debtors are authorized, but not directed, in their absolute discretion, to settle some or all of the prepetition claims of the Taxing Authorities for less than their face amount without further notice or hearing.
4. The Debtors are authorized, but not directed, to continue paying Taxes incurred after the Petition Date in the ordinary course of business.
5. All applicable banks and other financial institutions are hereby authorized and required to receive, process, honor, and pay any and all checks and transfer requests evidencing amounts paid by the Debtors under this Order whether presented prior to or after the Petition Date, provided that sufficient funds are on deposit in the applicable accounts to cover such payments. Such banks and financial institutions are authorized to rely on the representations of the Debtors as to which checks are issued or authorized to be paid pursuant to this Order.

6. To the extent the Debtors have not yet sought to remit payment to the Taxing Authorities, the Debtors are authorized to issue checks or provide for other means of payment to the Taxing Authorities, to the extent necessary to pay the Taxes.

7. Nothing in this Order or the Motion shall be construed as prejudicing any rights the Debtors may have to: (a) contest the amount of or basis for any Taxes allegedly due to any Taxing Authority; or (b) seek a determination of the amount or legality of the Taxes pursuant to section 505 of the Bankruptcy Code.

8. Notwithstanding the relief granted herein and any actions taken hereunder, nothing herein shall create, nor is intended to create, any rights in favor of, or enhance the status of any claim held by, any Taxing Authority.

9. The authorization granted hereby to pay prepetition Taxes shall not create any obligation on the part of the Debtors or their officers, directors, attorneys or agents to pay such Taxes and none of the foregoing persons shall have any liability on account of any decision by the Debtors to pay or not to pay such Taxes. Further, nothing contained in this Order shall be deemed to increase, reclassify, elevate to administrative expense status, or otherwise affect the prepetition Taxes to the extent they are not paid.

10. The relief granted herein is without prejudice to the Debtors' ability to request further relief related to the Taxes.

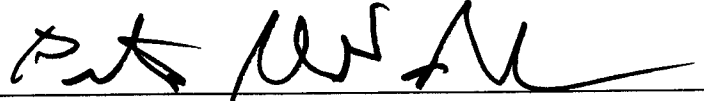
11. The requirements set forth in Bankruptcy Rule 6003(b) are satisfied by the contents of the Motion.

12. Notwithstanding Bankruptcy Rule 6004(h), this Order shall be effective and enforceable immediately upon entry hereof.

13. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation and/or interpretation of this Order.

Dated: Wilmington, Delaware

Oct 29, 2013



THE HONORABLE PETER J. WALSH
UNITED STATES BANKRUPTCY JUDGE

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