

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF ALABAMA**

| | | |
|--------------------------|---|--------------------------|
| IN RE: |) | |
| |) | |
| ALLEGRO LAW, LLC, |) | CASE NO. 10-30631 |
| |) | |
| Debtor. |) | CHAPTER 7 |
| |) | |

**APPLICATION OF VANCO SERVICES, LLC
FOR PAYMENT OF ADMINISTRATIVE EXPENSES**

NOW COMES, Vanco Services, LLC, by and through the undersigned counsel, and, pursuant to Sections 503(b)(3)(E) and 543(c)(1) and (2) of the Bankruptcy Code, files this *Application of Vanco Services, LLC for Payment of Administrative Expenses*. In support thereof, Vanco Services, LLC (“Vanco”) represents as follows:

1. Vanco is in the business of providing electronic payment solutions to a variety of organizations nationwide.
2. One such customer was Louis Colley in his capacity as Receiver for Allegro Law, LLC under an Alabama state court receivership. Vanco provided Automatic Clearing House (“ACH”) processing services for Colley, as Receiver.
3. On March 12, 2010, Daniel G. Hamm (“Hamm”), acting as trustee for the bankruptcy estate of Keith Anderson Nelms (“Nelms”) in the Chapter 7 case entitled In re Keith Anderson Nelms, Case No. 10-30430 (Bankr. M.D. Ala. 2010), filed a Chapter 7 petition commencing the instant case. Nelms had been the sole member of the Debtor.
4. By order entered on March 12, 2010, the Court appointed Hamm as the interim trustee for Debtor’s bankruptcy estate, and on April 2, 2010, the Court held that Hamm, as trustee,

superseded Colley as Receiver and ordered the turnover of the Debtor's estate to Trustee Hamm. An appeal of the April 2, 2010 turnover order was filed on April 16, 2010 by the State of Alabama, but said appeal was subsequently withdrawn.

5. Amidst all of these proceedings, Vanco continued to provide ACH processing services to the Debtor following the commencement of the Debtor's case.

6. Under Section 543(c)(1) and (2), the Bankruptcy Court shall protect entities (e.g. Vanco) to which a custodian (i.e., Colley as Receiver) has become obligated during the course of the custodianship by "provid[ing] for the payment of reasonable compensation for services rendered and costs and expenses incurred by such custodian."

7. Section 503(b)(3)(E) of the Bankruptcy Code provides that the "actual, necessary expenses" incurred by "a custodian superseded under section 543 of [the Bankruptcy Code]" are entitled to priority treatment as administrative expenses.

8. The aforementioned services of Vanco were necessary to maintain and preserve the assets of Debtor's estate and to protect Debtor's customers and creditors.

9. Vanco has submitted invoices to the Receiver indicating the sums owed for the services provided. Copies of said invoices are attached hereto as **Exhibit "A"**. The total amount owed to Vanco for services rendered through May 2010 (Vanco's last month of performing services for Debtor) is **\$7,891.50**.

10. The amount owed to Vanco represents the fair and reasonable value of the services rendered.

WHEREFORE, premises considered, Vanco respectfully requests that the Court enter an order allowing Vanco's administrative expense claim of \$7,891.50 and providing such further relief

as may be just and proper.

Respectfully submitted this 31st day of January, 2011.

/s/ David B. Hughes
David B. Hughes (ASB-9269-E59D)
Attorney for Vanco Services, LLC

OF COUNSEL:
FRITZ HUGHES & HILL, LLC
7020 Fain Park Drive, Suite 1
Montgomery, AL 36117
Telephone (334) 215-4422
Facsimile (334) 215-4424
bankruptcy@fritzandhughes.com

CERTIFICATE OF SERVICE

I hereby certify that I have electronically filed the foregoing with the Clerk of the Court using the CM/ECF system which will send notification to the following CM/ECF participants: Daniel G. Hamm, Trustee; Theresa Jacobs, Bankruptcy Administrator; and all persons who have made an appearance in this case via CM/ECF.

Done this 31st day of January 2011.

/s/ David B. Hughes
OF COUNSEL



eservice

800-675-7430 (Phone)
952-983-8665 (Fax)
cs@vancoservices.com

Louis Colley
Allegro Law, LLC

Electronic Funds Transfer Invoice

Date: 04/02/2010
Time: 08:40:20

Phone: 334-365-1500
Fax: 334-365-1601

Client ID: DS4063-22

INVOICE FOR THE MONTH OF: **March 2010**

Invoice Number: **00004196331**

ACH - Checking/Savings Transactions

| <i>Items Charged</i> | <i>Quantity</i> | <i>Rate</i> | <i>Total Charges</i> |
|---------------------------------|-----------------|-------------|----------------------|
| One-Day Transaction | 9,309 | 0.50 | 4,654.50 |
| Two-Day Transaction | 46 | 0.25 | 11.50 |
| Internet / File Authorization | 57 | 0.50 | 28.50 |
| Return / Notification of Change | 438 | 3.00 | 1,314.00 |
| Revoked / Not Auth Return | 45 | 5.00 | 225.00 |

ACH - Checking/Savings Transactions Total: 6,233.50

INVOICE TOTAL: 6,233.50

INVOICE WILL BE SETTLED ELECTRONICALLY ON 04/15/2010

C-16634 / 07yp-51 / DA-27650907



800-675-7430 (Phone)
 952-983-8665 (Fax)
 cs@vancoservices.com

Louis Colley
 Allegro Law, LLC

Electronic Funds Transfer Invoice

Date: 05/03/2010
 Time: 15:15:29

Phone: 334-365-1500
 Fax: 334-365-1601

Client ID: DS4063-22

INVOICE FOR THE MONTH OF: **April 2010**

Invoice Number: **00004226113**

ACH - Checking/Savings Transactions

| <i>Items Charged</i> | <i>Quantity</i> | <i>Rate</i> | <i>Total Charges</i> |
|---------------------------------|-----------------|-------------|----------------------|
| Two-Day Transaction | 4 | 0.25 | 1.00 |
| Return / Notification of Change | 29 | 3.00 | 87.00 |
| Revoked / Not Auth Return | 242 | 5.00 | 1,210.00 |

ACH - Checking/Savings Transactions Total: 1,298.00

INVOICE TOTAL: 1,298.00

INVOICE WILL BE SETTLED ELECTRONICALLY ON 05/17/2010

C-16634 / DTyp-51 / DA-28520559



800-675-7430 (Phone)
 952-983-8665 (Fax)
 cs@vancoservices.com

Louis Colley
 Allegro Law, LLC

Electronic Funds Transfer Invoice

Date: 06/01/2010
 Time: 14:12:19

Phone: 334-365-1500
 Fax: 334-365-1601

Client ID: DS4063-22

INVOICE FOR THE MONTH OF: **May 2010**

Invoice Number: **00004256041**

ACH - Checking/Savings Transactions

| <i>Items Charged</i> | <i>Quantity</i> | <i>Rate</i> | <i>Total Charges</i> |
|---|-----------------|-------------|----------------------|
| Revoked / Not Auth Return | 72 | 5.00 | 360.00 |
| ACH - Checking/Savings Transactions Total: | | | 360.00 |
| INVOICE TOTAL: | | | 360.00 |

INVOICE WILL BE SETTLED ELECTRONICALLY ON 06/15/2010

C-16634 / DTyp-51 / DA-29310439