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The following constitutes the order of the Court.
Signed: June 9, 2023

William J. Lafferty, III
U.S. Bankruptcy Judge

9 *Proposed Counsel for the Debtor
and Debtor in Possession*

11 **UNITED STATES BANKRUPTCY COURT**
12 **NORTHERN DISTRICT OF CALIFORNIA**
13 **OAKLAND DIVISION**

14 In re:
15 THE ROMAN CATHOLIC BISHOP OF
16 OAKLAND, a California corporation sole,
17 Debtor.

Case No. 23-40523 WJL
Chapter 11

**THIRD INTERIM ORDER AUTHORIZING
THE DEBTOR TO (I) PAY PREPETITION
EMPLOYEE WAGES, SALARIES,
BENEFITS AND OTHER RELATED ITEMS;
(II) REIMBURSE PREPETITION
EMPLOYEE BUSINESS EXPENSES; (III)
CONTINUE EMPLOYEE BENEFIT
PROGRAMS; AND (IV) PAY ALL COSTS
AND EXPENSES INCIDENT TO THE
FOREGOING**

Judge: Hon. William J. Lafferty
Date: June 6, 2023
Time: 2:30 p.m.
Place: United States Bankruptcy Court
1300 Clay Street
Courtroom 220
Oakland, CA 94612

1 Upon the *Debtor's Motion For Interim and Final Orders Authorizing the Debtor to (I) Pay*
2 *Prepetition Employee Wages, Salaries, Benefits and Other Related Items, (II) Reimburse Prepetition*
3 *Employee Business Expenses, (II) Continue Employee Benefit Programs, and (IV) Pay All Costs and*
4 *Expenses Incident to the Foregoing*, dated May 8, 2023 (the "Wages and Benefits Motion"),¹ filed by the
5 Roman Catholic Bishop of Oakland, a California corporation sole, and the debtor and debtor in possession
6 (the "Debtor" or "RCBO") in the above-captioned chapter 11 bankruptcy case (the "Chapter 11 Case" or
7 the "Bankruptcy Case") for entry of interim and final orders (i) authorizing, but not directing, the Debtor
8 to pay and honor, in the ordinary course of business, claims and obligations related to the Prepetition
9 Employee Obligations, (ii) authorizing, but not directing, the Debtor to continue to provide administrative
10 support for and participate in certain Employee Benefit Programs, (iii) authorizing, but not directing, the
11 Debtor to continue to act as collection and paying agent for certain Employee Benefits Programs shared
12 with participating non-debtor employers, and (iv) granting related relief, all as set forth in the Wages and
13 Benefits Motion; the Court having reviewed and considered the Wages and Benefits Motion, the First Day
14 Declaration, all other filings in support of any opposition to the Wages and Benefits Motion, and the
15 arguments made at the hearings on the Wages and Benefits Motion; the Court finding that it has
16 jurisdiction over this matter, that venue in this Court is proper, and that notice of the Wages and Benefits
17 Motion and the interim hearings thereon was reasonable and sufficient under the circumstances for the
18 granting of interim relief; the Court finding that there is good cause for entry of an immediate interim
19 order pursuant to Fed. R. Bankr. P. 6003, and that ample cause exists to grant a waiver of the 14-day stay
20 imposed by Bankruptcy Rule 6004(h) for the entry of an interim order granting the Wages and Benefits
21 Motion; and the Court further finding that the relief requested in the Wages and Benefits Motion is in the
22 best interests of the Debtor, its creditors, and other parties in interest; and after due deliberation and good
23 cause appearing,

24 **IT IS HEREBY ORDERED THAT:**

25 1. The Wages and Benefits Motion is GRANTED on an interim basis to the extent forth
26 herein.

27 _____
28 ¹ Capitalized terms not otherwise defined herein shall have the meanings given to them in the Wages and Benefits Motion.

1 2. Subject to the requirements of sections 507(a)(4) and (a)(5) of the Bankruptcy Code, the
2 Debtor is authorized, but not directed, to pay on an interim basis, all Prepetition Employee Compensation
3 that becomes due and owing in the ordinary course of business.

4 3. The Debtor is authorized, but not directed, to honor PTO accrued by Employees prior to
5 the Petition Date in the ordinary course of business, consistent with past practice.

6 4. The Debtor is authorized, but not directed, to pay all Business Expenses, including those
7 incurred prior to the Petition Date, that become due and owing in the ordinary course of business.

8 5. The Debtor is authorized, but not directed, to pay all contributions accrued prior to the
9 Petition Date to the tax-qualified plan maintained for Employees under Section 403(b) of the Tax Code.

10 6. The Debtor is authorized, but not directed, to pay unemployment obligations and workers'
11 compensation insurance obligations incurred prior to the Petition Date in the ordinary course of business,
12 consistent with past practice.

13 7. The Debtor is authorized, but not directed, to pay all Prepetition Payroll Costs that were
14 accrued and unpaid as of Petition Date, including all payroll-related taxes subsequently determined upon
15 audit, or otherwise, to be owed to the relevant taxing authorities for periods prior to Petition Date, as such
16 costs become due and owing in the ordinary course of business.

17 8. The Debtor is authorized, but not directed, to continue the Benefit Programs on a
18 postpetition basis in the ordinary course of business, consistent with past practice.

19 9. The Debtor is authorized, but not directed, to continue to provide administrative support
20 for the Main Benefit Plans, including by receiving funds into and remitting such funds out of the Agent
21 Accounts, in the ordinary course of business, consistent with past practice.

22 10. The Banks are authorized, when requested by the Debtor, to receive, process, honor and
23 pay all checks presented for payment of, and to honor all fund transfer requests made by the Debtor related
24 to, the Employee Obligations and the Benefit Programs approved on an interim basis by this Order,
25 whether such checks were presented or fund transfer requests were submitted prior to or after the Petition
26 Date, provided that sufficient funds are available in the applicable accounts to make the payments. The
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28

1 Banks are authorized to rely on the Debtor's designation of any particular check or funds transfer as
2 approved by this Order.

3 11. The Debtor is authorized, but not directed, to issue new postpetition checks or fund transfer
4 requests with respect to prepetition obligations approved on an interim basis by this Order, if necessary.

5 12. Any Bank that honors a prepetition check or other item drawn on any account that is the
6 subject of this Order: (a) at the direction of the Debtor; (b) in a good faith belief that the Court has
7 authorized such prepetition check or item to be honored; or (c) as a result of an innocent mistake made
8 despite the above-described protective measures, shall not be liable to the Debtor or its estate on account
9 of such prepetition check or other item being honored postpetition.

10 13. The Debtor shall provide the U.S. Trustee a list of Employees and Contractors to be paid
11 prepetition wages or expense reimbursements under this Order including accrual dates and amounts to be
12 paid to each Employee and Contractor and shall file with the Court a summary of the information.

13 14. Nothing in this Order shall be construed as: (a) an admission regarding the validity of any
14 prepetition claim against the Debtor; (b) a promise or requirement to pay any prepetition claim; (c) a
15 request or authorization to assume any prepetition executory contract; (d) a waiver of the Debtor's, or any
16 estate representative's right, to dispute any claim on any grounds; or (e) otherwise a waiver of the Debtor's
17 rights under the Bankruptcy Code or other applicable law.

18 15. This Order shall be immediately effective and enforceable upon entry.

19 16. A final hearing on the Wages and Benefits Motion shall be held on June 20, 2023, at 9:00
20 a.m. PDT. Any written objections to the granting of the relief requested in the Wages and Benefits
21 Motion on a final basis shall be filed not later than 5:00 p.m. PDT June 13, 2023, and any replies to
22 such objections shall be filed not later than 5:00 p.m. PDT June 16, 2023.

23 17. The Debtor is authorized to take all actions necessary or appropriate to effectuate the relief
24 granted in this Order.

25 18. This Court shall retain jurisdiction with respect to all matters arising from or related to the
26 implementation of or interpretation of this Order.

1 **APPROVED AS TO FORM:**
2 OFFICE OF THE UNITED STATES TRUSTEE

3
4 By: /s/ Jason Blumberg
5 Jason Blumberg
6 Trial Attorney

6 **APPROVED AS TO FORM:**
7 LOWENSTEIN SANDLER LLP

8
9 By: /s/ Brent I. Weisenberg
10 Brent I. Weisenberg
11 Proposed Attorneys for the
12 Official Committee of Unsecured Creditors

11 ****END OF ORDER****

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COURT SERVICE LIST

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All ECF Recipients.