



**FOLEY & LARDNER LLP**

Jeffrey R. Blease (CA Bar. No. 134933)  
Tel: (617) 226-3155; [jblease@foley.com](mailto:jblease@foley.com)  
Thomas F. Carlucci (CA Bar No. 135767)  
Tel: (415) 984-9824; [tcarlucchi@foley.com](mailto:tcarlucchi@foley.com)  
Shane J. Moses (CA Bar No. 250533)  
Tel: (415) 438-6404; [smoses@foley.com](mailto:smoses@foley.com)  
Emil P. Khatchatourian (CA Bar No. 265290)  
Tel: (312) 832-5156; [ekhatchatourian@foley.com](mailto:ekhatchatourian@foley.com)  
Ann Marie Uetz (admitted *pro hac vice*)  
Tel: (313) 234-7114; [auetz@foley.com](mailto:auetz@foley.com)  
Matthew D. Lee (admitted *pro hac vice*)  
Tel: (608) 258-4203; [mdlee@foley.com](mailto:mdlee@foley.com)  
555 California Street, Suite 1700  
San Francisco, CA 94104-1520

**CHANGES MADE BY COURT**

The following constitutes the order of the Court.  
Signed: June 12, 2023

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

*Proposed Counsel for the Debtor  
and Debtor in Possession*

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA  
OAKLAND DIVISION**

In re:

THE ROMAN CATHOLIC BISHOP OF  
OAKLAND, a California corporation sole,

Debtor.

Case No. 23-40523 WJL

Chapter 11

**FINAL ORDER (I) AUTHORIZING THE  
DEBTOR TO (A) CONTINUE EXISTING  
CASH MANAGEMENT SYSTEM, (B)  
HONOR CERTAIN PREPETITION  
OBLIGATIONS RELATED TO THE USE  
THEREOF, (C) CONTINUE  
INTERCOMPANY ARRANGEMENTS,  
(D) MAINTAIN EXISTING BANK  
ACCOUNTS AND BUSINESS FORMS, AND  
(E) CONTINUE USE OF EXISTING CREDIT  
CARD ACCOUNTS; AND (II) WAIVING  
CERTAIN REQUIREMENTS OF 11 U.S.C. §  
345(b)**

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) (A)*  
2 *Continue Existing Cash Management System, (B) Honor Certain Prepetition Obligations Related to the*  
3 *Use Thereof, (C) Continue Intercompany Arrangements, (D) Maintain Existing Bank Accounts and*  
4 *Business Forms, and (E) Continue Use of Existing Credit Card Accounts; and (II) Waive Certain*  
5 *Requirements of 11 U.S.C. § 345(b), dated May 8, 2023 (the "Cash Management Motion")*,<sup>1</sup> filed by The  
6 Roman Catholic Bishop of Oakland, a California corporation sole, and the debtor and debtor in possession  
7 (the "Debtor" or "RCBO") in the above-captioned chapter 11 bankruptcy case (the "Chapter 11 Case" or  
8 the "Bankruptcy Case"), seeking entry of interim and final orders authorizing the Debtor to (i)(a) maintain  
9 its Cash Management System in the ordinary course of business and consistent with the Debtor's  
10 prepetition practices, including the continued maintenance of existing bank accounts at the Banks,  
11 (b) honor certain prepetition obligations related to the Cash Management System, (c) continue certain  
12 intercompany arrangements among the Debtor and certain of its non-Debtor affiliates, (d) maintain  
13 existing bank accounts and business forms, and (e) continue use of existing credit card accounts; and  
14 (ii) waive certain requirements of section 345(b) of the Bankruptcy Code to the extent they apply to the  
15 Debtor's bank accounts; the Court having reviewed and considered the Cash Management Motion, the  
16 First Day Declaration, all other filings in support of any opposition to the Cash Management Motion, and  
17 the arguments made at the interim and final hearings on the Cash Management Motion; the Court finding  
18 that it has jurisdiction over this matter, that venue in this Court is proper, and that notice of the Cash  
19 Management Motion and the interim and final hearings thereon was reasonable and sufficient under the  
20 circumstances for the granting of final relief; the Court finding that ample cause exists to grant a waiver  
21 of the 14-day stay imposed by Bankruptcy Rule 6004(h) for the entry of a final order granting the Cash  
22 Management Motion; and the Court having found and determined that notice of the Cash Management  
23 Motion as provided to the parties listed therein is reasonable and sufficient under the circumstances, and  
24 it appearing that no other or further notice need be provided; and the Court further finding that the relief  
25 requested in the Cash Management Motion is in the best interests of the Debtor, its creditors, and other  
26 parties in interest; and after due deliberation and good cause appearing,

27  
28 <sup>1</sup> Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Cash Management Motion.

1           **IT IS HEREBY ORDERED THAT:**

2           1.       The Cash Management Motion is GRANTED on a final basis to the extent set forth herein.

3           2.       The Debtor is authorized, but not directed, to continue to (a) maintain and manage its cash  
4 pursuant to the Cash Management System in the same manner as before the Petition Date, (b) collect and  
5 disburse cash in accordance with the Cash Management System, including the performance of  
6 Intercompany Transactions between and among the Debtor, Churches, and Non-Debtor Catholic Entities,  
7 in the ordinary course of business and consistent with the Debtor's prepetition practices, provided that the  
8 Debtor shall continue to track all Intercompany Transactions, (c) make ordinary course changes to its Cash  
9 Management System, without further order of the Court, and (d) use its Credit Card Accounts, subject to  
10 the terms and conditions of each Credit Card Account.

11           3.       The Debtor shall maintain records of all transfers within the Cash Management System,  
12 including without limitation transfers between (1) the Debtor and any of the Churches, and (2) the Debtor  
13 and any of the Non-Debtor Catholic Entities, so that all transfers and transactions shall be adequately and  
14 promptly documented in, and ascertainable from, the Debtor's books and records. The Debtor shall  
15 provide such records upon reasonable request from the U.S. Trustee or the Official Committee of  
16 Unsecured Creditors (the "Committee").

17           4.       Notwithstanding the foregoing, the Debtor shall provide three (3) business days' notice to  
18 the U.S. Trustee and the Committee in advance of any transfer in excess of \$50,000 from any Bank  
19 Account within the Cash Management System to any Church or Non-Debtor Catholic Entity.

20           5.       Each of the Banks is authorized, but not directed, to continue to honor transfers of funds to  
21 and from the Bank Accounts, subject to this Final Order and any further orders of this Court.

22           6.       The Debtor is further authorized to (i) designate, maintain, and continue to use any or all  
23 of the Bank Accounts listed on Exhibit D to the Cash Management Motion, subject to paragraph 7 of this  
24 Final Order, in the names and with the account numbers existing immediately before the Petition Date,  
25 (ii) deposit funds in, and withdraw funds from, such accounts by all usual means, including, without  
26 limitation, checks, wire transfers, ACH transfers, and other debits, (iii) pay any Bank Fees, Payment  
27 Processing Fees, or other charges associated with the Bank Accounts, whether arising before or after the  
28 Petition Date, and (iv) treat its prepetition Bank Accounts for all purposes as debtor in possession accounts.

FINAL ORDER AUTHORIZING DEBTOR TO MAINTAIN CASH MANAGEMENT SYSTEM

1           7.       The Debtor shall cause its Banks to designate the Bank Accounts as, or convert them to,  
2 debtor-in-possession accounts no later than June 30, 2023, and shall provide evidence to the U.S. Trustee  
3 of such designation or conversion, *provided, however*, that the Debtor and U.S. Trustee may agree to  
4 extend this deadline, with notice to the Committee, but without further order of the Court.

5           8.       The Debtor is authorized to designate, maintain, and continue to use the Schwab Brokerage  
6 Account in the name and with the account number existing immediately before the Petition Date, and in  
7 the event that Stock Donations are received on or after the Petition Date, the Debtor is authorized, but not  
8 directed, to monetize Stock Donations and make transfers of proceeds in the ordinary course of business  
9 and consistent with prepetition practices, and shall transfer such proceeds to a Bank Account not less than  
10 once per week.

11          9.       The Debtor is authorized, but not directed, to open new bank accounts and all accounts  
12 opened by the Debtor on or after the Petition Date at any bank shall, for purposes of this Final Order, be  
13 deemed a Bank Account as if it had been listed on Exhibit D to the Cash Management Motion; *provided*,  
14 that such account opening shall be timely indicated on the Debtor's monthly operating reports, and shall  
15 be a designated debtor in possession account at an authorized depository, and notice of such account  
16 opening shall be provided to the U.S. Trustee and the Committee as set forth in paragraph 10 of this Order.

17          10.       Notice of the opening or closing of any Bank Accounts with a bank or financial institution  
18 by or for the benefit of RCBO shall be provided by RCBO to the U.S. Trustee and the Committee at least  
19 three (3) business days in advance of such opening or closing. RCBO shall use reasonable efforts to  
20 ascertain whether any account maintained with a bank or financial institution by or for the benefit of one  
21 of the Churches has been opened or closed or is planned to be opened or closed, and will provide notice  
22 to the U.S. Trustee and the Committee promptly upon ascertaining such information.

23          11.       All Banks with which the Debtor maintained Bank Accounts are authorized to debit the  
24 Debtor's accounts in the ordinary course of business, without the need for further order of this Court, with  
25 respect to: (i) all checks or other items deposited in the Debtor's Bank Accounts with such Bank prior to  
26 the Petition Date which have been dishonored or returned unpaid for any reason, together with any fees  
27 and costs in connection therewith, to the same extent the Debtor was responsible for such items prior to  
28 the Petition Date, and (ii) all undisputed prepetition amounts outstanding as of the date hereof, if any,

1 owed to any Bank as Bank Fees or Payment Processing Fees for the maintenance of or in connection with  
2 the Cash Management System, which shall include all amounts owed by the Debtor to any Bank to repay  
3 or reimburse such Bank in connection with ordinary course ACH transactions executed on behalf of or for  
4 the accounts of the Debtor.

5 12. The Banks and Schwab are authorized to charge, and the Debtor is authorized and directed  
6 to pay, honor, or allow, both prepetition and postpetition fees, costs, charges, and expenses, including the  
7 Bank Fees and Payment Processing fees in the ordinary course.

8 13. The Banks and Schwab shall not be liable to any party on account of: (i) following the  
9 Debtor's representations, instructions, or presentations as to any order of the Court (without any duty of  
10 further inquiry); (ii) the honoring of any prepetition checks, drafts, wires, or ACH transfers in a good-faith  
11 belief or upon a representation by the Debtor that the Court has authorized such prepetition check, draft,  
12 wires, or ACH transfers; or (iii) an innocent mistake made despite implementation of reasonable handling  
13 procedures.

14 14. Nothing contained in this Final Order shall prevent the Debtor from closing any Bank  
15 Account or the Schwab Brokerage Account in the ordinary course and in accordance with its prepetition  
16 practices as it may deem necessary and appropriate, any relevant Bank or Schwab is authorized to honor  
17 the Debtor's requests to close any Bank Account or the Schwab Brokerage Account, and the Debtor shall  
18 give notice of the closure of any Bank Account or the Schwab Brokerage Account to the U.S. Trustee and  
19 the Committee as set forth in paragraph 9 of this Order.

20 15. The requirements of section 345(b) of the Bankruptcy Code and the provisions of the  
21 UST Guidelines related to authorized depositories are hereby waived to the extent provided herein.

22 16. The Debtor is authorized, but not directed, to use its existing Business Forms and not print  
23 "Debtor-in-Possession" on any of its existing Business Forms, and any otherwise applicable requirement  
24 that the Debtor print "Debtor-in-Possession" on any new checks ordered during the Bankruptcy Case, or  
25 that the Debtor change its system for electronic generation of checks and Business Forms to reflect its  
26 status as a debtor in possession, is hereby waived.

1 17. Nothing contained in this Final Order or the Cash Management Motion is intended to be  
2 or shall be construed as (a) an admission regarding the validity of any prepetition claim against the Debtor;  
3 (b) a promise or requirement to pay any prepetition claim; (c) a request or authorization to assume any  
4 prepetition executory contract; (d) a waiver of the Debtor's, or any estate representative's, right to dispute  
5 any claim on any grounds; or (e) otherwise a waiver of the Debtor's rights under the Bankruptcy Code or  
6 other applicable law.

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

8 19. The Debtor is authorized to take all actions necessary or appropriate to effectuate the relief  
9 granted in this Final Order.

10 20. This Court shall retain jurisdiction with respect to all matters arising from or related to the  
11 implementation of or interpretation of this Order.

12  
13 **APPROVED AS TO FORM:**

14 OFFICE OF THE UNITED STATES TRUSTEE

15  
16 By:  /s/ Jason Blumberg  
17 Jason Blumberg  
Trial Attorney

18 **APPROVED AS TO FORM:**

19 LOWENSTEIN SANDLER LLP

20 By:  /s/ Brent I. Weisenberg  
21 Brent I. Weisenberg  
22 Proposed Attorneys for the  
Official Committee of Unsecured Creditors

23 \*\* END OF ORDER \*\*  
24  
25  
26  
27  
28

**COURT SERVICE LIST**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

All ECF Recipients.