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The following constitutes the order of the Court.
Signed: June 22, 2023

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

9 *Counsel for the Debtor*
10 *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

**FINAL 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 20, 2023

Time: 9:00 a.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, (III) 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 the Wages and Benefits Motion, including the Supplemental
15 Declaration of Paul Bongiovanni in support of the Wages and Benefits Motion [Docket No. 147], or in
16 support of any opposition to the Wages and Benefits Motion, and the arguments made at the hearings on
17 the Wages and Benefits Motion; the Court finding that it has jurisdiction over this matter, that venue in
18 this Court is proper, and that notice of the Wages and Benefits Motion and the interim and final hearings
19 thereon was reasonable and sufficient under the circumstances for the granting of interim and final relief;
20 the Court finding that ample cause exists to grant a waiver of the 14-day stay imposed by Bankruptcy Rule
21 6004(h) for the entry of an interim and final order granting the Wages and Benefits Motion; and the Court
22 further finding that the relief requested in the Wages and Benefits Motion is in the best interests of the
23 Debtor, its creditors, and other parties in interest; and after due deliberation and good cause appearing,

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

1 **IT IS HEREBY ORDERED THAT:**

2 1. The Wages and Benefits Motion is GRANTED on a final basis.

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

6 3. The Debtor is authorized, but not directed, to pay all Prepetition Business Expenses that
7 become due and owing in the ordinary course of business.

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

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

14 6. The Debtor is authorized, but not directed, to pay all Prepetition Benefit Obligations, and
15 all postpetition amounts and/or obligations arising in connection with the Benefit Programs, that become
16 due and owing in the ordinary course of business, including without limitation and for the avoidance of
17 doubt all (i) unemployment insurance obligations incurred before the Petition Date; (ii) amounts and/or
18 obligations arising under and/or in connection with the Workers' Compensation Program (as defined
19 herein)², and (iii) contributions accrued before the Petition Date to the tax-qualified plan maintained for
20 Employees under Section 403(b) of the Tax Code.

21 7. The Debtor is authorized, but not directed, to continue the Benefit Programs including,
22 without limitation and for the avoidance of doubt, the Workers' Compensation Program, on a postpetition
23 basis in the ordinary course of business, consistent with past practice, *provided, however*, that nothing in
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26 ² For the avoidance of doubt, the term "Workers' Compensation Program" shall include all workers' compensation insurance
27 policies, or self-insurance programs, issued or providing coverage at any time to the Debtor or its predecessors, whether expired,
current or prospective, and any agreements related thereto.

1 this Final Order shall prohibit the official committee of unsecured creditors (the "Committee") from filing
2 a motion seeking to terminate postpetition payments under the Benefit Programs or any other payments
3 to any individual receiving such payments from the Debtor's estate.

4 8. The automatic stay of Bankruptcy Code section 362(a), if and to the extent applicable, is
5 hereby modified to the extent necessary to permit: (a) claimants to proceed with their claims (whether
6 arising before or after the Petition Date) under the Workers' Compensation Program, or direct action
7 claims against non-debtor third parties in the appropriate judicial or administrative forum; (b) insurers and
8 third party administrators to handle, administer, defend, settle and/or pay workers' compensation claims
9 and direct action claims; and (c) the Debtor to continue the Workers' Compensation Program and pay all
10 amounts relating thereto in the ordinary course of business.

11 9. The Debtor is authorized to remit any amounts held on behalf of participants in the Main
12 Benefit Plans on the Petition Date to the Main Benefit Plans for which such amounts were collected or for
13 payment of covered benefits and plan-specific administrative expenses, as applicable, consistent with past
14 practice.

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

18 11. The Banks are authorized, when requested by the Debtor, to receive, process, honor and
19 pay all checks presented for payment of, and to honor all fund transfer requests made by the Debtor related
20 to, the Employee Obligations and the Benefit Programs, whether such checks were presented or fund
21 transfer requests were submitted prior to or after the Petition Date, provided that sufficient funds are
22 available in the applicable accounts to make the payments. The Banks are authorized to rely on the
23 Debtor's designation of any particular check or funds transfer as approved by this Final Order.

24 12. The Debtor is authorized, but not directed, to issue new postpetition checks or fund transfer
25 requests with respect to prepetition obligations that may have been dishonored by any Bank relating to the
26 Prepetition Employee Obligations, Prepetition Business Expenses, Prepetition Payroll Costs, and
27 Prepetition Benefit Obligations, if necessary.

28 FINAL ORDER ON WAGES AND BENEFITS MOTION

1 19. This Court shall retain jurisdiction with respect to all matters arising from or related to the
2 implementation of or interpretation of this Final Order.

3 **APPROVED AS TO FORM:**

4 OFFICE OF THE UNITED STATES TRUSTEE

5 By: /s/ Jason Blumberg
6 Jason Blumberg
7 Trial Attorney

8 **APPROVED AS TO FORM:**

9 LOWENSTEIN SANDLER LLP

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

 END OF ORDER

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COURT SERVICE LIST

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All ECF Recipients.

FINAL ORDER ON WAGES AND BENEFITS MOTION

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