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The following constitutes the order of the Court.  
Signed: May 25, 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

**SECOND 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: May 23, 2023  
Time: 1:30 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, (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"),<sup>1</sup> 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 <sup>1</sup> 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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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 6, 2023, at 2:30  
20 p.m. (Prevailing Pacific Time). Any written objections to the granting of the relief requested in the Wages  
21 and Benefits Motion on a final basis shall be filed not later than June 2, 2023, and any replies to such  
22 objections shall be filed not later than 12:00 p.m. (Prevailing Pacific Time) on June 5, 2023. Oral  
23 objections may be made at the hearing.

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

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

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1 **APPROVED AS TO FORM:**

2 OFFICE OF THE UNITED STATES TRUSTEE

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

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**\*\*END OF ORDER\*\***

**COURT SERVICE LIST**

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All ECF Recipients.