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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  
(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: 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) (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 "Bankruptcy Case"),*  
8 *seeking entry of interim and final orders authorizing the Debtor to (i)(a) maintain its Cash Management*  
9 *System in the ordinary course of business and consistent with the Debtor's prepetition practices, including*  
10 *the continued maintenance of existing bank accounts at the Banks, (b) honor certain prepetition obligations*  
11 *related to the Cash Management System, (c) continue certain intercompany arrangements among the*  
12 *Debtor and certain of its non-Debtor affiliates, (d) maintain existing bank accounts and business forms,*  
13 *and (e) continue use of existing credit card accounts; and (ii) waive certain requirements of section 345(b)*  
14 *of the Bankruptcy Code to the extent they apply to the Debtor's bank accounts; the Court having reviewed*  
15 *and considered the Cash Management Motion, the First Day Declaration, all other filings in support of*  
16 *any opposition to the Cash Management Motion, and the arguments made at the interim hearings on the*  
17 *Cash Management Motion; the Court finding that it has jurisdiction over this matter, that venue in this*  
18 *Court is proper, and that notice of the Cash Management Motion and the interim hearings thereon was*  
19 *reasonable and sufficient under the circumstances for the granting of interim relief; the Court finding that*  
20 *there is good cause for entry of an immediate interim order pursuant to Fed. R. Bankr. P. 6003, and that*  
21 *ample cause exists to grant a waiver of the 14-day stay imposed by Bankruptcy Rule 6004(h) for the entry*  
22 *of an interim order granting the Cash Management Motion; and the Court having found and determined*  
23 *that notice of the Cash Management Motion as provided to the parties listed therein is reasonable and*  
24 *sufficient under the circumstances, and it appearing that no other or further notice need be provided; and*  
25 *the Court further finding that the relief requested in the Cash Management Motion is in the best interests*

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

1 of the Debtor, its creditors, and other parties in interest; and after due deliberation and good cause  
2 appearing,

3 **IT IS HEREBY ORDERED THAT:**

4 1. The Cash Management Motion is granted on an interim basis to the extent set forth herein.

5 2. The Debtor is authorized, but not directed, to continue to (a) maintain and manage its cash  
6 pursuant to the Cash Management System in the same manner as before the Petition Date, (b) collect and  
7 disburse cash in accordance with the Cash Management System, including the performance of  
8 Intercompany Transactions between and among the Debtor, Churches, and Non-Debtor Catholic Entities,  
9 in the ordinary course of business and consistent with the Debtor's prepetition practices, provided that the  
10 Debtor shall continue to track all Intercompany Transactions, (c) make ordinary course changes to its Cash  
11 Management System, without further order of the Court, and (d) use its Credit Card Accounts, subject to  
12 the terms and conditions of each Credit Card Account, provided that no amounts that accrued prepetition  
13 may be paid pending further order of this Court.

14 3. Each of the Banks is authorized, but not directed, to continue to honor transfers of funds to  
15 and from the Bank Accounts, subject to this Order and any further orders of this Court.

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

23 5. The Debtor shall use its best efforts to cause its Banks to designate the Bank Accounts as  
24 debtor-in-possession accounts within 15 days of the Petition Date, and shall provide evidence to the US  
25 Trustee of such designation.

26 6. The Debtor is authorized to designate, maintain, and continue to use the Schwab Account  
27 in the name and with the account number existing immediately before the Petition Date, and in the event  
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SECOND INTERIM ORDER AUTHORIZING DEBTOR TO MAINTAIN CASH MANAGEMENT SYSTEM

1 that Stock Donations are received on or after the Petition Date, the Debtor is authorized, but not directed,  
2 to monetize Stock Donations and make transfers of proceeds in the ordinary course of business and  
3 consistent with prepetition practices, and shall transfer such proceeds to a Bank Account not less than  
4 once per week.

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

11 8. The Debtor shall provide the U.S. Trustee with a list of balances in the Bank Accounts as  
12 of the Petition Date within a reasonable time.

13 9. All Banks with which the Debtor maintained Bank Accounts are authorized to debit the  
14 Debtor's accounts in the ordinary course of business, without the need for further order of this Court, with  
15 respect to: (i) all checks or other items deposited in the Debtor's Bank Accounts with such Bank prior to  
16 the Petition Date which have been dishonored or returned unpaid for any reason, together with any fees  
17 and costs in connection therewith, to the same extent the Debtor was responsible for such items prior to  
18 the Petition Date, and (ii) all undisputed prepetition amounts outstanding as of the date hereof, if any,  
19 owed to any Bank as Bank Fees or Payment Processing Fees for the maintenance of or in connection with  
20 the Cash Management System, which shall include all amounts owed by the Debtor to any Bank to repay  
21 or reimburse such Bank in connection with ordinary course ACH transactions executed on behalf of or for  
22 the accounts of the Debtor.

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

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

5 12. Nothing contained in this Interim Order shall prevent the Debtor from closing any Bank  
6 Account or the Schwab Brokerage Account in the ordinary course and in accordance with its prepetition  
7 practices as it may deem necessary and appropriate, any relevant Bank or Schwab is authorized to honor  
8 the Debtor's requests to close any Bank Account or the Schwab Brokerage Account, and the Debtor shall  
9 give notice of the closure of any Bank Account or the Schwab Brokerage Account to the U.S. Trustee.

10 13. Unless otherwise provided in this Interim Order, the requirements of section 345(b) of the  
11 Bankruptcy Code and the provisions of the UST Guidelines related to authorized depositories are hereby  
12 waived through and including the date of the final hearing on the Cash Management Motion set forth in  
13 Paragraph 17 of this Interim Order.

14 14. The Debtor is authorized, but not directed, to use its existing Business Forms and not print  
15 "Debtor-in-Possession" on any of its existing Business Forms, and any otherwise applicable requirement  
16 that the Debtor print "Debtor-in-Possession" on any new checks ordered during the Bankruptcy Case, or  
17 that the Debtor change its system for electronic generation of checks and Business Forms to reflect its  
18 status as a debtor in possession, is hereby waived through and including the date of the final hearing on  
19 the Cash Management Motion set forth in Paragraph 17 of this Interim Order.

20 15. Nothing contained in this Interim Order or the Cash Management Motion is intended to be  
21 or shall be construed as (a) an admission regarding the validity of any prepetition claim against the Debtor;  
22 (b) a promise or requirement to pay any prepetition claim; (c) a request or authorization to assume any  
23 prepetition executory contract; (d) a waiver of the Debtor's, or any estate representative's, right to dispute  
24 any claim on any grounds; or (e) otherwise a waiver of the Debtor's rights under the Bankruptcy Code or  
25 other applicable law.

26 16. This Order shall be immediately effective and enforceable upon entry.  
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SECOND INTERIM ORDER AUTHORIZING DEBTOR TO MAINTAIN CASH MANAGEMENT SYSTEM

1           17.     A final hearing on the Cash Management Motion shall be held on June 6, 2023, at 2:30  
2 p.m. (Prevailing Pacific Time). Any written objections to the granting of the relief requested in the Cash  
3 Management Motion on a final basis shall be filed not later than June 2, 2023, and any replies to such  
4 objections shall be filed not later than 12:00 p.m. (Prevailing Pacific Time) on June 5, 2023. Oral  
5 objections may be made at the hearing.

6           18.     The Debtor is authorized to take all actions necessary or appropriate to effectuate the relief  
7 granted in this Interim Order.

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

10 **APPROVED AS TO FORM:**

11 OFFICE OF THE UNITED STATES TRUSTEE

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13 By:     /s/ Jason Blumberg      
14 Jason Blumberg  
15 Trial Attorney

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

SECOND INTERIM ORDER AUTHORIZING DEBTOR TO MAINTAIN CASH MANAGEMENT SYSTEM

**COURT SERVICE LIST**

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All ECF Recipients.