



**DRINKER BIDDLE & REATH LLP**

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Proposed Attorneys for St. Mary's Hospital, Passaic, N.J.  
Debtor and Debtor-in-Possession,  
Robert K. Malone (RM 1098)  
Michael J. Reynolds (MR 2185)

**UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF NEW JERSEY**

In the Matter of:	(Hon. Morris Stern)
<b>ST. MARY'S HOSPITAL, PASSAIC, N.J.</b>	Chapter 11
Debtor-in-Possession.	Case No. 09-15619 (MS)

**ORDER AUTHORIZING EMPLOYMENT AND RETENTION OF  
ORDINARY COURSE PROFESSIONALS EFFECTIVE AS OF MARCH 9, 2009**

The Relief set forth on the following pages two (2) to four (4) is hereby **ORDERED**.

**DATED: 6/8/2009**

  
Honorable Morris Stern  
United States Bankruptcy Judge

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Debtor:	ST. MARY'S HOSPITAL, PASSAIC, N.J.
Case No.	09-15619 (MS)
Caption of Order:	ORDER AUTHORIZING EMPLOYMENT AND RETENTION OF ORDINARY COURSE PROFESSIONALS

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THIS MATTER having brought before the Court on the Motion of St. Mary's Hospital, Passaic, NJ, the debtor and debtor in possession herein ("SMH" or the "Debtor"), pursuant to sections 327, 330 and 331 of the Bankruptcy Code<sup>1</sup> and Bankruptcy Rules 2014, and 6003, for an Order Authorizing the Employment and Retention of Professionals utilized by the Debtor in the Ordinary Course of Business effective as of March 9, 2009; (the "Motion"), the Court having reviewed the Motion and having considered the statements of counsel and evidence adduced with respect to the Motion at a hearing before the Court (the, "Hearing"); the Court finding that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (b) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and (c) notice of the Motion and the Hearing was sufficient under the circumstances; and the Court having determined that the legal and factual bases set forth in the Motion and at the hearing establish just cause for the relief granted herein it is hereby:

**ORDERED as follows:**

1. Pursuant to sections 327, 330 and 331 of the Bankruptcy Code and Bankruptcy Rule 2014, the Debtor is authorized but not required to employ and retain the Ordinary Course Professionals listed on Exhibit A attached hereto to provide services in the ordinary course of business, effective as of March 9, 2009.

2. The Debtor is authorized each month to pay up to the OCP Monthly Fee Limit to each Ordinary Course Professional without further order of the Court, *provided however*, that the

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

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aggregate fees and expenses paid to each professional do not exceed the OCP Global Fee Limits listed on Exhibit A. Each Ordinary Course Professional must submit reasonably detailed invoices indicating the nature of the services rendered, calculated in accordance with such professional's standard billing practices, to the Debtor (without prejudice to the Debtor's right to dispute such invoices) and to the United States Trustee (the "UST"). The Debtor and/or the UST shall have fifteen (15) days to object to any invoice. If no objections are filed within 15 days, the Debtor is authorized to pay the requested fees and expenses. To the extent that an objection is filed, the Debtor may not pay the requested fees and expenses without further Order of the Court.

3. The rights of the Debtor to seek a further order of this Court increasing or decreasing the OCP Fee Limit prospectively are hereby reserved.

4. If the payments to the Ordinary Course Professional exceed the foregoing caps, then the payments to such professional for such excess amounts shall be subject to the prior approval of the Court in accordance with sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules for the District of New Jersey, Orders of this Court, and the Fee Guidelines promulgated by the Executive Office of the United States Trustee.

5. No Ordinary Course Professional shall receive payment for postpetition services rendered until such professional files a Rule 2014 Verified Statement with the Court substantially in the form of Exhibit B attached to this Order. All Rule 2014 Verified Statements shall be served, by first-class mail, on the Interested Parties.

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6. Any party-in-interest may object to an Ordinary Course Professional's retention within fifteen (15) days of service of the Rule 2014 Verified Statement based upon an adverse interest or conflict of interest. Any objection to the retention of any Ordinary Course Professional must be served on: (i) the Interested Parties and (ii) those parties requesting notice pursuant to Bankruptcy Rule 2002.

7. The Debtor is authorized, but not directed, to employ and retain additional Ordinary Course Professionals in its sole discretion without the need to file individual retention applications for each by filing with this Court a supplement to Exhibit A attached to this Order ("Supplement"). The Supplement shall set forth the name of the additional Ordinary Course Professional along with a brief description of the services to be rendered, and shall be served upon the Interested Parties and those parties requesting notice pursuant to Bankruptcy Rule 2002.

8. For the purposes of complying with the Rule 2014 Verified Statement requirement above, the sixty (60) day requirement for the additional Ordinary Course Professionals will commence from the Debtor's filing of the Supplement with this Court.

9. This Order shall not apply to any professional retained by the Debtor pursuant to a separate Application and Order of this Court.

10. This Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Order.

11. Notwithstanding any Bankruptcy Rule to the contrary, this Order shall be immediately effective and enforceable upon its entry.

**EXHIBIT A**

**LIST OF PROPOSED ORDINARY COURSE PROFESSIONALS**

<b>PROFESSIONAL</b>	<b>SERVICES PROVIDED</b>	<b>MONTHLY LIMIT</b>	<b>GLOBAL LIMIT</b>
James Clark, Esq. Peterpaul & Clark, P.C.	Labor arbitration specialist	\$10,000.00	\$200,000.00
Brian Miller Adams, Esq. Canellis & Adams, LLC	Guardianship issues and miscellaneous contract disputes	\$7,500.00	\$200,000.00
Howard I. Gordon, Esq. <sup>2</sup> DeGrado Halkovich, LLC	PIP arbitrations	N/A	N/A
Buck Consultants	Actuarial services	\$20,000.00	\$200,000.00

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<sup>2</sup> DeGrado Kalkovich will not be paid from estate assets.



each year and requests that, effective **[INSERT DATE]** of each year, the aforementioned rates be revised to the regular hourly rates which will be in effect at that time.

5. The **[FIRM NAME]** may have performed services in the past, may currently perform services, and may perform services in the future, in matters unrelated to the chapter 11 case, for persons that are parties-in-interest in the Debtor's chapter 11 case. To the best of my knowledge, the **[FIRM NAME]** does not perform services for any such person in connection with the chapter 11 case, or have any relationship with any such person, their attorneys, or accountants that would be adverse to the Debtor or its estate.

6. As part of its customary practice, the **[FIRM NAME]** is retained in cases, proceedings, and transactions involving many different parties, some of whom may represent or be employed by the Debtor, claimants, and parties-in-interest in the chapter 11 case.

7. Neither I nor **[ANY PRINCIPAL, PARTNER, DIRECTOR, OFFICER, ETC.]** of, or professional employed by, the Firm, insofar as I have been able to ascertain, holds, or represents any interest adverse to the Debtor or its estate with respect to the matter(s) upon which the Firm is to be employed.

8. The **[FIRM NAME]** is conducting further inquiries regarding its retention by any creditors of the Debtor, and upon conclusion of that inquiry, or at any time during the period of its employment, if the **[FIRM NAME]** should discover any facts bearing on the matters described herein, the **[FIRM NAME]** will supplement the information contained in this Affidavit.

9. The Debtor owes the Firm \$ **[INSERT FEES]** and **[INSERT EXPENSES]** on account of prepetition services.

10. Neither I nor **[ANY PRINCIPAL, PARTNER, DIRECTOR, OFFICER, ETC.]** of, or professional employed by, the Firm has agreed to share or will share

any portion of the compensation to be received from the Debtor with any other person other than the principals and regular employees of the Firm, as permitted by 11 U.S.C. §504(b).

11. Except as set forth herein, no promises have been received by [**FIRM NAME**] or any member [**associate or counsel**] thereof as to compensation in connection with the Prepetition Engagement other than pursuant to the provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, orders of this Court, and the U.S. Trustee Guidelines.

\_\_\_\_\_  
[**INSERT NAME OF PROFESSIONAL**]

Sworn to and subscribed before me  
this \_\_\_\_\_ day of \_\_\_\_\_, 2009

\_\_\_\_\_  
Notary Public

FP01/6083240.2

# CERTIFICATE OF NOTICE

Certificate of Service Page 9 of 9

District/off: 0312-2  
Case: 09-15619

User: whealy  
Form ID: pdf903

Page 1 of 1  
Total Noticed: 1

Date Rcvd: Jun 09, 2009

The following entities were noticed by first class mail on Jun 11, 2009.  
db +St. Mary's Hospital, Passaic, N.J., 350 Boulevard, Passaic, NJ 07055-2840

The following entities were noticed by electronic transmission.  
NONE.

TOTAL: 0

\*\*\*\*\* BYPASSED RECIPIENTS \*\*\*\*\*

NONE.

TOTAL: 0

Addresses marked '+' were corrected by inserting the ZIP or replacing an incorrect ZIP.  
USPS regulations require that automation-compatible mail display the correct ZIP.

**I, Joseph Speetjens, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.**

**Meeting of Creditor Notices only (Official Form 9): Pursuant to Fed. R. Bank. P. 2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.**

Date: Jun 11, 2009

Signature:

