

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF NEW YORK**

In re:	)	Chapter 11
	)	
Peninsula Hospital Center, et al.,	)	Case No. 11-47056 (ESS)
	)	11-47985 (ESS)
Debtors.	)	
	)	

**THIRD INTERIM ORDER AUTHORIZING USE OF CASH COLLATERAL**

Upon the motion (the “Motion”) of the above-captioned debtors and debtors-in-possession (the “Debtors”) for entry of a interim order authorizing them to use Cash Collateral of 1199 SEIU National Benefit Fund for Health and Human Services Employees Pension Fund, League/1199 SEIU Training and Upgrading Fund, 1199 SEIU Employer Child Care Fund, and League/1199 SEIU Health Care Industry Job Security Fund (the “1199 Funds”), pursuant to sections 105(a), and 363 (c)(2)(A), of Title 11 of the United States Code, 11 U.S.C. §§ 101, et seq. (as amended, the “Bankruptcy Code”) and Rules 2002, 4001, and 9014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”); and this Court having jurisdiction over this Chapter 11 Cases and the Motion pursuant to 28 U.S.C. §§ 157 and 1334; and consideration of the Motion constitutes a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and upon the statutory predicates for the relief sought herein are sections 105 and 363 of the Bankruptcy Code and Rules 2002, 4001 and 9014 of the Bankruptcy Rules; and based upon the foregoing and upon the record made before this Court at the interim hearing on the Motion; and upon the Interim Order Authorizing Use of Cash Collateral entered on September 21, 2011 Authorizing the Use of Cash Collateral through and including September 27, 2011; and upon the Second Interim Order Authorizing Use of Cash Collateral entered on September 27, 2011 Authorizing the Use of Cash Collateral through and including October 7, 2011; and the Debtors seeking an extension of such

period; and whereas the Debtors acknowledge that the 1199 Funds are owed certain amounts on account of the accrued benefits that were due on September 30, 2011, which amounts shall be given administrative expense priority; and upon the agreement by and among the Debtors, the 1199 Funds, JPMorgan Chase Bank, N.A., and the Committee; and good and sufficient cause appearing therefor;

**IT IS HEREBY ORDERED** that:

The Debtors shall pay the sum of \$266,545.00 to the 1199 Funds, with the sum of \$50,000.00 to be paid on or before October 12, 2011, with the balance of \$216,545.00 to be paid in increments so that the aforesaid balance is paid in full on or before October 31, 2011; and

The balance of the amounts owed to the 1199 Funds for the post-petition period due September 30, 2011 shall be treated as an allowed administrative expense claim of the 1199 Funds; and

The Debtors shall be authorized on consent to use the Cash Collateral of the 1199 Funds commencing as of the date of this Order through and including October 31, 2011, pending further order of this Court; and

**IT IS ~~SO~~ ORDERED** that:

Notwithstanding any provision of this or any other order of this Court to the contrary, the Debtors shall not use, control, or have any property interest in, any of the following accounts or any funds therein: (i) the account referenced in that certain Assignment of Deposit Account between PHC and JPMorgan Chase Bank, N.A. (“JPM”) dated January 1, 2009; (ii) the trust funds and accounts established and created pursuant to that certain Indenture of Trust (the “Indenture”) between New York City Industrial Development Agency and United States Trust Company of New York (as Trustee) dated December 1, 1998; and (iii) any other similar

collateral accounts, trust funds or trust accounts established in connection with the Indenture or any related agreements, including without limitation the following JPM account numbers: 777-138387 and 777-138379.

**IT IS FURTHER ORDERED** that:

- a) The Debtors are authorized to take all actions necessary to implement the relief granted in this Order.
- b) The terms and conditions of this Order shall be immediately effective and enforceable upon its entry pursuant to Bankruptcy Rule 6004(h).
- c) The requirements of Rule 6004(a) are hereby waived.
- d) This Court shall retain jurisdiction to hear and determine all matters arising from or related to this Order.

**Dated: Brooklyn, New York  
October 11, 2011**



  
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**Elizabeth S. Stong**  
**United States Bankruptcy Judge**