

EXHIBIT A

Proposed Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

Halt Medical, Inc.,¹

Debtor.

Chapter 11

Case No. 17-10810 (____)

Re Docket No. ____

**ORDER (I) AUTHORIZING (A) MAINTENANCE OF EXISTING BANK ACCOUNTS,
(B) CONTINUED USE OF EXISTING BUSINESS FORMS, AND (C) CONTINUED USE
OF CASH MANAGEMENT SYSTEM, AND (II) TEMPORARILY SUSPENDING
SECTION 345(b) DEPOSIT AND INVESTMENT REQUIREMENTS**

This matter coming before the Court on the *Debtor's Motion for Orders under Bankruptcy Code Sections 105(a), 363, 364, 503(b), 1107, and 1108 (I) Authorizing (A) Maintenance of Existing Bank Accounts, (B) Continued Use of Existing Business Forms, and (C) Continued Use of Existing Cash Management System, and (II) Temporarily Suspending Section 345(b) Deposit and Investment Requirements* (the "Motion");² and the Court having reviewed the Motion; and it appearing that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 1334 and 157, and the *Amended Standing Order of Reference* dated February 29, 2012, from the United States District Court for the District of Delaware, (b) this is a core proceeding pursuant to 28 U.S.C. § 157(b), and the Court may enter a final order consistent with Article III of the United States Constitution, and (c) notice of the Motion was sufficient under the circumstances and no other or further notice need be provided; and the Court having considered the *Declaration of Kimberly Bridges-Rodriguez in Support of Halt Medical, Inc.'s First-Day Motions*; and the Court having determined that the legal and factual bases set forth in the Motion

¹ The last four digits of the Debtor's federal tax identification number are 8422. The Debtor's address is 131 Sand Creek Road, Suite B, Brentwood, CA 94513.

² Unless otherwise noted, capitalized terms used herein shall have the meanings ascribed to them in the Motion.

establish just cause for the relief granted herein; and the Court having determined that the relief sought in the Motion is in the best interests of the Debtor and its estate; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein.
2. The Debtor is authorized, but not directed, in the reasonable exercise of its business judgment, (i) to designate, maintain and continue to use, with the same account numbers, the Bank Accounts identified in the Motion; (ii) to use, in their present form, checks and other documents related to the Bank Accounts, and (iii) to treat the Bank Accounts for all purposes as the accounts of the Debtor as debtor in possession.
3. Heritage Bank is hereby authorized to continue to service and administer the Bank Accounts as the accounts of the Debtor as debtor in possession without interruption and in the usual and ordinary course of business, and to receive, process, honor and pay any and all checks and drafts drawn on the Bank Accounts before or after the Petition Date when presented by the holders or makers thereof unless the Debtor has delivered to Heritage Bank a stop-payment notice with respect to any one or more checks issued and provided the applicable bank with a list of all payments for which a stop payment notice has been given.
4. Heritage Bank is authorized to debit the Debtor's accounts in the ordinary course of business without the need for further order of this Court for: (i) all checks drawn on the Bank Accounts which are cashed at Heritage Bank's counters or exchanged for cashier's checks by the payees thereof prior to the Petition Date; (ii) all checks or other items deposited in one or more of the Debtor's accounts with Heritage Bank prior to the Petition Date which have been dishonored or returned unpaid for any reason, together with any fees and costs in connection

therewith, to the same extent that the Debtor was responsible for such items prior to the Petition Date; and (iii) all undisputed prepetition amounts outstanding as of the date hereof, if any, owed to Heritage Bank as service charges for the maintenance of the Cash Management System.

5. In addition, (i) Heritage Bank may rely on the representations of the Debtor with respect to whether any check or other payment order drawn or issued by the Debtor prior to the Petition Date should be honored pursuant to this or any other order of this Court, (ii) Heritage Bank shall not have any liability to any party for relying on such representations by the Debtor as provided for herein, and (iii) any such check or payment order that is not listed as a stop payment by the Debtor shall be deemed to have been represented by the Debtor as appropriate to be honored.

6. Further, (i) certain existing arrangements between the Debtor and Heritage Bank with respect to the Bank Accounts and with respect to the transfers to and from the Bank Accounts shall continue to govern the postpetition cash management relationship between the Debtor and Heritage Bank; (ii) the Debtor and Heritage Bank may (but are not required to), without further order of this Court, agree to and implement changes to the cash management system and procedures in the ordinary course of business, including, without limitation, the opening and closing of bank accounts, with notice to the United States Trustee and counsel to any official committee appointed in this case; provided however, that Heritage Bank is not required to determine whether such notice has been given by the Debtor and Heritage Bank may rely on such changes whether such notice has been given; and (iii) in the course of providing cash management services to the Debtor, Heritage Bank is authorized, without further order of this Court, to continue to deduct from the appropriate accounts of the Debtor, Heritage Bank's

customary fees and expenses associated with the nature of the deposit and cash management services rendered to the Debtor.

7. Heritage Bank shall implement reasonable procedures to not honor any check for which the Debtor has delivered to Heritage Bank a stop-payment notice and identified such check on a list provided to Heritage Bank of all checks for which the Debtor has represented that a stop payment notice has been issued, and to the extent Heritage Bank implements such procedures and then honors a prepetition check or other item drawn on any account that is the subject of this Order (i) at the direction of the Debtor to honor such prepetition check or item, (ii) in good-faith belief that the Court has authorized such prepetition check or item to be honored, or (iii) as a result of an innocent mistake made despite implementation of such procedures, Heritage Bank shall not be deemed in violation of this Order or liable under the Bankruptcy Code for the failure to pay to the Debtor amounts payable on account of such prepetition check or item.

8. The Debtor may continue to fund its business and operations through the Bank Accounts.

9. The Debtor shall maintain detailed records reflecting all transfers of funds under the terms and conditions provided for by the existing agreements with the institutions participating in the Debtor's Cash Management System in connection with the ongoing utilization of its Cash Management System

10. Nothing contained herein shall prevent the Debtor from opening any new bank accounts or closing any existing Bank Accounts as it may deem necessary and appropriate, with notice to the United States Trustee and to any official committee appointed in this case, *provided, however*, that any new account shall be with a bank that (i) is insured by the Federal Deposit Insurance Corporation, (ii) is organized under the laws of the United States or any state

therein, and (iii) has or immediately executes a standing uniform depository agreement with the Office of the United States Trustee for the District of Delaware.

11. Pursuant to Local Rule 2015-2(a), the Debtor is authorized to continue to use and issue checks without alteration and without the designation “debtor in possession” imprinted upon them, *provided, however*, that upon exhaustion of its current check supply the Debtor shall designate “debtor in possession” and the bankruptcy case number on any new checks obtained postpetition.

12. The Debtor is authorized to continue utilizing its Cash Management System to manage its cash, in a manner consistent with its prepetition practice

13. Subject to the following paragraph of this Order, the Debtor is (i) authorized, on an interim basis, to deposit funds in excess of amounts insured by the Federal Depository Insurance Corporation as requested in the Motion, all in accordance with the Debtor’s customary prepetition Cash Management System, in addition to the investments and deposits permitted by Bankruptcy Code section 345, and (ii) granted a 45-day extension of time to comply with the investment and deposit requirements of section 345 of the Bankruptcy Code, which extension is without prejudice to the Debtor’s ability to seek additional time to comply with such requirements, after notice and a hearing.

14. Within fifteen (15) days from the date of entry of this Order, the Debtor shall (i) contact Heritage Bank, (ii) provide Heritage Bank with the Debtor’s employer identification number, and (iii) identify its accounts held at Heritage Bank as being held by a debtor in possession and provide the bankruptcy case number.

15. Subject to Section 553 of the Bankruptcy Code, Heritage Bank is prohibited from offsetting, netting, affecting, or otherwise impeding any funds of the Debtor deposited in the

Bank Accounts on account of or by reason of any claim (as defined in section 101(5) of the Bankruptcy Code) against the Debtor that arose before the Petition Date, absent further order of this Court.

16. The Debtor is authorized to continue using its existing Business Forms without alteration or change.

17. The Debtor, its officers, employees and agents, are authorized to take or refrain from taking such acts as are necessary and appropriate to implement and effectuate the relief granted herein.

18. The Debtor is authorized to deposit funds in accordance with its established deposit practices in effect as of the commencement of this case and, to the extent such deposit practices are not consistent with the requirements of section 345(b) of the Bankruptcy Code or of the U.S. Trustee Operating Guidelines for Chapter 11 Cases, such requirements hereby are suspended for 45 days, without prejudice to the Debtor's right to seek additional time, after notice and a hearing.

19. The Debtor is authorized to make disbursements from the Bank Accounts, to the extent consistent with the Debtor's existing cash management practices.

20. For banks at which the Debtor holds accounts that are not party to a Uniform Depository Agreement with the Office of the United States Trustee for the District of Delaware, the Debtor shall use their good-faith efforts to cause the banks to execute a Uniform Depository Agreement in a form prescribed by the Office of the United States Trustee within forty-five (45) days of the date of this Order. The U.S. Trustee's rights to seek further relief from this Court on notice in the event that the aforementioned banks are unwilling to execute a Uniform Depository Agreement in a form prescribed by the U.S. Trustee are fully reserved.

21. Notwithstanding the relief granted herein and any actions taken hereunder, nothing contained herein shall constitute, nor is it intended to constitute, an assumption of any contract under section 365 of the Bankruptcy Code or the waiver by the Debtor of any of its rights pursuant to any agreement, by operation of law or otherwise.

22. Bankruptcy Rule 6003(b), to the extent applicable, has been satisfied with respect to this Order.

23. The 14-day stay under Bankruptcy Rule 6004(h), to the extent applicable, is hereby waived with respect to this Order.

24. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

25. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion.

26. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation and/or enforcement of this Order.

Dated: _____, 2017

United States Bankruptcy Judge