

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:

Halt Medical, Inc.,¹

Debtor.

Chapter 11

Case No. 17-10810 (LSS)

Re: Docket No. 4

**ORDER AUTHORIZING (I) PAYMENT OF WAGES, COMPENSATION AND
EMPLOYEE BENEFITS AND (II) FINANCIAL INSTITUTIONS TO HONOR AND
PROCESS CHECKS AND TRANSFERS RELATED TO SUCH OBLIGATIONS**

This matter coming before the Court on the *Debtor's Motion for Order Authorizing (I) Payment of Wages, Compensation and Employee Benefits and (II) Financial Institutions to Honor and Process Checks and Transfers Related to Such Obligations* (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 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,

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 Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein.
2. The Debtor is authorized, but not required, to satisfy and honor, without further order of the Court, and in accordance with the Debtor's stated policies and procedures, all obligations with respect to the Employee Obligations and Employee Benefits, *provided* that the satisfaction of the Employee Obligations and Employee Benefits for any individual Employee shall not exceed \$12,850 without further order of the Court.
3. The Debtor is authorized, but not required, to continue to honor its practices, programs, and policies with respect to its Employees as such practices, programs, and policies were in effect as of the Petition Date.
4. The Debtor is authorized, but not required, to pay costs and expenses incidental to the payment of the Employee Obligations and Employee Benefits, including all administration and processing costs and payments to outside professionals, independent contractors, or third-party vendors, in the ordinary course of business, in order to facilitate the administration and maintenance of the Debtor's programs and policies related to the Employee Obligations and Employee Benefits.
5. The automatic stay is modified, pursuant to section 362(d) of the Bankruptcy Code, solely to the extent necessary to permit Employees to proceed with their claims under the Debtors' Workers' Compensation Insurance Policies in the appropriate judicial or administrative forum.
6. The Banks are authorized, when requested by the Debtor, in the Debtor's discretion, to honor and process checks or electronic fund transfers drawn on the Debtor's bank accounts to pay prepetition obligations authorized to be paid hereunder, whether such checks or

other requests were submitted prior to, or after, the Petition Date, provided that sufficient funds are available in the applicable bank accounts to make such payments. The Banks may rely on the representations of the Debtor with respect to whether any check or other transfer drawn or issued by the Debtor prior to the Petition Date should be honored pursuant to this Interim Order, and any such Bank shall not have any liability to any party for relying on such representations by the Debtor, as provided for in this Order.

7. Nothing in this Order, or as a result of any payment made pursuant to this Interim Order, (a) is intended or shall be deemed to constitute an assumption of any agreement pursuant to section 365 of the Bankruptcy Code or an admission as to the validity of any claim against the Debtor and its estate, (b) shall impair, prejudice, waive, or otherwise affect the rights of the Debtor and its estate with respect to the validity, priority, or amount of any claim against the Debtor and its estate, (c) shall impair, prejudice, waive, or otherwise affect the rights of the Debtor and its estate with respect to any and all claims or causes of action, (d) shall be construed as a promise to pay a claim, or (e) shall serve to limit the allowed amount of any claim to the amounts sought in the Motion, or otherwise to affect the allowance of any claim.

8. Nothing in the Motion or this Order shall be deemed to approve or authorize the payment of any amounts in satisfaction of bonus or severance obligations, or which are subject to section 503(c) of the Bankruptcy Code.

9. Bankruptcy Rule 6003(b) has been satisfied with respect to this Order.

10. Notwithstanding any provision in the Bankruptcy Rules to the contrary: (a) this Order shall be effective immediately and enforceable upon its entry; (b) the Debtor is not subject to any stay in the implementation, enforcement, or realization of the relief granted in this Order;

and (c) the Debtor is authorized, and may in their discretion and without delay, take any action necessary or appropriate to implement this Order.

11. The Court retains jurisdiction with respect to all matters arising from or related to the implementation or interpretation of this Order.

Dated: April 13, 2017
Wilmington, Delaware


United States Bankruptcy Judge