

UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

In re:	:	Chapter 11
	:	
Wordsworth Academy,	:	Case No. 17-14463 (AMC)
	:	
Debtor.	:	(Joint Administration Requested)
	:	
In re:	:	Chapter 11
	:	
Wordsworth CUA 5, LLC,	:	Case No. 17- 14466 (AMC)
	:	
Debtor.	:	(Joint Administration Requested)
	:	
In re:	:	Chapter 11
	:	
Wordsworth CUA 10, LLC,	:	Case No. 17- 14467 (AMC)
	:	
Debtor. ¹	:	(Joint Administration Requested)
	:	

**ORDER (A) AUTHORIZING THE DEBTORS TO PAY CERTAIN PRE-PETITION
(I) WAGES, SALARIES, AND OTHER COMPENSATION,
(II) REIMBURSABLE EMPLOYEE EXPENSES, (III) EMPLOYEE MEDICAL
AND SIMILAR BENEFITS; AND (B) DIRECTING BANKS AND
OTHER FINANCIAL INSTITUTIONS TO HONOR ALL RELATED
CHECKS AND ELECTRONIC PAYMENT REQUESTS**

Upon consideration of the Motion (the “Motion”) of the Debtors, for authorization to pay certain pre-petition payroll, wages, benefits, expenses, related federal, state and local payroll taxes, and related expenses; and the Court having reviewed the Motion and notice having been given, and it appearing that there is sufficient cause therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted, as set forth herein.

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor’s federal tax identification number, are: Wordsworth Academy (9031); Wordsworth CUA 5, LLC (0983); and Wordsworth CUA 10, LLC (5980). Wordsworth Academy has an address at 3300 Henry Ave., Philadelphia, PA 19129.

2. The Debtors are authorized and directed to pay the Employee Obligations,² including the Employee Benefits and payroll related taxes, not to exceed \$12,850 per employee. Additionally, the following aggregate caps shall apply to the enumerated categories of payment: (a) July 14 Payroll - \$550,663.97 (applies to pre-petition portion of payroll only), and (b) Employee Insurance - \$57,500, and (c) Expenses - \$50,000.

3. The Debtors are authorized but not directed to continue to honor the Employee Obligations, including Employment Benefits, on a post-petition basis in the ordinary course of business, provided that the payments are permitted under any cash collateral budget.

4. The Debtors are authorized to continue to utilize and pay third-party ADP for payroll servicing.

5. The Debtors are granted authority to exclude the employees whose claims are to be paid hereunder from the list of creditors required to be filed pursuant to 11 U.S.C. § 521(a); provided, however, that the Debtors shall have the right to file amended schedules listing such parties as future circumstances may require.

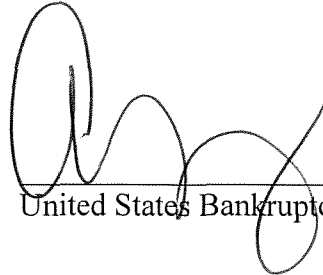
6. Subject to the terms of this Court's Order approving the Debtors' continued use of their cash management systems, all banks and financial institutions where the Debtors maintain their payroll accounts are authorized, when requested by the Debtors, to honor all payroll, expense and related checks issued to pay prepetition employment obligations identified herein, that are presented for payment to the extent that sufficient funds are on deposit or the Debtors arrange to have sufficient funds deposited in such accounts. The Debtors' banks and financial institutions shall not be liable to any party on account of: (a) following the Debtors' instructions or representations as to any order of this Court, (b) the honoring of any check or other item drawn on any account that is the subject of this Order in a good faith belief that the Court has

² Capitalized terms not defined herein shall have the meaning ascribed to them in the Motion.

authorized such check or item to be honored, and (c) an innocent mistake made despite implementation of reasonable item-handling procedures.

7. The Debtors are authorized to reissue checks to cover amounts that are dishonored by any such bank or financial institution.

Date: July 6, 2017



United States Bankruptcy Judge