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UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA, LOS ANGELES DIVISION

In re:
BEVERLY COMMUNITY HOSPITAL
ASSOCIATION, dba BEVERLY HOSPITAL
(A NONPROFIT PUBLIC BENEFIT
CORPORATION), *et al.*¹

Debtors,

- ☒ Affects all Debtors
☐ Affects Beverly Community
Hospital Association
☐ Montebello Community Health
Services, Inc.
☐ Beverly Hospital Foundation

Lead Case No.: 2:23-bk-12359-SK

Jointly administered with:

Case No.: 2:23-bk-12360-SK

Case No.: 2:23-bk-12361-SK

Hon. Sandra R. Klein

Chapter 11 Case

**INTERIM ORDER GRANTING
DEBTORS' EMERGENCY MOTION
FOR ORDER (I) APPROVING DEBTORS'
USE OF CASH COLLATERAL, AND (II)
SETTING A FINAL HEARING ON THE
USE OF CASH COLLATERAL**

Date: April 21, 2023

Time: 2:00pm

Judge: Sandra R. Klein

Place: Zoom.Gov – or - Courtroom 1575
255 E. Temple St.
Los Angeles, CA 90012

Upon the *Debtors' Emergency Motion for Entry of an Order Granting Debtors' Emergency Motion (I) Approving Debtors' Use of Cash Collateral; and (II) Scheduling a Final Hearing on the Use of Cash Collateral* (the "Motion")² of the above-captioned debtors and debtors in possession

¹ The Debtors in these chapter 11 cases, along with the last four digits of each debtor's federal tax identification number, are: Beverly Community Hospital Association d/b/a Beverly Hospital (6005), Montebello Community Health Services, Inc. (3550), and Beverly Hospital Foundation (9685). The mailing address for the Debtors is 309 W. Beverly Blvd., Montebello, California 90640.

² Capitalized terms used but not otherwise defined herein have the



(collectively, the “Debtors”) filed on April 20, 2023; and upon the First Day Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); that it may enter a final order consistent with Article III of the United States Constitution; that venue of this proceeding and the Motion in this district is permissible pursuant to 28 U.S.C. §§ 1408 and 1409; that the relief requested in the Motion is in the best interests of the Debtors’ estates, their creditors, and other parties in interest; that the Debtors’ notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court on April 21, 2023 at 2:00 p.m.; and this Court having reviewed the Notice of Lodgment of Order in Bankruptcy Re: the Motion, filed on April 24, 2023, which attached the Interim Order signed by both proposed special counsel to the Debtors and counsel to the Indenture Trustee; 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 and is necessary to avoid immediate and irreparable harm pursuant to Bankruptcy Rule 4001; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth in this Interim Order.
2. The Debtors may use Cash Collateral through 5:00 p.m. Pacific time on April 28, 2023 in accordance with the Budget attached as Exhibit 2 to Exhibit A of the Debtors’ motion for debtor-in-possession financing [Docket No. 31]. The inclusion in the Budget of Professional Fees is for informational purposes only, and no Professional Fees may be paid without further order of the Court.
3. The Indenture Trustee is granted a replacement lien on Gross Receivables, which for clarity, includes any insurance or utility refunds received by the Debtors.
4. The Indenture Trustee is granted a superpriority administrative claim under Bankruptcy Code §364(c) for any diminution in value of its collateral.

1 5. This Interim Order shall be deemed to constitute a request as of the Petition Date by
2 the Indenture Trustee for relief from the automatic stay with respect to its prepetition collateral for
3 purposes of any request for adequate protection granted hereunder, and as additional adequate
4 protection for any diminution in the value of its collateral, the Indenture Trustee shall have a
5 superpriority administrative expense claim pursuant to Section 507(b) of the Bankruptcy Code.


6 6. As additional adequate protection hereunder, the Indenture Trustee is granted
7 adequate protection payments in the form of its fees and expenses (and the fees and expenses of its
8 professionals) in amounts to be agreed upon and set forth in the final budget approved by the Court.

9 7. A final hearing on the Motion shall be held on May 17, 2023 at 9:00 a.m. Pacific
10 time. Any opposition to the Motion shall be filed and served on or before **12:00 p.m. noon Pacific**
11 **time on May 3, 2023**, and any reply in support of the Motion shall be filed and served on or before
12 **12:00 p.m. noon Pacific time on May 10, 2023**; and

13 8. This Court retains exclusive jurisdiction with respect to all matters arising from or
14 related to the implementation, interpretation, and enforcement of this Order.

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23 Date: April 25, 2023


Sandra R. Klein
United States Bankruptcy Judge