

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

D.N.J. LBR 2016-1, FEE APPLICATION COVER SHEET

IN RE: Pascack Valley Hospital Association, Inc. APPLICANT: Porzio, Bromberg & Newman, PC
CASE NO.: 07-23686 CLIENT: Official Committee of Unsecured Creditors
CHAPTER: 11 CASE FILED: September 24, 2007

COMPLETION AND SIGNING OF THIS FORM CONSTITUTES A CERTIFICATION UNDER PENALTY OF PERJURY, PURSUANT TO 28 U.S.C. SECTION 1746.

RETENTION ORDER(S) ATTACHED

/s/ Warren J. Martin Jr. 1/11/08
Warren J. Martin Jr. DATE

SECTION 1 - FEE SUMMARY

MONTHLY FEE STATEMENT NO. 2
INTERIM FEE APPLICATION NO. _____ OR FINAL FEE APPLICATION _____

	FEES	EXPENSES
TOTAL PREVIOUS FEES REQUESTED:	\$18,465.50	\$0.00
TOTAL FEE ALLOWED TO DATE	\$14,772.40	\$0.00
TOTAL RETAINER	\$0.00	\$0.00
TOTAL COURT HOLDBACK	\$3,693.10	\$0.00
TOTAL RECEIVED BY APPLICANT	\$0.00	\$0.00

NAME OF PROFESSIONAL & TITLE	YEAR ADMITTED (OR YEARS OF PROF. SERVICE)	HOURS	RATE	FEE
Warren J. Martin Jr., Principal	1986	6.5	\$500	3250.00
Brett S. Moore, Counsel	2000	30.6	\$380	11628.00
Robert M. Schechter, Associate	2005	8.5	\$250	2125.00
Mathew D. Laskowski, Senior Paralegal	1998	33.6	\$165	5544.00
Qandeel Z. Sheikh, Paralegal	2007	6.4	\$140	896.00
Michelle L. Echo	2006	12.2	\$110	1342.00
TOTALS:		97.8		\$24,785.00

FEE TOTALS – SECTION 2	\$24,785.00
DISBURSEMENT TOTALS – SECTION 3	\$898.86
TOTAL HOLDBACK (20%)	\$5,136.77
TOTAL FEES TO BE PAID	\$20,547.09

SECTION II -SUMMARY OF SERVICES RENDERED

SERVICES RENDERED	HOURS	FEE
a) Asset Analysis and Recovery	13.5	\$5,562.00
b) Asset Disposition	10.7	\$4,066.00
c) Business Operations	.9	\$450.00
d) Case Administration	61.6	\$11,181.50
e) Claims Administration and Objections		
f) Employee Benefits/Pensions		
g) Fee/Employment Applications	4.6	\$1,167.50
h) Fee/Employment Objections		
i) Financing	1	\$232.00
j) Litigation (other than Avoidance Action Litigation)	.3	\$150.00
k) Avoidance Action Litigation		
l) Meetings of Creditors		
m) Plan and Disclosure Statement		
n) Relief from Stay Proceedings		
o) Regulatory Compliance		
p) Travel	3	\$1,140.00
q) Accounting/Auditing		
r) Business Analysis	2.2	\$836.00
s) Corporate Finance and Valuation		
t) Data Analysis		
u) Litigation Consulting		
v) Reconstruction Accounting		
w) Tax Issues		
x) Other (specify category)		
SERVICES TOTAL:	97.8	\$24,785.00

SECTION III - SUMMARY OF DISBURSEMENTS

DISBURSEMENTS	AMOUNT
a) Computer Assisted Legal Research	
b) Facsimile (with rates) No. of Pages _____ Rate per Page _____ (Max. \$1.00/pg.)	
c) Long Distance Telephone – Conference Calls	
d) In-House Reproduction No. of Pages <u>2510</u> Rate per Page <u>\$.20</u> (Max. \$.20/pg.)	\$502.00
e) Outside Reproduction	
f) Outside Research (Explain)	
g) Filing/Court Fees	
h) Court Reporting	
i) Travel	
j) Courier & Express Carriers (e.g. Federal Express)	\$237.36
k) Postage	
l) Other (Explain) – Annual Creditor Information Website Hosting	\$159.50
DISBURSEMENTS TOTAL:	\$898.86

SECTION IV - CASE HISTORY

(Note: Items 3-6 are not applicable to applications under 11 U.S.C. § 506)

- | | |
|---|---|
| (1) DATE CASE FILED: | September 24, 2007 |
| (2) CHAPTER UNDER WHICH CASE WAS COMMENCED: | Chapter 11 |
| (3) DATE OF RETENTION:
(ANNEX COPY OF ORDER(S))
IF LIMIT ON NUMBERS OF HOURS OR OTHER LIMITATIONS TO RETENTION, SET FORTH: | December 14, 2007,
effective as of November
19, 2007 |
| (4) SUMMARIZE IN BRIEF THE BENEFITS TO THE ESTATE AND ATTACH SUPPLEMENTS AS NEEDED | |
| (5) ANTICIPATED DISTRIBUTION TO CREDITORS:
(A) ADMINISTRATION EXPENSES:
(B) SECURED CREDITORS:
(C) PRIORITY CREDITORS:
(D) GENERAL UNSECURED CREDITORS: | Not applicable at this time. |
| (6) FINAL DISPOSITION OF CASE AND PERCENTAGE OF DIVIDEND PAID TO CREDITOR (IF APPLICABLE): | Not applicable at this time. |

January 9, 2008

Pascack Valley Hospital
c/o Stanley Siegel
Community Blood Services
970 Linwood Avenue West
Paramus, NJ 07652

Invoice # 3039312

Re: *In Re: Pascack Valley Hospital Association, Inc.*
Our Matter # 08918.72505
Billing Attorney: Warren J. Martin**STATEMENT OF PROFESSIONAL SERVICES RENDERED THROUGH 12/31/07**

DATE	TKPR	DESCRIPTION	HOURS	AMOUNT
12/02/07	WJM	Review objection by HFG to MD-X assumption motion; e-mails to and from J. Zackin regarding same.	0.3	150.00
12/02/07	WJM	E-mails from and to J. Zackin regarding closure issues.	0.2	100.00
12/03/07	WJM	Correspondence with J. Horgan and M. Malzberg regarding offers, timing on bid procedures application, financial information received from L. Weil, etc.	0.5	250.00
12/03/07	BSM	Travel to and from hearing on MD-X assumption motion (1.5).	1.5	570.00
12/03/07	BSM	Review emails from Debtor's counsel regarding PVH administrative actions, review limited objection to MD-X motion filed by HFG Healthco-4 LLC, conference with W. Martin regarding same, telephone calls to and from J. Zackin regarding same, attend hearing on same; review emails regarding potential bidders for facility (1.7).	1.7	646.00
12/04/07	WJM	Review objection filed to Beattie Padovano retention; confer with B. Moore and R. Schechter regarding telephonic coverage of same.	0.5	250.00
12/04/07	BSM	Emails to and from W. Martin regarding conference call on Beattie retention (.1).	0.1	38.00
12/04/07	RMS	Review correspondence regarding Debtor's application for retention of special counsel. Correspond with M. Malzberg regarding correspondence with Mayor.	0.2	50.00
12/04/07	MLE	Review and organize correspondence, detail client activity, attorney notes, Rejection Motions, Lease Agreement, Docket Reports, List of Top 20 Unsecured Claims, Committee List-By Laws, Articles, Cash Flow Charts, extra copies, drafts, and pleadings tab numbers 1-14.	4.8	528.00
12/06/07	BSM	Prepare for and participate in conference call on Beattie retention application (.8).	0.8	304.00
12/06/07	RMS	Attend conference call with Judge regarding Beattie Padovano retention and conflicts.	0.4	100.00

DATE	TKPR	DESCRIPTION	HOURS	AMOUNT
12/06/07	MLE	Review and organize voluminous filing, opening of file, pleadings tab numbers 1-13, Confidentiality Agreement, drafts, extra copies, correspondence, and detail client activity.	7.2	792.00
12/09/07	WJM	Organize materials for upcoming week; correspondence to committee accountants regarding information on assets required from CFO.	0.3	150.00
12/10/07	WJM	Meeting with B. Moore regarding status of bids and expected bid procedures motion.	0.3	150.00
12/10/07	BSM	Review emails from W. Martin regarding case status, conference with same (.3).	0.3	114.00
12/10/07	RMS	Confer with W. Martin and M. Laskowski regarding review of loan documents.	0.1	25.00
12/10/07	RMS	Confer with B. Moore and W. Martin regarding Thursday's conference call with Judge Gambardella in connection with special counsel retention and supplemental disclosure to Porzio retention application.	0.2	50.00
12/10/07	MDL	Confer with Q. Sheikh regarding the status of the case website.	0.1	16.50
12/10/07	MDL	Meet with W. Martin, J. Mairo, R. Schechter, D. Amedeo, T. Freedman, B. Moore and Q. Sheikh regarding the status of the matter and tasks to be completed.	0.4	66.00
12/10/07	QZS	Confer with W. Martin, Jr. W.D. Bailey, and M. Laskowski; discuss the status of the matter and tasks to be completed.---	0.2	28.00
12/10/07	QZS	Confer with B. Moore regarding compiling the service list of all general unsecured creditors regarding Porzio retained to represent the Official Committee of Unsecured Creditors.	0.1	14.00
12/10/07	QZS	Confer with Office Services regarding organizing the mass dissemination of letter to all general unsecured creditors regarding Porzio retained to represent the Official Committee of Unsecured Creditors.	0.3	42.00
12/10/07	QZS	Confer with M. Laskowski regarding the status of the case web-site.	0.1	14.00
12/10/07	MLE	Interoffice conference with WJM Team regarding workload and tasks to be completed.	0.2	22.00
12/11/07	BSM	Review letter from B. Malone regarding Drinker representation of potential bidder, telephone conference with J. Zackin regarding DIP status, draft email update to W. Martin regarding same, review motion to reject executory contracts (.6).	0.6	228.00
12/11/07	RMS	Confer with M. Laskowski regarding loan documents.	0.1	25.00
12/11/07	MDL	Download pleadings and related from the Court's docket; combine and prepare for upload to PascackInfo.com; update the PascackInfo.com website docket with new pleadings and related; publish the updated website.	2.8	462.00
12/11/07	MDL	Review; coordinate reproduction; organize and disseminate loan documents for the hospital to W. Martin; B. Moore and R. Schechter.	0.8	132.00
12/11/07	QZS	Correspond with Document Processing regarding compiling a service list for the general unsecured creditors.	0.2	28.00
12/11/07	QZS	Obtain Schedule F from the docket in preparation for the service list for the letter notifying all general unsecured creditors that Porzio has been retained to represent the Official Committee of Unsecured Creditors.	0.1	14.00
12/12/07	WJM	Review correspondence received from R. Malone regarding potential sale; draft memo to committee regarding same and regarding Trammel Crow interest in sale; confer with B. Moore regarding same; review pleadings and correspondence regarding status and strategy in case.	1.0	500.00

DATE	TKPR	DESCRIPTION	HOURS	AMOUNT
12/12/07	BSM	Telephone conference with A. Underwood regarding potential bidder for property, review email from W. Martin regarding potential bidder, telephone conference with J. Zackin regarding potential stalking horse bidder, email to W. Martin regarding same (.4).	0.4	152.00
12/12/07	MDL	Download pleadings and related from the Court's docket; combine and prepare for upload to PascackInfo.com; update the PascackInfo.com website docket with new pleadings and related; publish the updated website.	2.0	330.00
12/13/07	BSM	Review message from C. Plaza regarding potential bidder, emails regarding same, review file to prepare for call with same (.5).	0.5	190.00
12/13/07	MDL	Download pleadings and related from the Court's docket; combine and prepare for upload to PascackInfo.com; update the PascackInfo.com website docket with new pleadings and related; publish the updated website.	1.2	198.00
12/14/07	WJM	Review bid procedures motion; e-mail from B. Moore and M. Malzberg regarding same.	0.2	100.00
12/14/07	WJM	Review motion to reject J & J Contract.	0.2	100.00
12/14/07	BSM	Review motion to approve bidding procedures for sale of hospital (.6).	0.6	228.00
12/14/07	MDL	Follow up with Court regarding the status of the retention application; monitor the docket regarding same.	0.3	49.50
12/14/07	MDL	Download pleadings and related from the Court's docket; combine and prepare for upload to PascackInfo.com; update the PascackInfo.com website docket with new pleadings and related; publish the updated website.	3.2	528.00
12/14/07	MDL	Confer with W. Martin regarding the 1st monthly fee statement.	0.1	16.50
12/14/07	MDL	Review and scan the Drinker waiver; convert to PDF and forward same to W. Martin for dissemination.	0.1	16.50
12/14/07	MDL	Confer with W. Martin regarding the Drinker waiver.	0.1	16.50
12/14/07	QZS	Confer with Document Processing to follow up on the compilation of the Service List to the letter to all unsecured creditors.	0.1	14.00
12/15/07	WJM	Review motion for bid procedures order and correspondence with committee members regarding same.	0.3	150.00
12/17/07	WJM	Confer with B. Moore regarding bid procedures; confer with R. Schechter regarding document review and analysis.	0.4	200.00
12/17/07	WJM	Confer with B. Moore regarding committee call and scheduling.	0.2	100.00
12/17/07	BSM	Review motion to establish bid procedures and for APA, telephone conference with M. Malzberg and J. Zackin regarding same (1.5).	1.5	570.00
12/17/07	BSM	Conference with W. Martin regarding case status and bid procedures motion, review consent order regarding use of MICU funds with new budget, draft email update to Committee (1.1).	1.1	418.00
12/17/07	MDL	Confer with Q. Sheikh regarding Pascackinfo.com.	0.1	16.50
12/17/07	MDL	Monitor the docket regarding Porzio's retention application.	0.3	49.50
12/17/07	MDL	Confer with W. Martin regarding the 1st monthly fee application.	0.2	33.00
12/17/07	MDL	Prepare the 1st monthly fee application.	0.8	132.00
12/17/07	MDL	Meet with W. Martin, J. Mairo, R. Schechter, D. Amedeo, T. Freedman, B. Moore and Q. Sheikh regarding the status of the matter and tasks to be completed.	0.4	66.00
12/17/07	QZS	Confer with M. Laskowski regarding Pascackinfo.com.	0.1	14.00

DATE	TKPR	DESCRIPTION	HOURS	AMOUNT
12/17/07	QZS	Confer with W. Martin, Jr. regarding correspondence with Jack Zackin regarding the cash flow projection charts.	0.1	14.00
12/17/07	QZS	Confer with W. Martin, Jr., B. Moore, R. Schechter, and M. Laskowski; discuss the status of the matter and tasks to be completed.	0.3	42.00
12/17/07	QZS	Confer with Document Processing regarding creating and compiling the Service List for all general unsecured creditors.	0.3	42.00
12/17/07	QZS	Correspond with Jack Zackin regarding the cash flow variance charts.	0.1	14.00
12/19/07	WJM	Preparation of revisions to first monthly statement and confer with M. Laskowski regarding filing same with court.	0.3	150.00
12/19/07	WJM	Telephone conference with B. Moore and R. Malone regarding Union's objection to bid procedures order; confer with B. Moore regarding hearing today and strategy; brief conference with B. Moore regarding result of hearing on bid procedures order.	0.4	200.00
12/19/07	BSM	Draft email to Committee regarding call tomorrow (.1).	0.1	38.00
12/19/07	BSM	Review motion to establish bid procedures and opposition thereto to prepare for hearing today, attend same (4.6).	4.6	1,748.00
12/19/07	BSM	Travel to and from and attend hearing today (1.5).	1.5	570.00
12/19/07	MDL	Confer with W. Martin regarding the status of the fee application.	0.2	33.00
12/20/07	WJM	Review questions on budget and expenditures, post closure employee levels (50), etc., and Weil response to J. Horgan; review B. Moore agenda for committee call; confer with B. Moore regarding same.	0.4	200.00
12/20/07	BSM	Email to J. Horgan forwarding revised budget for his review and call today with Committee, email to potential bidder, prepare for call with Committee to discuss bid procedures hearing, Committee call regarding same (3.0).	3.0	1,140.00
12/20/07	MDL	Finalize; prepare for e-filing and e-file the 1st monthly fee statement for Porzio.	0.4	66.00
12/20/07	MDL	Download pleadings and related from the Court's docket; combine and prepare for upload to PascackInfo.com; update the PascackInfo.com website docket with new pleadings and related; publish the updated website.	4.5	742.50
12/20/07	QZS	Compile the Service List in preparation for the service of the First Monthly Fee Application on behalf of Porzio; review the docket for filed Notice of Appearances and update list accordingly.	1.0	140.00
12/20/07	QZS	Prepare and organize copies of the letter to all general unsecured creditors regarding Porzio retained to represent the Official Committee of Unsecured Creditors.	1.0	140.00
12/21/07	WJM	Confer with B. Moore regarding court hearing yesterday, status and strategy regarding sale; telephone conference with R. Malone regarding same.	0.3	150.00
12/21/07	BSM	Review loan documents received from Bank of NY (1.9).	1.9	722.00
12/21/07	MDL	Download pleadings and related from the Court's docket; combine and prepare for upload to PascackInfo.com; update the PascackInfo.com website docket with new pleadings and related; publish the updated website.	4.3	709.50
12/21/07	QZS	Compile and prepare packages to send the First Monthly Fee Report to all parties listed on the Service List.	0.9	126.00
12/24/07	WJM	Review budget for personnel; e-mail to J. Horgan regarding questions on same.	0.3	150.00
12/26/07	WJM	Confer with R. Schechter regarding status of Bank financing documents.	0.2	100.00
12/26/07	WJM	Telephone conference with G. Benaour regarding Valley/Englewood JV interest in bid.	0.2	100.00

DATE	TKPR	DESCRIPTION	HOURS	AMOUNT
12/26/07	BSM	Review email from W. Martin regarding potential bidder (.1).	0.1	38.00
12/26/07	BSM	Review fee statement from J. Curley LLC (special counsel for NJ mortgages) (.1).	0.1	38.00
12/26/07	RMS	Begin review and drafting summary of Loan Agreement between Pascack and NJ HCFFA, related documents and exhibits.	6.7	1,675.00
12/26/07	MDL	Download pleadings and related from the Court's docket; combine and prepare for upload to PascackInfo.com; update the PascackInfo.com website docket with new pleadings and related; publish the updated website.	1.3	214.50
12/27/07	BSM	Research issues regarding use of donations for general unsecured creditors (4.0).	4.0	1,520.00
12/27/07	BSM	Review emails and latest cash budget (.3).	0.3	114.00
12/27/07	RMS	Review correspondence from W. Martin regarding investigating secured creditors liens. Correspond with B. Moore regarding same.	0.2	50.00
12/27/07	MDL	Download pleadings and related from the Court's docket; combine and prepare for upload to PascackInfo.com; update the PascackInfo.com website docket with new pleadings and related; publish the updated website.	2.8	462.00
12/27/07	QZS	Prepare, compile, organize numerous copies of the letter to general unsecured creditors regarding Porzio retained to represent the Official Committee of Unsecured Creditors.	0.8	112.00
12/27/07	QZS	Confer with B. Moore regarding the status of the letter to be sent to all unsecured creditors regarding Porzio retained to represent the Official Committee of Unsecured Creditors.	0.1	14.00
12/27/07	QZS	Draft, edit and revise letter to the general unsecured creditors regarding Porzio retained to represent the Official Committee of Unsecured Creditors.	0.3	42.00
12/28/07	BSM	Continue to research issues regarding donations available for creditors (5.9).	5.9	2,242.00
12/28/07	MDL	Download pleadings and related from the Court's docket; combine and prepare for upload to PascackInfo.com; update the PascackInfo.com website docket with new pleadings and related; publish the updated website.	6.0	990.00
12/28/07	QZS	Multiple telephonic conferences with S. Kelly regarding the status of the letter sent to all unsecured creditors regarding Porzio retained to represent the Official Committee of Unsecured Creditors.	0.3	42.00
12/29/07	MDL	Download pleadings and related from the Court's docket; combine and prepare for upload to PascackInfo.com; update the PascackInfo.com website docket with new pleadings and related; publish the updated website.	1.2	198.00
12/31/07	RMS	Draft supplemental disclosure for Porzio retention application.	0.6	150.00
TOTAL FEES			97.8	\$24,785.00

DISBURSEMENTS

DATE	DESCRIPTION	AMOUNT
11/21/07	Telephone - VENDOR: American Express; INVOICE#: 120507WJM; DATE: 12/09/2007 - Network Solutions - conference call	159.50
11/29/07	Overnight Delivery Service - VENDOR: Federal Express Corporation INVOICE#: 241310433 DATE: 12/07/2007 Tracking #791806866926 From: Sheila Kelly, Porzio Bromberg Newman, 100 Southgate Parkway, MORRISTOWN, NJ 07960 To: Joseph Morgan, MD.X Solutions, Inc., 1 ROUTE 17, SADDLE RIVER, NJ 07458	8.41
12/11/07	Photocopies - Photocopies - 1054 page(s)	210.80

DISBURSEMENTS

DATE	DESCRIPTION	AMOUNT
12/11/07	Document Production / Velo Binding - Velo-Bind	10.00
12/20/07	Photocopies - Photocopies - 235 page(s)	47.00
12/20/07	Photocopies - Photocopies - 52 page(s)	10.40
12/20/07	Photocopies - Photocopies - 184 page(s)	36.80
12/21/07	Photocopies - Photocopies - 255 page(s)	51.00
12/21/07	Postage	36.66
12/27/07	Photocopies - Photocopies - 500 page(s)	100.00
12/27/07	Photocopies - Photocopies - 100 page(s)	20.00
12/28/07	Postage	110.29
12/28/07	Postage	82.00
12/28/07	Photocopies - Photocopies - 40 page(s)	8.00
12/28/07	Photocopies - Photocopies - 40 page(s)	8.00
TOTAL DISBURSEMENTS		\$898.86

TOTALS FOR THIS MATTER

Professional Services Fees	24,785.00	
Disbursements	898.86	
Total Current Fees & Disbursements		25,683.86
Previous Balance Due		0.00
TOTAL CURRENT BALANCE		\$ 25,683.86

FEE SUMMARY

TIMEKEEPER	TITLE	HOURS	RATE	VALUE
Echo, Michelle L	Paralegal - 4	12.2	110.00	1,342.00
Laskowski, Mathew D	Paralegal - 2 - Senior Level	33.6	165.00	5,544.00
Martin, Warren J	Principal	6.5	500.00	3,250.00
Moore, Brett S	Counsel	30.6	380.00	11,628.00
Schechter, Robert M	Associate 3	8.5	250.00	2,125.00
Sheikh, Qandeel Z	Paralegal - 3 - Junior Level	6.4	140.00	896.00
TOTAL FEES		97.8		\$24,785.00

TASK	ACTIVITY	HOURS	AMOUNT
ASSTANAL		13.50	5,562.00
ASSTDISP		10.70	4,066.00
BUSANLYS		2.20	836.00
BUSOPS		0.90	450.00
CASEADMN		61.60	11,181.50
FEEAPPS		4.60	1,167.50
FINANCE		1.00	232.00
LITIGATE		0.30	150.00
TRAVEL		3.00	1,140.00

<u>COST CODE</u>	<u>AMOUNT</u>
DOCP	10.00
MESS	237.36
PHOTO	492.00
TELE	159.50

PORZIO

BROMBERG & NEWMAN P.C.

ATTORNEYS AT LAW

100 SOUTHGATE PARKWAY, PO BOX 1997

MORRISTOWN, NJ 07962-1997

TEL (973) 538-4006

FAX (973) 538-5146

TAX ID: 22-2005150

January 9, 2008

Pascack Valley Hospital
c/o Stanley Siegel
Community Blood Services
970 Linwood Avenue West
Paramus, NJ 07652

Invoice #3039312

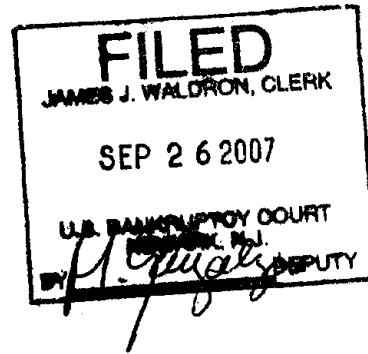
Re: *In Re: Pascack Valley Hospital Association, Inc.*
Our Matter # 08918.72505
Billing Attorney: Warren J. Martin

STATEMENT OF PROFESSIONAL SERVICES RENDERED THROUGH 12/31/07

Professional Services	24,785.00
Disbursements	898.86
TOTAL CURRENT INVOICE	\$25,683.86
TOTAL BALANCE DUE	\$25,683.86

REMITTANCE PAGE

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY
Caption in Compliance with D.N.J. LBR 9004-2(e)
SILLS CUMMIS EPSTEIN & GROSS, P.C.
Jack M. Zackin (JZ-2540)
Simon Kimmelman (SK-3654)
Valerie A. Hamilton (VH-5697)
One Riverfront Plaza
Newark, NJ 07102
(973) 643-7000
Proposed Attorneys for Debtor and Debtor-in-Possession



In re:

PASCACK VALLEY HOSPITAL
ASSOCIATION, INC.,

Debtor.

Case No. 07-23686 (RG)

Hon. Rosemary Gambardella

Chapter 11

**ADMINISTRATIVE ORDER ESTABLISHING PROCEDURES
FOR ALLOWANCE AND PAYMENT OF INTERIM
COMPENSATION AND REIMBURSEMENT OF EXPENSES TO
PROFESSIONALS**

The relief set forth on the following pages, numbered two (2) through six (6), is
hereby **ORDERED**.

9-26-07

USBT

A large, stylized handwritten signature in black ink, which appears to be "Rosemary Gambardella". The signature is written over a horizontal line.

Page 2

Debtor: Pascack Valley Hospital Association, Inc.
Case No.: 07-23686 (RG)
Caption of Order: Administrative Order Establishing Procedures for Allowance and Payment of Interim Compensation and Reimbursement of Expenses to Professionals

THIS MATTER having come before the Court upon the motion by Sills Cummis Epstein & Gross, P.C., proposed attorneys for Pascack Valley Hospital Association, Inc., the within debtor and debtor-in-possession (the "Debtor"), upon Motion for entry of an Administrative Order establishing procedures for the allowance and payment of interim compensation and reimbursement of expenses to professionals retained by Order of this Court (the "Motion"); and it appearing that good and sufficient notice of the Motion having been provided in accordance with the Order Regarding Application for Expedited Consideration of First Day Matters previously entered by the Court, as evidenced by the Certification of Service filed with the Court; and the Court having considered the Motion, the opposition thereto, if any, and the arguments of counsel, if any; and the Court having determined that the relief requested in the Motion is in the best interests of the Debtor, the Estate and creditors; and other good cause having been shown;

IT IS ORDERED as follows:

1. Except as may otherwise be provided in an Order of this Court authorizing the retention of specific professionals, all professionals retained in this case pursuant to §§ 327 and 1103 of the Bankruptcy Code (the "Professionals"), may seek interim compensation, subject to the funds available and so authorized by the Debtor's cash collateral or financing order(s), in accordance with the following procedure:

A. Submission of Monthly Fee Statements.

On or before the twenty-fifth (25th) day of each month following the month for which compensation is sought, each Professional seeking compensation pursuant to an Administrative Fee Order shall file with the Court and serve a monthly fee and expense statement ("Monthly Fee Statement") by CM/ECF, email, overnight mail,

Debtor: Pascaek Valley Hospital Association, Inc.
Case No.: 07-23686 (RG)
Caption of Order: Administrative Order Establishing Procedures for Allowance and Payment of Interim Compensation and Reimbursement of Expenses to Professionals

regular mail, or by any means directed by the Court upon the following persons (collectively, the "Notice Parties"):

- (i) Leonard Weil, Interim Chief Financial Officer of the Debtor;
- (ii) counsel for the Debtor;
- (iii) counsel to the official committee(s), if any;
- (iv) United States Trustee's Office for Region III – Newark, NJ office;
and
- (v) counsel for HFG; and
- (vi) counsel for The Bank of New York, as Master Trustee.

B. Content of the Monthly Fee Statement

Each Monthly Fee Statement shall comply with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure (the "Federal Rules") and the Local Rules for the United States Bankruptcy Court for the District of New Jersey (the "Local Rules"), with the exception that compliance with the provisions of D.N.J. LBR 2016-1(a)(8) and (a)(9) is not required.

All timekeepers must maintain contemporaneous time entries for each individual listed on the Monthly Fee Statement in increments of tenths (1/10) of an hour.

C. Review Period.

Each person receiving a Monthly Fee Statement shall have twenty (20) days after service of the Monthly Fee Statement to review and file an objection, if any, to it (the "Objection Deadline").

D. Payment

Upon the expiration of the Objection Deadline, each Professional may file and serve upon each of the parties set forth in Section A herein, including, but not limited to, the Debtor and its counsel, a certificate of no objection or a certificate of partial objection, whichever is applicable, after which the Debtor is authorized to pay each Professional an amount (the "Actual Interim Payment") equal to the lesser of (i) eighty percent (80%) of the fees and 100 percent (100%) of the expenses requested in the

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Monthly Fee Statement or (ii) eighty percent (80%) of the fees and 100 percent (100%) of the expenses not subject to any objection.

E. Objections

If any party objects to a Monthly Fee Statement, it must file a written objection (the "Notice of Objection to Monthly Fee Statement") and serve it upon the Professional and each of the Notice Parties including, but not limited to, the Debtor and its counsel so that the Notice of Objection to Monthly Fee Statement is received on or before the Objection Deadline.

The Notice of Objection to Monthly Fee Statement must set forth the nature of the objection and the amount of fees and/or expenses to which objection is made.

If the Debtor receives an objection to a particular Monthly Fee Statement, the Debtor shall withhold payment of that portion of the Monthly Fee Statement to which the objection is directed and promptly pay the remainder of the fees and disbursements in percentages set forth in Section D herein.

If the parties to an objection are able to resolve their respective dispute(s) following the service of a Notice of Objection to Monthly Fee Statement and if the party whose Monthly Fee Statement was objected to serves upon all the Notice Parties a statement indicating that the objection is withdrawn and describing in detail the terms of the resolution, then the Debtor shall promptly pay in accordance with Section D herein that portion of the Monthly Fee Statement which is no longer subject to an objection.

If the parties are unable to reach a resolution of the objection within twenty (20) days after service of the objection, then the affected Professional may either (a) file a response to the objection with the Court together with a request for payment of the difference, if any, between the Actual Interim Payment and the non-objected to portion of the Actual Interim Payment made to the affected Professional (the "Incremental Amount"); or (b) forgo payment of the Incremental Amount until the next interim or final fee application or any other date and time so directed by the Court at which time it will consider and dispose of the objection, if so requested.

The service of an objection to a Monthly Fee Statement shall not prejudice the objecting party's right to object to any fee application made to the Court in accordance with the Bankruptcy Code on any ground whether raised in the objection or not.

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Furthermore, the decision by any party not to object to a Monthly Fee Statement shall not be a waiver of any kind or prejudice that party's right to object to any fee application subsequently made to the Court in accordance with the Bankruptcy Code and applicable rules.

F. Fee Applications

Parties may file at three (3) month intervals or such other intervals directed by the court (the "Interim Period") an interim fee application. Each Professional seeking approval of its interim fee application shall file with the Court and serve upon the Notice Parties an interim application for allowance of compensation and reimbursement of expenses, pursuant to Bankruptcy Code § 331, of the amounts sought in the Monthly Fee Statements issued during such period (the "Interim Fee Application").

The Interim Fee Application must include a summary of the Monthly Fee Statements that are the subject of the request and any other information requested by the Court and shall comply with the mandates of the Bankruptcy Code, the Federal Rules, the Local Rules and applicable Third Circuit law.

An Interim Fee Application must be filed and served within forty-five (45) days of the conclusion of the Interim Period.

Any Professional who fails to file an Interim Fee Application when due will be ineligible to receive further interim payments of fees or expenses under the Administrative Fee Order until such time as the Interim Fee Application is submitted.

Notice of the Interim Fee Application shall be served on (a) the Notice Parties and (b) all parties that filed a notice of appearance with the Clerk of this Court pursuant to Bankruptcy Rule 2002 and requested such notice. The Notice Parties shall be entitled to receive both the Monthly Fee Statements and the Interim Fee Applications as indicated above and the notice of hearing thereon (the "Hearing Notice") and all other parties entitled to notice shall be entitled to receive only the Hearing Notice. Notice given in accordance with this paragraph is deemed sufficient and adequate and in full compliance with the applicable provisions of the Bankruptcy Code, the Federal Rules, and the Local Rules.

The pendency of a fee application or a Court order that payment of compensation or reimbursement of expenses was improper as to a particular Monthly Fee Statement shall not disqualify a Professional from the further payment of compensation or reimbursement of expenses as set forth above, unless otherwise ordered by the Court. Additionally, the pendency of an objection to payment of compensation or

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reimbursement of expenses will not disqualify a Professional from future payment of compensation or reimbursement of expenses, unless the Court orders otherwise.

Neither the payment of, nor the failure to pay, in whole or in part, monthly compensation and reimbursement as provided herein shall have any effect on this Court's interim or final allowance of compensation and reimbursement of expenses of any Professionals.

Each professional may seek, in its first request for compensation and reimbursement of expenses pursuant to these guidelines, compensation for work performed and reimbursement of expenses incurred during the period of time between the commencement of the case through and including a specific date.

G. Administrative Issues

Any party may object to requests for payment made pursuant to the Administrative Fee Order on the grounds that the Debtor has not timely filed monthly operating reports, remained current with their administrative expenses and 28 U.S.C. § 1930 fees, or a manifest exigency exists by seeking a further order of this Court.

Otherwise, the Administrative Fee Order shall continue and shall remain in effect during the pendency of the case.

Debtor shall include all payments to Professionals on its monthly operating reports, detailed so as to state the amount paid to the Professionals.

All time periods set forth in this Order shall be calculated in accordance with Federal Rule of Bankruptcy Procedure 9006(a).

All fees and expenses paid to Professionals are subject to disgorgement until final allowance by the Court.

H. Service of the Administrative Fee Order

Debtor must serve a copy of the Administrative Fee Order upon all parties served with the underlying Motion seeking an Administrative Fee Order; all affected Professionals; all Notice Parties; and any other party the Court shall designate.

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(973) 538-4006

Attorneys Appearing: Warren J. Martin Jr. (WM-0487)

Brett S. Moore (BM-0014)



Proposed Counsel for the Official Committee of
Unsecured Creditors of Pascack Valley Hospital Association, Inc.

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEW JERSEY**

In re:

PASCACK VALLEY HOSPITAL
ASSOCIATION, INC.,

Debtor.

Chapter 11

Honorable Rosemary Gambardella

Case No. 07-23686 (RG)

**ORDER AUTHORIZING EMPLOYMENT OF PORZIO BROMBERG &
NEWMAN PC AS COUNSEL TO THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS OF THE PASCACK VALLEY HOSPITAL
ASSOCIATION, INC. NUNC PRO TUNC TO NOVEMBER 19, 2007**

The relief set forth on the following pages, numbered two (2) through three (3), is hereby
ORDERED.

DATED: 12/14/2007



Honorable Rosemary Gambardella
United States Bankruptcy Judge

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Debtor: Pascack Valley Hospital Association, Inc.

Case Nos.: 07-23686 (RG)

Caption of Order: Order Authorizing Employment of counsel for the Official Committee of Unsecured Creditors of Pascack Valley Hospital Association, Inc. Nunc Pro Tunc to November 19, 2007.

This matter being opened to the Court by the Official Committee of Unsecured Creditors (the "Committee") of Pascack Valley Hospital Association, Inc. (the "Debtor"), upon the application (the "Application") for the entry of an Order authorizing the employment of Porzio, Bromberg & Newman, P.C. as counsel to the Committee nunc pro tunc to November 19, 2007; and the Court having considered the Application and the certification of Warren J. Martin Jr. (the "Martin Certification") in support thereof; and the Court being satisfied based on the representations made in the Application and Martin Certification that said attorneys represent no interest adverse to the Debtor's estate with respect to the matters upon which they are to be engaged, that they are disinterested persons as that term is defined under Section 101(14) of the Bankruptcy Code and that their employment is necessary to assist the Committee in the performance of its functions and obligations pursuant to Section 1103 of the Bankruptcy Code; and due and sufficient notice of the Application having been given; and no adverse interest being affected; upon due deliberation and consideration of the facts and circumstances relevant to this matter; and no additional notice being necessary or required,

IT IS HEREBY,

ORDERED, that the Application is granted; and it is further

ORDERED that the Committee be and hereby is authorized to employ the law firm of Porzio Bromberg and Newman P.C., as its counsel on the terms set forth in the Application and the Martin Certification, effective as of November 19, 2007; and it is further

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Debtor: Pascack Valley Hospital Association, Inc.
Case Nos.: 07-23686 (RG)
Caption of Order: Order Authorizing Employment of counsel for the Official Committee of Unsecured Creditors of Pascack Valley Hospital Association, Inc. Nunc Pro Tunc to November 19, 2007.

ORDERED, that Porzio shall be entitled to allowance of compensation and reimbursement of expenses upon the filing and approval of interim and final applications pursuant to the applicable provisions of the Bankruptcy Code, Federal Rules of Bankruptcy Procedure, the Local Bankruptcy Rules of the Court, and such other orders as the Court may enter.