

JACKSON LEWIS LLP
Richard W. Schey
220 Headquarters Plaza
East Tower, 7th Floor
Morristown, NJ 07960
Special Counsel for Debtor and Debtor-in-Possession

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

In re:	Chapter 11
PASCACK VALLEY HOSPITAL ASSOCIATION, INC.,	Case No. 07-23686 (RG)
Debtor.	Hearing Date: 3/24/2008 at 10:00 a.m.

**APPLICATION OF JACKSON LEWIS LLP FOR AWARD OF
FIRST INTERIM ALLOWANCE OF FEES AND EXPENSES
AS SPECIAL COUNSEL FOR THE DEBTOR FOR THE PERIOD
SEPTEMBER 25, 2007 THROUGH DECEMBER 31, 2007**

TO: THE HONORABLE ROSEMARY GAMBARDELLA
UNITED STATES BANKRUPTCY JUDGE

Jackson Lewis LLP ("Jackson Lewis"), special counsel for Pascack Valley Hospital Association, Inc., the above-captioned Debtor and Debtor in Possession (the "Debtor"), as and for its first application (the "Application") pursuant to Sections 330(a) and 331 of Title 11 of the United States Code and Rule 2016 of the Federal Rules of Bankruptcy Procedure for the allowance of interim compensation for professional services rendered from September 25, 2007 through December 31, 2007, and for reimbursement of expenses incurred in connection with such services (the "Application"), respectfully represents:

BACKGROUND

1. On September 24, 2007 (the "Petition Date"), the Debtor filed with this Court a voluntary petition for relief under chapter 11, title 11, United States Code (the "Bankruptcy Code"). Since the Petition Date, the Debtor has remained a debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

2. By order entered on October 4, 2007, this Court authorized the employment and retention of Jackson Lewis as special counsel for the Debtor, effective as of September 24, 2007. A copy of this order is annexed hereto as Exhibit A.

3. By order entered on September 26, 2007 (the "Interim Compensation Procedures Order"), this Court granted the Debtor's motion to establish certain procedures for allowance and payment of interim compensation and reimbursement of expenses of professionals. Pursuant to the Interim Compensation Procedures Order, professionals, as defined therein, may file with the Bankruptcy Court and serve monthly fee statements on or before the 25th day of each month. If there are no objections to a monthly fee statement, then the professionals are entitled to payment in the amount of eighty (80%) percent of the fees and one hundred (100%) percent of the expenses requested in the monthly fee statement. A copy of the Interim Compensation Procedures Order is annexed hereto as Exhibit B.

4. The Interim Compensation Procedures Order further provides that professionals may file interim fee applications for allowance of compensation and reimbursement of expenses of the amount sought in the monthly fee statements, including the twenty (20%) percent holdback, pursuant to Section 331 of the Bankruptcy Code.

5. In accordance with the procedures prescribed in the Interim Compensation Procedures Order, on November 13, 2007, Jackson Lewis filed and served a monthly fee statement requesting payment of fees in the amount of \$8,722.27, and reimbursement of expenses in the amount of \$21.96, incurred for the period from September 25, 2007 through October 31, 2007. *See*, Docket No. 210. No objections to this monthly fee statement were filed. Jackson Lewis has not yet received any payment on account of services rendered during the period from September 25, 2007 through October 31, 2007.

6. On December 18, 2007, Jackson Lewis filed and served a monthly fee statement requesting payment of fees in the amount of \$4,345.20, and reimbursement of expenses in the amount of \$0.00, incurred for the period from November 1, 2007 through November 30, 2007. *See* Docket No. 266. No objections to this monthly fee statement were filed. Jackson Lewis has not yet received any payment on account of services rendered during the month of November.

7. On January 22, 2008, Jackson Lewis filed and served a monthly fee statement requesting payment of fees in the amount of \$1,069.30, and reimbursement of expenses in the amount of \$2.28, incurred for the period from December 1, 2007 through December 31, 2007. *See* Docket No. 330. The time period within which objections, if any, to this monthly fee statement must be filed has not yet expired. Jackson Lewis has not yet received any payment on account of services rendered during the month of December.

8. By this Application, made in accordance with the procedures prescribed in the Interim Compensation Procedures Order, Jackson Lewis seeks an order (i) granting Jackson Lewis a first interim allowance of fees and expenses in the amount of \$14,136.77

and \$24.24, respectively, for the period September 24, 2007 through December 31, 2007 (the “Application Period”), and (ii) authorizing 100% payment thereof.

9. This Court has jurisdiction over this Application pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

10. The statutory predicates for the relief requested herein are sections 330 and 331 of the Bankruptcy Code.

SUMMARY OF APPLICATION

11. During the Application Period, Jackson Lewis devoted a total of 38.5 hours to this matter for which it is entitled to compensation at its stated hourly billing rates in the aggregate amount of \$14,136.77. These hourly rates are discounted from Jackson Lewis’ standard hourly rates. Annexed hereto as Exhibits C, D and E are itemized statements showing the attorneys performing the services, the dates thereof and a description of the services provided. As further shown on Exhibits C, D and E, during the Application Period, Jackson Lewis incurred out-of-pocket expenses in the aggregate amount of \$24.24. Set forth on the fee application cover sheet is a summary list of the attorneys and paralegals performing services during the Application Period, the total hours they devoted to this matter and the total billings attributable to their services.

12. During the Application Period, Jackson Lewis performed a variety of services for the Debtor which are described in Jackson Lewis’ detailed time records annexed hereto. Set forth below is a brief summary of some of the more significant services provided by Jackson Lewis during the Application Period:

A. Jackson Lewis has provided labor and employment related legal services in connection with the impact of the bankruptcy on employee benefits, the collective bargaining agreement with the union, communications to employees and the union and the application of the federal WARN Act.

13. The above recitation is merely a summary of some of the highlights of the services performed by Jackson Lewis during the time period covered hereby. The Court is respectfully referred to Exhibits C, D and E for a complete description of these services.

RELIEF REQUESTED

14. Based upon the time spent herein, the complexity of this matter and the results achieved to date, Jackson Lewis respectfully requests that the Court enter an order granting Jackson Lewis a first interim allowance of fees in the sum of \$14,136.77, together with reimbursement of out-of-pocket expenses of \$24.24, for services rendered from September 25, 2007 through December 31, 2007, and authorizing 100% payment thereof.

STANDARDS FOR AWARD OF FEES

15. Jackson Lewis recognizes that in order to establish an objective basis for determining the amount of compensation that is reasonable for attorneys' services, the Court should consider the following factors in awarding attorneys' fees;

- a) time and labor required;
- b) novelty and difficulty of the questions;

- c) skill requisite to perform the legal services properly;
- d) the customary fee;
- e) whether the fee is fixed or contingent;
- f) the amount involved and the results achieved;
- g) time and limitation imposed by client or other circumstances;
- h) the experience, reputation and ability of the attorneys;
- i) the undesirability of the case; and
- j) awards in similar cases.

See In re Busy Beavers Bldg. Centers, Inc., 19 F.3d 833, 840 (3d Cir. 1994); In re Lan Assoc. IX, L.P., 192 F. 3d 109, 122 (3d Cir. 1999); and Johnson v. Georgia Highway Express, Inc., 488 F. 2d 714 (5th Cir. 1974). Applicant also notes that a client other than a Trustee, debtor-in-possession, debtor or committee would have been required to pay the full amount of the Applicant's time charges on a monthly basis. Attorneys in bankruptcy practice are entitled to compensation commensurate with that received by other attorneys. Indeed, the standard for determining compensation under Section 330 of the Bankruptcy Code is based on, among other factors, "the cost of comparable services other than in a case under [Title 11, U.S.C.]."

16. The valuation of Jackson Lewis' services in the case is based on the following considerations:

a) Time and labor required – Jackson Lewis has expended 38.5 hours of professional services in representing the Debtor in this case during the period covered by this application. This statement of time expended is prepared from Jackson Lewis' records. Jackson Lewis maintains records of the time expended in the performance of professional services for the Debtor, as well as for all of its clients, consisting of diary entries by individual attorneys,

paralegals and clerks, which, in turn, are typed into daily data time entry sheets. The time sheets contain the name of the attorney, paralegal or clerk rendering the services, the time spent to the tenth of an hour, and a description of the legal services performed. The diary entries are usually made concurrently with the rendering of services. The time sheets are prepared by the secretaries of the attorneys generally within a day or two of when the services are rendered. This record-keeping system has been computerized and results in the generation of computer time printouts.

b) Novelty and difficulty of the questions – Jackson Lewis has resolved several difficult questions in these proceedings as detailed in this Application.

c) Skill required to perform the legal services properly and experience, reputation and ability of the attorneys – Jackson Lewis’ attorneys are well known as highly skilled professionals in their respective fields.

d) The customary fee -- the hourly rates charged by Jackson Lewis are well within the range of those charged customarily by attorneys and paralegals with similar experience in cases of this size and complexity and in this geographic area. In addition, Jackson Lewis has had to advance out-of-pocket costs without any prior payment.

e) Whether the fee is fixed or contingent -- at all times, Jackson Lewis’ compensation has been contingent upon the availability of sufficient assets and funds in the Estate. The fee applied for is based upon the hourly charges for recorded time and is not computed or derived from any fixed fee arrangement.

f) The amount involved and the results achieved – This application for allowances covers a period from September 25, 2007 through December 31, 2007. The results achieved by Jackson Lewis on behalf of the Debtor have been noteworthy.

g) Time and limitations imposed by client or other circumstances -- since the date of its employment, Jackson Lewis has found it necessary to expend a substantial amount of time which has either delayed or precluded its other legal work to some degree.

h) The undesirability of the case -- this case may be said to be undesirable from the following standpoints:

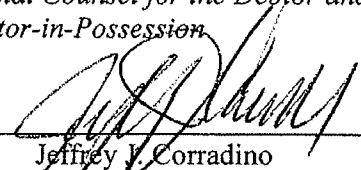
- i) the delay and uncertainty in obtaining full compensation in comparison to other cases;
- ii) additional time and work involved in preparing and submitting applications for compensation in the form and manner required by law as compared with billings in other cases; and
- iii) time demands on the firm to meet emergencies and filing dates.

i) Awards in similar cases -- The amount requested by it is commensurate with fee awards in cases of this size and complexity.

WHEREFORE, for the reasons set forth herein, Jackson Lewis respectfully request that the Court enter an order awarding Jackson Lewis a first interim allowance and payment of fees and expenses, as requested herein.

JACKSON LEWIS LLP
*Special Counsel for the Debtor and
Debtor-in-Possession*

By: _____


Jeffrey V. Corradino
Richard W. Schey

Dated: February 21, 2008

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

D.N.J. LBR2016-1, FEE APPLICATION COVER SHEET

IN RE: PASCACK VALLEY HOSPITAL
ASSOCIATION INC.

APPLICANT: JACKSON LEWIS LLP

CASE NO.: 07-23686-RG

CLIENT: _____

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

SECTION 1
FEE SUMMARY

INTERIM FEE APPLICATION NO. 1

	<u>FEEES</u>	<u>EXPENSES</u>
TOTAL PREVIOUS FEE REQUESTED:	\$ _____	\$ _____
TOTAL FEES ALLOWED TO DATE:	\$ _____	\$ _____
TOTAL RETAINER (IF APPLICABLE)	\$ _____	\$ _____
TOTAL HOLDBACK (IF APPLICABLE)	\$ _____	\$ _____
TOTAL RECEIVED BY APPLICANT	\$ _____	\$ _____

NAME OF PROFESSIONAL & TITLE	YEAR ADMITTED (OR YEARS OF PROFESSIONAL SERVICE)	HOURS	RATE	FEE
RICHARD CINO	1990	.4	\$385	\$154.00
KEITH A DROPKIN	2005	5.2	\$360	\$1,872.00
JOSEPH J. LAZZAROTTI	1999	.3	\$345	\$103.50
JAMES L. LAROCCA	2007	.4	\$210	\$84.00
RICHARD W SCHEY	1978	27.0	\$440	\$11,880.00
BRUCE H. SCHWARTZ	1982	4.8	\$495	\$2,376.00
TIMOTHY D SPEEDY	1989	.4	\$405	\$162.00

FEE TOTALS- PAGE 2	\$16,631.50
LESS 15% DISCOUNT ON FEES	\$(2,494.73)
DISBURSEMENT TOTALS-PAGE 3	\$24.24
TOTAL FEE APPLICATION	<u>\$14,161.01</u>

SECTION II
SUMMARY OF SERVICES

SERVICES RENDERED	HOURS	FEE
a) Asset Analysis and Recovery		
b) Asset Disposition		
c) Business Operations	11.8	5,086.00
d) Case Administration		
e) Claims Administration and Objections		
f) Employee Benefits/Pensions	26.7	11,545.50
g) Fee/Employment Applications		
h) Fee/Employment Objections		
i) Financing		
j) Litigation (Other than Avoidance Action Litigation)		
k) Avoidance Action Litigation		
l) Meetings of Creditors		
m) Plan and Disclosure Statement		
n) Relief from Stay Proceedings		
o) Regulatory Compliance		
p) Travel		
q) Accounting/Auditing		
r) Business Analysis		
s) Corporate Finance and Valuation		
t) Data Analysis		
u) Litigation Consulting		
v) Reconstruction Accounting		
Sub-total		\$16,631.50
Less 15% discount on Fees		(2,494.73)
SERVICES TOTAL:		\$14,136.77

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: 11
- (3) DATE OF RETENTION: September 24, 2007
(ANNEX COPY OF ORDER(S)) See attached Exhibit A.
IF LIMIT ON NUMBERS OF HOURS OR OTHER LIMITATIONS
TO RETENTION, SET FORTH SUMMARIZE IN BRIEF THE BENEFITS TO
THE ESTATE AND ATTACH SUPPLEMENTS AS NEEDED: Jackson Lewis
has provided labor and employment related legal services in connection with the impact
of the bankruptcy on employee benefits, the collective bargaining agreement with the
union, communications to employees and the union and the application of the federal
WARN Act.
- (4) ANTICIPATED DISTRIBUTION TO CREDITORS:
- (A) ADMINISTRATION EXPENSES: Unknown
 - (B) SECURED CREDITORS: Unknown
 - (C) PRIORITY CREDITORS: Unknown
 - (D) GENERAL UNSECURED CREDITORS: Unknown
- (5) FINAL DISPOSITION OF CASE AND PERCENTAGE OF DIVIDEND PAID TO
CREDITOR (IF APPLICABLE): N/A

I certify under penalty of perjury that the foregoing is true and correct.



SIGNATURE OF APPLICANT DATE

2-21-08

UNITED STATES BANKRUPTCY COURT
 DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-2(c)
 SILLS CUMMIS EPSTEIN & GROSS, P.C.
 Jack M. Zackin (JZ-2540)
 Valerie A. Hamilton (VH-5697)
 One Riverfront Plaza
 Newark, New Jersey 07102
 Proposed Counsel to Debtor and Debtor-in-Possession

In Re:
 PASCACK VALLEY HOSPITAL ASSOCIATION,
 INC.,
 Debtor.

FILED
 JAMES J. WALDON, CLERK
 OCT - 4 2007
 U.S. BANKRUPTCY COURT
 NEWARK, N.J.
 BY *[Signature]* DEPUTY

Case No.: 07-23686 (RG)
 Judge: Rosemary Gambardella
 Chapter: 11

Recommended Local Form: Followed Modified

**ORDER AUTHORIZING
 RETENTION OF JACKSON LEWIS, LLP**

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

10-4-07

[Signature]

 USBT

In re: Pascack Valley Hospital Association, Inc.

Case No.: 07-23686 (RG)

Applicant: Pascack Valley Hospital Association, Inc.

(check all that apply) Trustee: Chap. 7 Chap. 11 Chap. 13.
 Debtor: Chap. 11 Chap. 13
 Official Committee of _____

Name of Professional: Jackson Lewis LLP

Address of Professional: 220 Headquarters Plaza

East Tower, 7th Floor

Morristown, NJ 07960

Attorney for (check all that apply):
 Trustee Debtor-in-Possession
 Official Committee of _____

Accountant for:
 Trustee Debtor-in-Possession
 Official Committee of _____

Other Professional:
 Realtor Appraiser Special Counsel Auctioneer
 Other (specify): _____

Upon the applicant's request for authorization to retain the professional named above,

It is hereby ORDERED as follows:

1. The applicant is authorized to retain the above party in the professional capacity noted.

2. Compensation shall be paid in such amounts as may be allowed by the Court upon proper application(s) therefor.
3. The effective date of the retention is the date the application was filed with the Court.

Rev. 6/1/06; jmd

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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,

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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

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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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

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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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

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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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

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.

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**
Caption in Compliance with D.N.J. LBR 9004-2(c)
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

Attorneys for Debtor and Debtor-in-Possession

In Re:

PASCACK VALLEY HOSPITAL
ASSOCIATION, INC.,
Debtor.

Chapter 11

Case No. 07-23686-RG

Objection Deadline: 12/3/07

**NOTICE OF MONTHLY FEE STATEMENT OF JACKSON LEWIS LLP,
SPECIAL COUNSEL FOR PASCACK VALLEY HOSPITAL ASSOCIATION,
INC., REQUESTING PAYMENT OF COMPENSATION FOR SERVICES
RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED FOR THE
PERIOD FROM SEPTEMBER 25, 2007 THROUGH OCTOBER 31, 2007**

PLEASE BE ADVISED that, on November 13, 2007, Jackson Lewis LLP, special counsel for Pascack Valley Hospital Association, Inc., in this Chapter 11 case, filed and served the attached fees and expenses statement (the "Fee Statement") in accordance with the *Administrative Order Granting Debtor's Motion To Establish Procedures For Allowance And Payment Of Interim Compensation And Reimbursement Of Expenses Of Professionals* (the "Compensation Order"), requesting payment of compensation for services rendered and reimbursement of expenses incurred for the period from September 25, 2007 through October 31, 2007 (the "Compensation Period"). A copy of the Order Authorizing the Retention and Employment of Jackson Lewis LLP is also attached hereto.

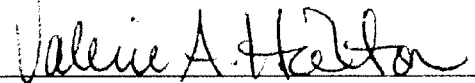
PLEASE BE FURTHER ADVISED that Jackson Lewis LLP requests payment of fees in the amount of \$8,722.27 and reimbursement of expenses in the amount of \$21.96 incurred during the Compensation Period.

PLEASE BE FURTHER ADVISED that, in accordance with the Compensation Order, objections, if any, to the Fee Statement must be in writing, filed with the Bankruptcy Court, and served on Jackson Lewis LLP and (a) Leonard Weil, Interim Chief Financial Officer of the Debtor, (b) counsel for the Debtor, (c) counsel to the official committee, (d) United States

Trustee's Office for Region III - Newark, New Jersey office (e) counsel for HFG and (f) counsel for The Bank of New York, as Master Trustee (collectively, the "Notice Parties") to be received on or before December 3, 2007 (the "Objection Deadline").

PLEASE BE FURTHER ADVISED that, in accordance with the Compensation Order, if no objection is received with respect to the Fee Statement on or before the Objection Deadline, subject to the filing and service of a certificate of no objection by Jackson Lewis, LLP, the Debtor shall be authorized to pay Jackson Lewis eighty percent (80%) of the fees and one hundred percent (100%) of the expenses requested in the Fee Statement.

SILLS CUMMIS & GROSS P.C.
One Riverfront Plaza
Newark, NJ 07102
Telephone: (973) 643-7000
Facsimile: (973) 643-6500

By: 
Jack Zackin
Valerie A. Hamilton

Date: November 13, 2007

Exhibit A

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.

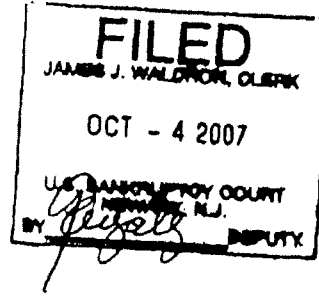
Jack M. Zackin (JZ-2540)

Valerie A. Hamilton (VH-5697)

One Riverfront Plaza

Newark, New Jersey 07102

Proposed Counsel to Debtor and Debtor-in-Possession



In Re:

PASCACK VALLEY HOSPITAL ASSOCIATION,
INC.,

Debtor.

Case No.:

07-23686 (RG)

Judge:

Rosemary Gambardella

Chapter:

11

Recommended Local Form:

Followed

Modified

ORDER AUTHORIZING
RETENTION OF JACKSON LEWIS, LLP

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

10-4-07

USBT

In re: Pascack Valley Hospital Association, Inc.

Case No.: 07-23686 (RG)

Applicant: Pascack Valley Hospital Association, Inc.

(check all that apply) Trustee: Chap. 7 Chap. 11 Chap. 13.
 Debtor: Chap. 11 Chap. 13
 Official Committee of _____

Name of Professional: Jackson Lewis LLP

Address of Professional: 220 Headquarters Plaza

East Tower, 7th Floor

Morristown, NJ 07960

Attorney for (check all that apply):
 Trustee Debtor-in-Possession
 Official Committee of _____

Accountant for:
 Trustee Debtor-in-Possession
 Official Committee of _____

Other Professional:
 Realtor Appraiser Special Counsel Auctioneer
 Other (specify): _____

Upon the applicant's request for authorization to retain the professional named above,

It is hereby ORDERED as follows:

1. The applicant is authorized to retain the above party in the professional capacity noted.

2. Compensation shall be paid in such amounts as may be allowed by the Court upon proper application(s) therefor.
3. The effective date of the retention is the date the application was filed with the Court.

Rev. 6/1/06: jml

Exhibit B

jackson lewis

Attorneys at Law

Jackson Lewis LLP
One North Broadway
15th Floor
White Plains, New York
10601
Tel 914 328-0404
Fax 914 328-1882
www.jacksonlewis.com

ATLANTA, GA	LONG ISLAND, NY	PROVIDENCE, RI
BIRMINGHAM, AL	LOS ANGELES, CA	RALEIGH-DURHAM, NC
BOSTON, MA	MIAMI, FL	RICHMOND, VA
CHICAGO, IL	MINNEAPOLIS, MN	SACRAMENTO, CA
CLEVELAND, OH	MORRISTOWN, NJ	SAN FRANCISCO, CA
DALLAS, TX	NEW YORK, NY	SEATTLE, WA
DENVER, CO	ORANGE COUNTY, CA	STAMFORD, CT
GREENVILLE, SC	ORLANDO, FL	WASHINGTON, DC REGION
HARTFORD, CT	PITTSBURGH, PA	WHITE PLAINS, NY
HOUSTON, TX	PORTLAND, OR	

CLIENT# 116087
FED ID# 13-1863997
INVOICE 4982449

NOVEMBER 13, 2007

Leonard Weil, Interim CEO
PASCACK VALLEY HOSPITAL
Old Hook Road
Westwood, NJ 07675

PERSONAL AND CONFIDENTIAL

FEEES FOR SERVICES RENDERED THRU OCTOBER 31, 2007	\$	10,261.50
LESS 15% DISCOUNT		-1,539.23
DISBURSEMENTS THRU OCTOBER 31, 2007		21.96
TOTAL INVOICE	\$	<u>8,744.23</u>

STATEMENT OF ACCOUNT

```
*****
* PRIOR UNCOLLECTED BALANCE AS OF NOVEMBER 12, 2007 : .00 *
*
* 0-30 Days 31-60 61-90 91-120 OVER 120 *
*-----*
* .00 .00 .00 .00 .00 *
*
* IF THESE PREVIOUS INVOICES HAVE BEEN PAID, PLEASE DISREGARD THIS REMINDER. *
*****
```

PASCACK VALLEY HOSPITAL (POST BANKRUPTCY)
General

CLIENT# 116087
MATTER# 116087
INVOICE: 4982449
NOVEMBER 13, 2007

DATE	ATTY	HRS	DESCRIPTION OF SERVICES RENDERED
9/25/07	BHS	.50	Analyze issues regarding use of asset sale proceeds for employee benefits
9/25/07	RWS	.20	Review correspondence regarding use of asset sale proceeds for employee benefits
9/26/07	BHS	.30	Teleconference with Jane Connorton and Richard Schey regarding use of asset sale proceeds for employee benefits
9/26/07	BHS	.30	Analyze issues regarding use of asset sale proceeds for employee benefits
9/26/07	RWS	.40	Teleconference with Bruce Schwartz and review correspondence regarding use of asset sale proceeds
9/26/07	RWS	.90	Teleconference with Jane Connorton regarding WARN and health insurance
9/27/07	RWS	.20	Review communication to employees regarding severance
9/27/07	RWS	.40	Review union contract and teleconference with Jane Connorton regarding severance
9/28/07	RWS	.40	Teleconference with Jane Connorton and Tony Rizzo regarding severance pay, notice of resignation and payment of paid time off
10/02/07	KAD	.60	Research PBGC procedures about notifying pension plan participants of their benefits payable
10/02/07	KAD	.30	Prepare correspondence to Richard Schey about the PBGC's procedures for notifying pension plan participants of their benefits payable
10/02/07	BHS	.20	Conference with Richard Schey regarding termination of 403(b) plan and defined benefit pension plan
10/02/07	BHS	.20	Review PBGC pension plan distress termination procedures regarding calculation of benefits payable from underfunded plan
10/02/07	RWS	.10	Review correspondence from union regarding request for information
10/02/07	RWS	.20	Teleconference with Joseph Lazzarotti regarding HIPAA issues raised by union information request
10/02/07	RWS	.50	Review correspondence from counsel for union regarding benefits and review collective bargaining agreement
10/02/07	RWS	.40	Review and revise communication to employees regarding benefits
10/02/07	RWS	.50	Teleconference with Jane Connorton and Jack Zackin regarding communication to employees
10/02/07	RWS	.20	Teleconference with Simon Kimmelman regarding response to union counsel's questions
10/02/07	RWS	.20	Teleconference with Bruce Schwartz regarding 403(b) and pension termination
10/02/07	RWS	.30	Review PBGC pension termination steps
10/02/07	RWS	.10	Teleconference with Tony Rizzo regarding employee benefits
10/02/07	RWS	.30	Review draft WARN letters regarding remaining employees
10/02/07	JJL	.30	Analyze issues regarding disclosure of plan census information in connection with negotiation of continuation coverage for employees
10/03/07	RWS	.60	Teleconference with Jane Connorton regarding union request for information and finalizing employee questions and answers
10/03/07	RWS	.30	Teleconference with Mitchell Malzberg regarding union questions
10/03/07	RWS	.30	Teleconference with Jane Connorton regarding stay bonus
10/03/07	RWS	.60	Draft stay bonus agreement
10/03/07	RWS	.30	Teleconference with Tony Rizzo regarding health insurance
10/03/07	RWS	.20	Teleconference with Tony Rizzo regarding grievances
10/03/07	RWS	.20	Draft correspondence regarding grievances and payment of accrued time
10/03/07	RWS	.50	Review correspondence to employees and WARN recipients and teleconference with Jane Connorton regarding same
10/03/07	RWS	.20	Review memoranda regarding union meeting with DOL and DOBI and teleconference with Tony Rizzo
10/04/07	RWS	.30	Review correspondence regarding health insurance

PLEASE REMIT PAYMENT TO: JACKSON LEWIS LLP • P.O. BOX 34973 • NEWARK, N.J. 07189-4973

10/04/07 RWS .70 Teleconference with DOBI regarding health insurance
10/04/07 RWS .20 Teleconference with Tony Rizzo regarding health insurance
10/04/07 RWS .30 Review correspondence and union contract regarding layoff notice
10/09/07 RWS .20 Review correspondence regarding bankruptcy and surviving services
10/11/07 RWS .90 Teleconference with DOBI, union and management regarding health insurance
10/11/07 RWS .20 Teleconference with Dan Benducci regarding holiday pay
10/15/07 RWS .60 Review correspondence and union contract regarding layoff grievance
10/15/07 RWS .20 Prepare correspondence to Tony Rizzo regarding submission to arbitration of layoff grievance
10/15/07 RWS .40 Teleconference with Tony Rizzo and Jane Connorton regarding benefits for affiliated employees
10/16/07 RWS .40 Teleconference with Tony Rizzo regarding layoff arbitration and review contract
10/19/07 RWS .30 Teleconference with Jane Connorton regarding KERPs
10/19/07 RWS .40 Teleconference with Jane Connorton regarding WARN
10/19/07 RWS .80 Teleconference with Jane Connorton regarding stay bonuses, and review language in stay bonus agreement
10/19/07 RWS .20 Teleconference with Dan Benducci regarding unfair labor practice charge against union
10/19/07 RWS .20 Review unfair labor practice charge against union
10/20/07 BHS .80 Analyze issues regarding termination of 403(b) plan
10/22/07 BHS .40 Teleconference with Jane Connorton and Richard Schey regarding termination of 403(b) plan
10/22/07 RWS .20 Review correspondence and prepare correspondence regarding arbitration regarding layoff
10/22/07 RWS .40 Teleconference with Leon Savetsky regarding ULP charge and review union contract
10/22/07 RWS .40 Teleconference with Jane Connorton regarding 403(b)
10/24/07 RJC .40 Review status of files as requested by Cathy Lynch-Kilic
10/25/07 RWS .40 Review correspondence regarding paid time off and review union contract
10/30/07 BHS .20 Teleconference with Jane Connorton regarding termination of group health plan and notice to employees
10/30/07 BHS .30 Review issues regarding termination of group health plan and notice to employees
10/30/07 RWS .90 Teleconferences with Jane Connorton and Tony Rizzo regarding pay to employees and health insurance discontinuance
10/30/07 RWS .50 Research regarding ERISA preemption and health plan
10/30/07 RWS .40 Teleconferences with Bruce Schwartz regarding health insurance discontinuance
10/30/07 RWS .40 Review union contract regarding layoff requirements

ATTORNEY SUMMARY

ATTORNEY	TOTAL HOURS	NO-CHARGE HOURS	RETAINER HOURS	BILLABLE HOURS	BILL RATE	AMOUNT
BHS	3.20	.00	.00	3.20	495.00	1,584.00
RWS	18.40	.00	.00	18.40	440.00	8,096.00
RJC	.40	.00	.00	.40	385.00	154.00
KAD	.90	.00	.00	.90	360.00	324.00
JJL	.30	.00	.00	.30	345.00	103.50
	23.20	.00	.00	23.20		10,261.50
						LESS DISCOUNT
						-1,539.23
						8,722.27

DISBURSEMENTS

9/18/07	Postage	.58
9/28/07	Postage	.58
10/31/07	Photocopying (104)	20.80
TOTAL DISBURSEMENTS		21.96

INVOICE TOTAL	8,744.23
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BILLING MATTER SUMMARY
 116087 PASCACK VALLEY HOSPITAL (POST BANKRUPTCY)

MATTER	TOTAL HOURS	NO-CHARGE HOURS	RETAINER HOURS	BILLABLE HOURS	FEEES	COST
General	23.2	.0	.0	23.2	10,261.50	21.96
					10,261.50	21.96

A/R Aging as of NOVEMBER 12, 2007

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*****
*   Prior A/R           .00                                     *
*                                                                *
*   0-30 Days          31-60          61-90          91-120          OVER 120 *
*-----*-----*-----*-----*-----*
*   .00                .00                .00                .00                .00 *
*                                                                *
*****
  
```

KEY INFORMATION

Supervising attorney: RWS RICHARD W. SCHEY

ATTORNEY TABLE

ATTY INIT	ATTORNEY NAME
BHS	BRUCE H. SCHWARTZ
RWS	RICHARD W. SCHEY
RJC	RICHARD J. CINO
KAD	KEITH A. DROPKIN
JJL	JOSEPH J. LAZZAROTTI

**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. Zaackin (JZ-2540)
Simon Kimmelman (SK-3654)
Valerie A. Hamilton (VH-5697)
One Riverfront Plaza
Newark, NJ 07102
(973) 643-7000

Attorneys for Debtor and Debtor-in-Possession

In Re:

PASCACK VALLEY HOSPITAL
ASSOCIATION, INC.,
Debtor.

Chapter 11

Case No. 07-23686-RG

Objection Deadline: 1/7/08

**NOTICE OF MONTHLY FEE STATEMENT OF JACKSON LEWIS LLP,
SPECIAL COUNSEL FOR PASCACK VALLEY HOSPITAL ASSOCIATION,
INC., REQUESTING PAYMENT OF COMPENSATION FOR SERVICES
RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED FOR THE
PERIOD FROM NOVEMBER 1, 2007 THROUGH NOVEMBER 30, 2007**

PLEASE BE ADVISED that, on December 18, 2007, Jackson Lewis LLP, special counsel for Pascack Valley Hospital Association, Inc., in this Chapter 11 case, filed and served the attached fees and expenses statement (the "Fee Statement") in accordance with the *Administrative Order Granting Debtor's Motion To Establish Procedures For Allowance And Payment Of Interim Compensation And Reimbursement Of Expenses Of Professionals* (the "Compensation Order"), requesting payment of compensation for services rendered and reimbursement of expenses incurred for the period from November 1, 2007 through November 30, 2007 (the "Compensation Period"). A copy of the Order Authorizing the Retention and Employment of Jackson Lewis LLP is also attached hereto.

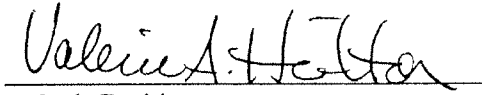
PLEASE BE FURTHER ADVISED that Jackson Lewis LLP requests payment of fees in the amount of \$4,345.20 and reimbursement of expenses in the amount of \$0.00 incurred during the Compensation Period.

PLEASE BE FURTHER ADVISED that, in accordance with the Compensation Order, objections, if any, to the Fee Statement must be in writing, filed with the Bankruptcy Court, and served on Jackson Lewis LLP and (a) Leonard Weil, Interim Chief Financial Officer of the Debtor, (b) counsel for the Debtor, (c) counsel to the official committee, (d) United States

Trustee's Office for Region III - Newark, New Jersey office and (e) counsel for The Bank of New York, as Master Trustee (collectively, the "Notice Parties") to be received on or before (the "Objection Deadline").

PLEASE BE FURTHER ADVISED that, in accordance with the Compensation Order, if no objection is received with respect to the Fee Statement on or before the Objection Deadline, subject to the filing and service of a certificate of no objection by Jackson Lewis, LLP, the Debtor shall be authorized to pay Jackson Lewis eighty percent (80%) of the fees and one hundred percent (100%) of the expenses requested in the Fee Statement.

SILLS CUMMIS & GROSS P.C.
One Riverfront Plaza
Newark, NJ 07102
Telephone: (973) 643-7000
Facsimile: (973) 643-6500

By: 
Jack Zackin
Valerie A. Hamilton

Date: December 18, 2007

Exhibit A

jackson lewis

Attorneys at Law

Jackson Lewis LLP
 One North Broadway
 15th Floor
 White Plains, NY 10601
 Tel 914 328-0404
 Fax 914 328-1882
 www.jacksonlewis.com

ATLANTA, GA	HARTFORD, CT	NEW YORK, NY	RALEIGH-DURHAM, NC
BIRMINGHAM, AL	HOUSTON, TX	ORANGE COUNTY, CA	RICHMOND, VA
BOSTON, MA	LONG ISLAND, NY	ORLANDO, FL	SACRAMENTO, CA
CHICAGO, IL	LOS ANGELES, CA	PHILADELPHIA, PA	SAN FRANCISCO, CA
CLEVELAND, OH	MIAMI, FL	PHOENIX, AZ	SEATTLE, WA
DALLAS, TX	MINNEAPOLIS, MN	PITTSBURGH, PA	STAMFORD, CT
DENVER, CO	MORRISTOWN, NJ	PORTLAND, OR	WASHINGTON, DC REGION
GREENVILLE, SC	NEW ORLEANS, LA	PROVIDENCE, RI	WHITE PLAINS, NY

Leonard Weil, Interim CEO
 PASCACK VALLEY HOSPITAL
 Old Hook Road
 Westwood, NJ 07675

CLIENT# 116087
 FED ID# 13-1863997
 INVOICE 4993118

DECEMBER 17, 2007

PERSONAL AND CONFIDENTIAL

FEEES FOR SERVICES RENDERED THRU NOVEMBER 30, 2007	\$	5,112.00
LESS 15% DISCOUNT		-766.80
DISBURSEMENTS THRU NOVEMBER 30, 2007		.00
TOTAL INVOICE	\$	4,345.20

STATEMENT OF ACCOUNT

 * PRIOR UNCOLLECTED BALANCE AS OF DECEMBER 3, 2007 : 8,744.23 *
 *
 * 0-30 Days 31-60 61-90 91-120 OVER 120 *

 * 8,744.23 .00 .00 .00 .00 *
 *
 * IF THESE PREVIOUS INVOICES HAVE BEEN PAID, PLEASE DISREGARD THIS REMINDER. *

PLEASE REMIT PAYMENT TO: JACKSON LEWIS LLP • P.O. BOX 34973 • NEWARK, N.J. 07189-4973

PASCACK VALLEY HOSPITAL (POST BANKRUPTCY)
General

CLIENT# 116087
MATER# 116087
INVOICE: 4993118
DECEMBER 17, 2007

DATE	ATTY	HRS	DESCRIPTION OF SERVICES RENDERED
10/10/07	RWS	.20	Send union contracts to Jack Zackin
11/01/07	RWS	.50	Review correspondence and union contract regarding layoffs
11/01/07	RWS	.40	Teleconference with Tony Rizzo regarding layoffs
11/05/07	RWS	.30	Teleconference with Tony Rizzo regarding communication of layoff
11/06/07	RWS	.30	Review union contract regarding health insurance
11/06/07	RWS	.30	Review correspondence and file regarding notice to employees regarding health insurance
11/08/07	RWS	.50	Review status of NJ pending WARN act
11/12/07	KAD	3.50	Prepare communication to employees about the termination of the health plan
11/12/07	BHS	.40	Review issues regarding notice to group health plan participants and beneficiaries regarding termination of coverage
11/12/07	RWS	.40	Review pending NJ WARN bill and review correspondence regarding same
11/12/07	RWS	.40	Review correspondence regarding notice of termination of plan
11/13/07	RWS	.30	Review correspondence regarding notice of plan termination
11/13/07	RWS	.30	Teleconference with Dan Benducci regarding COBRA
11/13/07	RWS	.30	Teleconference with Jane Connorton regarding severance pay
11/13/07	RWS	.70	Review home health contracts
11/27/07	BHS	.30	Analyze issues regarding requirement of notice to participants concerning termination of group health benefits
11/27/07	RWS	.30	Review correspondence regarding benefit plan and teleconference with Bruce Schwartz regarding benefit plan
11/29/07	BHS	.30	Review changes to notice regarding status of medical benefits and notice of intent to terminate pension plan
11/29/07	RWS	.40	Review correspondence regarding pension termination and health plan
11/30/07	KAD	.20	Review issue about communication to employees about the termination of the health plan
11/30/07	KAD	.60	Review the notice of intent to terminate the pension plan for compliance with federal law
11/30/07	BHS	.50	Review changes to notice regarding status of medical benefits and notice of intent to terminate pension plan
11/30/07	BHS	.10	Teleconference with Jane Connorton regarding notice regarding status of medical benefits and notice of intent to terminate pension plan
11/30/07	RWS	.30	Review union contract regarding pension and health plan
11/30/07	RWS	.40	Teleconferences with Bruce Schwartz and Jane Connorton and review correspondence regarding pension termination and health plan and access to files

PLEASE REMIT PAYMENT TO: JACKSON LEWIS LLP • P.O. BOX 34973 • NEWARK, N.J. 07189-4973

ATTORNEY SUMMARY

ATTORNEY	TOTAL HOURS	NO-CHARGE HOURS	RETAINER HOURS	BILLABLE HOURS	BILL RATE	AMOUNT
BHS	1.60	.00	.00	1.60	495.00	792.00
RWS	6.30	.00	.00	6.30	440.00	2,772.00
KAD	4.30	.00	.00	4.30	360.00	1,548.00
	12.20	.00	.00	12.20		5,112.00
LESS DISCOUNT						-766.80
						4,345.20
DISBURSEMENTS						
TOTAL DISBURSEMENTS						.00
INVOICE TOTAL						4,345.20

PLEASE REMIT PAYMENT TO JACKSON LEWIS LLP • P.O. BOX 34973 • NEWARK, N.J. 07189-4973

BILLING MATTER SUMMARY
 116087 PASCACK VALLEY HOSPITAL (POST BANKRUPTCY)

MATTER	TOTAL HOURS	NO-CHARGE HOURS	RETAINER HOURS	BILLABLE HOURS	FEEs	COST
General	12.2	.0	.0	12.2	5,112.00	.00
					5,112.00	.00

OUTSTANDING A/R

INVOICE NUMBER	DATE	INVOICE AMOUNT	PAYMENTS AGAINST INVOICE	INVOICE BALANCE
4982449	11/13/07	8,744.23	.00	8,744.23
	PRIOR BALANCE			8,744.23
	BALANCE DUE			13,089.43

A/R Aging as of DECEMBER 3, 2007

```

*****
* Prior A/R           8,744.23
*
* 0-30 Days          31-60          61-90          91-120          OVER 120
*-----
* 8,744.23           .00           .00           .00           .00
*
*****
    
```

KEY INFORMATION

Supervising attorney: RWS RICHARD W. SCHEY

ATTORNEY TABLE

ATTY INIT	ATTORNEY NAME
BHS	BRUCE H. SCHWARTZ
RWS	RICHARD W. SCHEY
KAD	KEITH A. DROPKIN

PLEASE REMIT PAYMENT TO: JACKSON LEWIS LLP • P.O. BOX 34973 • NEWARK, N.J. 07189-4973

Exhibit B

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.

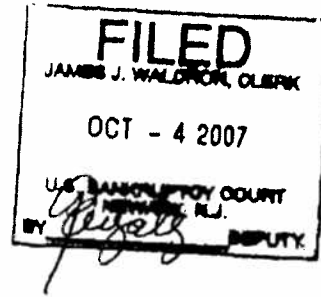
Jack M. Zackin (JZ-2540)

Valerie A. Hamilton (VH-5697)

One Riverfront Plaza

Newark, New Jersey 07102

Proposed Counsel to Debtor and Debtor-in-Possession



In Re:

PASCACK VALLEY HOSPITAL ASSOCIATION,
INC.,

Debtor.

Case No.:

07-23686 (RG)

Judge:

Rosemary Gambardella

Chapter:

11

Recommended Local Form:



Followed



Modified

ORDER AUTHORIZING
RETENTION OF JACKSON LEWIS, LLP

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

10-4-07

USBT

In re: Pascack Valley Hospital Association, Inc.

Case No.: 07-23686 (RG)

Applicant: Pascack Valley Hospital Association, Inc.

(check all that apply) Trustee: Chap. 7 Chap. 11 Chap. 13.
 Debtor: Chap. 11 Chap. 13
 Official Committee of _____

Name of Professional: Jackson Lewis LLP

Address of Professional: 220 Headquarters Plaza

East Tower, 7th Floor

Morristown, NJ 07960

Attorney for (check all that apply):
 Trustee Debtor-in-Possession
 Official Committee of _____

Accountant for:
 Trustee Debtor-in-Possession
 Official Committee of _____

Other Professional:
 Realtor Appraiser Special Counsel Auctioneer
 Other (specify): _____

Upon the applicant's request for authorization to retain the professional named above,

It is hereby ORDERED as follows:

1. The applicant is authorized to retain the above party in the professional capacity noted.

2. Compensation shall be paid in such amounts as may be allowed by the Court upon proper application(s) therefor.
3. The effective date of the retention is the date the application was filed with the Court.

Rev. 6/1/06; jml

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**
Caption in Compliance with D.N.J. LBR 9004-2(c)
SILLS CUMMIS & 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

Attorneys for Debtor and Debtor-in-Possession

In Re:

PASCACK VALLEY HOSPITAL
ASSOCIATION, INC.,
Debtor.

Chapter 11

Case No. 07-23686-RG

Objection Deadline: 2/11/2008

**NOTICE OF MONTHLY FEE STATEMENT OF JACKSON LEWIS LLP,
SPECIAL COUNSEL FOR PASCACK VALLEY HOSPITAL ASSOCIATION,
INC., REQUESTING PAYMENT OF COMPENSATION FOR SERVICES
RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED FOR THE
PERIOD FROM DECEMBER 1, 2007 THROUGH DECEMBER 31, 2007**

PLEASE BE ADVISED that, on January 22, 2008, Jackson Lewis LLP, special counsel for Pascack Valley Hospital Association, Inc., in this Chapter 11 case, filed and served the attached fees and expenses statement (the "Fee Statement") in accordance with the *Administrative Order Granting Debtor's Motion To Establish Procedures For Allowance And Payment Of Interim Compensation And Reimbursement Of Expenses Of Professionals* (the "Compensation Order"), requesting payment of compensation for services rendered and reimbursement of expenses incurred for the period from December 1, 2007 through December 31, 2007 (the "Compensation Period"). A copy of the Order Authorizing the Retention and Employment of Jackson Lewis LLP is also attached hereto.

PLEASE BE FURTHER ADVISED that Jackson Lewis LLP requests payment of fees in the amount of \$1,069.30 and reimbursement of expenses in the amount of \$2.28 incurred during the Compensation Period.

PLEASE BE FURTHER ADVISED that, in accordance with the Compensation Order, objections, if any, to the Fee Statement must be in writing, filed with the Bankruptcy Court, and served on Jackson Lewis LLP and (a) Leonard Weil, Interim Chief Financial Officer of the Debtor, (b) counsel for the Debtor, (c) counsel to the official committee, (d) United States

Trustee's Office for Region III - Newark, New Jersey office (e) counsel for HFG and (f) counsel for The Bank of New York, as Master Trustee (collectively, the "Notice Parties") to be received on or before (the "Objection Deadline").

PLEASE BE FURTHER ADVISED that, in accordance with the Compensation Order, if no objection is received with respect to the Fee Statement on or before the Objection Deadline, subject to the filing and service of a certificate of no objection by Jackson Lewis, LLP, the Debtor shall be authorized to pay Jackson Lewis eighty percent (80%) of the fees and one hundred percent (100%) of the expenses requested in the Fee Statement.

SILLS CUMMIS & GROSS P.C.
One Riverfront Plaza
Newark, NJ 07102
Telephone: (973) 643-7000
Facsimile: (973) 643-6500

By: Valerie A. Hamilton
Jack Zackin
Valerie A. Hamilton

Date: January 22, 2008

Exhibit A

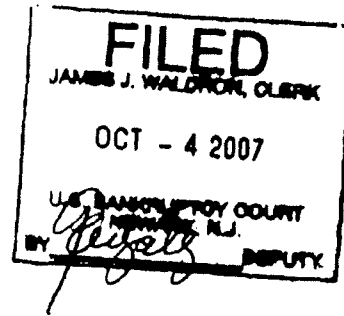
UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-2(e)

SILLS CUMMIS EPSTEIN & GROSS, P.C.
Jack M. Zackin (JZ-2540)
Valerie A. Hamilton (VH-5697)
One Riverfront Plaza
Newark, New Jersey 07102
Proposed Counsel to Debtor and Debtor-in-Possession

In Re:
PASCACK VALLEY HOSPITAL ASSOCIATION,
INC.,
Debtor.

Case No.: 07-23686 (RG)
Judge: Rosemary Gambardella
Chapter: 11



Recommended Local Form: Followed Modified

ORDER AUTHORIZING
RETENTION OF JACKSON LEWIS, LLP

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

10-4-07

[Signature]
USBT

[Signature]

In re: Pascack Valley Hospital Association, Inc.

Case No.: 07-23686 (RG)

Applicant: Pascack Valley Hospital Association, Inc.

(check all that apply) Trustee: Chap. 7 Chap. 11 Chap. 13.

Debtor: Chap. 11 Chap. 13

Official Committee of _____

Name of Professional: Jackson Lewis LLP

Address of Professional: 220 Headquarters Plaza

East Tower, 7th Floor

Morristown, NJ 07960

Attorney for (check all that apply):

Trustee Debtor-in-Possession

Official Committee of _____

Accountant for:

Trustee Debtor-in-Possession

Official Committee of _____

Other Professional:

Realtor Appraiser Special Counsel Auctioneer

Other (specify): _____

Upon the applicant's request for authorization to retain the professional named above,

It is hereby ORDERED as follows:

1. The applicant is authorized to retain the above party in the professional capacity noted.

2. Compensation shall be paid in such amounts as may be allowed by the Court upon proper application(s) therefor.
3. The effective date of the retention is the date the application was filed with the Court.

Rev. 6/1/06: jml

Exhibit B

jackson lewis

Attorneys at Law

Jackson Lewis LLP One North Broadway 15 th Floor White Plains, NY 10601 Tel: 914 328 0404 Fax: 914 328 0942 www.jacksonlewis.com	ATLANTA, GA BIRMINGHAM, AL BOSTON, MA CHICAGO, IL CLEVELAND, OH DALLAS, TX DENVER, CO GREENVILLE, SC	HARTFORD, CT HOUSTON, TX LONG ISLAND, NY LOS ANGELES, CA MIAMI, FL MINNEAPOLIS, MN MORRISTOWN, NJ NEW ORLEANS, LA	NEW YORK, NY ORANGE COUNTY, CA ORLANDO, FL PHILADELPHIA, PA PHOENIX, AZ PITTSBURGH, PA PORTLAND, OR PROVIDENCE, RI	RALEIGH/DURHAM, NC RICHMOND, VA SACRAMENTO, CA SAN FRANCISCO, CA SEATTLE, WA STAMFORD, CT WASHINGTON DC REGION WHITE PLAINS, NY
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CLIENT# 116087
FED ID# 13-1863997
INVOICE 5003238

JANUARY 22, 2008

Leonard Weil, Interim CEO
PASCACK VALLEY HOSPITAL
Old Hook Road
Westwood, NJ 07675

PERSONAL AND CONFIDENTIAL

FEEs FOR SERVICES RENDERED THRU DECEMBER 31, 2007	\$ 1,258.00
LESS 15% DISCOUNT	-188.70
DISBURSEMENTS THRU DECEMBER 31, 2007	2.28
TOTAL INVOICE	\$ 1,071.58

STATEMENT OF ACCOUNT

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*****
* PRIOR UNCOLLECTED BALANCE AS OF DECEMBER 31, 2007 :          4,345.20      *
*
*   0-30 Days          31-60          61-90          91-120          OVER 120      *
*-----*-----*-----*-----*-----*
*   4,345.20          .00          .00          .00          .00      *
*
* IF THESE PREVIOUS INVOICES HAVE BEEN PAID, PLEASE DISREGARD THIS REMINDER. *
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PASCACK VALLEY HOSPITAL (POST BANKRUPTCY)
 General

CLIENT# 116087
 MATTER# 116087
 INVOICE: 5003238
 JANUARY 22, 2008

DATE	ATTY	HRS	DESCRIPTION OF SERVICES RENDERED
12/03/07	RWS	.50	Review correspondence regarding health plan and pension plan and union contract provisions
12/14/07	RWS	.20	Review proposed NJ WARN legislation
12/18/07	JJL4	.40	Research regarding the NJ WARN Act
12/20/07	TDS	.40	Review/analyze notice requirements under NJ WARN Act to assess application to current plans/notices
12/20/07	RWS	.90	Review NJ WARN
12/20/07	RWS	.30	Conference with Tim Speedy regarding NJ WARN
12/20/07	RWS	.40	Teleconference with Jane Connorton regarding NJ WARN

ATTORNEY SUMMARY

ATTORNEY	TOTAL HOURS	NO-CHARGE HOURS	RETAINER HOURS	BILLABLE HOURS	BILL RATE	AMOUNT
RWS	2.30	.00	.00	2.30	440.00	1,012.00
TDS	.40	.00	.00	.40	405.00	162.00
JJL4	.40	.00	.00	.40	210.00	84.00
	3.10	.00	.00	3.10		1,258.00

LESS DISCOUNT -188.70

1,069.30

DISBURSEMENTS

10/31/07 Postage 2.28

TOTAL DISBURSEMENTS 2.28

INVOICE TOTAL 1,071.58

BILLING MATTER SUMMARY
 116087 PASCACK VALLEY HOSPITAL (POST BANKRUPTCY)

MATTER	TOTAL HOURS	NO-CHARGE HOURS	RETAINER HOURS	BILLABLE HOURS	FEEES	COST
General	3.1	.0	.0	3.1	1,258.00	2.28
					1,258.00	2.28

OUTSTANDING A/R

INVOICE NUMBER	DATE	INVOICE AMOUNT	PAYMENTS AGAINST INVOICE	INVOICE BALANCE
4993118	12/17/07	4,345.20	.00	4,345.20
	PRIOR BALANCE			4,345.20
	BALANCE DUE			5,416.78

A/R Aging as of DECEMBER 31, 2007

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*****
* Prior A/R          4,345.20 *
*
* 0-30 Days          31-60          61-90          91-120          OVER 120 *
*-----
* 4,345.20          .00          .00          .00          .00 *
*
*
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KEY INFORMATION

Supervising attorney: RWS RICHARD W. SCHEY

ATTORNEY TABLE

ATTY INIT	ATTORNEY NAME
RWS	RICHARD W. SCHEY
TDS	TIMOTHY D. SPEEDY
JJL4	JAMES L. LARocca

UPON CONSIDERATION of the Application of Jackson Lewis LLP (“Jackson Lewis”), special counsel for Pascack Valley Hospital Association, Inc. (“Debtor”), the within debtor and debtor in possession, pursuant to Sections 330(a) and 331 of Title 11 of the United States Code and Rule 2016 of the Federal Rules of Bankruptcy Procedure, for the allowance of interim compensation for professional services rendered by Jackson Lewis for the period commencing September 25, 2007, through and including December 31, 2007 (the “Compensation Period”); and for reimbursement of its actual and necessary expenses incurred during the Compensation Period; and notice and opportunity for hearing having been given to creditors and other parties-in-interest; and the Court having considered the Application and for cause shown;

IT IS ORDERED, that compensation and expenses are allowed as follows:

<u>APPLICANT</u>	<u>FEES</u>	<u>EXPENSES</u>
Jackson Lewis LLP	\$14,136.77	\$24.24

SILLS CUMMIS & GROSS P.C.
Jack M. Zackin (JZ-2540)
Simon Kimmelman (SK-3654)
Valerie Hamilton (VH-5697)
One Riverfront Plaza
Newark, NJ 07102
(973) 643-7000
Attorneys for Debtor and Debtor-in-Possession

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

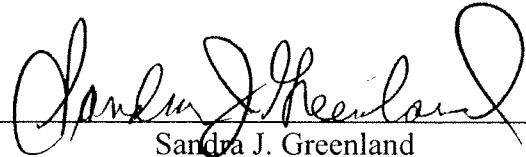
<p>In re:</p> <p>PASCACK VALLEY HOSPITAL ASSOCIATION, INC.</p> <p>Debtor.</p>	<p>Case No. 07-23686</p> <p>Hon. Rosemary Gambardella</p> <p>Chapter 11</p>
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CERTIFICATE OF SERVICE

SANDRA J. GREENLAND, of full age, certifies as follows:

1. I am a Paralegal employed with the firm of Sills Cummis & Gross P.C. (“Sills Cummis”), attorneys for Debtor and Debtor-in-Possession.
2. On February 21, 2008, the following documents were filed electronically with the United States Bankruptcy Court for the District of New Jersey:
 - Fee Application Cover Sheet, First Interim Fee Application of Jackson Lewis LLP for the Period September 25, 2007 Through December 31, 2007, and proposed form of Order.
3. In addition to the parties which were served electronically with a Notice of Electronic Filing by the Court, on February 21, 2008, I caused a true and correct copy of the above-stated documents to be served upon the parties on the attached service list marked Exhibit “A” by U.S. First-Class Mail, postage pre-paid.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.


Sandra J. Greenland

Dated: February 21, 2008

**EXHIBIT A
SERVICE LIST**

Leonard Weil
Interim Chief Financial Office
Pascack Valley Hospital
250 Old Hook Road
Westwood, NJ 07675

Mitchell B. Hausman, Esq.
Office of the United States Trustee
One Newark Center
Suite 2100
Newark, NJ 07102

William W. Kannel, Esq.
Kevin J. Walsh, Esq.
Mintz, Levin, Cohn, Ferris, Glovsky and
Popeo, P.C.
One Financial Center
Boston, MA 02111
Counsel to the Bond Trustees

Richard M. Meth, Esq.
Day Pitney LLP
200 Campus Drive
Florham Park, NJ 07932
Local Counsel for The Bank of New York

Warren J. Martin, Jr., Esq.
Brett S. Moore, Esq.
Porzio, Bromberg & Newman, P.C.
100 Southgate Parkway
P.O. Box 1997
Morristown, NJ 07962-1997
*Counsel for Unsecured Creditors'
Committee*

UNITED STATES BANKRUPTCY COURT

District of New Jersey
MLK Jr Federal Building
50 Walnut Street
Newark, NJ 07102

Case No.: 07–23686–RG
Chapter: 11
Judge: Rosemary Gambardella

In Re: Debtor(s) (name(s) used by the debtor(s) in the last 8 years, including married, maiden, trade, and address):

Pascack Valley Hospital Association, Inc.
250 Old Hook Road
Westwood, NJ 07675

Social Security No.:

Employer's Tax I.D. No.:
22–1637362

NOTICE OF HEARING ON APPLICATION FOR COMPENSATION

NOTICE IS HEREBY GIVEN that there will be a hearing held before the honorable Rosemary Gambardella on:

Date: 3/24/08

Time: 10:00 AM

Location: Courtroom 3E, Martin Luther King, Jr. Federal Buildin, 50 Walnut Street, 3rd Floor, Newark, NJ 07102

for the purpose of acting on applications for compensation. Attendance by creditors is welcome, but not required.

The following applications for compensation have been filed:

APPLICANT(S)

Jackson Lewis LLP, Special Counsel for Debtor

COMMISSION OR FEES

\$14,136.77

EXPENSES

\$24.24

Creditors may be heard before the applications are determined.

In accordance with D.N.J. Local Bankruptcy Rule 2016–1(d), appearances are not required on applications for compensation unless objections are filed. Objections shall be filed and served no later than seven (7) days prior to the scheduled hearing date (D.N.J. LBR 2016–1(h)).

Dated: February 25, 2008

JJW:

James J. Waldron
Clerk