

SILLS CUMMIS & GROSS P.C.
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One Riverfront Plaza
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*Attorneys for Debtor and Debtor-in-Possession,
Pascack Valley Hospital Association, Inc.*

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

In re:

PASCACK VALLEY HOSPITAL ASSOCIATION, INC.,

Debtor.

Hon. Rosemary Gambardella

Case No. 07-23686 (RG)
Chapter 11

**Hearing Date and Time:
April 15, 2008 at 11:00 a.m.**

**Oral Argument Requested If
Opposition Is Filed**

**NOTICE OF DEBTOR'S MOTION SEEKING THE ENTRY OF AN ORDER, PURSUANT
TO 11 U.S.C. § 365(a), AUTHORIZING THE DEBTOR TO REJECT UNEXPIRED
EQUIPMENT LEASES WITH BECKMAN COULTER, INC. AS OF NOVEMBER 21, 2007**

PLEASE TAKE NOTICE that on April 15, 2008, at 11:00 a.m., or as soon thereafter as counsel may be heard, the above-captioned debtor and debtor-in-possession (the "Debtor"), by its undersigned attorneys, shall move (the "Motion") before the Honorable Rosemary Gambardella at the United States Bankruptcy Court, Martin Luther King, Jr. Federal Building, 50 Walnut Street, 3rd Floor, Newark, New Jersey, seeking the entry of an order, pursuant to section 365 of chapter 11, Title 11 of the United States Code, authorizing the Debtor to reject, as of November 21, 2007, two unexpired equipment leases between the Debtor and Beckman Coulter, Inc.

PLEASE TAKE FURTHER NOTICE that the undersigned shall rely upon the Application and exhibits thereto submitted herewith, and that no brief is necessary as the factual and legal bases for the relief requested are adequately set forth in the Application and the Motion presents no novel issues of law.

PLEASE TAKE FURTHER NOTICE that any objection to the relief requested in the Motion shall be in writing, stating with specificity grounds therefor, and shall be filed with the Court and served upon the Debtor's undersigned counsel so as to be received no later than 5:00 p.m. on April 8, 2008.

PLEASE TAKE FURTHER NOTICE that the Debtor requests oral argument of the Motion if opposition thereto is filed, in accordance with Local Bankruptcy Rule 9013-1(f).

PLEASE TAKE FURTHER NOTICE that unless answering papers are served in accordance with Local Bankruptcy Rule 9013-1(d), the Motion may be deemed uncontested and the Court, in its discretion, may enter an Order in the form filed herewith.

PLEASE TAKE FURTHER NOTICE that a form of Order granting the relief requested by the Motion is submitted herewith in accordance with Local Bankruptcy Rule 9072-1.

Dated: March 20, 2008

SILLS CUMMIS & GROSS, P.C.
Attorneys for Debtor and Debtor-in-Possession
Pascack Valley Hospital Association, Inc.

By: /s/ Charles N. Panzer

Jack M. Zackin
Charles N. Panzer

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Hearing Date and Time:
April 15, 2008 at 11:00 a.m.

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

In re:

PASCACK VALLEY HOSPITAL ASSOCIATION, INC.,

Debtor.

Hon. Rosemary Gambardella

Case No. 07-23686

Chapter 11

**APPLICATION IN SUPPORT OF DEBTOR'S MOTION SEEKING THE ENTRY OF AN
ORDER, PURSUANT TO 11 U.S.C. § 365(a), AUTHORIZING THE DEBTOR TO REJECT
UNEXPIRED EQUIPMENT LEASES WITH BECKMAN COULTER, INC. AS OF
NOVEMBER 21, 2007**

TO: THE HONORABLE ROSEMARY GAMBARDELLA, U.S.B.J.

Pascack Valley Hospital Association, Inc., the debtor and debtor-in-possession ("PVH" or the "Debtor"), by and through its attorneys, Sills Cummis & Gross P.C., submits this Application in support of the Debtor's motion (the "Motion") seeking the entry of an order, pursuant to section 365 of chapter 11, Title 11 of the United States Code, authorizing the Debtor to reject two unexpired medical equipment leases (together, the "Equipment Leases") with Beckman Coulter, Inc. ("Beckman Coulter"). In support the Motion, the Debtor respectfully represents as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction over this matter under 28 U.S.C. § 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2)(A).

2. The statutory basis for the relief requested herein is section 365 of the Bankruptcy Code. Venue is proper in this Court pursuant to 28 U.S.C. § 1409(a).

BACKGROUND AND RELEVANT FACTS

3. On September 24, 2007 (the "Petition Date"), the Debtor filed a voluntary petition for relief pursuant to Chapter 11, Title 11 of the United States Code (the "Bankruptcy Code"). Since the Petition Date, the Debtor has remained in possession of its assets and continued management of its business as a debtor-in-possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

4. The Debtor was a licensed 280-bed acute care hospital located in Bergen County, New Jersey that, until November 21, 2007, provided in-patient, out-patient, and related health care services to the general public. A detailed description of the Debtor's business and the facts precipitating the filing of the Debtor's Chapter 11 proceeding is set forth in the Affidavit of Leonard Weil submitted in support of the Debtor's various "first day" motions (the "Weil Affidavit"). *See*, ECF Document No. 13. Those facts are incorporated herein by reference.

5. As set forth in more detail in the Weil Affidavit, the Debtor determined that it could not continue to operate because of its exceptionally poor financial performance and prospects. As of November 21, 2007 (the "Hospital Closure Date"), the Debtor permanently ceased all operations as an acute care hospital, pursuant to a closure plan (the "Closure Plan") and application for a certificate of need submitted to the New Jersey Department of Health and Senior Services.

6. By two Orders, each dated March 18, 2008, the Court approved the Debtor's sales of its real and personal property.

7. This Motion to reject the Equipment Leases is necessitated by the Debtor's cessation of operations and corresponding cessation of its use of the equipment and related items that are the subjects of the Equipment Leases.

The Equipment Leases to Be Rejected

8. Pursuant to the Equipment Lease dated March 20, 2006 (the "First Equipment Lease"), the Debtor leases certain blood analysis and testing equipment and related items. The term of the First Equipment Lease expires on or about March 20, 2011. The monthly payment due under the First Equipment Lease is calculated as a minimum commitment to purchase testing items relating to the equipment in the amount of \$4,217.38, and an annual commitment in the amount of \$50,508.60. A copy of the First Equipment Lease is annexed hereto as Exhibit A.

9. Pursuant to the Equipment Lease dated June 26, 2006 (the "Second Equipment Lease"), the Debtor leases an LH500 Hematology System. The term of the Second Equipment Lease expires on or about June 26, 2011. The rent due under the Second Equipment Lease is \$1,785.58 per month. A copy of the First Equipment Lease is annexed hereto as Exhibit B.

10. The Debtor seeks to reject each of the Equipment Leases as of the November 21, 2007 Hospital Closure Date, which is the date that the Debtor ceased operating the aspects of its business requiring the use of the equipment and related items that are the subjects of the Equipment Leases.

RELIEF REQUESTED AND APPLICABLE LAW

11. By the Motion, the Debtor seeks an order, pursuant to section 365 of the Bankruptcy Code, authorizing the Debtor to reject each of the Equipment Leases as of the November 21, 2007 Hospital Closure Date, and in accordance with and in furtherance of the Closure Plan.

12. The Bankruptcy Code provides, in pertinent part, that a debtor in possession, “subject to the court’s approval, may assume or reject any executory contract or unexpired lease of the debtor.” 11 U.S.C. § 365(a).

13. Although section 365(a) of the Bankruptcy Code does not provide a standard for determining when it is appropriate for a court to approve a debtor in possession’s rejection of an unexpired lease or executory contract, courts have uniformly deferred to the business judgment of the debtor. *See, e.g., NLRB v. Bildisco & Bildisco*, 465 U.S. 513, 523 (1984); *Matter of Taylor*, 103 B.R. 511, 517 (D.N.J. 1990), *aff’d in part, rev’d in part*, 913 F.2d 102 (3d Cir. 1990) (citing, *Sharon Steel Corp. v. Nat’l. Gas Distributors Corp.*, 812 F.2d 36, 39-40 (3d Cir. 1989)); *In re Wheeling-Pittsburgh Steel Corp.*, 72 B.R. 845, 846 (Bankr. W.D. Pa. 1987).

14. The “business judgment” test requires the Debtor to demonstrate that the rejection of a lease will benefit the Debtor’s estate. *Wheeling-Pittsburgh*, 72 B.R. at 846.

15. Here, application of the “business judgment” test unequivocally establishes that the Debtor should be authorized to reject the Equipment Leases. As set forth above, the Debtor concluded in its sound business judgment that it was not feasible to continue its business, ceased all operations and sold virtually all of its real and personal property. Accordingly, in order to terminate its obligations to pay rent for equipment that it no longer needs, the Debtor seeks to reject the Equipment as of the November 21, 2007 Hospital Closure Date.

NOTICE

16. Notice of the Motion and proposed form of order will be served on (i) the United States Trustee for Region 3, Newark, New Jersey; (ii) counsel for Bank of New York, as Master Trustee; (iii) counsel for the Creditors' Committee; (iv) counsel for Beckman and Coulter and (v) all parties requesting notice pursuant to Fed. R. Bankr. P. 2002.

WAIVER OF MEMORANDUM OF LAW

17. The Debtor respectfully submits that no memorandum of law is necessary in connection with this Motion, as the factual and legal bases for the relief requested are adequately set forth in the Application and the Motion presents no novel issues of law. Accordingly, the Debtor respectfully requests that the Court waive the requirement contained in D.N.J. LBR 9013-2 that a separate memorandum of law be submitted.

NO PRIOR REQUEST

18. No prior motion for the relief requested herein has been made to this or any other court.

WHEREFORE, the Debtor respectfully requests the entry of an Order granting the relief requested herein, and granting such other and further relief as is just and proper.

SILLS CUMMIS & GROSS, P.C.
Attorneys for Debtor and Debtor-in-Possession
Pascack Valley Hospital Association, Inc.

By: /s/ Charles N. Panzer

Jack M. Zackin
Charles N. Panzer

Dated: March 20, 2008

EXHIBIT A

Beckman Coulter - EASY Reagent-Rental Agreement



Date: 03/20/2008 BCI Proposal No.: R-PV071105 Proposal Expires: 05/30/2008
 Agreement Form: 60 Months Page No.: 1 of 2

To: Pascack Valley Hospital 312 P.O. Box
 250 Old Hook Road Westwood, NJ 07675
 From: 312 P.O. Box
 250 Old Hook Road Westwood, NJ 07675
 National/Corporate Account Affiliation: Corp-Coag/Hsm Combined Pricing Incentive ORBX000
 Beckman Coulter Representative(s): B. James

| System Description | Type | Part No. | Quantity | List Price | Extended Price |
|--------------------------------|------|----------|----------|------------|----------------|
| * ACL Advance System w/Printer | New | 660421 | 2 | \$79,500 | \$159,000 |

Subtotal: \$159,000
 Allowances: (\$159,000)
 Balance: \$0

This agreement requires a security deposit of \$2400.
 Allowances of (\$159,000) are granted upon the purchase of the reagents in the dollars stated in the attached Reagent Agreement and are subject to recovery under the default provisions of the Reagent Agreement if the customer does not fully perform all obligations throughout the full term of the Reagent Agreement on attached Coagulation Reagent Proposal Number R-PV071105-A. Throughout the term of this Agreement, customer agrees to accept shipments of the products in the quantities and according to the shipment schedule set forth on the Reagent Proposal Agreement page.

Each ACL ADVANCE includes installation of system, training for one operator per unit in our Miami, Florida facility. Pentium-based personal computer, flat-screen monitor, ergonomic keyboard, printer, continuous-load 120-sample area and 264 continuous-load cuvette spaces, pre-requisite and implementation guides, plus operator/maintenance manuals. Operator training will include all meals, lodging, training manuals, instructional videos and other appropriate course materials. Training must be used within one year from date of installation.

Warranty: One year on parts, labor and travel during Standard Business Hours.
 Full service after the warranty year is \$6400/yr per analyzer. If an IBA service option is chosen, the minimum charge per year per analyzer is \$4,645 with a maximum of \$6,399 per year per analyzer.

BCI will provide and arrange a fare for one (1) key operator per analyzer.
 BCI will provide allowance for the interface of the 2 ACL Advance to Pascack Valley's LIS system not to exceed \$25,000.
 Customer agrees to run only commercialized reagent and consumable products sold by Beckman Coulter.
 The first scheduled reagent shipment will be shipped and invoiced when the instrument ships.
 Customer is financially responsible for all sequestered materials on an annual basis. A new annual sequester of Hemostasis reagents will not be established until the prior year's obligation has been met.

If the customer has failed to attain the contracted volume in any period, Beckman Coulter, Inc. may invoice the customer for the shortfall and adjust the pricing to apply in the future to match the expected volume based upon the customer's rate of purchase over the twelve (12) months preceding the adjustment.

Commencing on the second anniversary of the signed date of this Agreement and on each anniversary thereafter, Customer or Beckman Coulter has the right to renegotiate this Agreement on a prospective basis if the Customer's annual reagent volumes substantially decrease, as measured over the preceding 360 days. This right can only be exercised by giving written notice to the other party within thirty (30) days following the anniversary date.

Taxes are the responsibility of the customer. Insurance and freight of the analyzers will be paid by BCI provided the Purchase Order includes FOB: Ship point.
 The pricing, warranties and product descriptions on this quotation are valid only for sale within the United States of America.

This document contains Confidential, Trade Secret, Commercial, or Financial Information owned by Beckman Coulter, Inc. and its wholly owned subsidiaries. It is intended for use only by the person named in the To field of the email or the person named in the From field of the email. If you are not the named recipient, you should not disseminate, distribute, or use this information. If you have received this document in error, please notify the sender immediately by email. This document is the property of Beckman Coulter, Inc. and its wholly owned subsidiaries. All rights reserved. Beckman Coulter, Inc. and its wholly owned subsidiaries are not responsible for any actions taken by you or any third party based on the information contained in this document. Beckman Coulter, Inc. and its wholly owned subsidiaries are not responsible for any actions taken by you or any third party based on the information contained in this document.

Beckman Coulter - Coagulation EASY Reagent-Rental Agreement



Date: 03/20/2006

BCI Proposal No.: 9-PV071105-A

Proposal Expires: 5/30/06

Agreement Term: 60 Months

Page No.: 2 of 2

BILL TO
Pascoack Valley Hospital
260 Old Hook Road
Westwood, NJ 07875

SHIP TO
Pascoack Valley Hospital
260 Old Hook Road
Westwood, NJ 07875

DRBX000

National/Corporate Account Affiliation: Corp-Cog/Hem Combined Pricing Incentive

Do the quantities and prices stated below supersede any existing Beckman Coulter Contract?

YES NO

If YES, the current Beckman Coulter Contract Number to be cancelled/superseded is:
Also, if YES, the Customer's current Purchase Order Number to be cancelled is:

Table with 4 columns: Part Number, Description, Annual Qty, Net Price, Extended Net Price. Lists various reagents like PT-FIB Recomb Kit, Assess Calibration Plasma, etc.

(For the proposed instrumentation, refer to Proposal No. R-PV071103)

Annual Reagent Commitment: \$50,508.60
Monthly Reagent Commitment: \$4,217.38

In consideration of Customer's agreement to use the specified Reagents sold by Beckman Coulter, Beckman Coulter agrees to sell to Customer for the term of this Agreement, such quantities of Reagents at the pricing specified above. Beckman Coulter will invoice Customer Reagents ordered plus any applicable taxes, shipping and handling charges. Customer shall issue or purchase order strictly in accordance with the terms and conditions contained in any order form issued by Customer pursuant to this Agreement...

SELLER or LESSOR: BECKMAN COULTER, INC.

ACCEPTANCE

BUYER or LESSEE:

Signature-Beckman Coulter Sales Representative

Date

Pascoack Valley Hospital

Customer Authorized Signature

Signature-Beckman Coulter Authorized Official

Printed Name and Title

Printed Name-Beckman Coulter Authorized Official

Date

Accepted Date

Effective Date

Purchase Order Number

Commencing on the second anniversary of the signed date of this Agreement and on each anniversary thereafter, Customer of Beckman Coulter has the right to renegotiate this Agreement on a prospective basis if the Customer's annual reagent volume is starting to decrease, as measured over the preceding 365 days. This right can only be exercised by giving written notice to the other party within thirty (30) days following the anniversary date.

This Document contains Confidential, Trade Secret, Commercial or Financial Information owned by Beckman Coulter, Inc. and is hereby submitted in confidence by those only it is submitted from disclosure under the Freedom of Information Act (5 U.S.C. 552) under Exemption (b)(4), and its disclosure is prohibited under the Trade Secret Act (15 U.S.C. 1105).

Completion: We have agreed to comply with all applicable state and federal regulatory provisions, but not limited to, HIPAA and BA, and we hereby submit this information in confidence to the U.S. Department of Health and Human Services (HHS) for the purpose of maintaining Security and Confidentiality of information received (P) provided under the Information Privacy Act (5 U.S.C. 552a) and the regulations promulgated thereunder.

EXHIBIT B

Beckman Coulter Rental Plan

Agreement

Date: 6/26/06 Date Proposal Expires: 08/30/06 Proposal No. 147848 Page No. 1 of 2

| | |
|--|--|
| BILL TO Pascock Valley Hospital 250 Old Hook Road Westwood, NJ 07875 | SHIP TO Pascock Valley Hospital 250 Old Hook Road Westwood, NJ 07875 DRBX000 |
|--|--|

National/Corporate Account Affiliation: Novation

| Equipment Description | Type | Part No. | Quantity | Extended List Price |
|----------------------------|------|----------|----------|---------------------|
| 1. LH500 Hematology System | New | 179511 | 1 | \$145,500.00 |

purchase only

Standard Value Added Summary:

- LABIQ Process Analysis (Laboratory Workflow Analysis)
- 2 Continuous Process Reviews per Year
- Customer Training
- Operator and Maintenance Manuals

Total List: \$145,500.00
 Allowances: \$59,500.00
 Net: \$86,000.00

*LABIQ and CPR include a review of lab objectives, workflow consolidation, reagent use and expense comparison.
 *EXCLUS: an Interface Credit will be issued for \$5,000.00

RENTAL PURCHASE LEASE

TERMS: Types, insurance and freight and the responsibility of the customer (FOB, Ship Point, freight and additional charges).
 ALLOWANCES: \$59,500.00 In consideration of 60 month Reagent Agreement. Above pricing is contingent upon the purchase of the reagents in the dollar volumes stated in the attached Reagent Agreement(s) on Reagent Proposal Number(s), Hematology Reagent Proposal Number(s) 147848

| | | | | |
|-----------------------------------|------------------------|---------------------------------------|------------------|---------------------------------------|
| Agreement Term (Number of Months) | Monthly System Payment | Monthly Service Payment (if included) | Security Deposit | Initial Payment (1st Month & Deposit) |
| 60 | \$785.58 | \$0.00 | \$0.00 | \$7,285.58 |

The pricing, warranties, and product configurations provided on this quotation are valid only for sale and use within the United States of America.
 This Document Informs Customers (Trade Secret, Confidential or Financial Information) received by Beckman Coulter, Inc. and is intended for internal use only for the purpose of providing information under the Freedom of Information Act (5 U.S.C. 552) under exemption (b)(4), and is not to be disseminated outside the Trade Secret Act (18 U.S.C. 1905).
 Customers: Parties agree to comply with Federal and State laws and regulations including but not limited to: EPA and State laws, the ICAHOC, and other applicable laws, regulations, and standards. Parties agree to maintain Security and Confidentiality and to immediately terminate access to information, including financial information, if they are notified of a security breach or unauthorized access. Parties agree to maintain the health information for the use of ASCO (100,000,000) and the use of the information is limited to the use of the information.

Lessor/Seller: Beckman Coulter, Inc. Lessee/Buyer: Westwood, NJ 07875

Signature-Beckman Coulter Sales Representative _____
 Date _____
 Signature-Beckman Coulter Authorized Official _____
 Printed Name-Beckman Coulter Authorized Official _____
 Acceptance Date _____ Effective Date _____

Alexandra Zimmerman
 Customer Authorized Official
Alexandra Zimmerman Director
 Printed Name and Title
 6/29/06
 Date
 36099
 Purchase Order Number

ACCEPTANCE: This agreement is subject to the terms and conditions set forth on both sides and is not binding until signed by an authorized representative of user and accepted by Beckman Coulter, Inc. (BCI) with the signatures of a BCI Authorized Official.

CONFIDENTIAL DOCUMENT between Beckman Coulter and the Customer

Agreement Terms and Conditions

Agreement

Customer: Pascock Valley Hospital BCI Proposal No. 147848
 Date: 08/26/2006 Proposal Expiration Date: 06/30/2006 Page No. 2 of 2
 National/Corporate Account Affiliation: Novation

Instrumentation

LH 500 Hematology System Includes Installation of the LH 500 Analyzer with reticulocyte capabilities, one PROService remote diagnostic connection, a Windows-based workstation, flat screen monitor, printer, UPS, integrated barcode scanner, plus an extra hand-held barcode scanner and training for one person in Beckman Coulter's Education Center in Miami, Florida.

Trade-In: Customer owned STKS S/N V08142.

Interface software up to \$3,000 is included. (pending paid invoice from vendor)

Warranty / Service Information

Two years of PROService™-Warranty/Service on parts, labor and travel during Standard Business Hours (i.e., one year warranty plus one additional year of service coverage). The PROService remote diagnostic connection remains the property of Beckman Coulter at all times.

Customer may purchase BA service for the LH500 at \$8,430 minimum or \$13,499 maximum.

Customer may purchase Standard Business service for the existing LH755 at \$19,152 per year or \$1,596 per month for 60 months.

Standard Terms / Miscellaneous

Equipment, I/O, Taxes, Insurance and freight are the responsibility of the customer. (FOB: Ship Point, freight and insurance to be added.)

Reagent, I/O, Taxes and insurance are the responsibility of the customer. (FOB: Ship Point, freight to be added.)

The prices, warranties and product descriptions on this quotation are valid only for sale and use within the United States of America.

Customer agrees to run only Beckman Coulter commercialized reagent and consumable products.

Customer training will include all meals, training manuals, lodging, instructional videos and other appropriate course materials. Training must be used within one year from the date of installation. Airfare is included for one operator.

Commencing on the second anniversary of the signed date of this Agreement and on each anniversary thereafter, Customer or Beckman Coulter has the right to renegotiate this Agreement on a prospective basis if the Customer's annual reagent volumes are less than 100,000, as measured over the preceding 365 days. This right can only be exercised by giving written notice to the other party (30) days following the anniversary date.

The Document Contains Confidential Information... Beckman Coulter, Inc. and its subsidiaries... This document contains confidential information... Beckman Coulter, Inc. and its subsidiaries... This document contains confidential information... Beckman Coulter, Inc. and its subsidiaries...

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

SILLS CUMMIS & GROSS P.C.
Jack M. Zackin (JZ-2540)
Charles N. Panzer (CP-6271)
One Riverfront Plaza
Newark, New Jersey 07102
(973) 643-7000
*Attorneys for the Debtor and Debtor-in-Possession,
Pascack Valley Hospital Association, Inc.*

In re:

PASCACK VALLEY HOSPITAL ASSOCIATION, INC.,

Debtor.

Hon. Rosemary Gambardella

Case No. 07-23686

Chapter 11

**ORDER, PURSUANT TO 11 U.S.C. § 365(a), AUTHORIZING THE DEBTOR TO
REJECT UNEXPIRED EQUIPMENT LEASES WITH BECKMAN COULTER,
INC. AS OF NOVEMBER 21, 2007**

The relief set forth on the following page, numbered two (2), is hereby
ORDERED.

Debtor: PASCACK VALLEY HOSPITAL ASSOCIATION, INC.
Case No.: 07-23686
Caption of Order: Order, Pursuant to 11 U.S.C. § 365(a), Authorizing Debtor to Reject
Unexpired Equipment Leases With Beckman Coulter, Inc. as of
November 21, 2007

This matter having been raised before this Court by motion (the “Motion”) of Pascack Valley Hospital Association, Inc., the debtor and debtor-in-possession herein (the “Debtor”), seeking the entry of an order, pursuant to section 365 of chapter 11, Title 11 of the United States Code, authorizing the Debtor to reject, as of November 21, 2007, two unexpired equipment leases between the Debtor and Beckman Coulter, Inc. (together, the “Equipment Leases”); and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334 and the Standing Order of Referral of Cases to Bankruptcy Court Judges of the District of New Jersey; and the consideration of the Motion, the supporting application and exhibits thereto (the “Application”), and the relief requested therein being a core proceeding in accordance with 28 U.S.C. § 157(b); and the Court having considered the Application filed in support of the Motion and any responses or objections thereto; and after due deliberation and sufficient cause appearing therefor;

IT IS HEREBY ORDERED AS FOLLOWS:

1. The Motion is granted in all respects.
2. Pursuant to 11 U.S.C. § 365(a), the Debtor is authorized to reject each of the two Equipment Leases.
3. The effective date of the Debtor’s rejection of each of the two Equipment Leases is November 21, 2007.

SILLS CUMMIS & GROSS P.C.
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Charles N. Panzer (CP-6271)
One Riverfront Plaza
Newark, NJ 07102
(973) 643-7000
www.sillscummis.com
Attorneys for Debtor and Debtor-in-Possession

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

| | |
|--|---------------------------|
| In re: | Case No. 07-23686 |
| PASCACK VALLEY HOSPITAL ASSOCIATION, INC. | Hon. Rosemary Gambardella |
| Debtor. | Chapter 11 |

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 March 20, 2008, the following documents were filed electronically with the United States Bankruptcy Court for the District of New Jersey.

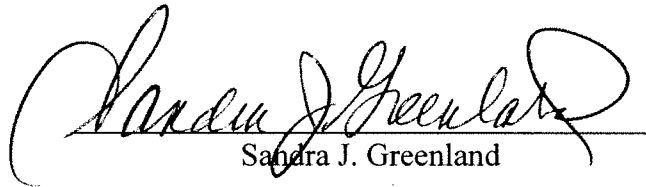
Notice of Debtor’s Motion Seeking the Entry of an Order, Pursuant to 11 U.S.C. § 365(a), Authorizing the Debtor to Reject Unexpired Equipment Leases with Beckman Coulter, Inc. as of November 21, 2007;

Application in Support of Debtor’s Motion Seeking the Entry of an Order, Pursuant to 11 U.S.C. § 365(a), Authorizing the Debtor to Reject Unexpired Equipment Leases with Beckman Coulter, Inc. as of November 21, 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 March 20, 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.

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: March 20, 2008

EXHIBIT A
SERVICE LIST

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

William W. Kannel, Esq.
Kevin J. Walsh, Esq.
Mintz, Levin, Cohn, Ferris, Glovsky and
Popeo, P.C.
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Counsel to the Bond Trustees

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Brett S. Moore, Esq.
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Counsel for Unsecured Creditors' Committee

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Counsel for Beckman Coulter, Inc.

Sheila E. Calello, Esq.
McCarter & English, LLP
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Newark, NJ 07102-4096
*Counsel for Commerce Bank, N.A.
Requesting Notice*

Marc S. Pfeuffer, Esq.
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Washington, DC 20005
Counsel for PBGC Requesting Notice

Mitchell Malzberg, Esq.
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*Counsel for Health Professionals & Allied
Employees Requesting Notice*

Thomas L. Jacob, Esq.
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Allentown, PA 18195-1501
Creditor Requesting Notice

Leslie A. Berkoff, Esq.
Lee J. Mendelson, Esq.
Moritt Hock Hamroff & Horowitz LLP
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*Counsel for General Electric Capital Corp.
and General Electric Company d/b/a
GE Healthcare Financial Services
Requesting Notice*

Joel M. Shafferman, Esq.
The Law Offices of Joel Shafferman, LLC
350 Fifth Avenue, Ste. 2723
New York, NY 10118
*Counsel for Genestor, LLC Requesting
Notice*

Ben H. Becker, Esq.
Becker Meisel LLC
Eisenhower Plaza II
354 Eisenhower Parkway, Suite 2800
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807 Las Climas Parkway, Suite 400
Austin, TX 78746
Creditor Requesting Notice

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Hospital Requesting Notice*

Jay Ganzman, Esq., DAG
Department of Law and Public Safety
Division of Law
25 Market Street
Trenton, NJ 08625
For Notice Purposes Only

Mr. John A. Calabria, Director
Office of Certificate of Need &
Healthcare Facility Licensure
NJ Dept of Health and Senior Services
171 Jersey Street
P.O. Box 358
Trenton, NJ 08625-0358
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Medical Center Requesting Notice*

Siemens Medical Solutions Diagnostic
Formerly Dade Behring Inc.
P.O. Box 6101 MS 802
Newark, DE 19714-6101
Attn: Yesim Brisbane
Creditor Requesting Notice

Primeshares
60 Madison Avenue, 2nd Floor
New York, NY 10011-1600
Creditor Requesting Notice

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