



*Frank W. Volk*  
Frank W. Volk  
United States District Judge

**Dated: February 25th, 2020**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF WEST VIRGINIA**

<b>In re:</b>	Chapter 11
<b>THOMAS HEALTH SYSTEM, INC., et al.</b>	Case No. 20-20007 (FWV)
<b>Debtors<sup>1</sup></b>	(Jointly Administered)
	Related to Docket No. 10

**FINAL ORDER: (I) AUTHORIZING DEBTORS TO MAINTAIN EXISTING BANK ACCOUNTS AND BUSINESS FORMS AND CONTINUE TO USE EXISTING CASH MANAGEMENT SYSTEM; (II) GRANTING ADMINISTRATIVE EXPENSE STATUS FOR INTERCOMPANY CLAIMS; AND (III) WAIVING THE REQUIREMENTS OF SECTION 345(b) OF THE BANKRUPTCY CODE**

Upon the motion (the “Motion”)<sup>2</sup> of the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”) for entry of an order, pursuant to sections 105(a), 345(b), 363(c)(1), and 364 of the Bankruptcy Code, (i) authorizing the Debtors to maintain existing bank accounts and business forms and continue to use their existing cash management system, (ii) granting administrative expense priority to the Debtors’ intercompany claims, and (iii) waiving the requirements of section 345(b) of the Bankruptcy Code, and this Court having entered the Interim Order on January 15, 2020 granting the Motion on an interim basis [Doc. No. 75], the Court finds that: (a) it has jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; (b) this is a core proceeding pursuant to 28 U.S.C. § 157(b); (c) venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; (d) the

<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Thomas Health System, Inc. (0674); Herbert J. Thomas Memorial Hospital Association (4900); Charleston Hospital, Inc. (2692); and THS Physician Partners, Inc. (5947).

<sup>2</sup> Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

relief requested in the Motion is in the best interests of the Debtors, their estates and creditors; (e) proper and adequate notice of the Motion and the hearing thereon has been given and no other or further notice is necessary; and (f) upon the record of the final hearing on this Motion, and after due deliberation and sufficient cause appearing therefore, it is hereby

**ORDERED** that:

1. The Motion is GRANTED on a final basis as set forth herein.
2. The Debtors are authorized and empowered, but not directed, to continue to maintain, operate and make transfers under their Cash Management System.
3. The Debtors are authorized and empowered, but not directed, to continue to maintain the Bank Accounts with the same names and account numbers as existed immediately prior to the Chapter 11 Cases.
4. Any requirement to establish separate accounts for tax payments is waived.
5. The Debtors are authorized to deposit funds in and withdraw funds from the Bank Accounts by all usual means, including, but not limited to, checks, wire transfers, electronic funds transfers, ACH Transfers and other debits, and to otherwise treat the prepetition Bank Accounts for all purposes as debtor in possession accounts.
6. The Debtors are authorized to direct the Banks and the Banks are authorized and directed to pay all obligations in accordance with this or any separate order of this Court.
7. All Banks with which the Debtors maintain the Bank Accounts are authorized and directed to continue to maintain, service and administer the Bank Accounts. Notwithstanding anything to the contrary in any other order of this Court, the Banks (a) are authorized to accept and honor all representations from the Debtors as to which checks, drafts, wires or ACH Transfers should be honored or dishonored, consistent with any order of this

Court and governing law, whether such checks, drafts, wires or ACH Transfers are dated prior to, on or subsequent to the Petition Date, and whether the Banks believe the payment is or is not authorized by an order of this Court and (b) have no duty to inquire as to whether such payments are authorized by an order of this Court.

8. The Banks shall not be liable to any party on account of (a) following the Debtors' instructions or representations as to any order of this Court, (b) the honoring of any prepetition check or item in a good faith belief that the Court has authorized such prepetition check or item to be honored or (c) an innocent mistake made despite implementation of reasonable item handling procedures.

9. The Debtors are authorized to continue to use their existing Business Forms, including without limitation their existing check stock, which forms shall not be required to include the legend "Debtor in Possession" or other similar legend.

10. All intercompany claims incurred in the ordinary course of business arising from post-petition intercompany transactions shall be, and hereby are, accorded administrative expense status pursuant to sections 503(b)(1) and 507(a)(2) of the Bankruptcy Code.

11. Any payment from a Bank Account at the request of the Debtors made by a Bank prior to the Petition Date (including any ACH Transfer such Bank is or becomes obligated to settle), or any instruments issued by such Bank on behalf of any Debtor pursuant to a "midnight deadline" or otherwise, shall be deemed to be paid prepetition, whether or not actually debited from the Bank Account prepetition.

12. The Debtors are authorized to open any new bank accounts or close any existing Bank Accounts as they may deem necessary and appropriate in their sole discretion.

13. Notwithstanding the relief granted in this Final Order, any payment made by the Debtors pursuant to the authority granted herein shall be subject to and limited by any orders in the Chapter 11 Cases authorizing the use of cash collateral and the budget described therein.

14. The requirement that the Debtors comply with section 345(b) of the Bankruptcy Code is hereby waived.

15. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Final Order in accordance with the Motion. Authorizations given in this Order empower but do not direct the Debtors to effectuate any of the payments specified herein.

16. Notwithstanding the relief granted in this Order and any actions taken pursuant to such relief, nothing in this Order shall be deemed: (a) an admission regarding the validity or amount of any claim against the Debtors; (b) a waiver of the Debtors' rights to subsequently dispute any claim on any grounds; (c) a promise or requirement to pay any claim; (d) a request or authorization to assume any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; or (e) a waiver or limitation of the Debtors' rights under the Bankruptcy Code or any other applicable law.

17. The notice of the relief requested in the Motion satisfies Bankruptcy Rule 6004(a) and, pursuant to Bankruptcy Rule 6004(h), the terms and provisions of this Final Order shall be immediately effective and enforceable upon its entry.

18. The Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Final Order.

Presented By:

/s/ Brandy M. Rapp

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**Notice Recipients**

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