IN THE UNITED STATES BANKRUPTCY COURT

EASTERN DISTRICT OF VIRGINIA

Richmond Division

In re:	)	
VIRGINIA UNITED METHODIST HOMES OF WILLIAMSBURG, INC.,	)	Case No. 13-31098
Debtor.	)	Chapter 11

FINAL ORDER GRANTING MOTION OF THE DEBTOR FOR INTERIM AND FINAL ORDERS (I) PROHIBITING UTILITY COMPANIES FROM ALTERING, REFUSING, OR DISCONTINUING SERVICE, (II) DEEMING THE UTILITY COMPANIES ADEQUATELY ASSURED OF FUTURE PERFORMANCE, AND (III) ESTABLISHING PROCEDURES FOR DETERMINING REQUESTS FOR ADDITIONAL ADEQUATE ASSURANCE

Upon the Motion of the above-captioned debtor and debtor in possession, Virginia United Methodist Homes of Williamsburg, Inc. ("VUMHW" or the "Debtor"), for a Final Order (i) prohibiting the Utility Companies from altering, refusing, or discontinuing service on account of pre-petition invoices, (ii) approving the adequate assurance of post-petition payment to be provided to the Utility Companies through the establishment of the Adequate Assurance Deposit, and (iii) establishing the Additional Adequate Assurance Procedures for resolving any Additional Adequate Assurance Requests (the "Motion");[1] and all as more fully set forth in the Motion; and the Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409, and due and proper notice of the Motion having been provided to the necessary parties; and it appearing that no other or further notice need be provided; and a hearing having been held to consider the relief requested in the Motion on a final basis (the "Hearing"); and the appearances of all interested parties having been

[1] Unless otherwise noted, capitalized terms used but not defined herein shall have the meanings provided in the Motion.

noted in the record of the Hearing; and upon the record of the Hearing, and all of the proceedings had before the Court; and the Court having determined that the relief sought in the Motion is in the best interests of the Debtor, its creditors, and all parties in interest; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefore, it is hereby:

ORDERED, ADJUDGED AND DECREED THAT:

1. The Motion is GRANTED.

2. Absent further order of this Court, the Utility Companies, including any subsequently added Utility Companies, are prohibited from altering, refusing, or discontinuing service to or discriminating against the Debtor on account of unpaid pre-petition invoices due prior to the commencement of this case, or requiring the Debtor to pay a deposit or other security in connection with the provision of post-petition Utility Services, other than in accordance with the Additional Adequate Assurance Procedures contained herein.

3. The Debtor shall deposit on or before twenty (20) business days after the Petition Date, deposit the aggregate sum of $47,000.00 (the "Adequate Assurance Deposit") into a newly created, segregated, interest-bearing account, for the purpose of providing each Utility Company adequate assurance of payment of its post-petition Utility Services to the Debtor. The Adequate Assurance Deposit shall be maintained with a minimum balance equal to the Debtor's estimated monthly cost of utility service, which may be adjusted by the Debtor to account for the termination of Utility Services by the Debtor or other arrangements with respect to adequate assurance of payment reached with any Utility Company.

4. To the extent the Debtor becomes delinquent with respect to a Utility Company's account, such Utility Company may file a notice of such delinquency (the "Delinquency Notice") with the

Court and serve such notice on (a) the Debtor, (b) counsel to the Debtor, (c) counsel to the official committee of unsecured creditors, if one is appointed; and (d) the United States Trustee (collectively, the "Parties In Interest"). If the Debtor has not cured such delinquency or no Party In Interest has objected to the Delinquency Notice within ten (10) days of the receipt of the Delinquency Notice, then the Debtor shall remit to such Utility Company from the Adequate Assurance Deposit the lesser of (i) the amount allocated in the Adequate Assurance Deposit for such Utility Company's account and (ii) the amount of post-petition charges claimed as delinquent in the Delinquency Notice.

5. The Additional Adequate Assurance Procedures are hereby approved as follows:

a. In the event that a Utility Company maintains that the Adequate Assurance Deposit is not satisfactory adequate assurance of payment as contemplated by Bankruptcy Code Section 366(c)(2), the Utility Company must serve a request (an "Additional Adequate Assurance Request") for adequate assurance on the Debtor and its counsel at the following addresses: Virginia United Methodist Homes of Williamsburg, Inc., 7113 Three Chopt Road, Suite 300, Richmond, VA 23226, DLA Piper LLP (US), 1251 Avenue of the Americas, New York, NY 10020 (Attn: Thomas R. Califano, Esq., George B. South III, Esq., and Sarah Castle. Esq.), and Hirschler Fleischer, P.C. 2100 East Cary Street, Richmond, VA 23223 (Attn: Robert S. Westermann, Esq. and Sheila deLa Cruz, Esq.), so that it is actually received within forty-five (45) days after a final order is entered granting the relief sought herein (the "Additional Adequate Assurance Request Deadline").

b. Any Additional Adequate Assurance Request must: (i) be made in writing, (ii) set forth the location for which Utility Services are provided, (iii) include a summary of the Debtor's payment history relevant to the affected accounts, including any security deposit, (iv) set forth what the Utility Company would accept as satisfactory adequate assurance of payment, and (v) provide a fax and electronic mail address to which the Debtor may respond to the Additional Adequate Assurance Request.

c. The Debtor shall have until forty-five (45) days after the Additional Adequate Assurance Request Deadline (the "Resolution Period") to negotiate with the Utility Companies that serve an Additional Adequate Assurance Request.

d. Without further order of the Court, the Debtor may enter into agreements granting additional adequate assurance to a Utility Provider serving a timely Additional Adequate Assurance Request if the Debtor, in its discretion, determine that the Additional Adequate Assurance

Request is reasonable or if the parties negotiate alternate consensual provisions.

e. If the Debtor determines that an Additional Adequate Assurance Request is unreasonable and is not able to reach an alternative resolution with the Utility Company during the Resolution Period, the Debtor, during or immediately after the Resolution Period, will request a hearing before the Court to determine the adequacy of assurance of payment with respect to a particular Utility Company, pursuant to Bankruptcy Code Section 366(c)(3) (the "Determination Hearing").

f. Pending resolution of any such Determination Hearing, the Utility Company shall be prohibited from altering, refusing, or discontinuing services to the Debtor on account of unpaid pre-petition invoices or any objections to the Debtor's Adequate Assurance Deposit, or due to the commencement of this case.

g. Any Utility Company that does not serve an Additional Adequate Assurance Request by the Additional Adequate Assurance Request Deadline shall be deemed to have received adequate assurance of payment that is satisfactory to such Utility Company within the meaning of Bankruptcy Code Section 366(c)(2).

6. The Debtor is authorized, in its sole discretion, to amend **Exhibit 1** attached hereto to add or delete any Utility Company. The Debtor shall serve a copy of the Motion and this Order on such subsequently identified Utility Companies. Such Utility Companies shall then have thirty (30) days from the service of the Motion and the Order to make an Additional Adequate Assurance Request.

7. The inclusion or exclusion of any entity on or from **Exhibit 1** or on or from any amended **Exhibit 1** shall not constitute an admission that such entity is or is not a utility company within the meaning of Bankruptcy Code Section 366. This Order specifically reserves the rights of the Debtor to argue that (a) any of the entities now or hereafter listed on **Exhibit 1** are not "utilities" within the meaning of Bankruptcy Code Section 366, and (b) any such entity is compelled by contractual obligation, state or local law, or otherwise, to continue to furnish services to the Debtor notwithstanding the Debtor's filing for relief under Chapter 11 of the Bankruptcy Code.

8. In the event that any Utility Company, including a subsequently added Utility Company, files and/or serves an Additional Adequate Assurance Request after the Additional Adequate Assurance

Request Deadline, or, if applicable, the deadline established in the paragraphs above, such request shall be treated as a request under Bankruptcy Code Section 366(c)(3) and shall be granted, if at all, only after the Utility Company making such request schedules such request for hearing, on notice, in accordance with the provisions of the Bankruptcy Code and the Federal Rules of Bankruptcy Procedure.

9. The Debtor is authorized to pay on a timely basis in accordance with their pre-petition practices all undisputed invoices in respect to post-petition Utility Services rendered by the Utility Companies to the Debtor.

10. The Debtor is authorized, in its sole discretion, to amend the Utility Service List to add or delete any Utility Company, and this Order shall apply to any such Utility Company that is subsequently added to the Utility Service List.

11. The Debtor shall serve a copy of this Order on each Utility Company listed on the Utility Service List within two (2) business days of the date this Order is entered, and shall similarly serve this Order on each Utility Company subsequently added by the Debtor to the Utility Service List.

12. Notwithstanding Bankruptcy Rule 6004(h), this Order shall be effective and enforceable immediately upon entry hereof.

13. The Court shall retain jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: Mar 29 2013
Richmond, Virginia

/s/ Kevin R Huennekens
Kevin R. Huennekens
United States Bankruptcy Judge

Entered on Docket: March 29, 2013

We ask for this:

/s/ Sheila deLa Cruz
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Counsel for Virginia United Methodist Homes of Williamsburg, Inc., Debtor and Debtor-In-Possession

CERTIFICATE OF ENDORSEMENT

I hereby certify, under Local Rule 9022-1, that the foregoing proposed Order has been endorsed by or served upon all necessary parties.

/s/ Sheila deLa Cruz
Counsel

Exhibit 1

List of Utility Companies and Accounts

Utility Provider	Utility Services Provided	Monthly Average Cost
ACC Business	Telephone	$1,340.68
Access Point	Telephone	$1,195.01
County Waste of Virginia	Trash Removal	$2,475.47
Cox Communications	Cable	$4,930.59
DIRECTV	Cable TV	$154.42
Dominion Virginia Power	Electricity	$26,367.72
HRUBS	Water and Sewer	$2,835.98
MCI Communications Service	Telephone	$34.82
PAETEC	Network Connections	$829.01
Verizon	Telephone	$1,413.29
Verizon Wireless	Cell Phone	$661.26
Virginia Natural Gas	Gas	$4,099.34
Globalstar	Telephone	$37.73
Total		**$46,375.32**