

1. On August 15, 2007 (the “Petition Date”), the Debtor filed a voluntary petition for relief pursuant to Chapter 11 of Title 11, United States Code (the “Bankruptcy Code”). Since the Petition Date, the Debtor has remained in possession of its assets and continued in management of its business as debtor-in-possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code.

2. The Debtor has continued in possession of its property and has continued to operate and manage its business as a debtor-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

3. An Official Committee of Unsecured Creditors has not yet been appointed in this case.

4. Barnert Hospital is a 256-bed acute care hospital located at 680 Broadway, Paterson, New Jersey which serves the communities of Bergen and Passaic counties. Barnert Hospital was founded in 1908. Barnert Hospital’s dedicated and diverse staff delivers the best possible health care to a multi-cultural community treating over 6,500 in-patients and 112,000 outpatients per year.

5. The Debtor has approximately 635 full time employees and its physicians and medical staff encompass a broad range of specialties. The Barnert Occupational Health Center provides diagnosis and treatment of work-related issues related to asbestos and hazardous waste, hearing loss, employment physicals, and injury prevention. Centers for pain management, sleep disorders, and breast health supplement the trauma facilities of the hospital. Outreach services include the Family and Child Education project operated in conjunction with the Paterson Public School District, with an eye toward prevention of health problems particularly among

economically disadvantaged populations. Additional information concerning the Debtor's background and the events leading up to the chapter 11 filing may be found in the Affidavit of Peter Betts In Support Of Debtor's First-Day Motions filed concurrently herewith.¹

6. The Debtor wishes to retain M&E as its general bankruptcy counsel in this matter to perform the following legal services:

(a) advising the Debtor with respect to its powers and duties as debtor and debtor in possession in the continued management and operation of its business and property;

(b) attending meetings and negotiating with representatives of creditors and other parties in interest and advising and consulting on the conduct of the case, including all of the legal and administrative requirements of operating in chapter 11;

(c) taking all necessary action to protect and preserve the Debtor's estates, including the prosecution of actions on behalf of the Debtor's estate, the defense of actions commenced against the estate, negotiations concerning litigation in which the Debtor may be involved and objections to claims filed against the estate;

(d) preparing, on behalf of the Debtor, motions, applications, answers, orders, reports and papers necessary to the administration of the estate;

(e) preparing and negotiating on the Debtor's behalf a plan of reorganization, disclosure statement and all related agreements and/or documents and taking any necessary action on behalf of the Debtor to obtain confirmation of such plan;

¹ Capitalized terms not defined herein shall have the meanings ascribed to them in the Betts Affidavit.

(f) performing other necessary legal services and providing other necessary legal advice to the Debtor in connection with this chapter 11 case; and

(g) appearing before this Court, any appellate courts, and the United States Trustee and protecting the interests of the Debtor's estate before such court and the United States Trustee.

7. The Debtor has selected M&E because of the firm's considerable experience in Chapter 11 proceedings, including healthcare insolvency matters, healthcare financing, regulatory issues and representation of hospitals generally. The Debtor believes M&E is duly qualified to represent the Debtor as debtor-in-possession in this proceeding, and the services of M&E are necessary and essential to the Debtor's performance of its duties as debtor-in-possession.

8. The accompanying Affidavit of Joseph Lubertazzi, Jr., Esq. (the "Lubertazzi Affidavit") describes relationships, if any, that M&E has with creditors of the Debtor and other interested parties. To the best of the Debtor's knowledge and except as set forth in the Lubertazzi Affidavit, M&E does not hold or represent any interest adverse to the Debtor, its creditors or estate in this matter, and is a disinterested person within the meaning of Section 101(14) of the Bankruptcy Code.

9. In mid-late June, the Debtor retained M&E in connection with analyzing its restructuring options. Since being retained, M&E has worked closely with the Debtor with respect to its restructuring efforts. As a result, M&E has become uniquely familiar with the Debtor's business affairs and many of the potential legal issues that may arise in the context of this case. M&E has provided advice and assisted the Debtor in all aspects of its restructuring

efforts and the preparation of this case, including the negotiating and drafting of the various first-day motions and other documents and pleadings necessary for the filing of this case.

10. On July 23, 2007 the Debtor paid M&E the amount of \$75,000 as a retainer for professional fees and expenses for services to be rendered. On August 10, 2007, Barnert Hospital paid M&E's invoices dated August 10, 2007 for services rendered through July 31, 2007, totaling \$102,924. M&E applied the prepetition retainer, together with a payment of \$10,000, to the balance of its prepetition charges on August 14, 2007 for services rendered through and including August 12, 2007 totaling \$85,000 (with charges in excess of this amount waived).

11. On August 14, 2007, Barnert Hospital provided M&E with \$200,000 to be used as a post-petition retainer.

12. It is the Debtor's understanding that M&E will be submitting detailed statements to the Court setting forth the services rendered and seeking compensation and reimbursement of expenses (including, when appropriate, authority to apply the retainer). The Debtor also understands that M&E will be applying to the Court for authority to be paid its fees and expenses pursuant to its obligation under the Bankruptcy Code or any administrative fee procedure that may be established, to which the Debtor consents.

WHEREFORE, the Debtor respectfully requests that the Court enter an Order approving the Application to retain McCarter & English, LLP as its attorneys, approving the reasonableness of the retainer, and granting such other relief as the Court deems just and appropriate under the circumstances.

NATHAN AND MIRIAM BARNERT
MEMORIAL HOSPITAL ASSOCIATION
d/b/a BARNERT HOSPITAL

By: _____ /s/ *Peter Betts*
Name: Peter Betts
Title: CEO

Dated: August 16, 2007
Newark, New Jersey

Jersey and the United States Court of Appeals for the Third Circuit. I submit this affidavit pursuant to sections 327, 329 and 504 of title 11 of the United States Code (the “Bankruptcy Code”) and Rules 2014(a) and 2016(b) and (c) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) in support of the Debtor’s Application to retain M&E as bankruptcy counsel (the “Application”),¹ filed contemporaneously herewith by Nathan and Miriam Barnert Memorial Hospital Association, d/b/a Barnert Hospital, the debtor in possession in the above-captioned case (the “Debtor” or “Barnert Hospital”). Except as otherwise indicated herein, I have personal knowledge of the matters set forth herein and, if called as a witness, would testify competently thereto.²

QUALIFICATION OF PROFESSIONALS

2. In early July, 2007, Barnert Hospital engaged M&E to provide legal advice in connection with its efforts to respond to its financial circumstances, including a possible restructuring of its financial affairs and capital structure and, as necessary, preparation of documents related to and representation in any reorganization case filed under chapter 11.

3. Since being retained, M&E has worked closely with Barnert Hospital with respect to its restructuring efforts. As a result, M&E has become uniquely familiar with the Barnert Hospital’s business affairs and many of the potential legal issues that may arise in the context of this case. M&E has provided advice and assisted Barnert Hospital in all aspects of its restructuring efforts and the preparation of this case, including the negotiations for funding and negotiating and drafting of the various first-day motions and other documents and pleadings necessary for the filing of this case.

¹ Unless otherwise defined, capitalized terms used herein shall have the meanings ascribed to them in the Application.

² Certain of the disclosures herein related to matters within the knowledge of attorneys of M&E and are based on information provided by them.

4. I am a member of M&E's corporate restructuring department and have extensive experience in corporate restructurings and related matters, including healthcare insolvency matters. I have over twenty years of experience in chapter 11 reorganization cases representing secured lenders, debtors, providers of debtor in possession financing, unsecured creditors, potential purchasers of assets and other parties in interest in bankruptcy proceedings.

5. Other professionals and paraprofessionals employed by M&E, many of whom also have extensive experience in corporate restructurings, will participate in the representation of the Debtor in this case. These professionals will include members of M&E's Healthcare Group, which is part of M&E's interdisciplinary team focused on the legal, regulatory and business issues facing the health care industry generally and New Jersey providers. M&E has specific experience in the financing, reorganization and strategic challenges faced by health care providers.

6. Due to M&E's experience and knowledge in the field of debtors' and creditors' rights and reorganizations under chapter 11 of the Bankruptcy Code and its deep experience in health care insolvency matters, healthcare financing, regulatory issues and representation of hospitals generally, M&E believes that it is well qualified and able to act on the Debtor's behalf and to guide it through this reorganization case. Accordingly, subject to this Court's approval of the Application, M&E is willing to perform the services requested by the Debtor.

SERVICES TO BE RENDERED

7. The Debtor has requested that M&E render various services to the Debtor including, inter alia:

- (a) advising the Debtor with respect to its powers and duties as debtor and debtor in possession in the continued management and operation of its business and property;

(b) attending meetings and negotiating with representatives of creditors and other parties in interest and advising and consulting on the conduct of the case, including all of the legal and administrative requirements of operating in chapter 11;

(c) taking all necessary action to protect and preserve the Debtor's estates, including the prosecution of actions on behalf of the Debtor's estate, the defense of actions commenced against the estate, negotiations concerning litigation in which the Debtor may be involved and objections to claims filed against the estate;

(d) preparing, on behalf of the Debtor, motions, applications, answers, orders, reports and papers necessary to the administration of the estate;

(e) preparing and negotiating on the Debtor's behalf a plan of reorganization, disclosure statement and all related agreements and/or documents and taking any necessary action on behalf of the Debtor to obtain confirmation of such plan;

(f) performing other necessary legal services and providing other necessary legal advice to the Debtor in connection with this chapter 11 case; and

(g) appearing before this Court, any appellate courts, and the United States Trustee and protecting the interests of the Debtor's estate before such court and the United States Trustee.

DISINTERESTEDNESS OF PROFESSIONALS

8. To ascertain M&E's "connections," as that term is used in Bankruptcy Rule 2014, to the Debtor, its creditors, its pre-petition lender, and other parties in interest in this case, I and other members of my Firm reviewed a list of the Debtor's unsecured creditors owed more than \$25,000.00, a listing of utility providers, a list of parties with pending litigation against the Debtor, and parties listed on UCC search results obtained prior to the filing (the "Searched List"). This review was conducted in order to identify the existence of any actual or potential

conflicts of interest. M&E's accounting department produced a computer printout listing of M&E's connections with any of the entities on the Searched List.

9. As is true of any large law firm possessing the broad expertise required to represent a distressed hospital in a highly regulated industry, M&E represents a small number of the approximately 3,000 unsecured creditors of Barnert Hospital in matters unrelated to Barnert Hospital. As set forth below, M&E will not represent Barnert Hospital with regard to any claims which these entities may file in this case. Instead, those claims will be addressed by conflicts counsel to be retained by Barnert Hospital. Based on the results of the computerized conflict search and by making general, and when applicable, specific inquiries of M&E personnel, insofar as I have been able to ascertain after diligent inquiry, neither I, nor M&E, nor any member or associate of the firm has any connection with the Debtor, its unsecured creditors, or any other party in interest, except as follows:

- a. annexed hereto as **Exhibit "A"** is a schedule which lists those creditors that M&E represents in currently open matters entirely unrelated to the Debtor or its Chapter 11 case;
- b. annexed hereto as **Exhibit "B"** is a list of those creditors of the Debtor who are current or former clients of M&E in currently closed matters unrelated to the Debtor.

10. Barnert Hospital has identified Columbia Bank ("Columbia") among its creditors and parties in interest. Columbia appears to have a mortgage on real property owned by Barnert Hospital in Fairlawn, New Jersey. M&E presently represents Columbia in matters which are totally unrelated to the Debtor or its Chapter 11 case for advice on bank regulatory and compliance issues. M&E will not represent Columbia in connection with any matters relating to the Debtor during the pendency of this Chapter 11 proceeding. M&E will not represent Barnert

Hospital with regard to the claim of Columbia. Conflicts counsel will be retained for that purpose.

11. M&E further represents that its professional fees billed to Columbia for services rendered from 2004 to present is less than \$20,000 in the aggregate, which is significantly less than 1/2 of 1% of M&E's annual revenue for 2006. M&E has established an ethical wall separating all attorneys who have in the past, presently and in the future, may perform professional services for Columbia from M&E's attorneys, representing the Debtor, to insure against the potential disclosure of non-public or privileged and other confidential information of the Debtor.

12. M&E currently represents Amerihealth Administrators, Inc. ("AHA") in a litigation matter that is adverse to the Debtor captioned Rosa Fernandes v. PACE Local pending in the United States District Court for the District of New Jersey . Specifically, PACE Local (the "Fund") is an employee welfare benefit plan that became insolvent. In this lawsuit, Barnert Hospital, individually and as attorney-in-fact for Rosa Fernandes, seeks to recover from the Fund, AHA, and the other defendants approximately \$253,000 of unpaid medical bills. AHA has not asserted a counterclaim against Barnert Hospital. Many individuals have filed similar lawsuits against the Fund, all of which, including plaintiff's action, have been consolidated into the main case against the Fund's trustees, President Container, Inc. et al. v. Local 1-300 Health Fund, et al., Civil Action No. 04-cv3885 (the "President Container Action"). The plaintiffs in the President Container Action have sought class certification on behalf of all Fund participants with unpaid claims. Currently, the President Container Action, as it pertains to AHA, has been inactive for the past two months due to the fact that the Court has not decided a pending motion

to stay the case filed by the United States of America. It is unknown when this case might again proceed.

13. M&E has not provided any advice to the Debtor, at any time, regarding the “account receivable” representing this litigation claim. The amount of this claim is not “material” in the asset base of the Debtor. M&E will not represent Barnert Hospital in this matter. The Debtor will continue to be represented by its current counsel or, if need be, conflicts counsel. Moreover, prior to filing the Debtor’s Chapter 11 petition, M&E obtained a conflict waiver from AHA and the Debtor (the “AHA Waiver”), which is consistent with the rules of Professional Conduct (“RPC”) including but not limited to RPC 1.7, and provides that M&E professionals providing services to the Debtor in connection with its Chapter 11 case are not concurrently providing services to AHA in unrelated matters and that M&E’s representation of the Debtor will not involve the assertion against AHA of a claim of fraud, misrepresentation or other dishonest conduct in any litigation arising from the Debtor’s Chapter 11 case. A copy of the AHA Waiver is attached hereto to as **Exhibit “C”**.

14. M&E further represents that its professional fees billed to AHA in fiscal year 2006 represented less than .0623%, or significantly less than 1%, of M&E’s annual revenue for the year. M&E has established an ethical wall separating all attorneys and para-professionals who have in the past, presently, and in the future, may perform professional services to AHA from M&E’s Bankruptcy and Restructuring Department, to insure against the potential disclosure of non-public or privileged and other confidential information of this Debtor.

15. Given that M&E employs more than 400 attorneys in 8 offices, and has a large and diversified law practice with a client roll with thousands of names that encompass many financial institutions and commercial corporations, some of M&E’s current or former clients are,

or may consider themselves to be, creditors or parties in interest in these chapter 11 cases or otherwise have an interest in these chapter 11 cases. M&E will not represent any other client in matters related to the Debtor's Chapter 11 case.

16. As reflected on Exhibit A, the Debtor has identified GE Capital Public Finance, Inc. ("Public Finance") among its creditors and parties in interest. Public Finance holds the bonds on a \$3.5 million financing, which bonds may be secured by certain equipment of the Debtor. M&E presently represents other entities in the General Electric family ("GE") in matters unrelated to Barnert Hospital. M&E will not represent GE in connection with any matters relating to the Debtor during the pendency of this Chapter 11 proceeding.

17. M&E further represents that its professional fees billed to GE for services rendered in fiscal year 2006 equated to approximately 3.6% of M&E's annual revenue for 2006. M&E has established an ethical wall separating all attorneys who have in the past, presently, and in the future, may perform professional services for GE from M&E's attorneys, representing the Debtor, to insure against the potential disclosure of non-public or privileged and other confidential information of the Debtor.

18. As set forth on Exhibit A, the Debtor has identified Metlife, Inc. ("Metlife") among its creditors and parties in interest. MetLife appears to hold an unsecured claim in this proceeding. M&E presently represents Metlife in other matters which are totally unrelated to the Debtor or its Chapter 11 case such as rendering advice on regulatory and compliance issues. M&E will not represent Metlife in connection with any matters relating to the Debtor during the pendency of this Chapter 11 proceeding.

19. M&E further represents that its professional fees billed to Metlife for services rendered in fiscal year 2006 equated to approximately 5.7% of M&E's annual revenue for 2006.

M&E has established an ethical wall separating all attorneys who have in the past, presently, and in the future, may perform professional services for Metlife from M&E's attorneys, representing the Debtor, to insure against the potential disclosure of non-public or privileged and other confidential information of the Debtor

20. Based upon the information in this Affidavit, the ethical walls that have been created and the eventual retention of conflicts counsel, except as otherwise set forth herein:

- (a) Neither M&E nor any attorney of M&E holds or represents an interest adverse to the Debtor's estate.
- (b) Neither M&E nor any attorney of M&E is or was a creditor or an insider of the Debtor, except that M&E previously has rendered legal services to the Debtor for which it has been compensated as disclosed below.
- (c) M&E does not have an interest materially adverse to the interest of the estate or of any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with or interest in the Debtor specified in the foregoing paragraphs, or for any other reason.

21. In view of the foregoing, I believe that M&E is a "disinterested person" within the meaning of Bankruptcy Code section 101(14).

22. M&E will continue to comply with its ongoing duty under Bankruptcy Code section 328 to notify this Court if any actual conflict arises, and if necessary, arrange for "ethical walls" with respect to the M&E attorney who worked on the matter.

PROFESSIONAL COMPENSATION

23. On July 23, 2007 the Debtor paid M&E the amount of \$75,000 as a retainer for professional fees and expenses for services to be rendered. On August 10, 2007, Barnert Hospital paid M&E's invoices dated August 10, 2007 for services rendered through July 31, 2007, totaling \$102,924. M&E applied the prepetition retainer, together with a payment of \$10,000, to the balance of its prepetition charges on August 14, 2007 for services rendered

through and including August 12, 2007 totaling \$85,000 (with charges in excess of this amount waived).

24. On August 14, 2007, Barnert Hospital provided M&E with \$200,000 to be used as a post-petition retainer.

25. M&E's current hourly rates range from \$300-\$650 for partners, \$210-\$350 for associates and \$135- \$200 for legal assistants. M&E implements periodic adjustments to these rates in the normal course of business.

26. Consistent with the M&E's policy with respect to its other clients, M&E will continue to charge the Debtor for all other services provided and for other charges and disbursements incurred in the rendition of services. These charges and disbursements include, among other things, costs for telephone charges, photocopying, travel, business meals, computerized research, messengers, couriers, postage, witness fees and other fees related to trials and hearings.

27. During the course of this case, M&E will apply to the Court for allowance of compensation for professional services rendered and reimbursement of expenses incurred in this case in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, the United States Trustee Fee Guidelines, and any orders entered in this case governing professional compensation and reimbursement for services rendered and charges and disbursements incurred. Such applications will constitute a request for interim payment against M&E's reasonable fees and expenses to be determined at the conclusion of these cases.

28. M&E will accept as compensation such sums as may be allowed by the Court on the basis of the professional time spent, the rates charged for such services, the necessity of such services to the administration of the estate, the reasonableness of the time within which the

services were performed in relation to the results achieved, and the complexity, importance, and nature of the problems, issues or tasks addressed in these cases.

29. Additionally, M&E will also seek compensation for all time and expenses associated with its retention as a section 327(a) professional, including the preparation of the Application, this Affidavit and related documents, as well as any monthly fee statements and/or interim and final fee applications.

30. Other than as set forth above, no arrangement is proposed between the Debtor and M&E for compensation to be paid in these cases.

31. M&E has no agreement with any other entity to share any compensation received, nor will any be made, except as permitted under Bankruptcy Code section 504(b) (1).

I declare under penalty of perjury under the laws of the United States of America that, to the best of my knowledge and belief, and after reasonable inquiry, the foregoing is true and correct.

/s/ Joseph Lubertazzi, Jr.
Joseph Lubertazzi, Jr.

Subscribed and Sworn
Before me on this 16th day
of August, 2007

David J. Adler
Notary Public of the
State of New Jersey

EXHIBIT A

Creditors which M&E Currently Represents in Open Matters Unrelated to the Debtor or its Chapter 11 Case

America Medical Systems, Inc.	Nationwide Insurance Companies
Aramark Corporation	New Jersey Health
Baxter International	Office Depot, Inc.
Bell Atlantic Corporation	Public Service Electric & Gas
Boston Scientific	Public Service Enterprise Group, Inc.
Cigna Corporation	Sodexo
Columbia Bank	Sprint
Enterprise Group Incorporated	T-Mobile
General Electric Company (and various affiliates)	Toshiba Corporation
Hewlett Packard	UMDNJ
Mallinckrodt Inc.	United Technologies Corporation
MDX Solutions	University Health Plans
Metlife, Inc.	Verizon New Jersey Inc.
Microvasive/Boston Scientific	Verizon Wireless

EXHIBIT B

Current or Former Clients of M&E in Closed Matters Unrelated to the Debtor or its Chapter Case

Alaris Medical Systems, Inc. (10/11/06)*

Allergan Incorporated (12/29/04)

Allied Office Products Group, Inc. (3/22/00)

Baxter Healthcare Corp. (1/13/05)

Cardinal Health (6/11/03)

Drinker Biddle & Reath LLP (5/17/05)

EUA Cogonex Corporation (5/31/06)

Fresenius Medical Care (5/31/05)

Laboratory Corporation of America Holdings (4/26/04)

MCI Communications Corporation (5/17/05)

Nestle (1/21/05)

OA Peterson Constructions Co. Inc. (9/1/98)

Siemen AG (7/9/07)

U.S. Bank (5/17/05)

*Date in parenthesis indicates date last matter was closed.

EXHIBIT C

RECEIVED

AUG 08 2007

B. M. J.



August 1, 2007

VIA OVERNIGHT MAIL

Eleanor Thompson, Esq.
Deputy General Counsel
Independence Blue Cross
1901 Market Street
Philadelphia, PA 19103-1480

Penelope M. Taylor
Partner
T. 973 639 7947
F. Direct 973 297 3837
playlor@mccarter.com

Re: Waiver of Conflict – Barnert Hospital

Dear Ellie:

We write to obtain a waiver from AmeriHealth Administrators, Inc. ("AHA") of the conflict-of-interest that would exist as a result of my partners' proposed representation of Barnert Hospital ("Barnert").

The rules of ethics governing attorneys preclude us from representing clients whose interests conflict, unless all of the affected clients have waived the conflict and consented to the representation. In connection with our representation of AHA in Rosa Fernandes v. PACE Local ("the President Container Action"), we are adverse to Barnert. Barnert has agreed to waive the conflict.

We seek AHA's agreement to waive the conflict of interest that exists with respect to our Firm's representation of AHA in the President Container Action and our firm's proposed representation of Barnert.

In connection with our Firm's proposed representation of Barnert, we will implement an ethical screen such that there will be no communication or sharing of information regarding AHA between or among Firm personnel handling the Barnert matters and Firm personnel handling any matters for AHA. Furthermore, the Firm's representation of Barnert will not include providing any advice to Barnert regarding the President Container Action. Nor will our representation of Barnert include handling any litigation involving third-party administrators or providing advice regarding Barnert's ability to collect money from third-party administrators.

If you are agreeable to the above, please sign the waiver set forth on the enclosed copy of this letter and return it to me in the enclosed reply envelope.

McCarter & English, LLP
Four Gateway Center
100 Mulberry Street
P.O. Box 652
Newark, NJ 07102
T. 973.622.4444
F. 973.624.7070
www.mccarter.com

BALTIMORE

BOSTON

HARTFORD

NEW YORK

NEWARK

PHILADELPHIA

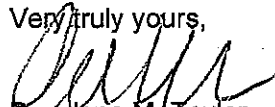
STAMFORD

WILMINGTON

Eleanor Thompson, Esq.
Independent Blue Cross
August 1, 2007
Page 2

If you have any questions, please feel free to call me.

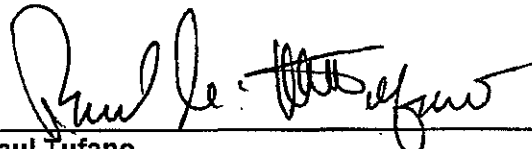
Very truly yours,



Penelope M. Taylor

PMT/la

cc: Michael Zipfel, Esq. (via regular mail)

By: 
Paul Tufano

Dated: August 2, 2007

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

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

MCCARTER & ENGLISH, LLP

Four Gateway Center

100 Mulberry Street

Newark, NJ 07102

(973) 622-4444

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dadler@mccarter.com

Proposed Attorneys to Nathan and Miriam Barnert

Memorial Hospital Association d/b/a Barnert

Hospital, Debtor-in-Possession

David J. Adler (DA-0048)

John G. Loughnane (JL-8040)

In the Matter of:

NATHAN AND MIRIAM BARNERT

MEMORIAL HOSPITAL ASSOCIATION d/b/a

BARNERT HOSPITAL

Debtor-in-Possession.

Case No.: 07-

Judge:

Hearing Date

**ORDER APPROVING THE DEBTOR'S RETENTION OF
MCCARTER & ENGLISH, LLP AS BANKRUPTCY COUNSEL**

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

(Page 2)

Debtor:	NATHAN AND MIRIAM BARNERT MEMORIAL HOSPITAL ASSOCIATION d/b/a BARNERT HOSPITAL
Case Nos.	07-
Caption of Order:	ORDER APPROVING DEBTOR' S RETENTION OF MCCARTER & ENGLISH, LLP AS BANKRUPTCY COUNSEL

THIS MATTER having been opened to the Court by Nathan and Miriam Barnert Memorial Hospital Association d/b/a Barnert Hospital, the within debtor and debtor-in-possession herein (the "Debtor"), upon an Application for entry of an Order approving the Debtor's retention of McCarter & English, LLP ("M&E") as its bankruptcy counsel in this proceeding; and the Court having considered the Application and the Affidavit of David S. Adler, Esq. in support thereof; and the Court being satisfied that M&E does not hold or represent any interest adverse to the Debtor, its estate or creditors, and is a disinterested person within the meaning of Sections 327 and 101(14) of the Bankruptcy Code, and that said employment would be in the best interests of the estate; and notice of the proposed retention• having been given in accordance with the requirements of D.N.J. LBR 20 14-1(a); and for good cause shown,

IT IS ORDERED as follows:

1. The retention of M&E as bankruptcy counsel for the Debtor is hereby authorized and approved effective as of the date of the commencement of this case.
2. The pre-petition retainer the Debtor paid to M&E in the amount of \$200,000 is reasonable and is hereby approved.
3. Any and all compensation to be paid to M&E for services rendered on the Debtor's behalf shall be fixed by application to this Court in accordance with Sections 330 and 331 of the Bankruptcy Code and such Rules of Local and Federal Bankruptcy Procedure as may

(Page 3)

Debtor:	NATHAN AND MIRIAM BARNERT MEMORIAL HOSPITAL ASSOCIATION d/b/a BARNERT HOSPITAL
Case Nos.	07-
Caption of Order:	ORDER APPROVING DEBTOR' S RETENTION OF MCCARTER & ENGLISH, LLP AS BANKRUPTCY COUNSEL

then be applicable, unless an alternate arrangement for interim compensation is authorized by the Court.

4. A copy of this Order shall be served on all parties-in-interest within seven (7) days hereof.