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 Proposed Attorneys to Debtor in Possession
 Nathan and Miriam Barnert Memorial
 Hospital Association d/b/a Barnert Hospital

UNITED STATES BANKRUPTCY COURT
 DISTRICT OF NEW JERSEY

In re:	:	Chapter 11
NATHAN AND MIRIAM BARNERT MEMORIAL HOSPITAL ASSOCIATION, d/b/a BARNERT HOSPITAL,	:	Case No. 07-21631 (DHS)
<div style="text-align: center;">Debtor.</div>	:	

**APPLICATION OF THE DEBTOR FOR ENTRY OF STIPULATION AND
 CONSENT ORDER PURSUANT TO LOCAL RULE 9013-1(j)(1)**

Nathan and Miriam Barnert Memorial Hospital Association, d/b/a Barnert Hospital (the “Debtor”), by and through its proposed attorneys, McCarter & English, LLP, hereby respectfully applies to the Court, pursuant to Local Rule of Bankruptcy Procedure 9013-1(j)(1), for entry of a Stipulation and Consent Order entered into between the Debtor and Phoenix Health Care, Inc. (“Phoenix”), and states:

Jurisdiction and Venue

1. The Court has jurisdiction over this Application pursuant to 28 U.S.C. §§1334 and 157(b). This is a “core” proceeding pursuant to 28 U.S.C. §§157(b)(2)(A) and (O).
2. Venue is proper in this Court pursuant to 28 U.S.C. §§1409(a).

Background

3. In the action of Phoenix Health Care, Inc. v. Barnert Hospital, a/k/a Nathan and Miriam Barnert Memorial Hospital Association, (N.J. Superior Ct., Docket No. BER-L-3627-07), Phoenix obtained Default Judgment against the Debtor dated July 23, 2007, in the amount of \$548,683.37.

4. On August 7, 2007, Phoenix levied on the Debtor's account at Columbia Bank (the "Debtor's Account").

5. As a result of the levy, some of the funds in the Debtor's Account are presently restrained.

6. On August 15, 2007, the Debtor commenced these Bankruptcy proceedings.

7. Phoenix claims that it is a secured creditor of the Debtor as a result of its levy on the Debtor's Account.

8. The Debtor claims, among other things, that Phoenix's levy on the Debtor's Account is an avoidable preference under 11 U.S.C. §547.

9. As an interim resolution, the Debtor and Phoenix have entered in the Stipulation annexed hereto as Exhibit "A". Pursuant to the Stipulation, Phoenix agrees to immediately cause the levy on the Debtor's Account to be released, without prejudice to its claim that it is a secured creditor of the Debtor, and that its levy on the Debtor's Account is not an avoidable preference under 11 U.S.C. §547. The Debtor preserves all of its claims, including that Phoenix's levy on the Debtor's Account is an avoidable preference under 11 U.S.C. §547.

Requested Relief

10. The Debtor respectfully request that the Court So Order the Stipulation and Consent Order annexed hereto as Exhibit "A", pursuant to 11 U.S.C. §105(a), because the Order will lift the

restraints on the Debtor's account at Columbia Bank thereby making the funds immediately available for the administration of the estate, and will preserve the claims of Phoenix and the Debtor.

Notice

11. On August 21, 2007, this Application was electronically filed on the Court's electronic case filing system ("ECF"), and thereby served, pursuant to Local Rule 7005-1(a), on those participating in ECF. This Application was also served by First Class Mail on the Debtor's 20 largest unsecured creditors.

WHEREFORE, the Debtor respectfully requests entry of the Stipulation and Consent Order annexed hereto as Exhibit "A".

Dated: Newark, New Jersey
August 21, 2007

McCARTER & ENGLISH, LLP,
Proposed attorneys to Nathan and Miriam
Barnert Memorial Hospital Association d/b/a
Barnert Hospital

By: /s/ Joseph Lubertazzi, Jr.
Joseph Lubertazzi, Jr.
A Member of the Firm

EXHIBIT A

McCarter & English, LLP
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UNITED STATES BANKRUPTCY COURT
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	:	
NATHAN AND MIRIAM BARNERT	:	
MEMORIAL HOSPITAL ASSOCIATION,	:	Case No. 07-21631 (DHS)
d/b/a BARNERT HOSPITAL,	:	
	:	STIPULATION AND CONSENT
Debtor.	:	ORDER
	:	
	:	

Phoenix Health Care, Inc. ("Phoenix"), and Nathan and Miriam Barnert Memorial Hospital Association, d/b/a Barnert Hospital (the "Debtor"), bound through the undersigned counsel, hereby stipulate and agree as follows:

RECITALS

WHEREAS, in the action of Phoenix Health Care, Inc. v. Barnert Hospital, a/k/a Nathan and Miriam Barnert Memorial Hospital Association, (N.J. Superior Ct., Docket No. BER-L-3627-07), Phoenix obtained Default Judgment against the Debtor dated July 23, 2007, in the amount of \$548,683.37;

WHEREAS, on August 7, 2007, Phoenix levied on the Debtor's account at Columbia Bank (the "Debtor's Account");

WHEREAS, as a result of the levy, some of the funds in the Debtor's Account are presently

restrained;

WHEREAS, on August 15, 2007, the Debtor commenced these Bankruptcy proceedings;

WHEREAS, Phoenix claims that it is a secured creditor of the Debtor as a result of its levy on the Debtor's Account; and

WHEREAS, the Debtor claims, among other things, that Phoenix's levy on the Debtor's Account is an avoidable preference under 11 U.S.C. §547.

STIPULATION

1. Phoenix agrees to immediately cause the levy on the Debtor's Account to be released, without prejudice to its claim that it is a secured creditor of the Debtor, and that its levy on the Debtor's Account is not an avoidable preference under 11 U.S.C. §547.

2. The Debtor preserves all of its claims, including that Phoenix's levy on the Debtor's Account is an avoidable preference under 11 U.S.C. §547.

CONSENTED AND AGREED TO:

/s/ Joseph Lubertazzi, Jr.
JOSEPH LUBERTAZZI, JR.
McCarter & English, LLP
Four Gateway Center
100 Mulberry Street
Newark, New Jersey 07102
Proposed Attorneys to Debtor in Possession
Nathan and Miriam Barnert Memorial
Hospital Association d/b/a Barnert Hospital

Dated: August 20, 2007

/s/ Robert M. Marshall
ROBERT M. MARSHALL
Marshall & Quentzel, LLC
155 Willowbrook Boulevard
Wayne, New Jersey 07470
Attorneys for Phoenix Health Care, Inc.

Dated: August 20, 2007

SO ORDERED:

Dated: August __, 2007

HON. DONALD H. STECKROTH, U.S.B.J.

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Debtor.	:	STIPULATION AND CONSENT ORDER

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