IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF RHODE ISLAND

In re: CENTRAL FALLS DETENTION FACILITY CORPORATION, d/b/a Donald W. Wyatt Detention Facility Debtor.[1]	Chapter 11 Case No. 26- _____

DEBTOR'S MOTION FOR EMERGENCY DETERMINATION FOR ENTRY OF INTERIM AND FINAL ORDERS (I) AUTHORIZING THE DEBTOR TO (A) PAY PREPETITION EMPLOYEE WAGES, SALARIES, REIMBURSABLE EMPLOYEE EXPENSES AND OTHER COMPENSATION OBLIGATIONS, (B) MAINTAIN EMPLOYEE COMPENSATION AND BENEFITS PROGRAMS; AND (II) GRANTING RELATED RELIEF

The Central Falls Detention Facility Corporation (d/b/a Donald W. Wyatt Detention Facility), as debtor and debtor in possession in the above-captioned chapter 11 case (the "Debtor" or "CFDFC"), hereby submits this motion (this "Motion"), pursuant to sections 105(a), 362, 363, 507(a)(4)-(5) and 541 of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq*. (the "Bankruptcy Code"), Rules 6003, 6004, 7062, and 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rules 9013-1(a) and 9013-2 of the Local Bankruptcy Rules and Forms of the United States Bankruptcy Court for the District of Rhode Island (the "Local Rules"), for entry of an interim order, substantially in the form attached hereto as **Exhibit A** (the "Interim Order"), and a final order, substantially in the form attached hereto as **Exhibit B** (the "Final Order"), (i) authorizing, but not directing, the Debtor to (a) pay certain prepetition wages, salaries, reimbursable employee expenses and other compensation obligations, (b) maintain employee compensation and benefit programs; (ii) scheduling a final hearing (the "Final Hearing") on the Motion; and (iii) granting related relief. In support of this Motion, the Debtor respectfully states as follows.

Jurisdiction

1. The United States Bankruptcy Court for the District of Rhode Island has jurisdiction over

[1] The last four digits of the Debtor's federal employer identification number are 5439. The address of the Debtor is 950 High Street, Central Falls, RI 02863.

this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory and legal predicates for the relief sought herein are sections 105(a), 362, 363, and 507(a)(4)-(5) of the Bankruptcy Code, Bankruptcy Rules 4001(d), 6003, 7062, and 9014, and Local Rule 9013-2.

Background

3. On July 10, 2026, (the "Petition Date"), the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code (the "Chapter 11 Case") in this Court. The Debtor continues to operate and maintain its non-profit detention facility and manage its property as a debtor-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. Additional information regarding the Debtor's business and financial structure, the circumstances leading to the commencement of this Chapter 11 Case, and the facts and circumstances supporting this Motion is set forth in the *Declaration of Daniel S. Polsky in Support of the Debtor's Chapter 11 Petition and First Day Relief* (the "First Day Declaration"), which has been filed with the Court contemporaneously herewith and is incorporated by reference herein.

Relief Requested

4. By this Motion, the Debtor requests entry of the Interim Order and, pending a final hearing on the Motion, the Final Order: (a) authorizing, but not directing, the Debtor to (i) pay and honor certain prepetition wages, benefits and other compensation obligations and related fees, costs and expenses incident to the foregoing, including amounts owed to third-party servicers, providers and administrators, and taxing authorities; and (ii) maintain and continue to administer its employee programs, benefits and policies in the ordinary course of business; and (b) granting related relief. The Debtor further requests that the Court authorize financial institutions to receive, process, honor, and pay any and all checks presented for payment and to honor all funds transfer requests related to such fees, costs, expenses and obligations.

5. Pursuant to Local Rule 9013-2(d)(2), Debtor respectfully requests that the Court grant the relief requested in this Motion on an emergency basis given the urgent nature of the consideration of this Motion. To avoid substantial disruption to the Facility's operations and the irreparable harm resulting

therefrom, the Debtor is seeking the relief requested herein on an emergency basis.

Employee Compensation and Obligations

I. The Debtor's Workforce

6. The Debtor's workforce is comprised of skilled professionals, including correctional officers, sergeants, physicians, nurses, other specialized medical personnel, maintenance and administrative and other support staff, who—through their dedication, hard work, and commitment to the Debtor's mission—ensure that the Donald W. Wyatt Detention Facility (the "Facility") operates safely and securely 24-hours per day, 365 days per year.

7. As of the Petition Date, the Debtor employs approximately 263 employees, including approximately, 252 Employees who are employed on a full-time basis (the "Full-Time Employees") and 11 Employees who are employed on a part-time basis (the "Part-Time Employees") or a per diem basis (the "Per Diem Employees," and together with the Full-Time Employees and the Part-Time Employees, collectively, the "Employees"). Approximately 16 of the Debtor's Employees are salaried and approximately 248 are paid on an hourly basis.

8. Approximately 206 of the Debtor's Employees are represented by two local unions with whom the Debtor has collective bargaining agreements. These unions are the Fraternal Order of Police (FOP) Wyatt Lodge 50 (the "FOP"), who is the bargaining representative for all correctional officers, including those correctional officers holding the ranks of Sergeant (the "FOP Union Employees"), and Rhode Island Council 94 AFSCME, AFL-CIO ("Council 94," and together with FOP, the "Unions"), who is the bargaining representative for certain medical, maintenance, and administrative support staff (the "Council 94 Union Employees," and together with FOP Union Employees, the "Union Employees"). A chart summarizing the number of Employees that are members of each of the Unions, and the number of collective bargaining agreements the Debtor is a party to (the "CBAs") for each Union as of July 2026 is provided below:

Union Name	Approximate Number of Union Employees	No. of CBAs
Fraternal Order of Police (FOP) Wyatt Lodge 50	134	2
Rhode Island Council 94 AFSCME, AFL-CIO	72	2

9. The Employees perform a wide variety of functions critical to the Debtor's operations. The Employees' skills, knowledge, and understanding of the Debtor's operations are essential to preserving operational safety, stability, and efficiency. Without the continued, uninterrupted services of its Employees, the Debtor's administration of this Chapter 11 Case would be materially impaired.

II. Wages, Salaries, and Compensation

A. Wage Obligations

10. In the ordinary course of business, the Debtor incurs and pays obligations relating to its Employees' salaries, wages, reimbursable employee expenses and other compensation, including overtime (collectively, the "Employee Wages"). The Debtor pays Employees on a weekly basis by direct deposit or check. On average, the Debtor pays approximately $510,000.00 in gross wages and salary per week on account of its Employee base in the aggregate. The majority of the Debtor's payroll is made by direct deposit through electronic transfer of funds to the Employees' bank accounts.

11. A substantial number of the Employees are paid in arrears, and accordingly, some Employees are owed accrued but unpaid Employee Wages as of the Petition Date. Additional Employee Wages may also be due to certain Employees as a result of ordinary course reconciliation of Employee hours or overtime. Further, certain Employees may be entitled to unpaid Employee Wages because: (a) discrepancies may exist between the amounts paid and the amounts that should have been paid; and (b) some payroll or invoice checks issued to Employees prior to the Petition Date may not have been presented for payment or may not have cleared the banking system and, accordingly, have not been honored and paid as of the Petition Date. As of the Petition Date, the Debtor estimates that it owes approximately $460,000 on account of accrued but unpaid Employee Wages.

12. As of the Petition Date, the Debtor estimates that it does not owe prepetition Employee Wages to any individual in excess of the statutory cap of $17,150 set forth in sections 507(a)(4) and 507(a)(5) of the Bankruptcy Code (the "Priority Cap"). Accordingly, the Debtor seeks authority, but not direction, to pay any accrued and unpaid prepetition Employee Wages, and to continue honoring Employee Wages obligations on a postpetition basis, in the ordinary course of business.

B. Payroll Service Provider

13. To efficiently manage the processing and payment of the various Employee Obligations (as defined below), the Debtor relies on services provided by ADP, LLC ("ADP") to facilitate the Debtor's payroll processing and payroll transfer administration (the "Payroll Services"). Each payroll period, the Debtor's internal payroll department calculates that period's timekeeping, wage, and withholding information, and remits that information to ADP, which then processes a direct deposit transfer for each Employee.

14. The Payroll Services that ADP provides are crucial to the smooth functioning of the Debtor's payroll system. With ADP's assistance, the Debtor can ensure that: (a) Employees are paid on time; (b) appropriate deductions are made; (c) payroll reporting is accurate; and (d) appropriate amounts are remitted to the applicable taxing authorities and other payees. The Debtor pays approximately $780 each week in fees to ADP for these services (the "Payroll Fees"). As of the Petition Date, the Debtor estimates it owes approximately $0 on account of prepetition Payroll Fees, but it will accrue prepetition Payroll Fees at approximately $9,000 per month. Failure to pay such amounts could result in ADP suspending critical support functions. Accordingly, the Debtor seeks authority, but not direction, to pay the accrued and unpaid Payroll Fees, and to continue honoring Payroll Fees on a postpetition basis, in the ordinary course of business.

C. Withholding Obligations

15. In addition to the Employee Wages, the Debtor also incurs other obligations related to the Employees, such as vacation, federal and state withholding taxes and other withheld amounts, health and welfare benefits, workers' compensation and programs that the Debtor historically has provided in the

ordinary course of business. The compensation practices, programs, benefits and policies provided by the Debtor to its Employees, as more fully described below, are referred herein as the "Employee Benefits" and the Debtor's obligations thereunder are referred to herein as the "Employee Obligations."

1. Deductions

16. Each pay period, the Debtor routinely deducts certain amounts from Employees' gross pay, including, without limitation, garnishments, child support, and similar deductions, as well as other pre-tax and after-tax deductions payable pursuant to the Employee health and welfare benefits, including health insurance premiums, flexible spending programs and 401(k) plans (collectively, the "Deductions"). On a weekly basis, the Debtor deducts and remits to appropriate third-party recipients approximately $2,220.00 from the Employees' paychecks on account of all Deductions. The Debtor, however, may not have forwarded certain of the Deductions to the appropriate third-party recipients prior to the Petition Date.

17. As of the Petition Date, the Debtor estimates that it owes approximately $2,220.00 on account of prepetition Deductions. Accordingly, the Debtor requests authority, but not direction, to deduct and forward any accrued but unpaid prepetition Deductions, and to continue honoring the Deductions on a postpetition basis to the applicable third-party recipients in the ordinary course of business.

2. Payroll Taxes

18. The Debtor is required by law to withhold amounts related to federal, state, and local income taxes, as well as Social Security and Medicare taxes, for remittance to the appropriate federal, state, or local taxing authorities (collectively, the "Employee Payroll Taxes"). The Debtor is additionally required by applicable statutory authority to match from its own funds Social Security, Medicare taxes, and certain additional amounts for federal and state unemployment insurance and short-term disability insurance (collectively, the "Employer Payroll Taxes," and together with the Employee Payroll Taxes, the "Payroll Taxes"). Each pay cycle, the Payroll Taxes are generally processed and forwarded to the appropriate federal, state, and local taxing authorities at the same time the Employees' payroll payments are disbursed. On average, the Debtor remits approximately $130,000 per week on account of Payroll Taxes.

19. As of the Petition Date, the Debtor estimates that approximately $130,000 of accrued but

unpaid Payroll Taxes have not been remitted to the appropriate taxing authorities. The Debtor requests authority, but not direction, to pay accrued but unpaid Payroll Taxes as of the Petition Date and to continue honoring the Payroll Taxes on a postpetition basis, in the ordinary course of business.

3. Union Obligations

20. As discussed above, the Debtor employs approximately 206 Union Employees. Such Union Employees make certain Union-specific contributions that are withheld from their pay, including, but not limited to, Union dues and contributions (the "Union Obligations"). The Debtor withholds the Union Obligations from the Employee Wages of the Union Employees and remits the withheld amounts to the Unions. On average, the Debtor deducts and remits approximately $30,000 per month on account of Union Obligations. The Debtor does not make any separate contributions to the Unions on behalf of the Union Employees.

21. As of the Petition Date, the Debtor estimates that it holds approximately $2,220.00 on account of withheld Union Obligations, and the Debtor requests authority, but not direction, to remit the withheld unpaid Union Obligations, and to continue collecting and remitting the Union Obligations on a postpetition basis, in the ordinary course of business.

III. Employee Benefits

22. In the ordinary course of business, the Debtor maintains various employee benefit plans and policies, including, without limitation, health care, prescription drug benefits, dental care, workers' compensation benefits, vacation time and other paid leaves of absence, 401(k) plans, life insurance, accidental death and dismemberment insurance, employee assistance programs, long-term disability insurance, and severance payments (collectively, the "Employee Benefits").

A. Health and Welfare Plans

1. Health Benefits Plans

23. The Debtor offers eligible Employees the opportunity to participate in a variety of health benefit plans, including medical, vision, and dental plans. The Debtor and the Employees share premium costs for the Health Benefit Plans, with the Debtor paying most of the premium for eligible Employees, and

the balance paid by the Employee through payroll deductions, which include a medical plan with United HealthCare (the "Medical Plan"), a dental plan with Delta Dental of Rhode Island (the "Dental Plan"), and a vision plan with DeltaVision (the "Vision Plan," and together with the Medical Plan and Dental Plan, collectively, the "Health Benefit Plans"). On a weekly basis, the Debtor deducts and remits approximately (a) $7,968.08 for the Medical Plan; (b) $457.37 for the Dental Plan; and (c) $499.57 for the Vision Plan.

24. The Debtor's monthly cost to administer the Health Benefit Plans is approximately: (a) $195,000 for the Medical Plan; (b) $15,00 for the Dental Plan; and (c) $2,800 for the Vision Plan. As of the Petition Date, the Debtor owes approximately $0 on account of outstanding Health Benefit Plans obligations. The Debtor requests authority, but not direction, to pay all outstanding prepetition amounts (if any) incurred on account of the Health Benefit Plans, and to continue honoring obligations related to the Health Benefit Plans on a postpetition basis, in the ordinary course of business.

2. Flexible Spending Account

25. The Debtor offers Full-Time Employees the opportunity to contribute a portion of their pre-tax compensation to pay for health care expenses or dependent care expenses through a Health Reimbursement Account ("HRA Plan") or a Flexible Spending Account (the "FSA Plan"). The HRA Plan is administered through London Health, and the FSA Plan is administered by FloresHR (formerly known as Flores Associates). Benefits under the HRA Plan are provided to employees through their coverage under the Debtor's health care plan. With respect to the FSA Plan, the Debtor withholds funds from program participants' pre-tax payroll. The Debtor estimates that it withholds approximately $2,700 per week in connection with such programs.

26. As of the Petition Date, the Debtor estimates that approximately $2,700 remains due and owing to London Health USA on account of unused amounts under the FSA Plans and administrative fees relating to the FSA Plans. The Debtor requests authority, but not direction, to pay all outstanding prepetition amounts incurred on account of the FSA Plans, and to continue paying obligations and withholding funds related to the FSA Plans and on a postpetition basis, in the ordinary course of business.

3. Workers' Compensation Insurance

27. The Debtor currently maintains a Workers' Compensation and Employers' Liability Insurance Policy through Beacon Mutual Insurance Company ("Beacon") to handle workers' compensation claims (the "Workers' Compensation Policy"). For the policy period July 29, 2025, through July 29, 2026 (the "Policy Period"), the Debtor has paid insurance premiums to Beacon in an aggregate amount of approximately $806,820. The Debtor is contemporaneously filing herewith a motion to seeking authority to continue the Workers Compensation Policy and related relief.

4. Life Insurance Plans

28. The Debtor provides basic term life and accidental death and dismemberment insurance coverage for all of its non-union, Full-time Employees and death benefits to eligible union members who are full-time employees (the "Basic Life Insurance") through New York Life Insurance Company ("New York Life"). This coverage costs the Debtor approximately $8,000 per month in the aggregate. Employees may also elect to purchase additional voluntary life, AD&D, critical illness, permanent term life, hospital indemnity and accident insurance through New York Life (the "Voluntary Life Insurance," and together with Basic Life Insurance, the "Life Insurance Plans"). Voluntary Life Insurance plans are fully funded by the participating Employees. On average, the Debtor withholds and remits approximately $235.00 per week on account of Employee contributions for Voluntary Life Insurance.

29. As of the Petition Date, the Debtor believes that it does not have any outstanding premiums on account of the Life Insurance Plans. But in the event that it later determines that it does owe prepetition amounts related to its Life Insurance Plans, the Debtor requests authority, but not direction, to pay these outstanding prepetition amounts, and to continue to withhold and remit payments on account of Employee's contributions to the Life Insurance Plans on a postpetition basis, in the ordinary course of business.

B. Retirement Plans

30. The Debtor sponsors a retirement savings plan for the benefit of its Employees that satisfies the requirements of section 401(k) of the Internal Revenue Code (the "401(k) Plan"). The 401(k) Plan is administered by Angell Pension Group ("Angell Pension"). Historically, the Debtor matched, on a discretionary basis, up to a percentage of each Employee's annual income that is contributed to the 401(k)

Plan, based on each Employee's years of service. There are approximately 246 Employees or former Employees with current account balances in the 401(k) Plan. The Debtor withholds approximately $26,660.00 each week from active 401(k) Plans participants' paychecks on account of contributions to the 401(k) Plan, pays approximately $8,700 weekly on account of the 401(k) Plan matching obligations, and pays approximately $830 each month on account of administrative fees to Angell Pension.

31. As of the Petition Date, the Debtor owes approximately $8,700 in prepetition amounts on account of 401(k) Plan matching obligations and approximately $200 in prepetition amounts on account of administrative fees to Angell Pension. The Debtor requests authority, but not direction, to pay all outstanding prepetition amounts incurred on account of the 401(k) Plan and continue to transfer such amounts to the 401(k) Plan and honor its obligations under the 401(k) Plan and the applicable CBAs on a postpetition basis, in the ordinary course of business.

C. Employee Leave Benefits

32. In the ordinary course of business, the Debtor offers a range of paid and unpaid employee leave benefits for Employees, including holiday time, vacation time, sick days, personal days, award days, wellness days, bereavement leave, parental leave and other paid leave (*e.g.*, jury duty, voting leave, military leave, workers' compensation leave, family illness leave, and personal leave) (collectively, the "Employee Leave Benefits").

1. Vacation Days

33. The Debtor provides eligible Full-Time Employees, Part-Time Employees, and Union Employees with paid time-off vacation days (the "Vacation Days") as an Employee Leave Benefit. The maximum accrual balance of Vacation Days is determined by the duration of an Employee's employment and whether an Employee is subject to a CBA. On an annual basis and depending on the Employee's years of service: (a) Full-Time Employees accrue ten (10) to twenty-five (25) Vacation Days; (b) full-time executive staff, mid-management, and area supervisors accrue fifteen (15) to thirty (30) Vacation Days; (c) FOP Union Employees accrue five (5) to twenty-five (25) Vacation Days (for correctional officers), and two (2) to six (6) weeks (for Sergeants); and (d) Council 94 Union Employees accrue five (5) to twenty-

five (25) Vacation Days (for medical staff), and five (5) to twenty-five (25) Vacation Days (for maintenance and support staff). Part-Time Employees who have completed one (1) year of service are eligible to earn up to one (1) week (up to the contracted weekly hours) of prorated Vacation Days each year after their first year of service. If the Debtor terminates an Employee's employment, in each instance the Employee will receive payment for unused accrued Vacation Days subject to the Debtor's benefits policy and relevant CBA. As of the Petition Date, approximately $800,000 has accrued on account of Vacation Days during the prepetition period.

34. To the extent that the Debtor determines that any Employee holds claims greater than the Priority Cap against the Debtor for accrued Vacation Days, the Debtor seeks authority, but not direction, as part of the Final Order only, to (a) permit such Employee to take accrued Vacation Days in the ordinary course of business and/or (b) pay such Employee cash on account of their accrued Vacation Days upon such Employee's voluntary or involuntary termination of his or her employment by the Debtor, in the ordinary course of business, in either case regardless of the Priority Cap. The Debtor believes that such payments are justified by the critical nature of the services provided by such Employees, and that honoring the established Vacation Days policy will enable the Debtor to satisfy the expectations of the workforce with minimal cash expenditures.

2. Sick Leave

35. In the ordinary course of business, the Debtor awards eligible Full-Time Employees, Part-Time Employees, and Union Employees with paid sick leave benefits, and in special circumstances, personal days (the "Sick Leave"). On an annual basis, Full-Time Employees are eligible to accrue sixty-four (64) hours (1.23 hours per week) of Sick Leave up to a maximum of four hundred (400) hours, and executive staff, mid-management, and area supervisors are eligible to accrue eighty (80) hours (1.54 hours per week) of Sick Leave up to a maximum of four hundred (400) hours. Part-Time Employees who have completed one (1) year of service are eligible to earn up to one (1) week of prorated Sick Leave each year after their first year of service. Union Employees accrue Sick Leave in accordance with their respective CBAs. Sick Leave is not paid out to Employees upon resignation or termination.

36. Under the Debtor's Sick Leave Policy, eligible Full-Time Employees and Union Employees with at least eighty (80) hours of Sick Leave as of November 15th are allowed to cash out up to forty (40) hours of Sick Leave annually to be paid out the first pay period of the month of December. As of the Petition Date, the Debtor estimates that it owes approximately $80,000 on account of Sick Leave accrued by Employees during the prepetition period. The Debtor seeks the authority, but not direction, to honor all Employee Sick Leave Benefits, whether such benefits accrued prepetition or postpetition, in the ordinary course of business.

3. Discretionary Employee Leave Benefits

37. In the ordinary course of business, to encourage Employees to maximize their efforts and performance, the Debtor maintains certain discretionary additional leave policies for Employees (the "Discretionary Leave Benefits"). As part of its Employee Leave Benefits, the Debtor offers additional paid days off for an Employee's exemplary performance (the "Award Days"). All Full-Time Employees are eligible to receive Award Days, which are offered at the discretion of the Warden. Upon voluntary separation of employment, the maximum of five (5) Award Days (i.e., 40 hours award time) is paid out to the Employee; however, Employees who are terminated by the Debtor are not eligible to receive the payout of Award Days.

38. Full-Time Employees are also eligible to receive discretionary longevity payments based on the Employee's tenure with the Debtor (the "Longevity Payments"). Longevity Payments are made based on the duration of employment, assigned role, or in accordance with the relevant CBA. Longevity Payments are made in the first paycheck of the quarter following an Employee's anniversary date. The Debtor also provides all non-Union Full-Time Employees with the ability to be reviewed and approved for merit-based compensation (the "Merit Pay"). Merit Pay is awarded to one (1) Employee a year at the discretion of the Warden.

39. As of the Petition Date, the Debtor does not have any outstanding obligations under the Discretionary Leave Benefits. In the event that it later determines that it does owe prepetition amounts under its Discretionary Leave Benefits, the Debtor seeks the authority, but not direction, to honor all Discretionary Leave Benefits, whether such benefits accrued prepetition or postpetition, in the ordinary course of business

during this Chapter 11 Case.

D. Reimbursable Tuition Assistance

40. Prior to the Petition Date, in the ordinary course of its business, the Debtor reimbursed Employees for up to $3,500 in tuition costs incurred by Employees enrolled in courses contributing to the Employee's career advancement potential that are offered at accredited schools, colleges, universities, and vocational or technical schools (the "Reimbursable Tuition"). On average, the Debtor incurs approximately $6,655.00 on an annual basis on account of the Reimbursable Tuition. Employees must request and receive approval to enroll in such course, satisfactorily complete the course, and ultimately receive approval from the Warden for reimbursement of the Reimbursable Tuition. Although the Debtor's policy is for such requests to be submitted promptly, on occasion Employees may not have done so. Thus, the Debtor is unable to provide a final, detailed listing of unpaid prepetition Reimbursable Tuition at this time because it is likely that Employees will submit requests for tuition expenses incurred prepetition after the Petition Date. As of the Petition Date, based on historical figures, the Debtor estimates it owes approximately $1,000 on account of prepetition unpaid Reimbursable Tuition. The Debtor requests authority, but not direction, to pay or reimburse any accrued but unpaid Reimbursable Tuition (if any), whether such Reimbursable Tuition accrued prepetition or postpetition, and to continue to pay for the Employees' eligible Reimbursable Tuition on a postpetition basis, in the ordinary course of business.

Basis For Relief

I. Sufficient Cause Exists to Authorize the Debtor to Honor Employee Wage and Benefit Obligations.

41. The Debtor's business depends upon reliable and loyal Employees. Honoring the Employee Wages and Employee Obligations is essential to ensure reliability and loyalty among the Debtor's workforce. Failing to promptly honor such obligations will create doubt and concern among the Employees and could lead to a significant loss of Employees at an already challenging time. Significant loss of Employees at this critical time would immediately and irreparably harm the Debtor's ability to maintain operations, to the detriment of all parties. Therefore, the Debtor seeks the relief requested in this

Motion on several bases under the Bankruptcy Code. First, the Debtor should be permitted to pay these obligations because many are or may be entitled to priority under section 507 of the Bankruptcy Code. Second, the Debtor should be permitted to pay and remit amounts due on account of Employee Obligations because most if not all such amounts are not property of the Debtor's estate under section 541 of the Bankruptcy Code. Third, the Debtor should be permitted to satisfy Employee Obligations in the ordinary course of business pursuant to section 363 of the Bankruptcy Code.

A. <u>Certain of the Employee Obligations are Entitled to Priority Treatment.</u>

42. Pursuant to sections 507(a)(4) and 507(a)(5) of the Bankruptcy Code, certain of the unpaid prepetition Employee Wages and Employee Obligations are entitled to priority treatment in an amount up to the Priority Cap for each individual Employee. *See* 11 U.S.C. §§ 507(a)(4)(A) and (a)(5). To confirm a chapter 11 plan, the Debtor must pay priority claims in full. *See* 11 U.S.C. § 1129(a)(9)(B) (requiring payment of certain allowed unsecured claims for (a) wages, salaries, or commissions, including vacation, severance, and sick leave pay earned by an individual and (b) contributions to an employee benefit plan). Thus, granting the relief sought herein only affects the timing of payments to Employees and will not have any material negative impact on general unsecured creditors. Indeed, payment of Employee Wages and Employee Obligations up to the Priority Cap at this time will be to the benefit of all interested parties.

B. <u>Payment of Certain of the Employee Obligations is Required by Law.</u>

43. The Debtor also seeks authority to pay Employee Obligations to the appropriate entities, including Employee earnings that governments, Employees, and judicial authorities have designated for deduction from Employees' paychecks. Certain Employee Obligations, including contributions to the Employee Benefits programs and child support and alimony payments, are not property of the Debtor's estate because the Debtor has withheld such amounts from Employees' paychecks on another party's behalf. 11 U.S.C. § 541(b)(7) and (d). Further, federal and state laws require the Debtor to withhold certain tax payments from Employees' paychecks and to pay such amounts to the appropriate taxing authorities. 26 U.S.C. § 6672 and 7501(a); *see City of Farrell v. Sharon Steel Corp.*, 41 F.3d 92, 95-97 (3d Cir. 1994) (state law requiring corporate debtor to withhold city income tax from its employees' wages created trust

relationship between debtor and city for payment of withheld income taxes); *In re DuCharmes & Co.*, 852 F.2d 194, 196 (6th Cir. 1988) (individual officers of company may be held personally liable for failure to pay trust fund taxes). Because these unremitted Employee Obligations are not property of the Debtor's estate, the Debtor requests that the Court authorize it to transmit the unremitted Employee Obligations to the appropriate taxing authorities in the ordinary course of business.

44. Similarly, state law requires the Debtor to maintain the Workers' Compensation Program. If the Debtor fails to maintain the Workers' Compensation Program, state law may prohibit the Debtor from operating. Payment of all workers' compensation amounts, therefore, is crucial to the continued operation of the Debtor's business.

C. <u>Ample Authority Exists to Support Payment of Employee Wages, Benefit Obligations and Reimbursable Employee Expenses.</u>

45. The Debtor respectfully submits the Court may grant the relief requested in this motion pursuant to sections 105(a) and 363(b) of the Bankruptcy Code. First, the Court may rely on its general equitable powers as codified in section 105(a), which provides that the Court may "issue any order, process, or judgment that is necessary to carry out the provisions of this title." 11 U.S.C. § 105(a). A bankruptcy court's use of its equitable powers to "authorize the payment of pre-petition debt when such payment is needed to facilitate the rehabilitation of the debtor is not a novel concept." *In re Ionosphere Clubs, Inc.*, 98 B.R. 174, 175-176 (Bankr. S.D.N.Y. 1989) (citing *Miltenberger v. Logansport C. & S.W.R. Co.*, 106 U.S. 286 (1882)). Section 105(a) authorizes a court to "permit pre-plan payment of a pre-petition obligation when essential to the continued operation of the debtor." *In re NVR L.P.*, 147 B.R. 126, 127 (Bankr. E.D. Va. 1992); *see also In re Just for Feet, Inc.*, 242 B.R. 821, 825 (D. Del. 1999).

46. Application of section 105(a) here is appropriate because the relief requested in the Motion is consistent with the rehabilitative policy of chapter 11 of the Bankruptcy Code. A debtor in possession is a fiduciary with a duty to protect and preserve the estate, including the value of the business as a going concern. *In re CoServ, L.L.C.*, 273 B.R. 487, 497 (Bankr. N.D. Tex. 2002) ("There are occasions when this [fiduciary] duty can only be fulfilled by the preplan satisfaction of a prepetition claim."). Granting the relief

requested in this Motion will enhance the likelihood of the Debtor's successful rehabilitation and maximize the value of the estate's assets, and thus benefit the estate's creditors and other parties in interest.

47. Second, the Court may grant the relief requested herein pursuant to section 363 of the Bankruptcy Code which provides, in relevant part, that "[t]he [debtor], after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate." 11 U.S.C. § 363(b)(1). Under this section, a court may authorize a debtor to pay certain prepetition claims. *See Ionosphere Clubs*, 98 B.R. at 175 (affirming lower court's order authorizing payment of prepetition wages pursuant to section 363(b)). To do so, "the debtor must articulate some business justification, other than mere appeasement of major creditors." *Id.* at 175. As discussed herein, payment of the Employee Obligations will benefit the estate and its creditors by maintaining the Debtor's workforce, which is critical to the Debtor's business as well as the safety and security of the Debtor's operations.

48. The Debtor's Employees rely on their compensation, benefits, and reimbursement of expenses to satisfy their daily living expenses. Consequently, Employees will be exposed to significant financial difficulties if the Debtor is not permitted to honor obligations for unpaid compensation, benefits, and reimbursable expenses (whether accrued prepetition or postpetition). Moreover, if the Debtor is unable to satisfy such obligations, Employee morale and loyalty will be jeopardized at this critical time. Further, if the Court does not authorize the Debtor to honor its various obligations under the insurance programs, the Employees will not receive health coverage and may become obligated to pay certain health care claims in cases where the Debtor has not paid the respective insurance providers. This would result in considerable anxiety for Employees (and likely attrition) at a time when the Debtor needs such Employees to perform their jobs at peak efficiency.

49. For all of the foregoing reasons, the relief requested herein will benefit the Debtor's estate and creditors by allowing the Debtor's business operations to continue without interruption. In the absence of such payments, the Debtor believes its Employees may seek alternative employment opportunities. Such a development would deplete the Debtor's workforce, hinder the Debtor's ability to meet its obligations, pose serious safety and security concerns, harm the Debtor's ability to attract and retain new employees,

and likely diminish creditors' confidence in the Debtor. Moreover, the loss of valuable Employees and the recruiting efforts that would be required to replace such Employees would be a massive and costly distraction at a time when the Debtor should be focusing on stabilizing its operations and ensuring that it has sufficient staff to safely and securely conduct its operations. Accordingly, the Debtor must be able to pursue all reasonable measures to retain its Employees by, among other things, continuing to honor all wage, benefits, and related obligations, including those that accrued prior to the Petition Date.

50. Bankruptcy courts in the First Circuit, including this Court, recognize the importance of a debtor's employees to its operations and have granted similar relief to that requested herein. *See, e.g.*, *In re Great N. Prods. Ltd.*, Case No. 24-10112 (Bankr. D. R.I. Mar. 4, 2024) (granting payment of all prepetition and postpetition wages, salaries, commissions and benefits); *In re UTGR, Inc. d/b/a Twin River*, Case No. 09-12418 (Bankr. D.R.I. Jun. 23, 2009) (authorizing payment of all wages, benefits and employee obligations, including reimbursable expenses, whether incurred prepetition or postpetition); *In re Pawtuxet Valley Prescription & Surgical Center*, Case No. 07-11767 (Bankr. D. R.I. Sept. 6, 2007) (authorizing payment of wages, reimbursable expenses and benefits accrued prepetition); *In re Iron Age Corp.*, Case No. 07-40217 (Bankr. D. Mass. Jan. 23, 2007) (authorizing payment of wages, benefits and expenses, whether incurred prepetition or postpetition); *In re Syratech Corp.*, Case No. 05-11062 (Bankr. D. Mass. Feb. 18, 2005) (authorizing payment of wages, benefits and expenses on prepetition and postpetition basis).

II. Cause Exists to Authorize the Debtor's Financial Institutions to Honor Checks and Electronic Fund Transfers.

51. The Debtor has sufficient funds to pay the amounts described herein in the ordinary course of business by virtue of expected cash flows from ongoing business operations and anticipated access to cash collateral. Also, under the Debtor's existing cash management system, the Debtor represents that checks or wire transfer requests can be readily identified as relating to an authorized payment in respect of the relief requested herein. Thus, checks or wire transfer requests, other than those relating to authorized payments, will not be honored inadvertently and all applicable financial institutions should be authorized, when requested by the Debtor, to receive, process, honor, and pay any and all checks or wire transfer

requests in respect of the relief requested herein. The Debtor requests that the Court authorize and direct all applicable financial institutions, when requested by the Debtor, to receive, process, honor, and pay any and all checks and wire transfer requests relative to the relief requested in this Motion.

Debtor's Compliance with Bankruptcy Rule 6003 and Local Rule 9013-2

52. Pursuant to Bankruptcy Local Rule 9013-2(d)(2), the Debtor respectfully requests emergency consideration of this Motion under Bankruptcy Rule 6003, which provides that the Court must not grant an application or motion within the first 21 days after the Petition Date "[u]nless relief is needed to avoid immediate and irreparable harm." FED. R. BANKR. P. 6003(a) (2024). For the reasons discussed above, entry of an interim order granting this Motion is integral to the Debtor's ability to successfully transition into chapter 11. The Debtor's Employees are integral to its operations. Failure to satisfy the obligations with respect to the Employees in the ordinary course of business during the first 21 days of this Chapter 11 case will jeopardize Employee loyalty and trust, possibly causing Employees to leave the Debtor's employ, thereby disrupting the Debtor's operations. Moreover, the Debtor's Employees rely on their compensation, benefits, and reimbursement of expenses to pay their living expenses and the effect could be financially ruinous if the Debtor cannot pay them in the ordinary course of business. Accordingly, the Debtor has satisfied the "immediate and irreparable harm" standard of Bankruptcy Rule 6003 to support granting the relief requested herein. In accordance with Local Bankruptcy Rule 9013-2(d)(2), the Debtor requests that the Court schedule an emergency hearing to consider the relief requested in this Motion. An emergency hearing is critical to enabling the Debtor to continue to maintain and operate its business without disruption and to prevent delay in the efficient administration of this Chapter 11 Case.

Debtor's Compliance with Bankruptcy Rule 6004(a) and Waiver of Bankruptcy Rule 6004(h)

53. To implement the foregoing successfully, the Debtor requests that the Court find that notice of the Motion is adequate under Bankruptcy Rule 6004(a) under the circumstances and waive any stay of the effectiveness of the order approving this Motion under Bankruptcy Rule 6004(h). Pursuant to Bankruptcy Rule 6004(h), "[u]nless the court orders otherwise, an order authorizing the use, sale, or lease of property (other than cash collateral) is stayed for 14 days after the order is entered." FED. R. BANKR. P.

6004(h) (2024). As explained above, the relief requested herein is essential to avoid the immediate and irreparable harm that would be caused by the Debtor's inability to transition smoothly into chapter 11. The Debtor submits that ample cause exists to justify finding that the notice requirements under Bankruptcy Rule 6004(a) have been satisfied and to grant a waiver of the 14-day stay imposed by Bankruptcy Rule 6004(h), to the extent such notice requirements and such stay apply.

Reservation of Rights

54. Nothing contained herein is intended to be or shall be deemed as (a) an implication or admission as to the validity of any claim against the Debtor, (b) a waiver or limitation of the Debtor's or any party in interest's rights to dispute the amount of, basis for, or validity of any claim, (c) a waiver of the Debtor's or any other party in interest's rights under the Bankruptcy Code or any other applicable non-bankruptcy law, (d) a waiver of the obligation of any party in interest to file a proof of claim, (e) an agreement or obligation to pay any claims, (f) a waiver of any claims or causes of action which may exist against any creditor or interest holder, (g) an admission as to the validity of any liens satisfied pursuant to this Motion, or (h) an approval, assumption, adoption, or rejection of any agreement, contract, lease, program, or policy under section 365 of the Bankruptcy Code. Likewise, if the Court grants the relief sought herein, any payment made pursuant to the Court's order is not intended to be and should not be construed as an admission to the validity of any claim or a waiver of the Debtor's or any other party in interest's rights to dispute such claim subsequently.

Motion Practice

55. This Motion includes citations to the applicable rules and statutory authorities upon which the relief requested herein is predicated, and a discussion of their application to the Motion. Accordingly, the Debtor submits that the Motion satisfies Local Rule 9013-1(a).

Limitation of Notice Requested

56. The Debtor has provided notice of this Motion, and once established, will provide notice of the Emergency Hearing, either by electronic mail or facsimile and/or by overnight mail to: (a) the Office of the United States Trustee for the District of Rhode Island; (b) counsel to the Bond Trustee; (c) counsel

to the City of Central Falls; (d) the entities listed on the Consolidated List of Creditors Holding the 20 Largest Unsecured Claims filed pursuant to Bankruptcy Rule 1007(d); and (e) the Internal Revenue Service.

57. Due to the urgency of the circumstances surrounding this Motion (as more fully described herein and in the First Day Declaration) and the nature of the relief requested herein, the Debtor respectfully requests that the Court approve such limited notice to the foregoing parties as both appropriate and sufficient under the circumstances pursuant to Local Rule 9013-2(d)(2)(B).

[Remainder of page intentionally left blank]

WHEREFORE, for the reasons set forth herein and in the First Day Declaration, the Debtor respectfully requests that the Court enter the Interim and Final Orders, substantially in the forms attached hereto as **Exhibit A** and **Exhibit B**, granting the relief requested herein and such other and further relief as the Court deems appropriate.

Dated: July 10, 2026

PARTRIDGE SNOW & HAHN LLP

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Proposed Counsel to the Debtor and Debtor in Possession

NOTICE REGARDING EMERGENCY RELIEF

The foregoing Motion requests relief on an emergency basis. Pursuant to Local Rule 9013-2, written responses are required within the time established by the Court. If no response time is established by the Court, responses may be filed up to the time that the hearing is convened.

<u>EXHIBIT A</u>

Proposed Interim Order

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF RHODE ISLAND

In re: CENTRAL FALLS DETENTION FACILITY CORPORATION, d/b/a Donald W. Wyatt Detention Facility Debtor.[1]	Chapter 11 Case No. 26- _____

INTERIM ORDER (I) AUTHORIZING THE DEBTOR TO (A) PAY PREPETITION EMPLOYEE WAGES, SALARIES, REIMBURSABLE EMPLOYEE EXPENSES AND OTHER COMPENSATION OBLIGATIONS, (B) MAINTAIN EMPLOYEE COMPENSATION AND BENEFITS PROGRAMS; AND (II) GRANTING RELATED RELIEF

Upon the motion (the "Motion")[2] of the above-captioned debtor and debtor in possession (the "Debtor" or "CFDFC") for entry of an interim order (this "Interim Order") (i) authorizing, but not directing, the Debtor to (a) pay certain prepetition wages, salaries, reimbursable employee expenses and other compensation obligations, (b) maintain employee compensation and benefit programs; (ii) scheduling a final hearing (the "Final Hearing") on the Motion; and (iii) granting related relief, as all more fully set forth in the Motion; and this Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §1334; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and it appearing that venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided; and such notice having been adequate and appropriate under the circumstances, and it appearing that no other or further notice need be provided; and this Court having reviewed the Motion; and upon any hearing held on the Motion; and all objections, if any, to the relief requested in the Motion having been withdrawn, resolved, or overruled; and upon consideration of the First Day Declaration; and the Court having determined that

[1] The last four digits of the Debtor's federal employer identification number are 5439. The address of the Debtor is 950 High Street, Central Falls, RI 02863.

[2] All capitalized terms used but otherwise not defined herein shall have the meaning ascribed in the Motion.

the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtor and its estate as contemplated by Bankruptcy Rule 6003 and is in the best interests of the Debtor, its estate, creditors, and all parties in interest; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein on an interim basis.

2. The Debtor is authorized, but not directed, pursuant to sections 105(a), 363(b), and 507 of the Bankruptcy Code to (a) pay obligations incurred, directly or indirectly, under or relating to the Employee Wages, Employee Obligations and reimbursable employee expenses (whether accrued prepetition or postpetition) and related fees, costs, and expenses incident to the foregoing, including amounts owed to third-party administrators and providers and taxing authorities, in the ordinary course of business and in accordance with its prepetition practice and procedures, and (b) maintain, continue to honor, and pay amounts with respect to the Debtor's business practices, programs, and policies for its Employees in the ordinary course of business.

3. The Debtor is authorized to (a) permit any Employees holding claims greater than $17,150 against the Debtor for Vacation Days to take accrued Vacation Days in the ordinary course of business and/or (b) pay such Employees cash on account of their accrued Vacation Days upon termination, in the ordinary course of business, in either case regardless of the $17,150 cap imposed by sections 507(a)(4) and 507(a)(5) of the Bankruptcy Code.

4. The Debtor is authorized, but not directed, to issue new post-petition checks, or effect new electronic fund transfer requests, and to replace any prepetition checks or electronic fund transfer requests that may be lost or dishonored or rejected as a result of the commencement of the Debtor's chapter 11 case with respect to any prepetition amounts owed to its Employees that are authorized to be paid pursuant to this Interim Order.

5. All applicable banks and other financial institutions are hereby authorized and required to

receive, process, honor, and pay all checks and transfer requests evidencing amounts paid by the Debtor under this Interim Order, or in a separate order of the Court, including any order approving the use of cash collateral and any related budget thereto, whether presented prior to or after the Petition Date, provided that sufficient funds are on deposit in the applicable accounts to cover such payments. Such banks and financial institutions are authorized to rely on the representations of the Debtor as to which checks are issued or authorized to be paid pursuant to this Interim Order.

6. Nothing in this Interim Order or the Motion is intended or shall be construed to grant relief from the automatic stay pursuant to section 362 of the Bankruptcy Code.

7. Notwithstanding anything to the contrary in this Interim Order, any payment made or action taken by the Debtor pursuant to the authority granted in this Interim Order must be in compliance with, and shall be subject to any orders: (a) approving the Debtor's use of cash collateral and related relief then in effect, and solely to the extent in compliance with any budget(s) in connection therewith and (b) approving the Debtor's continued use of its cash management system.

8. Nothing contained in the Motion or this Interim Order or any payment made pursuant to the authority granted by this Order is intended to be or shall be deemed as (a) an implication or admission as to the validity of any claim against the Debtor, (b) a waiver of the Debtor's or any party in interest's rights to dispute the amount of, basis for, or validity of any claim, (c) a waiver of the Debtor's or any party in interest's rights under the Bankruptcy Code or any other applicable nonbankruptcy law, (d) a waiver of the obligation of any party in interest to file a proof of claim, (e) an agreement or obligation to pay any claims, (f) a waiver of any claims or causes of action which may exist against any creditor or interest holder, (g) an admission as to the validity of any liens satisfied pursuant to the Motion, or (h) an approval, assumption, adoption, or rejection of any agreement, contract, lease, program, or policy under section 365 of the Bankruptcy Code.

9. The final hearing, if required, to consider entry of an order granting the relief requested in the Motion on a final basis shall be held on **_________, 2026 at __:__ a.m./p.m. (prevailing Eastern Time)** (the "Final Hearing"); and any objection to entry of such order shall be in writing, filed with this

Court, and served upon the parties noticed with the Motion, in each case so as to be received no later than **________, 2026 at 4:00 p.m. (prevailing Eastern Time).** If no such objection is filed to the Motion in accordance with this provision, this Court may enter the relief requested herein on a final basis without further notice or hearing.

10. The requirements set forth in Bankruptcy Rule 6003(a) are satisfied by the contents of the Motion and the First Day Declaration or otherwise deemed waived.

11. Notice of the Motion as provided therein shall be deemed good and sufficient notice, and the requirements of Bankruptcy Rule 6004(a) are satisfied by such notice or otherwise deemed waived.

12. Notwithstanding the provisions of Bankruptcy Rules 6004(h), the terms and conditions of this Interim Order shall be immediately effective and enforceable upon its entry.

13. The Debtor is authorized to take all actions necessary to effectuate the relief granted pursuant to this Interim Order in accordance with the Motion.

14. The Court retains jurisdiction with respect to all matters arising from or related to the interpretation or implementation of this Interim Order.

Dated: _____________, 2026
Providence, Rhode Island

____
The Honorable John A. Dorsey, Jr.
United States Bankruptcy Judge

EXHIBIT B

Proposed Final Order

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF RHODE ISLAND

In re: CENTRAL FALLS DETENTION FACILITY CORPORATION, d/b/a Donald W. Wyatt Detention Facility Debtor.[1]	Chapter 11 Case No. 26- _____

FINAL ORDER (I) AUTHORIZING THE DEBTOR TO (A) PAY PREPETITION EMPLOYEE WAGES, SALARIES, REIMBURSABLE EMPLOYEE EXPENSES AND OTHER COMPENSATION OBLIGATIONS, (B) MAINTAIN EMPLOYEE COMPENSATION AND BENEFITS PROGRAMS; AND (II) GRANTING RELATED RELIEF

Upon the motion (the "Motion")[2] of the above-captioned debtor and debtor in possession (the "Debtor" or "CFDFC") for entry of a final order (this "Final Order") (i) authorizing, but not directing, the Debtor to (a) pay certain prepetition wages, salaries, reimbursable employee expenses and other compensation obligations, (b) maintain employee compensation and benefit programs; and (ii) granting related relief, as all more fully set forth in the Motion; and this Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. § 1334; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and it appearing that venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided; and such notice having been adequate and appropriate under the circumstances, and it appearing that no other or further notice need be provided; and this Court having reviewed the Motion; and upon any hearing held on the Motion; and all objections, if any, to the relief requested in the Motion having been withdrawn, resolved, or overruled; and upon consideration of the First Day Declaration; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for

[1] The last four digits of the Debtor's federal employer identification number are 5439. The address of the Debtor is 950 High Street, Central Falls, RI 02863.

[2] All capitalized terms used but otherwise not defined herein shall have the meaning ascribed in the Motion.

the relief granted herein; and it appearing that the relief requested in the Motion is in the best interests of the Debtor, its estate, creditors, and all parties in interest; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein on a final basis.

2. The Debtor is authorized, but not directed, pursuant to sections 105(a), 363(b), and 507 of the Bankruptcy Code to (a) pay obligations incurred, directly or indirectly, under or relating to the Employee Wages and Employee Obligations and related fees, costs, and expenses incident to the foregoing, including amounts owed to third-party administrators and providers and taxing authorities, in the ordinary course of business and in accordance with its prepetition practice and procedures, and (b) maintain, continue to honor, and pay amounts with respect to the Debtor's business practices, programs, and policies for its Employees in the ordinary course of business.

3. The Debtor is authorized to (a) permit any Employees holding claims greater than $17,150 against the Debtor for Vacation Days to take accrued Vacation Days in the ordinary course of business and/or (b) pay such Employees cash on account of their accrued Vacation Days upon termination, in the ordinary course of business, in either case regardless of the $17,150 cap imposed by sections 507(a)(4) and 507(a)(5) of the Bankruptcy Code.

4. The Debtor is authorized, but not directed, to issue new post-petition checks, or effect new electronic fund transfer requests, and to replace any prepetition checks or electronic fund transfer requests that may be lost or dishonored or rejected as a result of the commencement of the Debtor's chapter 11 case with respect to any prepetition amounts owed to its Employees that are authorized to be paid pursuant to this Final Order.

5. All applicable banks and other financial institutions are hereby authorized and required to receive, process, honor, and pay all checks and transfer requests evidencing amounts paid by the Debtor under this Final Order, or in a separate order of the Court, including any order approving the use of cash collateral and any related budget thereto, whether presented prior to or after the Petition Date, provided that

sufficient funds are on deposit in the applicable accounts to cover such payments. Such banks and financial institutions are authorized to rely on the representations of the Debtor as to which checks are issued or authorized to be paid pursuant to this Final Order.

6. Notwithstanding anything to the contrary in this Final Order, any payment made or action taken by the Debtor pursuant to the authority granted in this Interim Order must be in compliance with, and shall be subject to any orders: (a) approving the Debtor's use of cash collateral and related relief then in effect, and solely to the extent in compliance with any budget(s) in connection therewith and (b) approving the Debtor's continued use of its cash management system.

7. Nothing in this Final Order or the Motion is intended or shall be construed to grant relief from the automatic stay pursuant to section 362 of the Bankruptcy Code.

8. Nothing contained in the Motion or this Final Order or any payment made pursuant to the authority granted by this Order is intended to be or shall be deemed as (a) an implication or admission as to the validity of any claim against the Debtor, (b) a waiver of the Debtor's or any party in interest's rights to dispute the amount of, basis for, or validity of any claim, (c) a waiver of the Debtor's or any party in interest's rights under the Bankruptcy Code or any other applicable nonbankruptcy law, (d) a waiver of the obligation of any party in interest to file a proof of claim, (e) an agreement or obligation to pay any claims, (f) a waiver of any claims or causes of action which may exist against any creditor or interest holder, (g) an admission as to the validity of any liens satisfied pursuant to the Motion, or (h) an approval, assumption, adoption, or rejection of any agreement, contract, lease, program, or policy under section 365 of the Bankruptcy Code.

9. Notice of the Motion as provided therein shall be deemed good and sufficient notice, and the requirements of Bankruptcy Rule 6004(a) are satisfied by such notice or otherwise deemed waived.

10. Notwithstanding the provisions of Bankruptcy Rules 6004(h), the terms and conditions of this Final Order shall be immediately effective and enforceable upon its entry.

11. The Debtor is authorized to take all actions necessary to effectuate the relief granted pursuant to this Final Order in accordance with the Motion.

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

Dated: ___________, 2026
Providence, Rhode Island

____
The Honorable John A. Dorsey, Jr.
United States Bankruptcy Judge