THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

In re: Whitehall Trust, et al.,[1] Debtors.	Chapter 11 Case No. 25-15241 (Joint Administration Requested) Hearing: December 30, 2025 at 9:00 a.m.

MOTION OF THE DEBTORS FOR AN ORDER (A) AUTHORIZING THE DEBTORS TO PAY CERTAIN PRE-PETITION (I) WAGES, SALARIES, AND OTHER COMPENSATION, (II) REIMBURSABLE EMPLOYEE EXPENSES, AND (III) EMPLOYEE MEDICAL AND SIMILAR BENEFITS; AND (B) DIRECTING BANKS AND OTHER FINANCIAL INSTITUTIONS TO HONOR ALL RELATED CHECKS AND ELECTRONIC PAYMENT REQUESTS

The above-captioned debtors (collectively, the "Debtors") hereby move the Court, pursuant to this motion (this "Motion"), for the entry of an order, substantially in the form attached hereto as Exhibit A, (a) authorizing, but not directing, the Debtors to pay certain pre-petition (i) wages, salaries, and other compensation, (ii) reimbursable employee expenses, and (iii) employee medical and similar benefits; and (b) authorizing and directing banks and other financial institutions to receive, process, honor, and pay all checks presented for payment and electronic payment requests relating to the foregoing. In support of this Motion, the Debtors respectfully state as follows:

Jurisdiction

1. The Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 1334.

2. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).

3. Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

4. The statutory bases for the relief requested herein are Sections 105(a), 363(b)(1), 363(c)(1), 507(a)(4), 507(a)(5), 541(b), and 1129(a)(9)(B) of the Bankruptcy Code, 11 U.S.C. §§

[1] The Debtors in these Chapter 11 Cases are: (i) Whitehall Trust; (ii) Saucon Trust; (iii) Whitehall Manor, Inc. (5606); (iv) Saucon Valley Manor, Inc. (2894).

101 et seq. (the "Bankruptcy Code"), Rules 6003 and 6004(h) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rules 1002-3, 4002-1 and 5070-1 of the Local Bankruptcy Rules of the United States Bankruptcy Court for the Eastern District of Pennsylvania (the "Local Rules").

Background

5. On the date hereof (the "Petition Date"), the Debtors each filed petitions for relief under Chapter 11 of title 11 of the Bankruptcy Code. The Debtors are operating their businesses and managing their property as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

6. As of the date of the filing of this Motion, no official committee of unsecured creditors, trustee, or examiner has been appointed or designated in these cases.

The Debtors' Operations

7. Concurrently with the filing of this Motion, the Debtors have sought procedural consolidation and joint administration of these Chapter 11 Cases.

8. Whitehall Manor, Inc. ("Whitehall") and Saucon Valley Manor, Inc. ("SVM," and, together with Whitehall, the "Manors") are Pennsylvania S-corporations. Through their missions, the Manors operate award winning senior living facilities at properties owned by Whitehall Trust and Saucon Trust (collectively, the "Trusts"). Real property located at 1177 Sixth Street, Whitehall Township, PA is held in trust by Whitehall Trust and real property located at 1050 Main Street, Hellertown PA is held in trust by Saucon Trust. The Trusts lease the properties to Whitehall and SVM, respectively, and Whitehall and SVM operate their Manors at those locations.

9. The Manors are classified as Personal Care Homes ("PCH") regulated under 55 PA Code 2600. PCHs are not designed for seniors to age in place, which distinguish such facilities

from Assisted Living Communities (“ALC”) and Skilled Nursing Facilities (“SNF”). PCHs are not required by regulation, for example, to have nurses or doctors on staff or to provide transportation, unlike ALCs and SNFs. Residents with increased care needs are not eligible for PCH.

10. The Manors’ residents are private pay. The Manors provide 24-hour supervision for adults and help with the tasks of daily living such as bathing, dressing, medication assistance, and meal preparation. Available services are based on the resident’s needs after an evaluation.

11. Operations will continue in the ordinary course and will continue to be supported by the loans from the owners, subject to court approval.

12. The factual background relating to the Debtors’ commencement of these Chapter 11 Cases is set forth in detail in the First Day Declaration filed on the Petition Date and incorporated herein by reference.

A. Employees, Wages, and Benefits

13. As of the Petition Date, the Debtors employ approximately [287] employees, of whom approximately [185] are full-time employees (the “Full-Time Employees”) and approximately [102] are part-time employees (the “Part-Time Employees,” and together with the Full-Times Employees, the “Employees”).

14. The Debtors’ Employees are not associated with any union.

15. Approximately [280] Employees are paid on an hourly basis and the remaining [7] Employees are paid on a salary basis.

16. The Employees’ skills and their knowledge and understanding of the Debtors’ operations, and infrastructure are essential to the effective reorganization of the Debtors’ organizations.

17. Just as the Debtors depend on their Employees to operate, the Employees depend

on the Debtors. The vast majority of the Debtors' Employees rely exclusively on their compensation and benefits to continue to pay their daily living expenses, and these Employees will be exposed to significant financial difficulties if the Debtors are not permitted to pay them their unpaid compensation, benefits, and reimbursable expenses in the ordinary course of business (subject to the applicable statutory cap).

18. To minimize the personal hardship that the Employees would suffer if pre-petition Employee-related obligations are not paid when due or as expected, and to maintain morale and stability in the Debtors' workforce during this critical time, the Debtors, by this Motion, seek authority to pay and honor, in their sole discretion, certain pre-petition claims for, among other items: wages, salaries, and other compensation, federal and state withholding taxes and other amounts withheld or deducted (including, garnishments, Employees' share of insurance premiums, and taxes), health benefits, insurance benefits, personal hours and paid time off, and all other benefits that the Debtors have historically provided in the ordinary course of business and to pay all costs incident to the foregoing.

19. In an abundance of caution, the Debtors request the right to modify, change, and discontinue any of their employee compensation, policies, and/or benefits, and to implement new policies and benefits in the ordinary course of business during these Chapter 11 Cases in their sole discretion without the need for further Court approval.

B. Employee Obligations Wages

20. Debtors' Employees, including all hourly and salaried workers, are paid two weeks in arrears on a bi-weekly basis on Friday. The pay period runs from Saturday to the second Saturday thereafter.

21. The Manors manage their respective payroll. Once the hours are deemed accurate,

the payroll, including withholdings for related taxes and all other payroll related deductions, is transferred from the Manors' main operating bank accounts to the Manors' payroll accounts. Two days prior to payday, the payroll is transferred to Isolved. Isolved then administers the payments to the employees, taxing authorities, and insurance companies.

22. As of the Petition Date, Debtors' average bi-weekly gross payroll for Employees was approximately $360,000, including Employee Benefits and withholdings.

23. Approximately seventy-six (76%) percent of Employees receive their paycheck by direct deposit, and the other twenty-four (24%) percent receive their paychecks by check.

24. The Debtors' most recently closed ordinary course pay period ended on December 20, 2025, where Employees are scheduled to be paid in the ordinary course of business on December 26, 2025 in the approximate gross amount of $360,000 including Employee Benefits and withholdings.

25. The Debtors' current pay period covers the period from December 21, 2025 to January 3, 2026 and is payable on January 7, 2026 (the "January 7th Payroll").

26. The prepetition portion (i.e. period from December 21 to December 26) of the January 7th Payroll that will be earned, but unpaid, as of the Petition Date is estimated to be in the approximate gross amount of $215,000, inclusive of wages and funds sufficient to cover withholdings. Because this amount is an estimate, as further discussed below, the Debtors request that they be authorized to pay a total amount of up to $247,500 (i.e., 15% above $215,000) for the pre-petition portion of the January 7th Payroll, inclusive of wages and funds sufficient to cover withholdings. The Debtors expect a higher than normal pay period, because the prepetition period includes Christmas Eve and Christmas. For these two dates, Employees are paid time and a half.

C. Benefits

27. The Debtors carry third-party insurance. The Debtors provide Employees with access to insurance for among other things, health (medical and dental). Debtors pay the Employee Insurance via withholdings from the pay of their Employees (e.g., amounts are withheld from each respective bi-weekly paycheck) and contributions from the Debtors.

28. The Debtors' current medical plan is administered by Highmark. Prescription drugs are covered under the Debtors' insurance. Sixty-Five [65] Employees currently participate in the Debtors' medical insurance. The Debtors' costs for medical insurance for its Employees totals approximately $40,000 - $47,000 per month (70% of cost).

29. Debtors' medical plan will be administered by Capital Blue Cross starting January 1, 2026. The plan will offer Dual Option PPO insurance plans. Prescription drugs will be covered. Employer coverage will remain 70%.

30. The Debtors' dental plan is administered through United Concordia. Sixty-five [65] Employees participate in the Debtors' dental insurance. The Employees pay 100% of the costs for dental insurance.

31. The Debtors provide workers' compensation insurance ("Workers Compensation") for its Whitehall Employees through Insurance Company of the West. The policy runs from February 23, 2025 to February 23, 2026. The approximate amount of premium costs per is approximately $7000.00 per month and $56,882.00 per year.

32. The Debtors provide Workers Compensation for its SVM Employees through Easten Alliance Insurance Company. The policy runs from September 1, 2025 to September 1, 2026. The approximate amount of premium costs is approximately $8200.00 per month and $98,441.00 per year.

33. The Employees of the Debtors are covered by workers' compensation benefits. The

Debtors are not aware of any Employees who plan to file a workers' compensation claim at this time.

34. The Debtors owe approximately $0 for the month of December for Workers Compensation. In the event that this estimate is incorrect, the Debtors request that it be authorized to cover these costs up to an amount of $16,000.00.

35. As of the Petition Date, Debtors owe approximately $0 on account of Employee Insurance, inclusive of employee deductions and employer contributions. Because this amount is an estimate, as further discussed below, the Debtors request that they be authorized to pay an amount up to $40,000 for the Employee Insurance, inclusive of employee deductions and employer contributions.

36. Full-Time Employees and Part-Time Employees also accrue paid vacation, sick, and personal time ("PTO Time") and personal days. PTO Time accrues based upon certain varying formulas that depend on factors such as the position held by each employee, the amount of time employed, and whether the employee is full time (at least 34 hours per week) or part-time (less than 34 hours per week). Unused vacation and sick time are carried over to the following year and unused time will not be forfeited during employment. Unused PTO is not paid to those terminated for cause. Unused PTO will be paid out to Employees upon separation if the Employees worked at the facility for one year and provides proper notice. Personal days are earned quarterly for perfect attendance. Any unused personal day are forfeited at end of employment and do not carry over to the following year.

37. The Debtors seek authority to pay or otherwise honor the January 7th Pre-Petition Payroll Obligations. The Debtors also seek authority to continue to honor their aforementioned employee-related benefits programs, including the Employee Insurance, Workers Compensation,

PTO Time, and personal days (the "Employment Benefits," and collectively with the Pre-Petition Payroll Obligations, the "Employee Obligations").

38. Prompt payment of the Employee Obligations is necessary to ensure the continued operation of the Debtors' business and to maintain the morale of the Employees, many of whom would suffer significant hardship and financial difficulty if there is any interruption in their wages. Payment of the related tax obligations is crucial in order for the Debtors to remain current with the relevant taxing authorities.

Relief Requested

39. By this Motion, the Debtors seek: (i) authority to pay and honor, in the ordinary course of business and in their sole discretion, all pre-petition claims and obligations related to the Employee Obligations, all as defined and described herein; and (ii) confirmation that they may continue, in their discretion, the underlying wages, salaries, benefits, policies, expense reimbursements, and other employment arrangements in the ordinary course of business.

40. In addition, the Debtors request that banks and other financial institutions be authorized and directed to receive, process, honor, and pay all checks presented for payment and electronic payment requests relating to the foregoing, whether such checks were presented or electronic requests were submitted prior to or after the Petition Date. The Debtors also request that all such banks and financial institutions be authorized to rely on the Debtors' designation of any particular check or electronic payment request as appropriate pursuant to this Motion.

41. Courts in complex chapter 11 cases have previously approved the same or substantially similar relief as requested herein. See e.g., In re Wordsworth Academy, et al., No. 17-14463(AMC) (Bankr. E.D. Pa. 2017).

Basis for Relief

A. Sufficient Cause Exists for the Court to Authorize the Debtors to Honor Employee Obligations

42. The Debtors seek authority to satisfy their Employee Obligations to ensure the continued operation of the Debtors' organizations and to maintain the morale of their Employees, many of whom would suffer extreme personal hardship and financial difficulty if they are not paid. In addition, the Employee Benefits are an important part of each employee's total compensation. Moreover, as with non-payment of wages or reimbursable expenses, any indication that the Employee Benefits may disappear or may not be honored will prove detrimental to the Debtors' ability to successfully reorganize.

43. Paying pre-petition wages and Employee Benefits will benefit the estates and their creditors by allowing the Debtors' operations to continue without interruption. Indeed, the Debtors believe that without the requested relief, their Employees may seek alternative employment opportunities. Such a development would deplete the Debtors' workforce, hindering the Debtors' ability to meet their obligations and, likely, diminishing stakeholder confidence in the Debtors' ability to successfully reorganize. The loss of valuable Employees and the resulting recruitment of new employees that would be necessary to find replacements of the caliber of the Debtors' current Employees would be distracting and costly at this critical time when the Debtors are stabilizing operations and continuing operational restructuring in chapter 11. Accordingly, there can be no doubt that the Debtors must do their utmost to retain their workforce by, among other things, continuing to honor all wage, benefit, and related obligations, including the Employee Obligations that accrued pre-petition.

B. Payment is Appropriate Pursuant to Section 105(a)

44. The Court may authorize payment of pre-petition claims in appropriate circumstances based on section 105(a) of the Bankruptcy Code. Section 105(a), which codifies the

inherent equitable powers of the bankruptcy court, empowers a bankruptcy court to "issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title." 11 U.S.C. § 105(a). Under section 105(a), courts may permit pre-plan payments of pre-petition obligations when essential to the continued operation of the debtor's business. Specifically, the Court may use its power under section 105(a) to authorize payment of pre-petition obligations pursuant to the "doctrine of necessity."

45. The United States Court of Appeals for the Third Circuit recognized the "necessity of payment" doctrine in *In re Lehigh & New England Ry. Co.*, 657 F.2d 570, 581 (3d Cir. 1981). The Third Circuit held that a court could authorize the payment of pre-petition claims if such payment was essential to the continued operation of the debtor. Id. (stating that court may authorize payment of pre-petition claims when there "is the possibility that the creditor will employ an immediate economic sanction, failing such payment"); *see also In re Penn Cent. Transp. Co.*, 467 F.2d 100, 102 n.1 (3d Cir. 1972) (holding that the necessity of payment doctrine permits "immediate payment of claims of creditors where those creditors will not supply services or material essential to the conduct of the business until their pre-reorganization claims have been paid"); *In re Just for Feet, Inc.*, 242 B.R. 821, 824-845 (Bankr. D. Del. 1999) (noting that, in the Third Circuit, debtors may pay pre-petition claims that are essential to continued operation of their business); *In re Columbia Gas Sys., Inc.*, 171 B.R. 189, 191-92 (Bankr. D. Del. 1994) (same).

46. The rationale for the necessity of payment rule—the rehabilitation of a debtor in reorganization cases—is "the paramount policy and goal of Chapter 11." *In re Ionosphere Clubs, Inc.*, 98 B.R. 174, 176 (Bankr. S.D.N.Y. 1989); see also Just For Feet, 242 B.R. at 826 (findingthat payment of pre-petition claims to certain trade vendors was "essential to the survival of the debtor during the chapter 11 reorganization"); *In re Eagle-Picher Indus., Inc.*, 124 B.R. 1021, 1023 (Bankr.

S.D. Ohio 1991) (approving payment of pre-petition unsecured claims of tool makers as "necessary to avert a serious threat to the Chapter 11 process"); *Burchinal v. Cent. Wash. Bank (In re Adams Apple, Inc.)*, 829 F.2d 1484, 1490 (9th Cir. 1987) (recognizing that allowance of "unequal treatment of pre-petition debts when necessary for rehabilitation . . ." is appropriate); *Mich. Bureau of Workers' Disability Comp. v. Chateaugay Corp. (In re Chateauguay Corp.)*, 80 B.R. 279, 287 (S.D.N.Y. 1987) (authorizing payment of pre-petition worker's compensation claims on grounds that the fundamental purpose of reorganization and equity powers of bankruptcy courts "is to create a flexible mechanism that will permit the greatest likelihood of survival of the debtor and payment of creditors in full or at least proportionately").

47. This flexible approach is particularly critical where a pre-petition creditor provides vital goods or services to a debtor that would be unavailable if the Debtor did not satisfy its pre-petition obligations. For example, in *In re Structurlite Plastics Corp.*, 86 B.R. 922, 931 (Bankr. S.D. Ohio 1988), the bankruptcy court stated that "a bankruptcy court may exercise its equity powers under § 105(a) [of the Bankruptcy Code] to authorize payment of pre-petition claims where such payment is necessary to permit the greatest likelihood of survival of the debtors and payment of creditors in full or at least proportionately." *Id.* The court explained that "a per se rule proscribing the payment of pre-petition indebtedness may well be too inflexible to permit the effectuation of the rehabilitative purposes of the Code." *Id.* at 932.

C. The Proposed Payments Are Accorded Priority Under Section 507

48. Moreover, all of the Employees' pre-petition wages and other benefits and compensation that the Debtors seek to pay under the authority sought hereby would be entitled in any event to priority treatment to the extent of $17,150.00 for each individual under sections

507(a)(4) and 507(a)(5) of the Bankruptcy Code.[2] As priority claims, the Debtors are required to pay these claims in full to confirm a chapter 11 plan. See 11 U.S.C. § 1129(a)(9)(B) (requiring payment of certain allowed unsecured claims for wages, salaries, and commissions for contributions to an employee benefit plan). Thus, granting the relief sought herein would only cause such employee claims to be paid early in the cases, instead of waiting until confirmation, to the extent they constitute priority claims.

49. Indeed, "wage priority has been a feature of the bankruptcy law since 1898." *In re Garden Ridge Corp.*, No. 04-10324, 2006 WL 521914, at *2 (Bankr. D. Del. Mar. 2, 2006) (quoting 4 Collier on Bankruptcy, § 507.05[1] (15th Ed. 2005)). "Its purpose is to alleviate hardship on workers... who may have no other source of income and to encourage employees to stand by an employer in financial difficulty. This priority extends to certain other benefits that are considered akin to compensation, such as vacation, severance and sick leave pay." *Id.* (internal citations omitted).

50. The Debtors' failure to pay these amounts would devastate morale at a critical time in the Debtors' restructuring efforts. In addition, all of these amounts have arisen in the ordinary course of the Debtors' operations and are reasonable in relation to the value of the services rendered.

D. The Proposed Payments Are Appropriate Under Section 363(b)

51. The Court may also grant the relief requested herein pursuant to section 363(b) of the Bankruptcy Code. Section 363 provides 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.

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[2] To the extent that the aggregate amount of such claims accrued prior to the Petition Date exceeds this cap, the Debtors do not seek authority at this time to pay such excess amounts.

§ 363(b)(1). Under this section, a court may authorize a debtor to pay certain pre-petition claims. *See Ionosphere Clubs, Inc.*, 98 B.R. at 175 (affirming lower court order authorizing payment of pre-petition wage claims pursuant to section 363(b)). To do so, “the debtor must articulate some business justification, other than the mere appeasement of major creditors.” *Id.* at 175.

52. Payment of pre-petition compensation in order to preserve and protect a debtor’s business by maintaining the morale and dedication of a debtor’s workforce is a sufficient business justification.

53. Accordingly, the requested payments should be permitted.

E. Payment of the Deductions and Payroll Taxes is Appropriate Under Section 541

54. In addition, as part of the relief requested herein, the Debtors seek authority to pay to the appropriate entities the deductions and the taxes incident to the Employees’ earnings. These amounts principally represent employee earnings that governments, Employees, and judicial authorities have designated for deduction. Indeed, certain deductions, such as contributions to the Employee Benefits, child support, and alimony payments, are not the Debtors’ property, but rather, have been withheld from Employees’ paychecks on another party’s behalf. See 11 U.S.C. § 541(b). Moreover, the Debtors and their officers are required by federal or state laws to make certain tax payments that have been withheld from their Employees’ paychecks. 26 U.S.C. §§ 6672 and 7501(a); *see also City of Farrell v. Sharon Steel Corp.*, 41 F.3d 92, 95–97 (3d Cir. 1994) (state law requiring 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) (noting individual officers of a company may be held personally liable for failure to pay trust fund taxes). Further, because the deductions and taxes are not property of the Debtors’ estates, these amounts are not subject to the normal bankruptcy prohibitions against

payment. *See In re Dameron*, 155 F.3d 718, 721 (4th Cir. 1998).

55. The Debtors, therefore, request that the Court confirm that such trust fund withholding is not property of the Debtors' estates and that the Debtors may transmit the deductions and taxes to the proper parties in the ordinary course of business.

56. It is also important to note that at this time, the Debtors do not seek to assume any employee-related executory contracts or obligations, and the Motion should not be deemed to be an assumption or adoption of any employee agreements or policies. Rather, the Debtors merely seek to take steps that they believe to be necessary to keep their existing workforce intact to maximize the value of the bankruptcy estates, pending further decisions relevant to the contemplated reorganization. Also, the Debtors will retain the discretion to not make the payments contemplated by the Motion for particular Employees, and nothing in the Motion shall, in and of itself, confer upon any Employees or other parties an entitlement to administrative priority or other preferences in distribution from the Debtors' estates.

F. Cause Exists to Authorize the Debtors' Financial Institutions to Honor Checks and Electronic Fund Transfers

57. Under the Debtors' existing cash management system, the Debtors' payroll is initially paid by the Manors. Accordingly, the Debtors believe that checks or wire transfer requests, other than those relating to authorized payments, will not be honored inadvertently and that all applicable banks and other financial institutions should be authorized and directed, when requested by the Debtors, to receive, process, honor, and pay any and all checks or wire transfer requests in respect of the pre-petition claims of the Employees.

G. Failure to Honor Employee Obligations Within Twenty-One Days of the Petition Date May Cause Immediate and Irreparable Harm

58. Pursuant to Bankruptcy Rule 6003, the Court may grant relief regarding a motion

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to pay all or part of a pre-petition claim that arose before the Petition Date within twenty-one (21) days after the filing of the petition if the relief is necessary to avoid immediate and irreparable harm.

59. As discussed above, the Employees are integral to the Debtors' operations. Failure to satisfy obligations with respect to the Employees in the ordinary course of business during the first twenty-one (21) days of these cases will jeopardize the loyalty and trust of the Employees. Certain of the Employees may leave and thereby cause serious disruption to the Debtors' operations during this critical period when the Debtors need the continued support of their Employees to allow for a successful reorganization.

60. Moreover, the vast majority of the Debtors' Employees rely exclusively on their compensation, benefits, and reimbursement of their expenses to continue to pay their daily living expenses, and these Employees will be exposed to significant financial difficulties if the Debtors are not permitted to pay the Employees in the ordinary course of business. Accordingly, the Debtors submit that they have satisfied the requirements of Bankruptcy Rule 6003 to support immediate payment of the Employee Obligations.

Request for Waiver of Stay

61. The Debtors also request that the Court waive the stay imposed by Bankruptcy Rule 6004(h), which provides that "[a]n order authorizing the use, sale, or lease of property other than cash collateral is stayed until the expiration of fourteen (14) days after entry of the order, unless the court orders otherwise." As described above, the relief that the Debtors seek in this Motion is immediately necessary in order for the Debtors to be able to continue to operate their organizations and preserve value for the benefit of creditors. The Debtors respectfully request that the Court waive the fourteen-day stay imposed by Bankruptcy Rule 6004(h), as the critical nature of the relief

sought herein justifies immediate relief.

Notice

62. This Motion has been served upon (a) the Office of the United States Trustee for the Eastern District of Pennsylvania; (b) the Commonwealth of Pennsylvania, Department of Labor and Industry; (c) the Commonwealth of Pennsylvania, Department of Revenue; (d) the Office of the Attorney General of Pennsylvania; (e) the entities listed on the Consolidated List of Creditors Holdings the 20 Largest Unsecured Claims filed pursuant to Bankruptcy Rule 1007(d); (f) Internal Revenue Service; (g) Duane Morris; (h) Truist Bank; (i) Whitehall Township Tax Office (j) Commonwealth of Pennsylvania, Department of Human Services; (k) Whitehall Coplay School District; (l) Borough of Hellertown; (m) County of Northhampton; (n) Saucon School District (o) Lehigh Valley LLC I; (p) Portnoff Law & Associates; (q) Office of the Unites States Attorney General for the Eastern District of Pennsylvania; and (r) all parties who have requested notice pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested, the Debtors respectfully submit that no further notice is necessary.

WHEREFORE, for the reasons set forth herein and in the First Day Declaration, the Debtors respectfully request that the Court enter an order, substantially in the form attached hereto as Exhibit A, (a) authorizing, but not directing, the Debtors to pay certain pre-petition amounts for the Employee Obligations (subject to the statutory cap), (b) confirming that the Debtors may continue to honor the Employee Benefits in the ordinary course of business; (c) authorizing and directing banks and other financial institutions to receive, process, honor, and pay all checks presented for payment and electronic payment requests relating to the foregoing, and (d) granting such other and further relief as is just and proper.

Dated: December 26, 2025
Philadelphia, Pennsylvania

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Proposed Counsel for the Debtors and Debtors-in-Possession

Exhibit A

Proposed Order

THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

In re: Whitehall Trust, et al.,[3] Debtors.	Chapter 11 Case No. 25-15241 (Joint Administration Requested)

ORDER (A) AUTHORIZING THE DEBTORS TO PAY CERTAIN PRE-PETITION (I) WAGES, SALARIES, AND OTHER COMPENSATION, (II) REIMBURSABLE EMPLOYEE EXPENSES, AND (III) EMPLOYEE MEDICAL AND SIMILAR BENEFITS; AND (B) DIRECTING BANKS AND OTHER FINANCIAL INSTITUTIONS TO HONOR ALL RELATED CHECKS AND ELECTRONIC PAYMENT REQUESTS

Upon consideration of the Motion (the "Motion") of the Debtors, for authorization to pay certain pre-petition payroll, wages, benefits, expenses, related federal, state and local payroll taxes, and related expenses; and due and sufficient notice of the Motion having been provided under the particular circumstances, and it appearing that no other or further notice need be provided; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334; and consideration of the Motion and the relief requested therein being a core proceeding under 28 U.S.C. § 157(b)(2); and venue being proper before this Court under 28 U.S.C. §§ 1408 and 1409; and a hearing having been held to consider the relief requested in the Motion (the "Hearing"); and upon the First Day Declaration and the record of the Hearing and all the proceedings before the Court; and after due deliberation thereon and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is granted, as set forth herein.

2. The Debtors are authorized, but not directed, to pay to its employees and 1099 independent contractors (excluding the Debtor's sole shareholder/officer/director) the gross wages,

[3] The Debtors in these Chapter 11 Cases are: (i) Whitehall Trust; (ii) Saucon Trust; (iii) Whitehall Manor, Inc. (5606); (iv) Saucon Valley Manor, Inc. (2894).

salaries, compensation, employment benefits, and other related obligations, for the Prepetition Pay Period (as defined in the Moton).

3. Notwithstanding any other provision of this order, no payments to or on behalf of any individual employee or 1099 independent contractor on account of pre-petition obligations shall exceed the amounts set forth in 11 U.S.C. §§ 507(a)(4) and 507(a)(5).

4. The Debtors are authorized, but not directed, to continue to pay and/or honor the Employee Obligations, in accordance with the Debtors' stated policies and in the ordinary course of the Debtors' business with respect to Employees as set forth in the Motion, provided that the payments are permitted under any cash collateral budget.

5. Subject to the terms of this Court's Order approving the Debtors' continued use of their cash management systems, all banks and financial institutions where the Debtors maintain their payroll accounts are authorized, when requested by the Debtors, to honor all payroll, expense and related checks issued to pay prepetition employment obligations identified herein, that are presented for payment to the extent that sufficient funds are on deposit or the Debtors arrange to have sufficient funds deposited in such accounts. The Debtors' banks and financial institutions shall not be liable to any party on account of: (a) following the Debtors' instructions or representations as to any order of this Court, (b) the honoring of any check or other item drawn on any account that is the subject of this Order in a good faith belief that the Court has authorized such check or item to be honored, and (c) an innocent mistake made despite implementation of reasonable item-handling procedures.

6. The Debtors are authorized to reissue checks to cover amounts that are dishonored by any such bank or financial institution on the account of prepetition employee obligations subject to sections 507(a)(4) and (a)(5).

7. Nothing herein shall be deemed to (1) authorize the payment of any amounts in satisfaction of pre-petition bonus or severance obligations, or that are subject to section 503(c) of the Bankruptcy Code; or (2) authorize the Debtors to cash out unpaid vacation/leave time upon termination of an employee, unless applicable state law requires such payment.

8. Nothing herein shall be deemed to authorize any payments that are subject to section 503(c) of the Bankruptcy Code.

9. For the avoidance of doubt and notwithstanding anything herein to the contrary, nothing herein shall authorize or be deemed to authorize the Debtors to pay any amounts (including interest and penalties) on account of late or past-due taxes.

10. Nothing contained in the Motion or this Interim Order is intended or should be construed to create an administrative priority claim on account of the Employee Obligations.

11. The Debtors shall provide seven (7) days' notice of any material changes to the Employee Programs described herein and any other programs described in the Motion to U.S. Trustee, and any statutory committees appointed in the Chapter 11 Cases.

12. The Debtors shall pay all withholdings, including social security, FICA, federal and state income taxes, garnishments, and employee benefits, related to the applicable pay period.

13. Notwithstanding the possible applicability of Bankruptcy Rules 6004, 7062 and 9014, or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

Dated: ______________________

Honorable Patricia Mayer