

So Ordered.

Signed this 19 day of February, 2026.



Wendy A. Kinsella

Wendy A. Kinsella
United States Bankruptcy Judge

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF NEW YORK**

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In re : Chapter 11
:
NORTH STAR HEALTH ALLIANCE, INC., *et al.*¹ : Case No. 26-60099-5-wak
: Main Case
Debtors. : Jointly Administered
: Case No. 26-30078
Case No. 26-30079
Case No. 26-60100
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**INTERIM ORDER PURSUANT TO SECTIONS 105(a) AND 363(b) OF THE
BANKRUPTCY CODE (I) AUTHORIZING PAYMENT OF WAGES,
COMPENSATION AND EMPLOYEE BENEFITS AND (II) AUTHORIZING
FINANCIAL INSTITUTIONS TO HONOR AND PROCESS CHECKS AND
TRANSFERS RELATED TO SUCH OBLIGATIONS**

This matter coming before the Court on the Motion of North Star Health Alliance, Inc. (“North Star”), Carthage Area Hospital, Inc. (“Carthage”), Claxton-Hepburn Medical Center, Inc. (“Claxton”), and Meadowbrook Terrace, Inc. (“Meadowbrook”), the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”), for an Order Authorizing them to pay:
(A) Prepetition Employee Wages, Salaries, and Related Items; (B) Prepetition Employee Business

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor’s federal tax identification number are: Carthage Area Hospital, Inc. (2079); North Star Health Alliance, Inc. (9491); Claxton-Hepburn Medical Center, Inc. (9686); and Meadowbrook Terrace, Inc. (2458).

Expenses; (C) Prepetition Contributions to and Benefits Under Employee Benefit Plans; (D) Prepetition Employee Payroll Deductions and Withholdings; and (E) All Costs and Expenses Incident to the Foregoing Payments and Contributions (the “Motion”); the Court having reviewed the Motion and having heard the statements of counsel regarding the relief requested in the Motion at a hearing before the Court (the “Hearing”); the Court finding that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (b) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and (c) and due and proper notice of the Motion having been provided to the U.S. Trustee for the Northern District of New York and the creditors holding the twenty largest unsecured claims against the Debtors’ estates, and it appearing that no other or further notice need be provided; and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; it is hereby:

ORDERED, that the Motion² is granted on an interim basis as set forth herein; and it is further

ORDERED, that subject to the limitations found in 11 U.S.C. § 507(a)(4), including the cap of \$17,150, the Debtors are authorized, but not directed, in accordance with their stated policies and in their sole discretion, to pay Prepetition Compensation, Prepetition Business Expenses, Deductions, Withholdings, and Benefits that accrued but remained unpaid as of the Petition Date to or for the benefit of the Employees; and it is further

ORDERED, that notwithstanding anything to the contrary set forth herein, any authorization to make payments pursuant to this Order shall be subject in all respects to any limitations imposed by any Order of the Court approving the Debtors’ use of cash collateral (including any budget approved thereby).

² Capitalized terms not otherwise defined herein have the meanings given to them in the Motion.

ORDERED, that the Debtors are authorized, but not directed, in their sole discretion, to pay the Prepetition Processing Costs, if any; and it is further

ORDERED, that all applicable banks and other financial institutions are authorized and directed, when requested by the Debtors in the Debtors' sole discretion, to receive, process, honor, and pay any and all checks drawn on the Debtors' accounts in respect of Prepetition Compensation, Prepetition Business Expenses, Deductions, Withholdings, Benefits, and Prepetition Processing Costs, whether such checks were presented prior to or after the Petition Date, provided that sufficient funds are available in the applicable accounts to make the payments, and all such banks and financial institutions are authorized to rely upon the Debtors' designation of any particular check or electronic payment request as being approved by this Order; and it is further

ORDERED, that a copy of the Motion and this Order shall be served upon (i) the Office of the United States Trustee for the Northern District of New York, (ii) the banks and entities affected by this Motion, (iii) the five largest secured creditors, and (iv) the Debtors' twenty (20) largest unsecured creditors by first class mail on or before 6:00 p.m. (EST) on February 19, 2026.

ORDERED, the final hearing concerning the relief requested in the Motion shall be held before this Court on February 25, 2026 at 11:30 a.m. (EST), or as soon thereafter as counsel may be heard.

ORDERED, that any objections or responses to the Motion or to entry of a further order granting the relief requested in the Motion shall be filed by noon on February 24, 2026 and served upon the following parties: (i) the Debtors, at Barclay Damon LLP, 1270 Avenue of the Americas, Suite 2310, New York, New York 10020, Attn: Janice B. Grubin, Esq., Jeffrey A. Dove, Esq. and Ilan Markus, Esq.; and (ii) Office of the United States Trustee for the Northern District of New York.

ORDERED, This Order shall remain in effect notwithstanding any objection until further Order of this Court. The modification or vacation of this Order shall not impair any action taken pursuant to it prior to its modification or vacation; and it is further

ORDERED, that nothing in the Motion shall be deemed a request by the Debtors for authority to assume, and nothing in this Order shall be deemed authorization to assume, any executory contract or unexpired lease pursuant to Section 365 of the Bankruptcy Code; and it is further

ORDERED, that notwithstanding any applicability of Bankruptcy Rules 6004(h), 7062, or 9014, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

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