

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF INDIANA
HAMMOND DIVISION

IN RE:)
) CASE NO. 07-20188 JPK
) (Jointly Administered)
HEARTLAND MEMORIAL HOSPITAL, LLC.,) Chapter 11
and IHEALTHCARE, INC.,)
)
)
Debtors.)

ORDER REGARDING FURTHER PROCEEDINGS
CONCERNING MOTION FOR REJECTION OF EXECUTORY CONTRACTS

On July 12, 2007, a hearing was held with respect to the debtor's Motion for Authority to Reject Certain Executory Contracts and Unexpired Leases and Setting Bar Date for Damages Arising Out of Rejection of Contracts, filed on May 9, 2007 – pursuant to the Court's order scheduling that hearing entered on June 8, 2007. The debtor appears by counsel Paula Jacobi; the Unsecured Creditors Committee appears by counsel Christopher Horvay; the United States Trustee appears by Trial Attorney Jennifer Prokop. This order memorializes matters with respect to the parties to the executory contracts who failed to respond to the debtor's motion.

The Court tentatively advises debtor's counsel that its most probable determination¹ of issues concerning the effective date of rejection under 11 U.S.C. § 365 will be that the date of filing of the motion for rejection is presumptively the effective date of rejection, subject to the possible modification of that date – either forward to backward – by evidence submitted by either the debtor or by the non-debtor party to the executory contract which causes that date to contravene equitable principles in some manner. The Court states that for the purposes of resolving the motion with respect to non-appearing/objecting parties, the Court would adopt the effective date of rejection as the date of the filing of the motion on May 9, 2007, an offer which Attorney Jacobi declines at the hearing. Attorney Jacobi will review matters relating to the various executory contracts subject to the motion to determine whether or not she deems there

¹ A statement of the whim and fancy of the Court at this time, without substantive effect.

to be circumstances which may be relevant to determining a date for rejection other than the date of filing of the motion.

IT IS ORDERED that a telephonic conference will be held on **August 22, 2007, at 10:30 A.M.** among Attorney Paula Jacobi, Attorney Christopher Horvay as counsel for the Unsecured Creditors Committee, and Trial Attorney Jennifer Prokop with respect to the manner in which the debtor wishes to further proceed concerning the Court's determination of the effective date of rejection as to non-appearing executory contract parties.

Dated at Hammond, Indiana on August 1, 2007.

/s/ J. Philip Klingeberger
J. Philip Klingeberger, Judge
United States Bankruptcy Court

Distribution:
Debtor, Attorney for Debtor
US Trustee
Attorney for Unsecured Creditors Committee