



The relief described hereinbelow is SO ORDERED.

Signed April 14, 2026.

Christopher G. Bradley
CHRISTOPHER G. BRADLEY
UNITED STATES BANKRUPTCY JUDGE

IN THE UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF TEXAS
EL PASO DIVISION

IN RE: §
CATHOLIC DIOCESE OF EL PASO, §
DEBTOR¹ §
CASE NO. 26-30311-CGB §
CHAPTER 11 §

SECOND² INTERIM ORDER (A) AUTHORIZING CONTINUED USE OF EXISTING CASH MANAGEMENT SYSTEM; (B) AUTHORIZING MAINTENANCE OF EXISTING BANK ACCOUNTS, BUSINESS FORMS, AND SEGREGATED RESTRICTED FUND ACCOUNTS; (C) WAIVING CERTAIN DEPOSIT AND INVESTMENT REQUIREMENTS; AND (D) GRANTING RELATED RELIEF
(Related to Dkt. No. 13)

Considering the *Diocese's Emergency Motion for Interim and Final Orders (A) Authorizing Continued Use of Existing Cash Management System; (B) Authorizing Maintenance of Existing Bank Accounts, Business Forms, and Segregated Restricted Fund Accounts; (C) Waiving Certain Deposit and Investment Requirements; and (D) Granting Related Relief* (Docket

¹ The Diocese's address is 499 St. Matthews Street, El Paso, TX 79907. The last four digits of the Diocese's federal tax identification number are 0751.
² The Diocese and the United States Trustee have agreed to this Second Interim Order to allow the United States Trustee sufficient time to review information provided by the Diocese in relation to the Cash Management Motion.

No. 13) (the “**Cash Management Motion**”)¹ filed by the Diocese of El Paso, as debtor and debtor-in-possession (the “**Diocese**”); and the Court having reviewed the Cash Management Motion and the declaration(s) filed in support thereof; and the Court having conducted a hearing on the Cash Management Motion on an interim basis; and it appearing that the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that this is a core proceeding pursuant to 28 U.S.C. § 157(b); and it appearing that notice of the Cash Management Motion was sufficient under the circumstances; and the Court having found that good and sufficient cause exists to grant the relief requested in the Cash Management Motion on an interim basis to avoid immediate and irreparable harm to the Diocese and its estate, pursuant to Federal Rule of Bankruptcy Procedure 6003; and after due deliberation and for good cause shown;

IT IS HEREBY ORDERED THAT:

1. The Cash Management Motion is granted on an interim basis as set forth herein.
2. The Diocese is authorized, in the exercise of its business judgment, to continue to operate and maintain its existing cash management system (the “**Cash Management System**”), as described in the Cash Management Motion, in the ordinary course of business.
3. The Diocese is authorized to maintain and continue using all of its existing bank accounts (the “**Bank Accounts**”) at the financial institutions identified in the Cash Management Motion (the “**Banks**”), and all such Banks are authorized and directed to continue to maintain and service such accounts for the Diocese as debtor-in-possession without interruption.
4. The Diocese is authorized to pay Processing Fees for and to continue its use of Elavon's payment processing services.

¹ Capitalized terms used in this Second Interim Order shall have the meanings ascribed to them in the Cash Management Motion.

5. The Diocese shall, within fourteen (14) days of the date of entry of this Second Interim Order, retitle the Bank Accounts to reflect the Diocese's status as "Debtor-in-Possession" and include the designation "Case No. 26-30311-cgb".

6. To the extent that any of the Bank Accounts are not in compliance with 11 U.S.C. § 345(b) or any of the U.S. Trustee's requirements or guidelines, the Debtor shall have an additional interim period of 14 days to comply with 11 U.S.C. § 345(b) or the U.S. Trustee Guidelines regarding Authorized Depositories with respect to the Bank Accounts, without prejudice to the Debtor's ability to seek further extensions to the extent applicable. The Debtor may obtain a further extension of the thirty-day period referenced above by written stipulation with the U.S. Trustee filed on the Court's docket without the need for further Court order.

7. Nothing in this Second Interim Order waives any argument that the Bank Accounts (including investment accounts) fail to comply with the requirements of 11 U.S.C. § 345(b).

8. If any Bank Account is not with an Authorized Depository, to the extent that the Bank Account's cash balance exceeds the FDIC insured limit at any time during the pendency of this Chapter 11 case, then the Debtor shall obtain a bond that complies with 11 U.S.C. § 345(b)(1) or open a debtor-in-possession account with an authorized depository ("**Sweep Account**") and sweep all funds in the account in excess of \$250,000 into the Sweep Account on a daily basis, with weekly accounting of the daily fund sweeps provided to the U.S. Trustee;

9. The Diocese will confirm copies of all bank statements showing balances and activity as of the Petition Date have been provided to the U.S. Trustee no later than seven calendar days before the final hearing is held on the Cash Management Motion.

10. The Diocese is authorized to continue using its existing business forms, including but not limited to checks, deposit slips, and letterhead, for a period not to exceed thirty (30) days

from the Petition Date; provided, however, the Diocese will stamp or otherwise imprint checks, as soon as practicable, with the notation “Catholic Diocese of El Paso, Debtor in Possession, Bankruptcy Case No. 26-30311-cgb” until the earlier of existing stock being depleted or thirty (30) days from the Petition Date. The Diocese shall promptly modify its business forms to bear the legend “Debtor-in-Possession” and the bankruptcy case number and shall begin using such forms as soon as practicable.

11. Except to the extent that this Court authorizes such payments, the Debtor (a) will take steps to stop payment on all debts paid by checks issued on Bank Accounts before the Petition Date which have not cleared the Bank Accounts, and (b) will not issue any checks after the Petition Date for the payment of an obligation that arose before the Petition Date.

12. Nothing contained herein shall prevent the Debtor from opening or closing post-petition bank accounts as it may deem necessary and appropriate, so long as the opening or closing of a bank account is in accordance with 11 U.S.C. § 345, the U.S. Trustee Guidelines, or permitted by further Court order.

13. The restricted fund accounts identified in the Cash Management Motion shall be maintained as segregated accounts, and the funds therein shall not be commingled with the Diocese’s general operating funds or any other funds of the bankruptcy estate.

14. The Diocese is authorized, in the ordinary course of the Diocese’s business, to receive donations that parishioners have made to their respective parishes and accumulate those funds for distribution to specific designated charities as a mere conduit of funds to the charities; provided, however, that nothing in this Second Interim Order determines any issue regarding whether payments from accounts held by the Diocese are disbursements subject to U.S. Trustee quarterly fees under 28 U.S.C. § 1930. Notwithstanding the foregoing, this order is without

prejudice to any party in interest challenging (i) whether the Diocese is a mere conduit with respect to any funds it receives, holds, and administers on behalf of its parishes or any other entity; or (ii) whether the funds the Diocese may receive from its parishes are property of the estate.

15. Nothing in this Second Interim Order determines any issue regarding what property constitutes property of the estate.

16. A final hearing (the “**Final Hearing**”) on the Cash Management Motion shall be held on April 29, 2026, at 11:00 a.m. (Mountain Time) before the Honorable Christopher G. Bradley, via Zoom at www.zoomgov.com/my/bradley.txwb Meeting ID 160-1114-1085.

17. In accordance with the Court’s Order Establishing Omnibus Hearing Dates and Administrative Procedures, any objections or responses to the relief sought in the Cash Management Motion must be filed with the Clerk of this Court no later than April 22, 2026

18. The notice of the Cash Management Motion provided by the Diocese is adequate and sufficient for interim relief, and no further notice is required.

19. The 14-day stay imposed by Federal Rule of Bankruptcy Procedure 6004(h) is hereby waived.

20. This Second Interim Order shall be effective and enforceable immediately upon its entry.

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

22. The Diocese will provide notice of this Second Interim Order to: (i) the Office of the United States for Trustee for Region 7; (ii) the attorneys for the Committee once the committee has been appointed, and until then, (a) the Plaintiffs in abuse lawsuits against the Diocese through their counsel and (b) the Diocese’s twenty (20) largest unsecured trade creditors; (iii) those persons

who have formally appeared by filing a Notice of Appearance, a Request for Notice, or a similar document and requested notice in this case under Bankruptcy Rule 2002; (iv) the Texas Attorney General's Office; (v) the Diocese's banks and financial institutions, including Weststar Bank through its counsel; (vi) the ad hoc group of abuse survivors through its counsel, Drew J. Glasnovich; and (vii) to the extent applicable, known counsel to the foregoing. A copy of the Cash Management Motion and any orders approving it are available on the Diocese's Case Information Website located at <https://cases.stretto.com/dioceseofelpaso>. The Diocese submits that, in light of the nature of the relief requested, no other or further notice need be given.

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**PROPOSED ATTORNEYS FOR THE DEBTOR
AND DEBTOR IN POSSESSION, CATHOLIC DIOCESE OF EL PASO**