

SO ORDERED.

SIGNED July 5, 2016.

ROBERT SUMMERHAYS
UNITED STATES BANKRUPTCY JUDG

UNITED STATES BANKRUPTCY COURT WESTERN DISTRICT OF LOUISIANA Lafayette Division

IN RE: CASE NO. 16-50740

PROGRESSIVE ACUTE CARE, LLC, et al. CHAPTER 11

DEBTORS JOINTLY ADMINISTERED

FINAL ORDER AUTHORIZING RETENTION OF ATTORNEY

Upon the annexed application of the Debtors-In-Possession ("Debtors"), through their counsel, praying for authority to employ William E. Steffes and the law firm of Steffes, Vingiello & McKenzie, LLC, ("attorney") to represent the Debtors in these proceedings under Chapter 11 of the Bankruptcy Code, notice of the application being given, and no adverse interest being represented; it appearing that said attorney is duly admitted to practice before this Court, that said attorney represents no interest adverse to the Debtors or their estates in the matters upon which he is to be engaged, that said attorney's employment is necessary and would be in the best interest of the estates, that the case is one justifying a general retainer, that by accepting employment, said attorney as an office of this Court enters into a special relationship of trust to the Court and to the creditors, and that such employment brings with it special responsibilities; therefore,

IT IS ORDERED that the Debtors are authorized to retain William E. Steffes and the law firm of Steffes, Vingiello & McKenzie, LLC as attorney generally in all matters, which in the performance of their duties, the Debtors may properly require the services of an attorney under general retainer. The Court finds that granting the requested relief immediately is necessary to avoid immediate and irreparable harm, pursuant to Rule 6003(a); and

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IT IS FURTHER ORDERED that said attorney be and is hereby charged with the following special duties and responsibilities which he is hereby ordered to perform:

- 1. He shall offer advice to the Debtors and the officers, directors, employees, agents and partners thereof, as applicable, regarding the operation of the business of the Debtors and the Debtors' responsibility to comply with orders of this Court, including the Order to Debtors in Possession, the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the Local Bankruptcy Rules, the Guide to Practice, and other applicable law.
- 2. He shall advise the Debtors of their obligations to file the reports required by the Order to the Debtors in Possession filed in connection with this case and shall instruct the Debtors to include therein any information material to the continued operation of the Debtors and to the continuation of these proceedings.
- 3. He shall instruct the Debtors of their responsibility to take all steps reasonably necessary to prevent any depletion of the assets of the estates during the pendency of these proceedings and their responsibility to notify the Court of any actual or threatened depletion of the assets.
- 4. If, at any time during the pendency of these proceedings, he concludes that the continued operation of the Debtors' business or the continuation of these proceedings is not in the best interest of the creditors and of the estates, he shall immediately advise the Debtors of that conclusion and recommend that the Debtors so advise the Court.
- 5. He shall inform the Debtors that the Debtors may not pay any indebtedness or obligation owed by the Debtors on the date of the filing of the Petition(s) initiating this proceeding pending further orders of this Court.
- 6. He shall promptly advise the Debtors not to make any sales of any assets outside the ordinary course of business except upon appropriate further orders of this Court.
- 7. He shall advise the Debtors that the Debtors must comply with the requirements of the Internal Revenue Code and in particular with the depository receipt requirements of the Internal Revenue Code and regulations, and that the Debtors must comply with all applicable state tax laws and regulations. Further, he shall report to the Court any continued and intentional failure of the Debtors to follow his advice.
- 8. He shall advise the Debtors that all financial reports required to be filed by the Order to Debtors in Possession must be true, correct and accurate, and that the Debtors must timely file such reports. In the event that the Debtors continually and intentionally fail to follow his advice, the attorney shall so report to the Court.
- 9. He shall advise the Debtors that all debts incurred by the Debtors in the course of the operation of their business as Debtors are to be paid in the ordinary course of business and in accordance with the terms of this Court's order authorizing the continued operation of the business.

IT IS FINALLY ORDERED, in regard to the professional compensation, THAT:

- 1. The attorney will bill unproductive travel time, if any, at one-half the hourly rate for which compensation is sought.
- 2. The attorney may adjust his hourly rates periodically to reflect advancing professional capabilities as well as general economic facts. Any such adjustment shall be disclosed to the Debtors, United States Trustee, the Court, and is subject to approval of the Court after notice and a hearing.
- 3. More than one professional of the attorney may assist in the representation of the Debtors because of the workload or other reasons. All such persons shall be utilized in a manner to promote efficiency and economy for the estates so that tasks will only be assigned to senior personnel when specialized expertise is needed. For example, senior attorneys shall not be compensated at their customary rate for supervising mailing or copying of disclosure statements.
- 4. In his representation of the Debtors, the attorney may also engage the assistance of paralegals. The Court, however, will not allow compensation for paralegals where the services rendered are traditionally clerical in nature.
- 5. The attorney and his employees will account for their time in increments of 1/10 of an hour and in all other respects consistent with section 330 of the Bankruptcy Code, the applicable Federal Rules of Bankruptcy Procedure, the Local Rules of Bankruptcy Procedure, the Fee Guidelines of the United States Trustee issued January 30, 1996, and any applicable orders of this Court.
- 6. Applications for compensation shall comply in all respects with the Fee Guidelines of the United States Trustee issued January 30, 1996---THE COURT WILL NOT CONSIDER APPLICATIONS FOR COMPENSATION WHICH DO NOT COMPLY WITH SAID GUIDELINES IN RESPECT TO PROJECT BILLING.
- 7. Subject to Court approval, the attorney may also seek reimbursement from the estates for <u>actual</u> and <u>necessary</u> out-of-pocket expenses. The attorney shall actively exercise reasonable billing judgment when seeking reimbursement for such expenses and shall use the most economical and practicable method when incurring such expense. Detailed records of all such expenses shall be maintained.

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I agree to accept, and agree to be bound in all particulars by the provisions of the foregoing order authorizing my employment.

Signed: /s/ William E. Steffes

William E. Steffes (La. Bar No. 12426)

Counsel for Progressive Acute Care, LLC, Progressive Acute Care Avoyelles, LLC, Progressive Acute Care Oakdale, LLC and Progressive Acute Care Winn, LLC, Debtors In re: Progressive Acute Care, LLC Debtor Case No. 16-50740-RRS Chapter 11

CERTIFICATE OF NOTICE

District/off: 0536-4 User: mcomeaux Page 1 of 2 Date Rcvd: Jul 06, 2016 Form ID: pdf8 Total Noticed: 14

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Jul 08, 2016. db +Progressive Acute Care, LLC, Post Office Box 5309, Abita Springs, LA 70420-5309 +CLECO Corporation, Wheelis & Rozanski, P.O. Box 13199, Alexander Doerle Food Services LLC, 103 Kol Drive, Broussard, La 70518 Alexandria, La 71315-3199 crcr +Global Physicians Network, LLC, 504 Texas Street, Suite 200, Shreveport, LA 71101-3526 cr intp Louisiana Department of Health & Hospitals, c/o Kimberly Humbles, P. O. Box 3836, Baton Rouge, LA 70821-3836 +Mobile Imaging Services, LLC, Wheelis & Rozanski, P.O. Box 13199, cr Alexandria, LA 71315-3199 +NES Louisiana, Inc., 39 Main Street, Tiburon, CA 94920-2507 cr +Official Committee of Unsecured Creditors for Prog, c/o Christopher Lehmann, crcm 7000 Cardinal Place, Dublin, OH 43017-1091 +Pharmacy Service of Winnfield, Incorporated, c/o Stephen Shelton, P.O. Box 1437, cr Winnfield, LA 71483-1437+Shelton Property West Court Division, LLC, c/o Stephen Shelton, P.O. Box 1437, cr Winnfield, LA 71483-1437 +Southern Textile Services, L.L.C., c/o Armistead M. Long, intp Gordon Arata McCollam Duplantis & Eagan, 400 E. Kaliste Saloom Rd., Suite 4200, Lafayette, LA 70508-8522 +Southern Textile Services, L.L.C., c/o Armistead M. Long, Esq., cr Gordon Arata McCollam Duplantis & Eagan, 400 East Kaliste Saloom Rd., Suite 4200. Lafayette, LA 70508-8522 +Trent McMorris, Sr., Oscar L. Shoenfelt, III, 2109 Perkins Road, intp Baton Rouge, LA 70808-1488 Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center. +E-mail/Text: bankruptcynotices@tcfef.com Jul 06 2016 20:55:53 TCF Equipment Finance, Inc., 11100 Wayzata Blvd., Suite 801, Minnetonka, MN 55305-5503 Gregory A. Payer, ***** BYPASSED RECIPIENTS (undeliverable, * duplicate) ***** DIP tr CHRISTUS Health intp op Garden City Group, LLC cr Jefferson Sprinkler, Inc. TOTALS: 4, * 0, ## 0

Addresses marked '+' were corrected by inserting the ZIP or replacing an incorrect ZIP. USPS regulations require that automation-compatible mail display the correct ZIP.

Transmission times for electronic delivery are Eastern Time zone.

I, Joseph Speetjens, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.

Meeting of Creditor Notices only (Official Form 309): Pursuant to Fed. R. Bank. P. 2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: Jul 08, 2016 Signature: /s/Joseph Speetjens

CM/ECF NOTICE OF ELECTRONIC FILING

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on July 6, 2016 at the address(es) listed below:

Armistead M. Long on behalf of Creditor Southern Textile Services, L.L.C. along@gordonarata.com, sroberts@gordonarata.com Barbara B. Parsons on behalf of Debtor Progressive Acute Care Avoyelles, LLC bparsons@steffeslaw.com, akujawa@steffeslaw.com;bparsons@ecf.courtdrive.com Bradley L. Drell on behalf of Creditor Pharmacy Service of Winnfield, Incorporated $\verb|bdrell@goldweems.com|, & ddrago@goldweems.com| slouviere@goldweems.com| \\$ Catherine Noel Steffes on behalf of Debtor Progressive Acute Care, LLC nsteffes@steffeslaw.com Gail Bowen McCulloch on behalf of U.S. Trustee Office of U.S. Trustee gail.mcculloch@usdoj.gov George C. Freeman, III on behalf of Debtor Progressive Acute Care Avoyelles, LLC gfreeman@barrassousdin.com Official Committee of Unsecured Creditors J. Eric Lockridge on behalf of Creditor Committee for Progressive Acute Care, LLC eric.lockridge@keanmiller.com, Brenda.seneca@keanmiller.com Kimberly L. Humbles on behalf of Interested Party Louisiana Department of Health & Hospitals kimberly.humbles@la.gov

User: mcomeaux District/off: 0536-4 Page 2 of 2 Date Rcvd: Jul 06, 2016

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The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system (continued)

Mark P. Seyler on behalf of Creditor NES Louisiana, Inc. mseyler@barkleythompson.com
Office of U. S. Trustee USTPRegion05.SH.ECF@usdoj.gov
Richard J. Reynolds on behalf of Creditor Global Physicians Network, LLC rreynolds@ahmgt.com

Ronald J. Savoie on behalf of Creditor Doerle Food Services LLC ronnie@jlaw.net,

bob@jlaw.net;konrad@jlaw.net;kincaid@jlaw.net;terry@jlaw.net Stephen D. Wheelis on behalf of Creditor CLECO Corporation steve@wheelis-rozanski.com Thomas J. Lutkewitte on behalf of Creditor TCF Equipment Finance, Inc.

tlutkewitte@favretlaw.com

William E. Steffes on behalf of Debtor Progressive Acute Care Avoyelles, LLC bsteffes@steffeslaw.com, akujawa@steffeslaw.com;bsteffes@ecf.courtdrive.com

TOTAL: 15