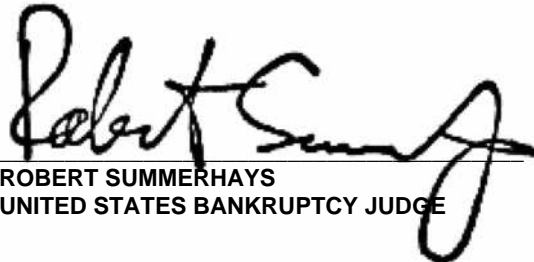




**SO ORDERED.**

**SIGNED July 5, 2016.**

  
ROBERT SUMMERHAYS  
UNITED STATES BANKRUPTCY JUDGE

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**IN THE 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**

**ORDER AUTHORIZING ASSUMPTION OF PREMIUM FINANCE AGREEMENTS**

Upon motion [P-107] of Progressive Acute Care, LLC, Progressive Acute Care Avoyelles, LLC, Progressive Acute Care Oakdale, LLC, and Progressive Acute Care Winn, LLC (collectively, the “Debtors”), requesting authorization to assume two certain premium finance agreements between the Debtors and IPFS Corporation (“IPFS”), which agreements financed the payment of premiums paid upon the Debtors insurance policies (the “Policies”) named therein (a copy of said agreements being attached to the Motion and hereinafter referred to as the “Agreements”); representations of counsel at the hearing held on June 28, 2016 on this matter; no objections to the motion having been filed; and, good and sufficient cause having been shown;

IT IS ORDERED that, pursuant to Section 365(b) of Title 11 of the United States Code, as amended (the “Bankruptcy Code”) the Debtors are hereby authorized and ordered to assume the Agreements;

IT IS FURTHER ORDERED that, pursuant to Section 364(c) of the Bankruptcy Code and the terms of the Agreements, the Debtors are authorized to grant to IPFS a first priority security interest (the “Lien”) in the Policies, including (but only to the extent permitted by applicable law) (i) all money that is or may become due under the Agreements because of a loss under the Policies that reduces unearned premiums (subject to the interest of any applicable mortgagee or loss payee); (ii) any return of premiums or unearned premiums under the Policies; and, (iii) any dividends that may become due the Debtors in connection with the Policies;

IT IS FURTHER ORDERED that, in the event that the Debtors default under the terms of the Agreements, IPFS, may, in accordance with the terms of the Agreements, and without further order of the Court, cancel the Policies listed in the Agreements or any amendment thereto and receive and apply the unearned or return premiums to the account of the Debtors;

IT IS FURTHER ORDERED that, the full rights of IPFS pursuant to the Agreements and controlling state law be and the same hereby are fully preserved and protected and are and shall remain unimpaired by the pendency of this or any subsequent proceeding under the Bankruptcy Code, the appointment of a trustee in these cases, or the conversion of the cases to cases under Chapter 7 of the Bankruptcy Code;

IT IS FURTHER ORDERED that, in the event that returned or unearned premiums or other amounts due under the Policies are insufficient to pay the total amount owing by the Debtors to IPFS, any remaining amount owing to IPFS, including reasonable attorneys’ fees and costs, shall

be an allowed claim in these cases with priority as an administrative expense pursuant to Section 503(b) (1) of the Bankruptcy Code;

IT IS FURTHER ORDERED that, notwithstanding anything to the contrary contained in any Order approving secured financing in these cases, the Lien granted to IPFS hereunder in connection with the Policies shall be senior to any security interests and/or liens granted to any other secured creditors in the Debtors' cases;

IT IS FURTHER ORDERED that, as further adequate assurance the Debtors are permitted to pay to IPFS the final three installments due under PFA# TXH-454234 on or before June 30, July 31, and August 31, 2016 with the last such payment to include any accrued unpaid late charges that may be due;

IT IS FURTHER ORDERED that because IPFS has extended credit to the Debtors in good faith, the reversal or modification of this Order on appeal shall not affect the validity of the debt owed to IPFS or the priority of its liens, as provided in Section 364(e) of the Bankruptcy Code;

IT IS FURTHER ORDERED that the Debtors are hereby authorized to enter into financing agreements in the future with IPFS without further court order under the following terms:

- A. Copies of the proposed financing agreement will be forwarded to counsel for any Official Committee of Unsecured Creditors (the "Committee"), and counsel to the Debtors' Senior Lender ("Senior Lender"); and,
- B. Unless the Debtors receive notice in writing from the Committee and/or the Senior Lender within five (5) business days of receipt by the Committee and the Senior Lender of the Financing Agreements, the Debtors will proceed to enter into said Financing Agreements;

and

IT IS FURTHER ORDERED that any future financing agreements entered into by the Debtors and IPFS, pursuant to the procedure outlined above, will be subject to the same requirements of this Order.

###

Respectfully submitted by:  
WILLIAM E STEFFES (LA Bar Roll No. 12426)  
Steffes, Vingiello & McKenzie, LLC  
13702 Coursey Blvd., Building 3  
Baton Rouge, Louisiana 70817  
Telephone: (225) 751-1751  
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E-mail: *bsteffes@steffeslaw.com*

United States Bankruptcy Court  
Western District of Louisiana

In re:  
Progressive Acute Care, LLC  
Debtor

Case No. 16-50740-RRS  
Chapter 11

**CERTIFICATE OF NOTICE**

District/off: 0536-4

User: mcomeaux  
Form ID: pdf8

Page 1 of 1  
Total Noticed: 1

Date Rcvd: Jul 06, 2016

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

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.  
NONE. TOTAL: 0

\*\*\*\*\* BYPASSED RECIPIENTS (undeliverable, \* duplicate) \*\*\*\*\*

tr DIP

TOTALS: 1, \* 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

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**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  
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  
J. Eric Lockridge on behalf of Creditor Committee Official Committee of Unsecured Creditors  
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  
Mark P. Seyler on behalf of Creditor NES Louisiana, Inc. mseylar@barkleythompson.com  
Office of U. S. Trustee USTPRegion05.SH.ECF@usdoj.gov  
Richard J. Reynolds on behalf of Creditor Global Physicians Network, LLC rreynolds@ahgmt.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