

**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**

**APPLICATION FOR ENTRY OF AN ORDER  
AUTHORIZING THE EMPLOYMENT AND RETENTION  
OF GARDEN CITY GROUP, LLC AS NOTICING AGENT**

**NOW INTO COURT**, through undersigned counsel, comes Progressive Acute Care, LLC (“PAC”), Progressive Acute Care Avoyelles, LLC (“PAC Avoyelles”), Progressive Acute Care Oakdale, LLC (“PAC Oakdale”) and Progressive Acute Care Winn, LLC (“PAC Winn”) as debtors and debtors-in-possession (collectively, the “Debtors”), which hereby move this Court for entry of an order authorizing the retention of Garden City Group, LLC (collectively “Garden City”) as noticing agent for the Debtor pursuant to 28 U.S.C. §156(c). In support of this Application, the Debtors respectfully state as follows:

**Jurisdiction**

1.

This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. § 157(b). Venue is properly before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

**Background**

2.

On May 31, 2016 (“Petition Date”), the Debtors each filed for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”). Since that time the Debtors have continued to operate its businesses as debtor-in-possession pursuant to §§1107 and 1108 of the

Bankruptcy Code. No trustee or examiner has been appointed in this Bankruptcy Case.

3.

The Debtors own and operate three (3) community-based hospitals (“Hospitals”), which provide inpatient, outpatient and emergency care, primarily for residents of the immediate regions of the Hospitals. The Hospitals are located in Marksville (PAC Avoyelles), Oakdale (PAC Oakdale) and Winnfield (PAC Winn).

**Relief Requested**

4.

Pursuant to §28 U.S.C. §156(c), the Debtors seek an order from this Court authorizing the Debtors to retain and employ Garden City as noticing agent in this chapter 11 case *nunc pro tunc* to the Petition Date. In making this application (“Application”), the Debtors rely upon, and incorporate by reference, the Affidavit of Craig Johnson, Assistant Vice President of Garden City (“Johnson Affidavit”), a copy of which is annexed hereto as Exhibit “A”.

5.

The Debtors are not seeking to retain Garden City as a “professional person”; rather, the Debtors seek to retain Garden City to provide mailing, copying, and noticing services (including, but not limited to, maintaining a website for the purpose of providing an online noticing platform and responding to inquiries from creditors regarding notices sent) pursuant to the discretion of the Bankruptcy Court to delegate administrative duties under to 28 U.S.C. §156(c).

**Basis for Relief**

6.

The Debtors seek to retain Garden City pursuant to 28 U.S.C. §156(c). Section 156(c) provides:

“Any court may utilize facilities or services, either on or off the court’s premises, which pertain to the provision of notices, dockets, calendars, and other administrative information to parties in cases filed under the provisions of title 11, United States Code, where the costs of such facilities or services are paid for out to the assets of the estate and are not charged to the United States.”

7.

Upon approval of this Application, Garden City will serve as noticing agent to distribute pleadings and notices filed by the Debtors (and provide other related administrative services such as, but not limited to, maintaining a website as a noticing platform and responding to inquiries from noticed parties) in the instant consolidated matter during the pendency of this chapter 11 proceeding. A full description of the services to be provided by Garden City is included in the engagement letter between the Debtors and Garden City, a copy of which is attached hereto as Exhibit “B”.

8.

The Debtors submit that Garden City is well qualified and uniquely able to provide the specialized noticing services sought by the Debtor on a going-forward basis as it has over thirty (30) years of experience in noticing and claims processing and has handled such services in well over one hundred (100) bankruptcy cases. Thus, the Debtors submit that Garden City’s retention as noticing agent is in the best interest of the Debtor and the estate.

**Services to be Provided**

9.

The Debtors seek to retain and employ Garden City as the noticing agent in this chapter 11 case subject to the oversight and orders of this Court.

10.

The Debtors have approximately 1,200 creditors to be noticed of the various pleadings to be filed in this proceeding and require the mailing capabilities of a competent and well-experienced noticing agent. Further, it is anticipated that the number of people to receive notices will grow immensely in the weeks following the filing of the cases as many creditors and their respective counsel will file notices of appearance in accordance with Fed. R. Bank. Pro. 2002. Garden City has indicated its willingness to render the necessary services as noticing agent to the Debtors in such matters.

11.

Garden City will not serve as bankruptcy and reorganization counsel to the Debtors.

**Disinterestedness**

12.

Garden City received a \$15,000.00 retainer from PAC prior to the filing of the bankruptcy cases. Garden City has no outstanding balance owed to Garden City for unpaid pre-petition work.

13.

Garden City is not precluded from employment as noticing agent under 28 U.S.C. §156(c) as it neither holds nor represents any adverse interest to the Debtor or the estate with respect to the matters upon which it will be engaged.

14.

To the best of the Debtor's knowledge, information and belief, other than as disclosed above and in connection with this Chapter 11 case, Garden City has no connection with the Debtors, the Debtor's creditors, or any other party-in-interest in the Debtor's bankruptcy case, or

their respective attorneys or other professionals, or any employee of the Office of the United States Trustee. The Debtors knowledge, information and belief regarding the matters set forth herein are based, and made in reliance upon, the Johnson Affidavit.

### **Terms of Employment**

15.

Garden City has agreed to act as noticing agent for the Debtors in connection with this chapter 11 case and to render mailing services to the Debtors as set forth above. The terms and scope of Garden City's proposed representation are set forth in the engagement letter attached hereto as Exhibit "B".

16.

It is the policy of Garden City to charge its clients in all areas of service for all other out of pocket expenses incurred in connection with the client's account. The expenses charged to clients include, among other things, postage, banking fees, brokerage fees, costs of messenger and delivery service, travel, filing fees, staff overtime, meal expenses and other similar expenses that may be incurred during the pendency of this proceeding. Garden City will charge the Debtor for these expenses in a manner and at rates consistent with charges made generally to other clients of Garden City.

17.

Subject to the Court's approval, the Debtors intend to compensate Garden City for all fees and out of pocket expenses incurred during the pendency of these cases consistent with the pricing schedule attached as Exhibit "C", subject to additional discounts agreed upon by the parties.

18.

Furthermore, the Debtors respectfully submit that the fees and expenses incurred by Garden City are administrative in nature and, therefore, should not be subject to the standard fee application procedures for professionals. Specifically, the Debtors request authorization to compensate Garden City upon Garden City's submission to the Debtors of invoices, summarizing in reasonable detail, the services rendered and expenses incurred in connection with the services provided by Garden City to the Debtors.

19.

For the reasons set forth above, the Debtors believe that Garden City is well qualified to serve as the noticing agent for the Debtors and that the retention of Garden City is in the best interest of their respective estates.

20.

It is necessary to employ Garden City immediately, and without the 21-day delay mandated by Bankruptcy Rule 6003, as there are numerous pleadings and documents that must be immediately served upon creditors and other parties in interest as required by the bankruptcy Rules and Local Rules of this Court.

**Notice**

21.

Notice of this Motion has been given to (i) the Debtor; (ii) all parties who request notices pursuant to Rule 2002 of the Federal Rules of Bankruptcy Procedure; (iii) the Office of the U.S. Trustee; and, (iv) the twenty largest unsecured creditors in each of the bankruptcy cases. In light of the nature of the relief requested, the Debtor submits that no further notice is required.

**No Prior Request**

22.

No prior request for the relief sought in this Application has been made to this or any other Court.

**WHEREFORE**, Progressive Acute Care, LLC, Progressive Acute Care Avoyelles, LLC, Progressive Acute Care Oakdale, LLC and Progressive Acute Care Winn, LLC, respectfully request that this Court approve the retention and employment of Garden City Group, LLC *nunc pro tunc* to the Petition Date, as noticing agent for the Debtor in this chapter 11 case, and for such other and further relief as may be just and equitable.

Respectfully Submitted by:

/s/ Barbara B. Parsons \_\_\_\_\_

William E. Steffes, #12426

Barbara B. Parsons, #28714

Noel Steffes Melancon, #30072

**STEFFES, VINGIELLO, MCKENZIE, LLC**

13702 Coursey Boulevard Building 3

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*Proposed Counsel for Debtors*

**UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF LOUISIANA  
Lafayette Division**

**IN RE:**

**PROGRESSIVE ACUTE CARE, LLC, *et al.***

**CASE NO. 16-50740  
Jointly Administered**

**DEBTOR**

**CHAPTER 11**

**DECLARATION OF CRAIG E. JOHNSON IN SUPPORT OF  
THE DEBTORS' APPLICATION FOR ENTRY OF  
AN ORDER AUTHORIZING THE EMPLOYMENT AND  
RETENTION OF GARDEN CITY GROUP, LLC AS NOTICING AGENT**

**Craig Johnson** hereby certifies as follows:

1. I am an Assistant Vice President, Operations of Garden City Group, LLC (“Garden City”).

2. I have reviewed and agree with all statements contained in the above-referenced *Application by the Debtor for Entry of an Order Authorizing the Employment and Retention of Garden City Group, LLC as Noticing Agent* (the “Application”), and submit this declaration in support thereof.

3. The Debtors propose to retain Garden City pursuant to 28 U.S.C. §156(c) as noticing agent for the Debtors in connection with the distribution and mailing of pleadings and notices filed during the pendency of this chapter 11 proceeding. Garden City’s services may also include maintaining a website for the purpose of providing an online noticing platform, responding to inquiries from creditors regarding notices sent, and handling other noticing-related projects.

4. To the best of my knowledge, based on the information provided by the Debtors to me, and except as expressly set forth herein, neither I nor any officer or employee of Garden



City nor Garden City itself, in so far as I have been able to ascertain, have any disqualifying connection with the Debtors, its creditors, or any other party-in-interest in the Debtors' chapter 11 cases, or their respective attorneys or other professionals, or any employee of the Office of the United States Trustee, with respect to the matters in which it is to be employed.

5. To the best of my knowledge, information, and belief, neither Garden City nor any of its professional personnel, is a relative of the Honorable Robert Summerhays, the bankruptcy judge presiding over these chapter 11 cases, and Garden City does not have a connection with the Honorable Robert Summerhays that would render its retention in these chapter 11 cases improper.

6. Garden City is a "disinterested person," as that term is defined in section 101(14) of the Bankruptcy Code, in that Garden City and its professional personnel:

- (a) are not creditors, equity security holders or insiders of any of the Debtors;
- (b) are not, and were not, within two years before the date of the filing of these chapter 11 cases, directors, officers or employees of the Debtors; and
- (c) do not have an interest materially adverse to the interests of the Debtors' estate or any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the Debtors.

7. Garden City has not been retained to assist any entity or person other than the Debtors on matters relating to, or in connection with these chapter 11 cases. If Garden City's proposed retention is approved by this Court, Garden City will not accept any engagement or perform any service for any entity or person other than the Debtors in these chapter 11 cases.<sup>1</sup>

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<sup>1</sup> If the Debtors seek to engage Garden City to provide services outside the scope of 28 U.S.C. §156(c), the Debtors will file a separate application to retain Garden City pursuant to section 327 of the Bankruptcy Code to provide those additional services.

8. In addition, Garden City may provide professional services to entities or persons that may be creditors or parties in interest in these chapter 11 cases, which services do not relate to, or have any direct connection with, this chapter 11 cases or the Debtors.

9. Garden City represents, among other things, that:

- a. It will not consider itself employed by the United States government and shall not seek any compensation from the United States government in its capacity as noticing agent;
- b. By accepting employment in these chapter 11 cases, Garden City waives any right to receive compensation from the United States government;
- c. In its capacity noticing agent, Garden City will not be an agent of the United States and will not act on behalf of the United States; and
- d. Garden City will not employ any past or present employees of the Debtor in connection with its work as noticing agent.

10. Garden City is a wholly owned subsidiary of Crawford & Company. I am advised that Crawford & Company has no material relationship with the Debtors, and while it may have rendered services to certain creditors, received services from certain creditors or have a vendor relationship with some creditors, such relationships were (or are) in no way connected to Garden City's retention by the Debtors in these chapter 11 cases.

11. The Debtors have agreed to pay fees to Garden City on an hourly basis at rates that are based on the seniority and expertise of Garden City's employees. This compensation arrangement is consistent with arrangements entered into by Garden City for similar services provided for clients such as the Debtors for the distribution of pleadings and notices as described in the Application.

12. These hourly rates and any applicable hourly rates as may be agreed to by the Debtors and Garden City are subject to periodic adjustments to reflect economic and other conditions.

13. It is the policy of Garden City to charge its clients in all areas of service for all other expenses incurred in connection with the client's account. The expenses charged to clients include, among other things, postage, banking fees, brokerage fees, costs of messenger and delivery service, travel, filing fees, staff overtime, meal expenses and other similar expenses it may incur during the pendency of this proceeding.

14. Subject to the Court's approval, the Debtor has agreed to compensate Garden City for services rendered pursuant to 28 U.S.C. §156(c) in connection with these chapter 11 cases according to the terms and conditions of the Bankruptcy Administration Agreement by and between the Debtors and Garden City, a true and correct copy of which is attached as Exhibit B to the Application. Payments are to be based upon the submission to the Debtors by Garden City of a billing statement after the end of each calendar month which includes a detailed listing of services and expenses.

15. On May 25, 2016 Garden City received a \$15,000 retainer from the Debtors. There is no outstanding balance owed to Garden City for unpaid pre-petition work. Garden City will first apply the retainer to all prepetition invoices, and thereafter, hold the retainer under the Engagement Agreement during the cases as security for the payment of fees and expenses incurred under the Engagement Agreement.

16. No promises have been made by Garden City, nor any partner, member or associate thereof, with respect to sharing any compensation Garden City may receive in connection with its employment by the Debtor as proposed in the Application.

17. Garden City will comply with all requests of the Clerk of the Court and the guidelines promulgated by the Judicial Conference of the United States for the implementation of 28 U.S.C. § 156(c).

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Dated: May 31, 2016



CRAIG JOHNSON

## BANKRUPTCY ADMINISTRATION AGREEMENT

This Bankruptcy Administration Agreement, dated as of May \_\_\_\_, 2016, is between Garden City Group, LLC, a Delaware limited liability company (the “Company”), and Progressive Acute Care, LLC and [its affiliates] (collectively, the “Clients”).

The Clients desire to retain the Company to perform certain noticing, claims processing, solicitation and other administrative services for the Clients in their chapter 11 cases anticipated to be filed in the United States Bankruptcy Court for the Western District of Louisiana (the “Bankruptcy Court”), and the Company desires to be so retained, in accordance with the terms and conditions of this Agreement.

In consideration of the mutual covenants herein contained, the parties hereby agree as follows:

1. Services. The Company agrees to provide the services necessary to perform the tasks specified in the pricing schedule that has been supplied to the Clients. Such services are hereinafter referred to as “Services.” The Clients agree and understand that none of the Services constitute legal advice.

2. Payment for Services; Expenses.

2.1. Compensation. As full compensation for the Services to be provided by the Company, the Clients agree to pay the Company its fees as outlined in the pricing schedule that has been supplied to the Clients. In some instances, these fees include commissions and/or markups. Billing rates may be adjusted from time to time by the Company in its reasonable discretion, although billing rates generally are changed on an annual basis. Clients and the Company intend that all fees and expenses incurred in connection with Services rendered by the Company pre-petition be paid in advance of, or contemporaneously with, the rendering of such Services. All such payments shall be made by wire transfer. Clients agree to pay, by wire transfer, the Company a retainer of \$15,000 (which may be replenished from time to time), to be applied as follows: (a) first against the contemporaneous and subsequent fees and expenses incurred by the Clients in connection with Services rendered by the Company pre-petition; and (b) with respect to the portion of the retainer that remains outstanding, if any, after the petitions are filed, first against any outstanding pre-petition fees and expenses incurred by the Clients in connection with the Services (and the retainer will thereafter be replenished to the original retainer amount to the extent necessary), and then against the final bill that will be rendered by the Company to the Clients for the post-petition fees and expenses incurred by the Clients in connection with the Services.

2.2. Expenses. In addition to the compensation set forth in Section 2.1, the Clients shall reimburse the Company for all out-of-pocket expenses reasonably incurred by the Company in connection with the performance of the Services (subject to Bankruptcy Court determination in the event of an unresolved dispute). The out-of-pocket expenses will be billed on the expense (non-fee) portion of the Company’s invoice to the Clients and may include, but are not limited to, postage, banking fees, brokerage fees, costs of messenger and delivery service, travel, filing fees, staff overtime meal expenses and other similar expenses. In some cases, the Company may receive a rebate at the end of a year from a vendor. The Clients and the Company intend to satisfy all expenses incurred in connection with pre-petition Services from advance retainers or contemporaneous payments. All such payments shall be made by wire transfer.

2.3. Billing and Payment. Except as provided in Section 2.2, or specifically set forth below in Section 2.3, the Company shall bill the Clients for its fees and expenses for Services performed under 28 U.S.C. § 156(c) on a monthly basis, and the Clients shall pay the Company within thirty (30) days of its receipt of each such bill in the ordinary course of business (subject to Bankruptcy Court approval in the event of an unresolved dispute). With respect to pre-petition invoices, the same will show application of advance and contemporaneous payments against subsequent and contemporaneous fees and expenses and state an advance amount to replenish the retainer. Unless otherwise agreed to in writing, (i) postage expense, and certain other expenses, and (ii) fees for print notice and media publication (including any markups and/or commissions charged by GCG and included in those fees) must be paid within three (3) business days of the date of GCG's invoice. Each of the Clients is jointly and severally liable for the Company's fees and expenses.

3. Term and Termination.

3.1. Term. The term of this Agreement shall commence on the date hereof and shall continue until performance in full of the Services, unless earlier terminated as set forth herein.

3.2. Termination.

(a) In the event of any material breach of this Agreement by either party hereto, either party may apply to the Bankruptcy Court for an order allowing termination of the Agreement. Grounds for termination include: (i) failure to cure a material breach within thirty (30) days after receipt of written notice by the non-breaching party or (ii) in the case of any breach which requires more than thirty (30) days to effect a cure, failure to commence and continue, in good faith, efforts to cure such breach, provided that such cure shall be effected no later than ninety (90) days after receipt of written notice of such breach. Waiver of any such default or material breach by either party hereto shall not be construed as limiting any right of termination for a subsequent default or material breach.

(b) The Company shall be entitled to an administrative claim for all fees and expenses outstanding at the time of termination (subject to Bankruptcy Court approval in the event of an unresolved dispute).

(c) In accordance with the Bankruptcy Court's Local Rules, procedures and/or directives, or in the absence thereof, as soon as practicable (i) following the entry of a final decree closing the chapter 11 cases, or (ii) following the conversion of the chapter 11 cases to chapter 7, the Company shall forward all original proofs of claim to the Federal Archives Record Administration. For all other documents in the Company's actual or constructive possession (including, but not limited to, letters, e-mails, facsimiles, other correspondence and all undeliverable and/or returned mail), the Company shall retain paper copies and electronic copies for one (1) year (i) following the entry of a final decree closing the chapter 11 cases, or (ii) following the conversion of the chapter 11 cases to chapter 7. Following the one (1) year retention period, the Company shall have the right to destroy all such documents. This provision shall not affect the Company's normal course business processes for archives and back-up tapes.

4. Independent Contractor. It is understood and agreed that the Company, through itself or any of its agents, shall perform the Services as an independent contractor. Neither the Company nor any of its employees shall be deemed to be an employee of the Clients. Neither the Company nor any of its employees shall be entitled to any benefits provided by the Clients to their employees, and the Clients will make no deductions from any of the payments due to the Company hereunder for state or federal tax purposes. The Company agrees that the Company shall be responsible for any and all taxes and other

payments due on payments received hereunder by the Company from the Clients. Nothing in this Agreement requires the Clients to use the Company for any future work relating to the Services, and, in the event the Clients decide to use another party for such future work, the Company agrees to cooperate fully with the Clients to ensure a smooth transition to the new party.

5. Accuracy of Client Supplied Information. The Clients are responsible for the accuracy of all programs, data and other information they submit to the Company (including all information for the preparation of Schedules of Assets and Liabilities (“Schedules”) and Statements of Financial Affairs (“Statements”)) and for the output of such information. The Company may undertake to place such data and information into certain systems and programs, including in connection with the generation of Schedules and Statements. The Company does not verify information provided by the Clients and, with respect to Schedules and Statements preparation, all decisions are at the sole discretion and direction of the Clients. All Schedules and Statements filed on behalf of, or by, the Clients are reviewed and ultimately approved by the Clients, and the Company bears no responsibility for the accuracy or contents therein.

6. Confidential Information.

6.1. Confidentiality. In connection with this Agreement, each of the Clients and the Company (as the case may be, the “Disclosing Party”) may disclose to the Company or the Clients (as the case may be, the “Receiving Party”) certain information (a) that is marked or otherwise identified in writing as confidential or proprietary information of the Disclosing Party (“Confidential Information”) prior to or upon receipt by the Receiving Party; or (b) which the Receiving Party reasonably should recognize from the circumstances surrounding the disclosure to be Confidential Information. The Receiving Party (x) shall hold all Confidential Information in confidence and will use such information only for the purposes of fulfilling the Receiving Party’s obligations hereunder, and for no other purpose, and (y) shall not disclose, provide, disseminate or otherwise make available any Confidential Information to any third party other than for the purposes of fulfilling the Receiving Party’s obligations hereunder, in either case, without the express prior written permission of the Disclosing Party. Notwithstanding the foregoing, the Receiving Party may disclose Confidential Information pursuant to a validly issued subpoena or order of a court of competent jurisdiction, provided, however, that the Receiving Party must provide the Disclosing Party with prompt written notice of such subpoena or court order so that the Disclosing Party may seek a protective order or other appropriate remedy, and the Receiving Party shall reasonably cooperate with the Disclosing Party’s efforts to obtain same.

6.2. Protection of Intellectual Property. The Clients acknowledge that the Company’s intellectual property, including, without limitation, the Company’s inventions (whether or not patentable), processes, trade secrets and know how are of ultimate importance to the Company. Accordingly, the Clients agree to use their best efforts to protect such intellectual property, and shall not, either during the term of this Agreement, or subsequent to its termination, utilize, reveal or disclose any of such intellectual property. The Clients understand that the software programs and other materials furnished by the Company pursuant to this Agreement, and/or developed during the course of this Agreement by the Company, are the sole property of the Company. The term “program” shall include, without limitation, data processing programs, check printing programs, specifications, applications, routines, sub-routines, procedural manuals and documentation. The Clients further agree that any ideas, concepts, know-how or techniques relating to the claims management software used or developed by the Company during the course of this Agreement shall be the exclusive property of the Company.

6.3. Scope. The foregoing obligations in Sections 6.1 and 6.2 shall not apply to (a) information that is or becomes generally known or available by publication, commercial use or otherwise through no fault of the Receiving Party; (b) information that is known by the Receiving Party prior to the

time of disclosure by the Disclosing Party to the Receiving Party; (c) information that is obtained from a third party who, to the Receiving Party's knowledge, has the right to make such disclosure without restriction; (d) any disclosure required by applicable law; or (e) information that is released for publication by the Disclosing Party in writing. The obligations set forth under Sections 6.1 and 6.2 shall survive the termination of this Agreement.

7. Limitation on Damages. The Company shall be without liability to the Clients with respect to anything done or omitted to be done, in accordance with the terms of this Agreement or instructions properly received pursuant hereto, if done in good faith and without negligence or willful or wanton misconduct. In no event shall liability to the Clients for any claims, losses, costs, fines, penalties or damages, including court costs and reasonable attorneys' fees (collectively, "Losses"), whether direct or indirect, arising out of or in connection with or related to this Agreement, exceed the total amount billed or billable to the Clients for the portion of the particular work which gave rise to the Losses. Under no circumstances will the Company be liable to the Clients for any special, consequential or incidental damages incurred by the Clients relating to this Agreement or the performance of Services hereunder, regardless of whether the Clients' claim is for breach of warranty, contract, tort (including negligence), strict liability or otherwise.

8. Indemnification. The Clients, jointly and severally, hereby indemnify and hold harmless the Company and its directors, officers, employees, affiliates and agents against any losses incurred by the Company arising out of, in connection with or related to (a) any gross negligence or willful misconduct by the Clients, their employees, agents or representatives, or any misrepresentations made by such persons to third parties in connection with the Company's acts or omissions in connection with its rendering of the Services; (b) any breach of this Agreement by any of the Clients; or (c) any erroneous instructions or information provided to the Company by any of the Clients for use in providing the Services.

9. Jurisdiction. This Agreement is subject to the approval of the Bankruptcy Court, and the Bankruptcy Court shall retain jurisdiction over all matters regarding this Agreement.

10. Force Majeure. Whenever performance by the Company of any of its obligations hereunder is substantially prevented by reason of any act of God, strike, lock-out or other industrial or transportational disturbance, fire, lack of materials, law, regulation or ordinance, war or war conditions or by reason of any other matter beyond the Company's reasonable control, then such performance shall be excused and this Agreement shall be deemed suspended during the continuation of such prevention and for a reasonable time thereafter.

11. Notice. Any notice or other communication required or permitted hereunder shall be in writing and shall be delivered personally, or sent by registered mail, postage prepaid or overnight courier. Any such notice shall be deemed given when so delivered personally, or, if mailed, five (5) days after the date of deposit in the United States mail, or, if sent by overnight courier, one (1) business day after delivery to such courier, as follows: if to the Company, to Garden City Group, LLC, 1985 Marcus Avenue, Lake Success, NY 11042, Attention: Kenneth Cutshaw, Chief Executive Officer; and if to the Clients, to Steffes, Vingiello & McKenzie, LLC, 13702 Coursey Blvd., Bldg. 3, Baton Rouge, LA 70817, Attention: William Steffes, Esq.

12. Governing Law. This contract will be governed by and construed in accordance with the laws of the State of New York (without reference to its conflict of laws provisions).

13. Severability. All clauses and covenants contained in this Agreement are severable and in the event any of them are held to be invalid by any court having competent jurisdiction, such clause or



covenant shall be valid and enforced to the maximum extent as to which it may be valid and enforceable, and this Agreement will be interpreted as if such invalid clauses or covenants were not contained herein.

14. Assignment. This Agreement and the rights and obligations of the Company and the Clients hereunder shall bind and inure to the benefit of any successors or assigns thereto.

15. General. This Agreement supersedes and replaces any existing agreement entered into by the Company and the Clients relating generally to the same subject matter, and may be modified only in a writing signed by the Company and the Clients. The paragraph headings in this Agreement are included only for convenience, do not in any manner modify or limit any of the provisions of this Agreement and may not be used in the interpretation of this Agreement. Failure to enforce any provision of this Agreement shall not constitute a waiver of any term hereof. This Agreement contains the entire agreement between the parties with respect to the subject matter hereof. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one in the same instrument. The Clients shall file an application with the Bankruptcy Court seeking approval of this Agreement (the "Application"). If an order is entered approving such Application (the "Retention Order"), any discrepancies between this Agreement, the Application and the Retention Order shall be controlled by the Application and the Retention Order.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year set forth above.

***Progressive Acute Care, LLC***  
***[and its affiliates]***

***Garden City Group, LLC***

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:



## GCG Pricing

### Services

### Fees (Unit/Hourly)

#### Set-Up Creditor File

Set-up fee .....	Waived
Electronic import of creditor data .....	No per creditor charge
Assist with production of Schedules and Statements of Financial Affairs .....	Standard hourly rates

#### Noticing

Notice printing / copies .....	\$0.10 per page (volume discounts apply)
Electronic noticing (e-mail) .....	\$50 per 1,000
Facsimile noticing (domestic facsimile) .....	\$0.10 per page
Personalization/labels.....	\$0.05 each
Legal publication of notice.....	Quote
Processing undeliverables .....	\$0.25 each

#### Document Management

Sort and prep mail (including handling remains).....	Standard hourly rates
Document scanning.....	\$0.12 per image
Monthly document storage (paper) .....	\$1.50 per box
(electronic).....	\$0.02 per image (waived for first three months)

#### Claims Administration

Association of claimant name and address to database.....	\$0.15 per claim
Claim acknowledgement postcards .....	\$0.10 each
Processing of claims, including non-conforming claims, supervisory review and application of message codes .....	Standard hourly rates

#### Public Securities / Balloting / Solicitation and Tabulation

Solicitation and Balloting (including coordination with nominees and Broadridge and processing of master ballots, tabulation, verification and certification of vote).....	Standard hourly rates
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#### Web Site

Creating customized, interactive web site (including e-mail box for creditors) .....	Standard hourly rates
Monthly maintenance fee .....	\$200 per month
Providing updates to website.....	Standard hourly rates

**Services**

**Fees (Unit/Hourly)**

**Contact Services**

Case-specific voice-mail box for creditors.....	No charge
Interactive Voice Response (“IVR”).....	\$1,900 set up \$0.39 per minute
Customer Service Representatives .....	\$0.95 per minute
Monthly maintenance charge .....	\$100 per month
Management of Call Center (including handling of claimant communications, call backs, e-mails, and other correspondences) .....	Standard hourly rates

**Miscellaneous Expenses**

Travel .....	At cost
Postage, courier, etc .....	At cost
Copying, facsimile .....	\$0.10 per page

**Hourly Billing Rates\***

<b>Title</b>	<b>Standard Hourly Rates</b>
Administrative, Mailroom and Claims Control	\$45-\$55
Project Administrators	\$70-\$85
Project Supervisors	\$95-\$110
Graphic Support & Technology Staff	\$100-\$200
Project Managers and Senior Project Managers	\$125-\$175
Directors and Asst. Vice Presidents	\$200-\$295
Vice Presidents and above	\$295*

\* For this engagement, GCG agrees to provide discounted hourly rates as reflected in the chart above and to cap its highest hourly rate at \$295. Expert services provided by Angela Ferrante and Craig Johnson, the latter in connection with solicitation (including of public securities) and tabulation will be at a rate of \$310 per hour. Any additional services not covered by this proposal will be charged at GCG hourly rates including any outsourced work performed under GCG supervision and controls. GCG will not charge over 16-50740-0721-01 File 05/31/16 Enter 05/31/16 16:57:49 Exhibit C Pg 2 of 2