

**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

MOTION TO REJECT UNEXPIRED PERSONAL PROPERTY LEASE

NOW INTO COURT, comes Progressive Acute Care Winn, LLC (“PAC Winn” or “Debtor”), as debtor and debtor-in-possession, which seeks an order permitting the rejection of a certain unexpired lease of personal property in force as of the date this Chapter 11 case was commenced, attached as Exhibit “A” hereto, pursuant to Section 365(a) of Title 11 of the United States Code, as amended by the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (the “Bankruptcy Code”), and Rule 6006 of the Federal Rules of Bankruptcy Procedure (“Bankruptcy Rules”) (the “Motion”). In support thereof, the Debtor respectfully represents as follows:

Background

1.

On May 31, 2016 (the “Petition Date”), the Debtor filed a petition for voluntary relief under chapter 11 of the Bankruptcy Code. A creditors’ committee has been appointed in the administratively consolidated cases and, the Debtors in each, including PAC Winn, continue to operate their businesses in the ordinary course as debtors-in-possession, pursuant to §§ 1107 and 1108 of the Bankruptcy Code.

2.

PAC Winn is the owner and operator of a community-based hospital in Winnfield, Louisiana (“the Hospital”), which provides inpatient, outpatient and emergency care, primarily for residents of the immediate region of the Hospital.

Basis for Relief

3.

The Debtor, by this Motion, seeks authority to reject, *nunc pro tunc* to the Petition Date, an unexpired lease entered into between the Debtor and Pitney Bowes Global Financial Services (the “Lease”), a copy of which is attached hereto as Exhibit “A”.

Relief Requested

4.

On November 15, 2011, the Debtor and Pitney Bowes Global Financial Services (“Pitney Bowes”) entered into a contract wherein the Debtor leased from Pitney Bowes certain mailing and meter equipment for a term of 66 months at a rate of \$242.00 monthly, payable in quarterly payments of \$726.00.

5.

Section 365 permits a debtor-in-possession to reject executory contracts and unexpired leases which may burden the estate. The Debtor desires to formally reject the executory contract as it no longer needs the equipment subject to the Lease. Rejection of the Lease is in the best interest of the estate and its creditors as it will save the estate unnecessary rental expenses.

WHEREFORE, the Debtor respectfully requests that this Court enter an Order granting the relief requested herein and approving the rejection of the property lease agreement between it and Pitney Bowes, *nunc pro tunc* to the Petition Date, and for such other and further relief as may be just and equitable.

Respectfully submitted by:

STEFFES, VINGIELLO & McKENZIE, L.L.C.

By: /s/ Noel Steffes Melancon

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

Barbara B. Parsons (La. Bar No. 28714)

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Progressive Acute Care Avoyelles, LLC,
Progressive Acute Care Oakdale, LLC, and
Progressive Acute Care Winn, LLC, Debtors*

PITNEY BOWES GLOBAL FINANCIAL SERVICES LEASE AGREEMENT

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Agreement Number

Your Business Information

WINN PARISH MEDICAL CTR

Full Legal Name of Lessee	DBA Name of Lessee	Tax ID # (REINTIN)
301 W BOUNDARY ST	WINNFIELD	LA 71483-3427
Billing Address: Street	City	State Zip+4

Billing Contact Name	Billing Contact Phone #	Billing CAN #
301 W BOUNDARY ST	WINNFIELD	LA 71483-3427
Installation Address (if different from billing address): Street	City	State Zip+4

Installation Contact Name	Installation Contact Phone #	Installation CAN #
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Please note any special billing requirements here Invoice Attachment of Customer P.O.#

Your Business Needs

Qty	Business Solution Description	Check items to be included in customer's payment
1	Mail Stream Solution - S	Service Level Agreement
1	Green DM400C Digital Meter System Factory Certified	<input type="checkbox"/> Tier 1 - Provides repair and maintenance service for equipment (Standard SLA)
1	IntelliLink Interface / PSD for DM200C/ DM400C/DM450C	<input checked="" type="checkbox"/> Tier 2 - Provides Standard SLA plus Training and printhead replacement
1	Accounting (SO Dept) Software	<input type="checkbox"/> Tier 3 - Provides Tier 2 plus Guaranteed 4 Hour Response Time
1	30 lb Weights & Measures Approved Option	<input type="checkbox"/> Connect Advantage
1	Confirmation Services Training	<input type="checkbox"/> Software Maintenance (additional terms apply) - Provides revision updates & technical assistance
1	30 lb Weights & Measures Approved Option	<input checked="" type="checkbox"/> Soft-Guard® Subscription - Provides post- and carrier updates
1	IntelliLink Subscription with Value Based Services	<input type="checkbox"/> If you do not choose Soft-Guard® protection with your lease, you will automatically receive updates at P/B's current rates.
1	DF100 Letter Perfect Folder	<input checked="" type="checkbox"/> IntelliLink Subscription Meter Rental - Provides simplified billing and includes postage costs
1	SoftGuard for DM400	<input type="checkbox"/> Value Based Services <input type="checkbox"/> Purchase P/B's credit line
		<input type="checkbox"/> Permit Mail Payment Service - Allows you to consolidate permit postage with metered postage under one account. As a permit mail user, we need USPS forms 6001, 6002, and 6003, along with the Permit Enrollment form, to activate your Permit Mail Payment service.
		<input type="checkbox"/> YES PBGS ValueMAX Program <input type="checkbox"/> No Enrollment (if will provide proof of insurance within the next 90 days as noted in paragraph 16

Your Payment Plan

Number of months	Monthly amount	Billed Quarterly at*
First 66	\$ 242	\$726

() Required advance check of \$() received
() Tax exempt certificate attached

*Does not include any applicable taxes; payment plans begin after any applicable interim Usage Period.

Your Signature

You agree to be bound by all the terms and conditions of this Agreement, including those contained in the Purchasing Agreement between HealthTrust Purchasing Group and Pitney Bowes Inc., Effective Date June 1, 2009, Agreement Number: HPG00000 and OPG 1201. The Lease will be binding on PBGS only after PBGS has completed its credit and documentation approval process and an authorized PBGS employee signs below. The Lessee requires you either to provide proof of insurance or instead participate in the Pitney Bowes ValueMAX® equipment protection program for an additional fee.

[Signature] 11-15-11
Date
Bryan Bagle CEO
Title
Dean Frohaska 044
Email Address
Account Rep District Office PBGS Acceptance