

**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

**NOTICE OF (I) DEBTORS' REQUEST FOR AUTHORITY TO ASSUME AND ASSIGN
CERTAIN ADDITIONAL EXECUTORY CONTRACTS AND UNEXPIRED LEASES,
AND (II) DEBTORS' PROPOSED CURE AMOUNTS**

TO CERTAIN ADDITIONAL COUNTERPARTIES TO EXECUTORY CONTRACTS AND UNEXPIRED LEASES PLEASE TAKE NOTICE THAT:

PLEASE TAKE NOTICE that on July 14, 2016, the Debtors filed *Motion Under 11 U.S.C. §§ 363(b) and (f) and 365 for: (I) Preliminary Order (i) Approving Bidding Procedures and Stalking Horse Bid and Fee, (ii) Prescribing Notice Requirements, and (iii) Setting Hearing Date, Time and Place for Auction of Debtors' Property; and, for (II) Order Approving Sale of Assets and Assumption and Assignment of Certain Contracts and Leases and Amounts of Cure, if any, Related Thereto* (Docket No. 183) (the "Motion") seeking, among other things, entry of an order (the "Sale Order") authorizing and approving the sale of property and intangible personal property (collectively "the Purchased Assets"), and specifically excluding cash and certain other assets of the Debtors' estates (collectively "the Excluded Assets") and seeking authority to assume and assign certain Contracts ("the Assumed Contracts").¹

PLEASE TAKE FURTHER NOTICE THAT on July 29, 2016, the Court entered an order (Docket No. 226) (the "Bidding Procedures Order"), approving the Motion. A copy of the Bidding Procedures Order is attached hereto.

PLEASE TAKE FURTHER NOTICE that a hearing to consider approval of the Sale and the assumption and assignment of Assumed Contracts to the Stalking Horse Bidder, or the Successful Bidder, as applicable (the "Sale and Assignment Hearing"), is presently scheduled to take place on August 26, 2016 at 10:00 a.m. (Central Time), or as soon thereafter as counsel may be heard, before the Honorable Robert Summerhays, United States Bankruptcy Judge, Western District of Louisiana, at the United States Bankruptcy Court, 214 Jefferson Street, Suite 100, Lafayette, LA 70501-7050.

PLEASE TAKE FURTHER NOTICE THAT, in addition to the Assumed Contracts, upon the closing of the Sale of Assets, the Debtors also shall seek to assume and assign to the Successful

¹ The Purchased Assets, the Excluded Assets, and Assumed Contracts as those terms are used in this Notice are more particularly described in Sections 2.1 and 2.2 of the Asset Purchase Agreement ("the proposed Stalking Horse APA") attached to the Motion as Exhibit "B."

Bidder for the Assets at the Auction (as defined in the Bidding Procedures Order) (the “Assignee”) the additional Contracts and any modifications thereto set forth on **Exhibit A** hereto (collectively, the “Additional Assumed Contracts”). In addition, the cure amounts, if any, necessary for the assumption and assignment of the Additional Assumed Contracts (the “Cure Amounts”) are set forth on **Exhibit A**.

PLEASE TAKE FURTHER NOTICE that Objections, if any, to the assumption and assignment of the Additional Assumed Contracts, including the Cure Amount, must be filed and served no later than 5:00 p.m. (Central Time) on August 24, 2016. Each objection shall state the legal and factual basis of such objection and may be orally supplemented at the relevant hearing. Any objection to the Debtors’ proposed Cure Amount or the provision of adequate assurance of future performance under any Additional Assumed Contract pursuant to Bankruptcy Code § 365 (“Adequate Assurance”) must: (a) be filed and served on or before the deadline set forth above or any such Objection will be deemed waived; (b) identify the Contract(s) or Lease(s) to which the objector is party; (c) describe with particularity any cure the claimant contends is required under Bankruptcy Code § 365 (the “Cure Claim”) and identify the basis of the alleged Cure Claim under the Contract or Lease; (d) attach all documents supporting or evidencing the Cure Claim; and (e) if the response contains an objection to Adequate Assurance, state with specificity what the objecting party believes is required to provide Adequate Assurance.

Dated: August 4, 2016.

STEFFES, VINGIELLO & MCKENZIE, L.L.C.

By: /s/ Barbara B. Parsons
William E. Steffes (La. Bar No. 12426)
Barbara B. Parsons (La. Bar No. 28714)
Noel Steffes Melancon (La. Bar No. 30072)
STEFFES, VINGIELLO & MCKENZIE, LLC
13702 Coursey Boulevard Building 3
Baton Rouge, Louisiana 70817
Telephone: (225) 751-1751
Facsimile: (225) 751-1998
E-mail: bparsons@steffeslaw.com

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

EXHIBIT A – Additional Assumed Contracts

Cure Amount Schedule

AVOYELLES CONTRACTS AND LEASES			
Debtor Party to Contract	Contract Counterparty	Description of Contract or Lease	Proposed Cure Amount
PAC Avoyelles	All Saints Hospice	Agreement for Hospice Services	-
PAC Avoyelles	Avoyelles Manor Nursing Home	Host Facility Agreement	-
PAC Avoyelles	Avoyelles Parish Sheriff's Office	Healthcare Professional's Agreement	-
PAC Avoyelles	Central LA Area Education Center	"A-HEC of a Summer", 2016 Program Agreement	-
PAC Avoyelles	Central LA Technical College	Multiple Cooperation Agreements	-
PAC Avoyelles	City of Marksville	Real property lease: 4.61 acres lying within and forming a portion of Section 61, Township Two North, Range Four East, Ward 2, Avoyelles Parish, Louisiana	-
PAC Avoyelles	CMS Communications	Quality Improvement Organization Memorandum of Agreement	-
PAC Avoyelles	Compassionate Care—Hospice	Hospital Inpatient Services Agreement	-
PAC Avoyelles	Journey Hospice of Alexandria	Hospice and Inpatient Facility Agreement	-
PAC Avoyelles	Louisiana Eyebank	Terms of Association Agreement	-
PAC Avoyelles	LSU Health—Shreveport	AAMC Uniform Clinical Training Affiliation Agreement	-
PAC Avoyelles	Louisiana Healthcare Quality Forum	Healthcare Information Exchange Agreement	-
PAC Avoyelles	Louisiana Organ Procurement Agency	Agreement for Procurement of Organs/Tissue	-
PAC Avoyelles	LSU—Alexandria (Dept. of Allied Health)	Clinical Laboratory Science Program Agreement	-
PAC Avoyelles	St. Joseph Hospice	Hospital Provider Agreement	-