



**SO ORDERED.**

**SIGNED August 22, 2016.**

  
ROBERT SUMMERHAYS  
UNITED STATES BANKRUPTCY JUDGE

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**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**

Considering the *Debtors' Application for Order Authorizing Retention and Employment of SOLIC Capital Advisors, LLC and SOLIC Capital, LLC as Financial Advisors to the Debtors* [P-18] ("Application") filed by the above-captioned debtors (the "Debtors")<sup>1</sup>, representations of counsel at the hearing held on June 28, 2016; the amended terms of SOLIC's engagement as agreed to by the Debtors, SOLIC and the Unsecured Creditors Committee; and, good and sufficient cause having been shown;

IT IS ORDERED that, pursuant to Bankruptcy Code Sections 327(a) and 328(a), the Debtors are hereby authorized to retain SOLIC Capital Advisors, LLC and SOLIC Capital, LLC

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<sup>1</sup> Progressive Acute Care, LLC, Progressive Acute Care Avoyelles, LLC, Progressive Acute Care Oakdale, LLC, and Progressive Acute Care Winn, LLC.

(collectively “SOLIC”), as financial advisors to provide restructuring services in this chapter 11 case, on a final basis *nunc pro tunc* to the Petition Date at the hourly rates provided for in the attached Engagement Letter; and,

IT IS FURTHER ORDERED that SOLIC is authorized to provide transaction support services to the Debtors during the pendency of this proceeding on the terms set forth in the attached Engagement Letter.

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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  
Facsimile: (225) 751-1998  
E-mail: [bsteffes@steffeslaw.com](mailto:bsteffes@steffeslaw.com)



**SOLIC Capital Advisors, LLC**  
1603 Orrington Avenue, Suite 1600  
Evanston, Illinois 60201  
847.583.1619 Phone  
847.583.1426 Fax

May 30, 2016

Confidential:

Mr. Dan Rissing  
Chief Executive Officer  
Progressive Acute Care, LLC  
2210 7th Street  
Mandeville, LA 70571

Re: Engagement of SOLIC Capital Advisors, LLC ("SCA") and SOLIC Capital, LLC ("SC", and together with SCA, "SOLIC")<sup>1</sup>

Gentlemen:

Effective April 2, 2015 (the "Original Effective Date"), Progressive Acute Care, LLC ("PAC") entered into the engagement letter (the "Original Engagement Letter") with SOLIC. On December 17, 2015, PAC entered into an Amendment to the Original Engagement Letter (the "Amendment") with SOLIC. On January 12, 2016, PAC entered into Amendment No. 2 to the Original Engagement Letter ("Amendment No. 2") with SOLIC. PAC hereby desires to amend and restate the Original Engagement Letter as amended by the Amendment and Amendment No. 2 pursuant to this agreement (this "Engagement Letter") in order to include as counterparties the following affiliates of PAC: (i) Progressive Acute Care Avoyelles LLC ("PAC Avoyelles"), (ii) Progressive Acute Care Winn LLC ("PAC Win"), (iii) and Progressive Acute Care Oakdale LLC ("PAC Oakdale", and together with PAC, PAC Avoyelles, and PAC Win, the "Company" or the "Debtors"). Pursuant to this Engagement Letter, SOLIC will be engaged by the Company in connection with its ongoing restructuring initiatives, including its pursuit of sale alternatives including a potential sale of the Company or any or all of its three wholly-owned hospitals (each a "Hospital" and collectively the "Hospitals") whether through merger, asset sale, recapitalization, or other transfer of economic control (a "Transaction"). For further clarification, the Hospitals include Avoyelles Hospital in Marksville, LA, Winn Parish Medical Center in Winnfield, LA, and Oakdale Community Hospital in Oakdale, LA. This Engagement Letter sets forth the terms and conditions of our engagement (this "Engagement") and becomes a binding exclusive agreement between SOLIC and the Company upon acceptance.

1. Scope of Services

Pursuant to this Engagement, SOLIC's role will specifically include working with the Company and the Hospitals' officers and employees to effect a Transaction and provide the following services:

- A. Transaction Support Services. Such services (the "Transaction Support Services") will include interfacing with the Company regarding potential strategic alternatives, developing and driving a

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<sup>1</sup> Securities offerings and other related services provided hereunder to be provided by SOLIC Capital, LLC, member FINRA/SIPC.

competitive process for a Transaction, and assisting in the negotiation of a Transaction. Such Transaction Support Services will include:

- (i) Assisting the Company in identifying potential acquirers for the Hospitals;
- (ii) Preparation and updating of a descriptive information memorandum describing the Hospitals;
- (iii) Facilitation of due diligence with parties interested in acquiring the Hospitals, including assistance with respect to management's responses to information requests and management of an electronic dataroom;
- (iv) Assisting the Company in selecting potential parties with whom to continue negotiations and development of related negotiation strategies;
- (v) Assistance in negotiating terms for a Transaction with potentially interested parties and review of definitive documentation and supporting schedules related to a Transaction;
- (vi) Assistance in coordinating regular meetings with the Company's Board of Directors or committees thereof to evaluate proposals and the status of negotiations;
- (vii) Assistance in coordination of communication strategies related to a Transaction with the Hospitals constituents (i.e., creditors, medical staff, employees, etc.); and
- (viii) Assistance, in collaboration with the Company's legal counsel, in closing a Transaction including developing closing schedule and monitoring closing deliverables and deadlines.

B. Restructuring Services. SOLIC will provide additional support services necessary to facilitate a Transaction and to assist the Company in its Chapter 11 bankruptcy filing ("Restructuring Services"). The Restructuring Services shall include, but not be limited to:

- (i) Development of financial forecasts or financial models to reflect pro forma financial impact of any purchaser synergies, cost saving initiatives, reimbursement changes, or other financial changes that may result from a Transaction;
- (ii) Preparation of any detailed due diligence analysis (e.g. Supply Chain review, Black Box Analysis, etc.) that may be requested by Company - in negotiating a Transaction;
- (iii) Assistance in the preparation of any additional analysis and supportive documentation required to appropriately respond to any regulatory related inquiry or submission requirements including any anti-trust related concerns;
- (iv) Assistance with respect to liquidity management;
- (v) Assistance in the preparation of financial analyses, including a rolling 13-week cash flow and cash collateral/DIP budgets;

- (vi) Assistance in preparation of bankruptcy related schedules, monthly operating reports and other similar reports as may be necessary in conjunction with the chapter 11 case;
- (vii) Communication and/or negotiation with outside constituents, including creditors, investors and their advisors; and
- (viii) Such other matters as may be requested consistent with SOLIC's expertise and as may be mutually agreed upon by the parties.

The Transaction Support Services will not include the issuance of a Fairness Opinion. If a Fairness Opinion is deemed necessary by Company, and is requested from SOLIC, then SOLIC and Company will enter into an amendment to this Engagement Letter that sets the terms and compensation related thereto. The SOLIC team will be led by Gregory Hagood (the "Oversight Professional") with support from as deemed appropriate by the Oversight Professional.

SOLIC's ability to perform under this Engagement Letter will depend upon the extent of cooperation that it receives from the Company and its representatives, including its legal counsel and accountants. In this regard, the Company agrees to provide SOLIC full cooperation and access to financial, business and other information concerning the Hospitals, which SOLIC reasonably deems appropriate. In addition to open access to all such information (including documents and financial records (or projections), SOLIC will have full use and access to all work performed by prior investment banking advisors and management consultants, as well as any outside accounting and analyst reports and work papers, all valuation analyses, due diligence materials and other related materials which are (or could be) available to the Company (all such information and materials, documents and records being referred to as "Hospitals' Information"). The Company will use its commercially reasonable efforts to provide SOLIC with full access to the Hospitals' officers, directors, employees, advisors and representatives. SOLIC agrees that, except as may otherwise be required by law, SOLIC will keep confidential and not disclose to third parties (other than representatives or independent contractors retained by SOLIC or to potentially interested third parties who have executed a confidentiality agreement) all Hospitals Information that is confidential or propriety to the Company and that SOLIC will use the same only in the performance of its duties under this Engagement. SOLIC will coordinate with the Company's outside counsel to oversight the necessary execution mechanics to complete the objectives with respect to the Transaction.

This Engagement Letter will be effective immediately upon (i) receipt by SOLIC of this executed Engagement Letter and the attached Indemnity Agreement.

## 2. Fees and Expenses

In consideration of SOLIC's efforts, the Company agrees to compensate SOLIC as follows:

- A. A success fee (the "Success Fee") to be paid by the Company (per the wire instructions set forth on Exhibit A attached hereto) at the closing of a Transaction equal to (i) \$50,000 plus (ii) 2% of the Enterprise Value (defined below) of such Transaction. For purposes hereof, "Enterprise Value" shall mean the sum of (i) the Purchase Consideration (as defined below) for the Company's assets sold in a Transaction, plus (ii) all outstanding interest-bearing debt of the Company or the Hospitals, liabilities due to CMS or other payors, accrued payroll liabilities, liabilities accrued employee paid time off, or vendor accounts payable, in each case, assumed at the closing of a Transaction by the purchaser. For purposes hereof, Purchase Consideration shall mean all consideration (except for (x) assumed liabilities enumerated in clause (ii) of the immediately

preceding sentence, (y) the value attributable to the Debtors cash and cash equivalents retained by the Company in connection with a Transaction, and (z) the value attributable to any of the Debtors' accounts receivable retained by the Debtor in connection with a Transaction, and subsequently collected by or on behalf of the estates, including without limitation, any refunds payable to the Debtors by CMS or any other payor) paid to the Company in connection with a Transaction for its ownership interest in the assets of the Company or in the Hospitals and shall include all cash, notes, securities, payments made in installments, and/or Contingent Payments (as defined below) received by the Company in transferring the Hospitals' assets. "Contingent Payments" shall be defined as the fair market value of consideration received or receivable by the Company in the form of deferred performance-based payments, "earn-outs", or other contingent payments based upon the future performance of the Hospitals or any of its businesses or assets. Notwithstanding anything contained herein to the contrary, that portion of the Success Fee associated with Contingent Payments to be received, if any, shall be payable only upon receipt of such Contingent Payments. For purposes of calculating the Purchase Consideration, the value of any (non-contingent) purchase money or other promissory notes shall be deemed to be the net present value of the face amount thereof (utilizing a reasonable market based discount factor) and the Success Fee will be paid thereon upon the issuance. Notwithstanding anything in this Engagement Letter to the contrary, in the event that the Company's senior lenders agree to the terms of the Carve-Out (as defined below), the Success Fee will be paid in full from the proceeds of the senior lenders' collateral in the first instance unless and until (i) the cash consideration paid to the Debtors' estates pursuant to the Transaction is sufficient to fully repay all outstanding interest-bearing debt of the Company and the Hospitals or (ii) all outstanding interest-bearing debt of the Company and the Hospitals is assumed by a third party through the Transaction without any further recourse to the Debtors' estates and the third party has assumed the obligation to pay SOLIC the Success Fee (and such Success Fee has in fact been paid).

- B. For any Restructuring Services to be performed pursuant to this Engagement Letter, SOLIC shall be paid for the services provided by the SOLIC professionals performing such Restructuring Services at their standard hourly rates (the "Hourly Fees"), which fees will be subject to periodic adjustment upon notice to Company to reflect economic and other conditions. The billing rates for professionals who may be assigned to this Engagement are as follows:

Base Hourly Rates:<sup>2</sup>

Senior Managing Directors / Senior Advisors	\$750-895/hr.
Managing Directors	\$695-825/hr.
Directors	\$550-695/hr.
Vice Presidents	\$450-550/hr.
Senior Associates	\$350-450/hr.
Consultants / Associates	\$245-365/hr.
Paraprofessionals	\$95-125/hr.

The Company agrees to pay SOLIC's reasonably incurred fees and expenses in connection with Restructuring Services based upon the rates set forth above; however, the Company expressly agrees that the hourly rates set forth in this Engagement Letter are subject to periodic adjustment upon notice to the Company to reflect economic and other conditions. As of the date hereof, SOLIC is holding a retainer (the "Retainer"), as of the date of the bankruptcy filing of \$75,174.50

<sup>2</sup> SOLIC may utilize independent contractors under the direct supervision of SOLIC; the hourly rate for such personnel will be billed based upon the qualifications of the professional.

. SOLIC's fees and expenses incurred in connection with the services provided hereunder shall be subject to approval of the Bankruptcy Court as described in SOLIC's retention application.

SOLIC's expenses as incurred will be billed separately. Generally these expenses include any travel-related expenses, document production, fax transmissions, teleconferencing charges, outside legal expenses incurred by SOLIC associated with this Engagement (including, fee application expenses, discovery costs and defense costs) and other expenses of this type which are associated with this Engagement.

The Company agrees that in connection with the bankruptcy process, it will reimburse SOLIC for its reasonable attorney's fees and expenses related to such retention matters, including the filing and preparation of any fee applications and any preparation or attendance at hearings related thereto. Notwithstanding anything to the contrary contained herein, after the Company files for bankruptcy protection, the fees and expenses of SOLIC set forth herein shall be reimbursed and paid in accordance with the Bankruptcy Code and any fee procedures established by order of the Bankruptcy Court.

During the term of this Engagement Letter, the Success Fees outlined above shall be due and payable should the Company and/or its affiliates enter into and close a transaction(s) with any individuals or entities, including any party that is not one furnished by SOLIC to the Company, during the term of this Engagement Letter. It is agreed that subsequent to the termination of this Engagement Letter, SOLIC shall be entitled to the Success Fees as described above if a Transaction is consummated with a party contacted by SOLIC during the term of this Engagement Letter (as evidenced by SOLIC having negotiated and obtained an executed confidentiality agreement with such party during the term of this Engagement Letter) during the twelve (12) months following the termination of this Engagement Letter.

3. Other Terms and Conditions

- A. General. SOLIC will act under this Engagement Letter as an independent contractor with duties solely to the Company. Because we will be acting on your behalf in this capacity, it is our practice to receive indemnification. A copy of our standard indemnity form is attached hereto as Exhibit B ("Indemnity Agreement") and must be executed concurrently with this Engagement Letter. PAC acknowledges that SOLIC is being retained as an independent financial advisor in connection with the matters contemplated herein and is not acting as a broker, dealer, or broker-dealer. Notwithstanding the terms of any other provision, the total liability of SOLIC, and its affiliates, officer, employees, and agents for all claims of any kind arising out of this Engagement, whether in contract, tort or otherwise, shall be limited to the total fees paid to SOLIC under this Engagement Letter. This Engagement Letter is intended to amend and restate the Original Engagement Letter, provided, however, that SOLIC will continue to be provided the protections contained in the Indemnity Agreement signed in conjunction with the Original Engagement Letter in connection with all services provided under the Original Engagement Letter (such continuing indemnity shall be retroactive to the Original Effective Date).
- B. Confidentiality. Any advice or opinions provided by SOLIC may not be disclosed or referred to publicly or to any third party except in accordance with SOLIC's prior written consent. It is further understood that any advice rendered by SOLIC pursuant to this Engagement, including any advice rendered during the course of participating in negotiations and meetings

with management or the Company, as well as any written materials provided by SOLIC, are intended solely for the benefit and confidential use of the Company and will not be reproduced, summarized, relied upon by any third person, described or referred to or given to any other person for any purpose without SOLIC's prior written consent. The Company represents and warrants that all Hospitals Information made available to SOLIC will be complete and correct and that any projections, forecasts or other Hospitals Information provided to SOLIC will have been prepared in good faith and will be based upon reasonable assumptions. The Company agrees to promptly notify SOLIC if the Company believes that any Hospitals Information which was previously provided to SOLIC has become materially misleading. The Company acknowledges and agrees that, in rendering its services hereunder, SOLIC will be using and relying on Hospitals Information (and information available from public sources and other sources deemed reliable by SOLIC) without independent verification thereof or independent appraisal or evaluation of the Hospitals, or any other party. SOLIC does not assume responsibility for the accuracy or completeness of Hospitals Information or any other information regarding the Hospitals or the Company. SOLIC will have no obligation to update any report(s) that it may produce or to revise the information contained therein because of events and transactions occurring subsequent thereto. If access to any of the materials in SOLIC's possession relating to this Engagement is sought by a third party, SOLIC will promptly notify the Company of such action, tender to the Company our defense responding to such request and cooperate with you concerning our response thereto. In the event that SOLIC is subpoenaed as the result of any work performed in connection with this Engagement Letter, SOLIC will provide to you immediate notice of such subpoena and the Company will provide reasonable compensation to SOLIC for its reasonable time involved in responding to such subpoena(s). SOLIC will not be auditing any financial statements or performing any attest procedures in the course of this engagement. SOLIC's services are not designed, nor should they be relied upon, to disclose internal weaknesses in internal controls, financial statement errors, irregularities, illegal acts or disclosure deficiencies. SOLIC is not a professional accounting firm or law firm and does not practice accounting or law.

- C. Limitation on Engagement. The Company acknowledges and agrees that, to the extent not inconsistent with 11 U.S.C. §§ 327 and 328, (i) SOLIC is not and will not be construed as a fiduciary of the Company or the Hospitals or any affiliate thereof and will have no duties or liabilities to the stakeholders or creditors of the Company, the Hospitals, any affiliate of the Company or the Hospitals or any other person by virtue of this Engagement and the retention of SOLIC hereunder, all of which duties and liabilities are hereby expressly waived, and (ii) any advice rendered by SOLIC does not constitute a recommendation to any creditor or other stakeholder that such might or should take in connection with a possible recapitalization, restructuring, reorganization or other transaction. Subject to 11 U.S.C. §§ 327 and 328, the creditors and other stakeholders of PAC and the Hospitals are not intended beneficiaries hereunder. The Company confirms that it will rely on its own counsel, accountants and other similar expert advisors for legal, accounting, tax and other similar advice. Furthermore, the Company acknowledges that SOLIC is providing no representations and warranties with respect to the successful completion of a Transaction.
- D. Conflict of Laws. The terms of this Engagement Letter shall be construed, interpreted and applied in accordance with the laws of the State of Louisiana applicable to contracts entered into and wholly to be performed in Louisiana. The Company irrevocably submits to the jurisdiction of the Bankruptcy Court for the purpose of any suit, action or other proceeding arising out of this Engagement Letter which is brought by or against the Company. Each of the Company (and, to the extent permitted by law, on behalf of the Company's stakeholders



and creditors) and SOLIC hereby knowingly, voluntarily and irrevocably waives any right it may have to a trial by jury in respect of any claim based upon, arising out of or in connection with this Engagement Letter.

- E. Assignment. The Company agrees that so long this Engagement Letter is in effect it will not enter into an agreement with respect to a possible Transaction unless such agreement expressly provides for the unconditional assumption of the Company's obligations to SOLIC under this Engagement Letter and the Indemnity Agreement. This Engagement Letter, and any modification or amendment thereto, may be executed in counterparts, each of which will be deemed an original and all of which will constitute one and the same instrument upon approval of the Bankruptcy Court. SOLIC reserves the right to attend the closing of any and issue a tombstone announcement with respect to such transaction and SOLIC's involvement with the Hospitals. Any documents memorializing a Transaction will include language disclosing the Company's fee liability to SOLIC under this Engagement Letter. SOLIC may assign its rights hereunder and pursuant to the Indemnity Agreement to any of its affiliates, independent contractors and entities controlled by the Oversight Professional hereunder or any entity that acquires substantially all of the assets of SOLIC upon approval of the Bankruptcy Court.
- F. Termination. Either the Company or SOLIC may terminate this Engagement Letter (the "Termination") upon 3 days written notice, provided however that (i) all fees and expenses due through the effective date of termination will be paid upon approval of the Bankruptcy Court; (ii) provided SOLIC is not in material default of its obligations under this Engagement Letter and the Indemnity Agreement, no termination of this Engagement Letter will affect SOLIC's right to payment of the Retainer or expense reimbursement pursuant to this Engagement Letter or the indemnification contemplated by the Indemnity Agreement; (iii) provided SOLIC is not in material default of its obligations under this Engagement Letter and the Indemnity Agreement, SOLIC shall be entitled to receive any Success Fee that it would otherwise be payable in connection with any Transaction that occurs within twelve months of termination of this Agreement; and (iv) the terms of Section 3 hereof will survive termination of this Engagement Letter.
- G. Notices. All correspondence and notices shall be sent to the parties as listed hereafter or to such other persons or addresses as may be given by one party to the other, and will be deemed effective the earlier of actual delivery or three days after mailing.

Personal and Confidential

Mr. Dan Rissing  
Chief Executive Officer  
Progressive Acute Care, LLC  
2210 7th Street  
Mandeville, LA 70571

Edward Casas and Neil Luria  
Senior Managing Director  
SOLIC Capital Advisors, LLC  
1603 Orrington Avenue, Suite 1600  
Evanston, IL 60201

- H. Amendment. This Engagement Letter may only be modified, amended or waived by a writing signed by the parties hereto and approved by the Bankruptcy Court.
- J. Indirect, Consequential or Punitive Damages. None of the parties to this Engagement Letter shall in any event be liable to the other for any indirect, consequential or punitive damages.
- L. Corporate Compliance. The Company acknowledges that, pursuant to the requirements of the USA Patriot Act, Title III of Pub. L. 107-56 (signed into law on October 25, 2001) (the "Patriot Act"), SOLIC is required to obtain, verify and record information that identifies PAC, its Stockholders and Directors, which information includes names and addresses and other information that will allow SOLIC to identify the Company, its Stockholders and Directors in accordance with the Patriot Act.
- M. Taxes. SOLIC shall not be responsible for any sales or use taxes assessed by local, state, federal or foreign authorities, which are or may be imposed in the future by reason of any asset sale contemplated by this Engagement.
- N. Senior Lender Carve-Out. The Company agrees that it will seek to negotiate with its senior lenders (including any debtor-in-possession financing) for such lenders to provide a carve-out of their collateral in the context of such financing (the "DIP Facility") and any cash collateral agreements (the "Cash Collateral Agreement"), in an amount equal to the sum of (i) any of SOLIC's unpaid fees and expenses (including the Success Fee) outstanding at the time of a default or event of default under the terms of such DIP Facility or Cash Collateral Agreement, plus (ii) SOLIC's fees and expenses (including the Success Fee) accrued post-default or event of default, plus (iii) any amounts that the Company fails to reimburse SOLIC as required pursuant to the terms of Exhibit B attached hereto (the "Carve-Out"); provided that such senior lenders (a) agree to be solely responsible for the payment of the foregoing amounts set forth in subclauses (i) through (iii) of this Section N from such lenders' collateral and (b) agree not to seek, and irrevocably waive the right to, any reimbursement, claim or refund for the foregoing amounts set forth in subclauses (i) through (iii) of this Section N from the Debtors' estates.
- O. Joint & Several Obligations. All obligations herein of the Company are intended to be joint and several amongst Progressive Acute Care, LLC, Progressive Acute Care Avoyelles LLC, Progressive Acute Care Winn LLC, and Progressive Acute Care Oakdale LLC.

May 30, 2016  
Page 9

If the terms of our engagement as set forth in this Engagement Letter are satisfactory, kindly sign the enclosed copy of this letter along with the attached Indemnity Agreement and return executed copies to me by fax with originals by overnight mail accompanied with a wire transfer in the amount of the Retainer.

We look forward to working with you.

Very truly yours,

SOLIC CAPITAL ADVISORS, LLC

By:   
Neil F. Luria, Senior Managing Director

SOLIC CAPITAL, LLC

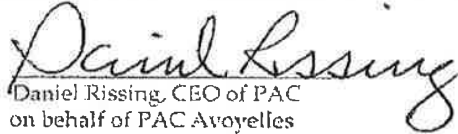
By:   
Neil F. Luria, Senior Managing Director

Accepted, acknowledged and agreed to:


PROGRESSIVE ACUTE CARE, LLC

By:   
Daniel Rissing, CEO


PROGRESSIVE ACUTE CARE OF AVOYELLES LLC

By:   
Daniel Rissing, CEO of PAC  
on behalf of PAC Avoyelles

PROGRESSIVE ACUTE CARE OF WINN LLC

By:   
Daniel Rissing, CEO of PAC  
on behalf of PAC Winn

PROGRESSIVE ACUTE CARE OF OAKDALE LLC

By:   
Daniel Rissing, CEO of PAC  
on behalf of PAC Oakdale

If the terms of our engagement as set forth in this Engagement Letter are satisfactory, kindly sign the enclosed copy of this letter along with the attached Indemnity Agreement and return executed copies to me by fax with originals by overnight mail accompanied with a wire transfer in the amount of the Retainer.

We look forward to working with you.

Very truly yours,

SOLIC CAPITAL ADVISORS, LLC

By:   
Neil F. Luria, Senior Managing Director

SOLIC CAPITAL, LLC

By:   
Neil F. Luria, Senior Managing Director

Accepted, acknowledged and agreed to:

PROGRESSIVE ACUTE CARE, LLC

By: \_\_\_\_\_  
Daniel Rissing, CEO

PROGRESSIVE ACUTE CARE OF AVOYELLES LLC

By: \_\_\_\_\_  
Daniel Rissing, CEO of PAC  
on behalf of PAC Avoyelles

PROGRESSIVE ACUTE CARE OF WINN LLC

By: \_\_\_\_\_  
Daniel Rissing, CEO of PAC  
on behalf of PAC Winn

PROGRESSIVE ACUTE CARE OF OAKDALE LLC

By: \_\_\_\_\_  
Daniel Rissing, CEO of PAC  
on behalf of PAC Oakdale

**Exhibit A**

**Wiring Instructions**

Please direct wire to

Account Name: SOLIC Capital Advisors, LLC  
Account Number: [REDACTED] 9411  
Bank: Northern Trust Bank  
Address: 50 S. LaSalle, Chicago, IL 60675  
ABA#: [REDACTED] 0152  
SWIFT: [REDACTED]  
  
Beneficiary Name: SOLIC Capital Advisors, LLC

3043059

**Exhibit B**

May 30, 2016

SOLIC Capital Advisors, LLC  
1603 Orrington Avenue  
Suite 1600  
Evanston, IL 60201

Ladies and Gentlemen:

This letter will confirm that in connection with the engagement (the "Engagement") of SOLIC Capital Advisors, LLC ("SCA") and SOLIC Capital, LLC ("SC" and together with SCA, "SOLIC") by Progressive Acute Care, LLC ("PAC"), Progressive Acute Care Avoyelles LLC ("PAC Avoyelles"), Progressive Acute Care Winn LLC ("PAC Win"), and Progressive Acute Care Oakdale LLC ("PAC Oakdale", and together with PAC, PAC Avoyelles, and PAC Win, the "Company") as reflected in the engagement letter (the "Engagement Letter"), dated the date hereof (all capitalized terms used but not otherwise defined herein having meanings described in such Engagement Letter), the Company agrees to indemnify and hold harmless SOLIC and its affiliates and their respective members, officers, directors, employees, independent contractors and agents and each other person, if any, controlling SOLIC or any of its affiliates (each referred to herein as an "Indemnified Person") to the fullest extent permitted by law from and against any losses, claims, damages, obligations, penalties, judgments, awards, costs, disbursements or liabilities, including amounts paid in settlement (collectively, "Losses"), based upon, related to, arising out of or in connection with the Engagement or any Transaction, and will reimburse each Indemnified Person for all reasonable expenses (including reasonable fees and expenses of counsel) ("Expenses") as they are incurred in connection with investigating, preparing, pursuing or defending any action, claim, suit, investigation, or proceeding related to, arising out of or in connection with the Engagement or any Transaction, whether or not pending or threatened and whether or not any Indemnified Person is a party. Notwithstanding the foregoing, in no event shall the Company be responsible for any Losses or Expenses that arise out of or in connection with the Engagement or any Transaction and which are finally judicially determined to have resulted solely from the willful misconduct or gross negligence of SOLIC. This agreement is not intended to replace the Indemnity Agreement dated as of May 28, 2015 which will remain in place and cover any and all acts occurring between the execution thereof and May 31, 2016

If any litigation, investigation or proceeding is commenced as to which SOLIC proposes to demand indemnification, SOLIC will notify the Company with reasonable promptness; provided, however, that any failure by SOLIC to notify the Company will relieve the Company from its obligations hereunder only to the extent the Company has been materially prejudiced by such failure or delay. SOLIC will have the right to retain counsel (and local counsel, if appropriate) of its own choice to represent it, and the Company will pay the reasonable fees, expenses and disbursements of such counsel. The Company retains the right to participate in the defense of such litigation, investigation or proceeding as to which SOLIC seeks indemnification through counsel of the Company's choice (the cost of which will be paid by the Company) and SOLIC will reasonably cooperate with such counsel and the Company (including, to the extent possible and consistent with its own interests, keeping the Company reasonably informed of such defense). The Company will be liable for any settlement of any claim against SOLIC made with the Company's written consent, which consent will not be unreasonably withheld.

If, for any reason, the foregoing indemnification is unavailable to any of the Indemnified Parties or is insufficient to hold them harmless in respect of any Losses or Expenses, then the Company will contribute to the amount paid or payable by any of the Indemnified Parties as a result of such Losses and Expenses in such proportion as is appropriate to reflect the relative benefits (or anticipated benefits) to the Company and its stakeholders on the one hand and the Indemnified Parties on the other hand from the possible Transaction, or if such allocation is not permitted by applicable law, then in such proportion as is appropriate to reflect not only the relative benefits received by the Company and its stakeholders on the one hand and the Indemnified Parties on the other hand, but also the relative fault of the Company, its directors, officers, employees, agents and advisers (other than SOLIC) on the one hand and the Indemnified Parties on the other hand, as well as any other relevant equitable considerations. The relative benefits received (or anticipated to be received) by the Company and its stakeholders on the one hand and by the Indemnified Parties on the other hand will be deemed to be in the same proportion as such benefit bears to the total fees paid to SOLIC pursuant to the Engagement. The relative fault of any party or other person will be determined by reference to such party's or person's knowledge, access to information and opportunity to prevent or correct any misstatement, omission, misconduct or breach of duty. In no event will the amount required to be contributed by the Indemnified Parties hereunder or the liability of the Indemnified Parties pursuant to the Engagement Letter exceed the total amount of fees paid to SOLIC pursuant to the Engagement. The Company and SOLIC agree that it would not be just and equitable if contribution were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to above.

The reimbursement, indemnity and contribution obligations of the Company hereunder will (i) be in addition to any liability which the Company may otherwise have, (ii) survive the completion or termination of SOLIC's engagement under the Engagement and (iii) shall be binding upon any successors and assigns of the Company. The Indemnified Parties (including any contractors of SOLIC) are deemed third party beneficiaries hereunder. SOLIC may assign its right to reimbursement, indemnity and contribution hereunder, in whole or in part, to any entity controlled by the Oversight Professional or to any entity that acquires all or substantially all of the assets of SOLIC.

The Company agrees that without the prior written consent of SOLIC, it will not consent, settle, compromise, consent to the entry of any judgment in or otherwise seek to terminate any action, claims, suit or proceeding in respect of which indemnification is sought hereunder (whether or not any Indemnified Person is a party thereto) unless (i) such settlement, compromise, consent or termination includes an unconditional release of each Indemnified Person from any and all claims and liabilities arising out of such action, claim, suit or proceeding and (ii) there is no statement in connection therewith as to an admission of fault culpability or failure to act by or on behalf of any Indemnified Party.

The provisions of this agreement shall apply to the Engagement and any written modification thereof signed by the parties and shall remain in full force and effect regardless of any termination or the completion of SOLIC's services under the Engagement.

All obligations herein of the Company are intended to be joint and several amongst Progressive Acute Care, LLC, Progressive Acute Care Avoyelles LLC, Progressive Acute Care Winn LLC, and Progressive Acute Care Oakdale LLC.

This agreement will be deemed made in Louisiana. The validity and interpretation of this agreement will be governed by, and construed and enforced in accordance with, the laws of the State of Louisiana applicable to agreements made and to be fully performed therein (excluding the conflicts of laws rules). The Company irrevocably submits to the jurisdiction of the Bankruptcy Court for the purpose of any suit, action or other proceeding arising out of this agreement which is brought by or against the Company. The

Acknowledged and Agreed:

SOLIC CAPITAL ADVISORS, LLC

By:   
Neil F. Luria  
Senior Managing Director

SOLIC CAPITAL, LLC

By:   
Neil F. Luria  
Senior Managing Director

3043059



May 30, 2016  
Page 13

Company and SOLIC hereby knowingly, voluntarily and irrevocably waives any right it may have to a trial by jury in respect of any claim based upon, arising out of or in connection with this agreement.

Very truly yours,

PROGRESSIVE ACUTE CARE, LLC

By: *Daniel Rissing*  
Daniel Rissing, CEO

PROGRESSIVE ACUTE CARE OF AVOYELLES LLC

By: *Daniel Rissing*  
Daniel Rissing, CEO of PAC  
on behalf of PAC Avoyelles

PROGRESSIVE ACUTE CARE OF WINN LLC

By: *Daniel Rissing*  
Daniel Rissing, CEO of PAC  
on behalf of PAC Winn

PROGRESSIVE ACUTE CARE OF OAKDALE LLC

By: *Daniel Rissing*  
Daniel Rissing, CEO of PAC  
on behalf of PAC Oakdale

3043059 v2

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 2  
Total Noticed: 25

Date Rcvd: Aug 22, 2016

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Aug 24, 2016.

db +Progressive Acute Care, LLC, Post Office Box 5309, Abita Springs, LA 70420-5309  
aty Boris I. Mankovestskiy, Sillis Cummins & Gross, PC, One Riverfront Plaza,  
Newark, NJ 07102  
aty +Cliff A LaCour, 1001 W Pinhook Rd Ste 200, Lafayette, LA 70503-2451  
aty +George C. Freeman, III, Barrasso Usdin Kupperman et al, 909 Poydras Street, Suite 2400,  
New Orleans, LA 70112-4004  
cr +CLECO Corporation, Wheelis & Rozanski, P.O. Box 13199, Alexandria, La 71315-3199  
cr +De Leo Law Firm, 800 Ramon St., Mandeville, la 70448-5035  
cr Doerle Food Services LLC, 103 Kol Drive, Broussard, La 70518  
cr +Global Physicians Network, LLC, 504 Texas Street, Suite 200, Shreveport, LA 71101-3526  
sp +Jack M. Stolier, Sullivan Stolier Knight, LC, 909 Poydras Street, Suite 2600,  
New Orleans, LA 70112-1033  
intp Louisiana Department of Health & Hospitals, c/o Kimberly Humbles, P. O. Box 3836,  
Baton Rouge, LA 70821-3836  
cr +Mobile Imaging Services, LLC, Wheelis & Rozanski, P.O. Box 13199,  
Alexandria, LA 71315-3199  
cr +NES Louisiana, Inc., 39 Main Street, Tiburon, CA 94920-2507  
cr +Official Committee of Unsecured Creditors for Prog, c/o Christopher Lehmann,  
7000 Cardinal Place, Dublin, OH 43017-1091  
cr +Parallon Business Solutions, LLC, c/o NeunerPate, 1001 W. Pinhook Rd., Suite 200,  
Lafayette, LA 70503-2451  
cr +Pharmacy Service of Winnfield, Incorporated, c/o Stephen Shelton, P.O. Box 1437,  
Winnfield, LA 71483-1437  
cr +Prime Alliance Bank, 1868 South 500 West, Woods Cross, UT 84010-7453  
cr +Richard Hylland, 3500 S Phillips Ave Ste 110, Sioux Falls, SD 57105-6864  
fa +SOLIC Capital LLC, c/ Neil Luria, 1603 Orrington Ave Ste 1600, Evanston, IL 60201-5064  
fa +SOLIC Captial Advisors, LLC, c/o Neil Luria, 1603 Orrington Ave Ste 1600,  
Evanston, IL 60201-5064  
cr +Shelton Property West Court Division, LLC, c/o Stephen Shelton, P.O. Box 1437,  
Winnfield, LA 71483-1437  
cr +Siemens Financial Services, Inc., 170 Wood Avenue South, Iselin, NJ 08830-2726  
intp +Southern Textile Services, L.L.C., c/o Armistead M. Long,  
Gordon Arata McCollam Duplantis & Eagan, 400 E. Kaliste Saloom Rd., Suite 4200,  
Lafayette, LA 70508-8522  
cr +Southern Textile Services, L.L.C., c/o Armistead M. Long, Esq.,  
Gordon Arata McCollam Duplantis & Eagan, 400 East Kaliste Saloom Rd., Suite 4200,  
Lafayette, LA 70508-8522  
intp +Trent McMorris, Sr., Oscar L. Shoenfelt, III, 2109 Perkins Road,  
Baton Rouge, LA 70808-1488

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.

cr +E-mail/Text: bankruptcynotices@tcfef.com Aug 22 2016 20:15:22 TCF Equipment Finance, Inc.,  
Gregory A. Payer, 11100 Wayzata Blvd., Suite 801, Minnetonka, MN 55305-5503  
TOTAL: 1

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

tr DIP  
cr Allen Emergency Group, LLC  
cr Avoyelles Emergency Group, LLC  
intp CHRISTUS Health  
cr De Lage Landen Financial Services, Inc.  
op Garden City Group, LLC  
cr Iberia Emergency Group, LLC  
cr Iberia Physician Services, LLC  
cr Jefferson Sprinkler, Inc.  
cr Karl Storz Capital  
cr Philips Medical Capital, LLC  
cr Sheridan Healthcare of Louisiana, Inc.  
cr The Schumacher Group of Louisiana, Inc.  
cr Winn Emergency Group, LLC

TOTALS: 14, \* 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.

\*\*\*\*\* BYPASSED RECIPIENTS (continued) \*\*\*\*\*

**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: Aug 24, 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 August 22, 2016 at the address(es) listed below:

Alan H. Goodman on behalf of Interested Party CHRISTUS Health alan.goodman@bswllp.com, kathy.moore@bswllp.com  
 Andrew H. Sherman on behalf of Creditor Committee Official Committee of Unsecured Creditors for Progressive Acute Care, LLC asherman@sillscummis.com  
 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  
 Brandon A. Brown on behalf of Creditor De Lage Landen Financial Services, Inc. bbrown@stewartrobins.com, kheard@stewartrobins.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  
 John M. Landis on behalf of Creditor Sheridan Healthcare of Louisiana, Inc. jlandis@stonepigman.com, pblackman@stonepigman.com  
 Joseph P. Hebert on behalf of Creditor Allen Emergency Group, LLC jphebert@liskow.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. mseylor@barkleythompson.com  
 Michael H. Piper on behalf of Plaintiff Progressive Acute Care Avoyelles, LLC mpiper@steffeslaw.com, mpiper@ecf.courtdrive.com; schassaing@steffeslaw.com  
 Noel Steffes Melancon on behalf of Debtor Progressive Acute Care, LLC nsteffes@steffeslaw.com  
 Office of U. S. Trustee USTPRegion05.SH.ECF@usdoj.gov  
 Randall L. Wilmore on behalf of Creditor Siemens Financial Services, Inc. rwilmore@goldweems.com, atam@goldweems.com  
 Richard J. Reynolds on behalf of Creditor Global Physicians Network, LLC rreynolds@ahmgt.com  
 Robin R. DeLeo on behalf of Creditor De Leo Law Firm Elaine@dreher-la.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  
 Victoria Viator Theriot on behalf of Creditor Parallon Business Solutions, LLC ttheriot@neunerpate.com  
 William E. Steffes on behalf of Debtor Progressive Acute Care Avoyelles, LLC bsteffes@steffeslaw.com, akujawa@steffeslaw.com; bsteffes@ecf.courtdrive.com

TOTAL: 24