

HEARING DATE AND TIME: September 16, 2014 at 10:00 a.m. (Prevailing Eastern Time)
OBJECTION DEADLINE: September 9, 2014 at 4:00 p.m. (Prevailing Eastern Time)

GARFUNKEL WILD, P.C.
111 Great Neck Road
Great Neck, New York 11021
Telephone: (516) 393-2200
Telefax: (516) 466-5964
Burton S. Weston
Afsheen A. Shah
Adam T. Berkowitz

*Counsel for the Debtors
and Debtors in Possession*

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
In re:

Chapter 11

SOUND SHORE MEDICAL CENTER
OF WESTCHESTER, et al.,

Case No. 13-22840 (RDD)

Debtors.

(Jointly Administered)

-----X

**APPLICATION OF DEBTORS PURSUANT TO 11 U.S.C. § 327(a)
AND FED. R. BANKR. P. 2014(a) FOR AUTHORITY TO EMPLOY AND
RETAIN GCG, INC. AS ADMINISTRATIVE AGENT FOR THE DEBTORS**

The above-captioned debtors and debtors in possession (collectively, the “**Debtors**”)¹ hereby move the Court (the “**Section 327 Application**”) for entry of an order pursuant to 11 U.S.C. § 327(a) and Fed. R. Bankr. P. 2014(a) authorizing the Debtors to retain GCG, Inc. (“**GCG**”) as administrative agent (“**Administrative Agent**”), in connection with the above-captioned chapter 11 cases (collectively, the “**Chapter 11 Cases**”). The declaration of Angela Ferrante in support of the Section 327 Application (the “**Ferrante Declaration**”) is attached hereto as Exhibit B and a proposed order granting the relief requested herein is attached hereto as

¹ The debtors in these chapter 11 cases, along with the last four digits of each debtor’s federal tax identification number include: Sound Shore Health System, Inc. (1398), Sound Shore Medical Center of Westchester (0117), The Mount Vernon Hospital (0115), Howe Avenue Nursing Home, Inc. d/b/a Helen and Michael Schaffer Extended Care Center (0781), NRHMC Services Corporation (9137), The M.V.H. Corporation (1514) and New Rochelle Sound Shore Housing, LLC (0117). There are certain additional affiliates of the Debtors who are not debtors and have not sought relief under Chapter 11.

Exhibit C. In support of this Section 327 Application, the Debtors respectfully represent as follows.

Background

1. On May 29, 2013 (the "**Petition Date**"), each of the Debtors filed a voluntary petition in this Court for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101, *et seq.* (the "**Bankruptcy Code**"). The Debtors are continuing to administer their affairs as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in these Chapter 11 Cases.

2. On June 3, 2013, an Order was entered authorizing the retention and employment of GCG, Inc. as the Debtors' Claims and Noticing Agent under 28 U.S.C. § 156(c) (the "**Section 156(c) Order**"). [Docket No. 41]

3. On June 10, 2013, the United States Trustee for the Southern District of New York (the "**U.S. Trustee**") appointed an official committee of unsecured creditors (the "**Creditors Committee**") pursuant to section 1102 of the Bankruptcy Code. The Creditors Committee has engaged Alston & Bird LLP as its counsel. [Docket 67] No trustee or examiner has been appointed in these cases.

Jurisdiction

4. The Court has jurisdiction over this matter under 28 U.S.C. §§ 157 and 1334. This is a core proceeding under 28 U.S.C. § 157(b). Venue is proper in this District under 28 U.S.C. §§ 1408 and 1409 and the *Standing Order of Reference M-431* from the United States District Court for the Southern District of New York dated as of January 31, 2012 (Preska, C.J.).

Relief Requested

5. The Debtors believe that the ongoing administration of these Chapter 11 Cases will require GCG to perform duties outside the scope of 28 U.S.C. 156(c). Accordingly, the

Debtors submit this 327 Application for authority to employ and retain GCG as Administrative Agent pursuant to section 327(a) of the Bankruptcy Code, Rules 2014(a) and 2016 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”) and Rules 2014-1 and 2016-1 of the Local Bankruptcy Rules for the Southern District of New York (the “**Local Rules**”), and in accordance with the terms and conditions of the engagement letter, attached hereto as Exhibit A (the “**Engagement Letter**”).

GCG’s Qualifications

6. As a specialist in claims management and legal administration services, GCG provides comprehensive administrative solutions for chapter 11 cases. GCG is one of the country’s leading chapter 11 administrators, with substantial experience in matters of all sizes and levels of complexity, including several large bankruptcy cases pending in this District including: In re Patriot Coal Corporation, et al., Case No. 12-12900 (SCC) (Bankr. S.D.N.Y. July 9, 2012); In re AMR Corporation, Case No. 11-15463 (SHL) (Bankr. S.D.N.Y. November 9, 2011); In re General Maritime Corporation, et al., Case No. 11-15285 (MG) (Bankr. S.D.N.Y. Nov. 17, 2011); In re MF Global Holdings Ltd., et al., Case No. 11-15059 (MG) (Bankr. S.D.N.Y. Oct. 31, 2011); In re Borders Group, Inc., et al., Case No. 11-10614 (MG) (Bankr. S.D.N.Y. Feb. 16, 2011); In re Partsearch Technologies, Inc., Case No. 11-10282 (MG) (Bankr. S.D.N.Y. Jan. 27, 2011); In re Boston Generating, LLC, Case No. 10-14419 (SCC) (Bankr. S.D.N.Y. Aug. 18, 2010); In re Motors Liquidation Company, et al., Case No. 09-50026 (REG) (Bankr. S.D.N.Y. June 1, 2009).² Based on GCG’s experience, the Debtors believe that GCG is well-qualified to serve as the Administrative Agent in these Chapter 11 Cases.

Services to be Provided

² Based on the voluminous nature of the cases referenced herein, orders granting GCG, Inc.’s retention are not attached to the Section 156(c) Application. Copies of such orders, however, are available on request from the Debtors’ counsel.

7. Pursuant to the Engagement Letter, and to the extent requested by the Debtors, GCG has agreed to perform, among other things, the following services as Administrative Agent:

- (a) Generating and providing claim reports and claim objection exhibits;
- (b) Managing the preparation, compilation and mailing of documents to creditors and other parties in interest in connection with the solicitation of a chapter 11 plan (a "Plan");
- (c) Managing the publication of legal notices;
- (d) Collecting and tabulating votes in connection with any Plan filed by the Debtors and providing ballot reports to the Debtors and their professionals;
- (e) Generating an official ballot certification and testifying, if necessary, in support of the ballot tabulation results;
- (f) Managing any distributions made pursuant to a confirmed Plan; and
- (g) Providing any and all necessary administrative tasks not otherwise specifically set forth above as the Debtors or their professionals may require in connection with these Chapter 11 Cases.

8. GCG's appointment as administrative agent will provide the Debtors with experienced professionals and services that are essential to a successful reorganization. GCG will coordinate with the Debtors' other retained professionals in these Chapter 11 Cases to avoid any unnecessary duplication of services. Accordingly, the relief requested in this Section 327 Application is in the best interests of the Debtors' estates and all parties in interest.

Professional Compensation

9. The Debtors propose to compensate GCG on substantially the terms and conditions set forth in the Engagement Letter. The Debtors solicited, received and reviewed rates from other noticing and claims agents and submit that GCG's rates are competitive with respect to the rates charged by GCG's competitors for the performance of similar services. As such, the Debtors believe that GCG's rates are reasonable given GCG's extensive bankruptcy experience, expertise and high quality of service.

10. Prior to the Petition Date the Debtors provided GCG a retainer in the amount of \$30,000.00. GCG applied the retainer to its prepetition invoices and will apply the remaining balance, if any, to its last bill issued to the Debtors in connection with these cases. GCG is aware, however, that it will be compensated in accordance with the Bankruptcy Code, the Bankruptcy Rules and all applicable orders of this Court. To the extent that GCG's duties exceed the scope of the Section 156(c) Order, GCG intends to apply to the Court for allowances of compensation and reimbursement of out-of-pocket expenses in connection with its services as Administrative Agent in accordance with applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, and the orders and local rules of this Court (collectively, the "**Fee Guidelines**").

Disinterestedness

11. To the best of the Debtors' knowledge, and except as disclosed in the Ferrante Declaration, GCG: (i) is a "disinterested person" within the meaning of section 101(14) of the Bankruptcy Code; (ii) does not hold or represent an interest adverse to the Debtors' estates in connection with any matter on which GCG will be employed; and (iii) neither GCG nor any of its employees has any connection with the Debtors, their creditors, the United States Trustee or any other party in interest in these Chapter 11 Cases.

12. The Debtors do not owe GCG any amount for services performed or expenses incurred prior to the Petition Date.

13. In connection with its appointment as Administrative Agent in these Chapter 11 Cases, GCG represents, among other things, that it will not employ any past or present employees of the Debtors in connection with its work as the administrative agent in these Chapter 11 Cases.

14. GCG will conduct ongoing reviews of its files to ensure that no conflict or other disqualifying circumstances exist or arise. If any new facts or circumstances are discovered that would require disclosure, GCG will supplement its disclosure to the Court.

15. To the extent there is any inconsistency between this Section 327 Application, the Engagement Letter, the Fee Guidelines and any Court order approving this Section 327 Application (the "**Section 327 Order**"), the Section 327 Order shall govern.

Basis for Relief

16. The Debtors submit that retention of GCG under the terms described herein is appropriate under sections 327 and 328 of the Bankruptcy Code. Section 327(a) of the Bankruptcy Code provides that a debtor, subject to Court approval:

[M]ay employ one or more attorneys, accountants, appraisers, auctioneers, or other professional persons, that do not hold or represent an interest adverse to the estate, and that are disinterested persons, to represent or assist the [debtor] in carrying out the [debtor]'s duties under this title.

11 U.S.C. § 327(a).

17. Section 328 of the Bankruptcy Code further authorizes the employment of a professional person "on any reasonable terms and conditions of employment, including on retainer, on an hourly basis, or on a contingent fee basis." 11 U.S.C. § 328.

18. Bankruptcy Rule 2014(a) requires that an application for retention include:

[S]pecific facts showing the necessity for the employment, the name of the [firm] to be employed, the reasons for the selection, the professional services to be rendered, any proposed arrangement for compensation, and, to the best of the applicant's knowledge, all of the [firm's] connections with the debtor, creditors, any other party in interest, their respective attorneys and accountants, the United States trustee, or any person employed in the office of the United States trustee.

F. R. Bankr. P. 2014(a).

19. In light of the size and complexity of these Chapter 11 Cases, the Debtors respectfully submit that the retention and employment of GCG pursuant to the terms of the Engagement Letter is both necessary and in the best interest of the Debtors' estates and all parties in interest to these Chapter 11 Cases. The Debtors also believe that the terms and conditions of the Engagement Letter are reasonable in light of the thousands of anticipated creditors, equity security holders and other parties in interest that will be involved in these Chapter 11 Cases.

20. GCG has undertaken a detailed search to determine and disclose whether it represents or has represented any significant creditors or insiders of the Debtors. In connection with its proposed retention by the Debtors, GCG conducted a search of its client database to determine whether it had any relationships with the Debtors or their respective affiliates, key officers, board members and directors, the entities set forth on the Debtors' list of fifty (50) largest unsecured creditors and five (5) secured creditors.

21. As set forth in the Ferrante Declaration and based on its review of its client database, GCG represents that neither it, nor its employees, have any connection with or any interest adverse to the Debtors, their creditors, or any other party in interest, or their respective attorneys and accountants. GCG also represents that it does not have any connection to the U.S. Trustee or any person employed in the Office of the U.S. Trustee in the Southern District of New York.

22. Therefore, GCG submits that it is a "disinterested person" within the meaning of section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code. The Debtors have been informed that GCG will conduct an ongoing review of its files to ensure that no disqualifying circumstances arise, and if any new relevant facts or relationships are discovered, GCG will supplement its disclosure to this Court.

23. Based on the foregoing, and given GCG's familiarity with the Debtors and these Chapter 11 Cases, the Debtors submit that the employment and retention of GCG on the terms and conditions set forth herein is necessary and in the best interest of the Debtors, their estates, and their creditors.

Notice

24. Notice of this Section 327 Application has been provided in accordance with the Case Management Order, approved by the Court on June 3, 2013 [Docket No. 50]. The Debtors submit that, in view of the facts and circumstances, such notice is sufficient and no other or further notice need be provided.


25. No previous request for the relief sought herein has been made to this Court or any other court.

[Remainder of this page left intentionally blank.]

WHEREFORE, the Debtors respectfully request that the Court: (i) enter the proposed Section 327 Order granting the relief sought herein; and (ii) grant such other and further relief as the Court deems just and proper.

Dated: August 14, 2014
Great Neck, New York

GARFUNKEL WILD, P.C.

By: 
Burton S. Weston
Afsheen A. Shah
111 Great Neck Road
Great Neck, New York 11021
Telephone: (516) 393-2200
Facsimile: (516) 466-5964

Counsel for Debtors and Debtors in Possession

EXHIBIT A

Engagement Letter

BANKRUPTCY ADMINISTRATION AGREEMENT

This Bankruptcy Administration Agreement, dated as of April 17, 2013 between GCG, Inc., a Delaware corporation (the "Company"), and Sound Shore Health System, Inc., Sound Shore Medical Center of Westchester, The Mount Vernon Hospital, Howe Avenue Nursing Home, Inc. d/b/a Helen and Michael Schaffer Extended Care Center, NRHMC Services Corporation, and The M.V.H. Corporation (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 Southern District of New York (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 and is attached hereto as Exhibit A, after taking into account additional agreed upon discounts (subject to Bankruptcy Court approval in the event of an unresolved dispute). 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. The Company will provide notice to the Clients in advance of any adjustments to billing rates. 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. Clients agree to pay the Company a retainer of \$30,000 (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 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.

2.3. Billing and Payment. Except as provided in Section 2.2, or specifically set forth below in this 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. With respect to post-petition invoices, for Services performed outside the scope of 28 U.S.C. § 156(c), the Company shall apply for compensation and reimbursement of expenses in accordance with the procedures set forth in 11 U.S.C. §§ 330 and 331, the applicable Federal Rules of Bankruptcy Procedure, the Local Bankruptcy Rules for the Southern District of New York, any applicable orders of the Bankruptcy Court, the guidelines established by the United States Trustee for the Southern District of New York and such other procedures that have been, or may be, fixed by order of the Bankruptcy Court. Unless otherwise agreed to in writing, (i) postage expense 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 such 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 such 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. 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.

8. 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 transportation 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.

9. 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 GCG, Inc., 1985 Marcus Avenue, Suite 200, Lake Success, New York 11042, Attention: David Isaacs, Chief Executive Officer; and if to the Clients, to Garfunkel Wild, P.C., 111 Great Neck Road, Sixth Floor, Attention: Afsheen A. Shah, Esq.

10. 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).

11. 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.

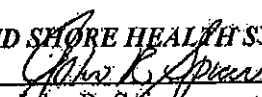
12. Assignment. This Agreement and the rights and obligations of the Company and the Clients hereunder shall bind and inure to the benefit of any successors or assigns thereto.

13. 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.

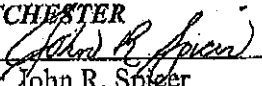
SOUND SHORE HEALTH SYSTEM, INC.

By: 
Name: John R. Spicer
Title: President

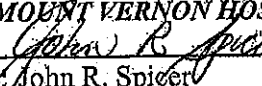
GCG, INC.

By: 
Name: ANGELA FERRANTE
Title: VICE PRESIDENT

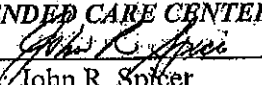
**SOUND SHORE MEDICAL CENTER OF
WESTCHESTER**

By: 
Name: John R. Spicer
Title: President

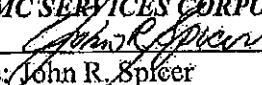
THE MOUNT VERNON HOSPITAL

By: 
Name: John R. Spicer
Title: President

**HOWE AVENUE NURSING HOME, INC.
D/B/A HELEN AND MICHAEL SCHAFER
EXTENDED CARE CENTER**

By: 
Name: John R. Spicer
Title: President

NRHMC SERVICES CORPORATION

By: 
Name: John R. Spicer
Title: President

THE M.V.H. CORPORATION


By: 
Name: John R. Spicer
Title: Vice President

EXHIBIT A



GCG Pricing

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 Discounted hourly rates

Noticing

Laser printing (includes folding, insertion, and envelopes) \$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 remails) Discounted hourly rates
Document scanning \$0.12 per image
Document monthly storage (paper) \$1.50 per box
..... (electronic) \$0.02 per creditor/image
..... (waived for first three months)

Claims Administration

Association of claimant name and address to database \$0.15 per claim
Processing of claims, including non-conforming claims,
supervisory review and application of message codes Discounted 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) Discounted hourly rates

Web Site

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



Contact Services

Case-specific voice-mail box for creditors No charge
Interactive Voice Response ("TVR")..... \$1,900 set up
\$0.39 per minute
Live 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)..... Discounted hourly rates

Miscellaneous Expenses

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

Hourly Billing Rates¹

Title	Discounted Hourly Rates
Administrative and Claims Control	\$45-\$55
Project Administrators	\$70-\$85
Quality Assurance Staff	\$80-\$125
Project Supervisors	\$95-\$110
Systems, 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*

¹ 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 Vice Presidents, Angela Ferrante and Jeff Stein, 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 overtime for any of its hourly rates.

EXHIBIT B

Ferrante Declaration

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X

In Re:

Chapter 11

SOUND SHORE MEDICAL CENTER
OF WESTCHESTER, et al.

Case No. 13-22840(RDD)

Debtors.

(Jointly Administered)

-----X

**DECLARATION OF ANGELA FERRANTE IN SUPPORT OF
THE APPLICATION OF DEBTORS PURSUANT TO 11 U.S.C. § 327(A)
AND FED. R. BANKR. P. 2014(A) FOR AUTHORITY TO EMPLOY AND
RETAIN GCG, INC. AS ADMINISTRATIVE AGENT FOR THE DEBTORS**

Angela Ferrante makes this declaration under 28 U.S.C. § 1746:

1. I am a Vice President of GCG, Inc. ("**GCG**"), and I am authorized to make and submit this declaration on behalf of GCG. This declaration is submitted in support of the application (the "**Section 327 Application**") of the above-captioned debtors and debtors in possession (collectively, the "**Debtors**")¹ for authorization pursuant to 11 U.S.C. § 327(a) and Fed. R. Bankr. P. 2014(a) to employ and retain GCG as administrative agent ("**Administrative Agent**") in connection with the above-captioned chapter 11 cases (the "**Chapter 11 Cases**") and in accordance with the terms and conditions of the engagement letter, attached to the Section 327 Application as Exhibit A (the "**Engagement Letter**"). The statements contained herein are based upon personal knowledge.

2. GCG is one of the country's leading chapter 11 administrators with expertise in all areas of bankruptcy administration, including, but not limited to, balloting administration and distribution, and GCG is well-qualified to provide administrative services in connection with

¹ The Debtors in these Chapter 11 cases, along with the last four digits of their federal tax identification number include: Sound Shore Health System, Inc. (1398), Sound Shore Medical Center of Westchester (0117), The Mount Vernon Hospital (0115), Howe Avenue Nursing Home, Inc. d/b/a Helen and Michael Schaffer Extended Care Center (0781), NRHMC Services Corporation (9137), The M.V.H. Corporation (1514) and New Rochelle Sound Shore Housing, LLC (0117). There are certain additional affiliates of the Debtors who are not debtors and have not sought relief under Chapter 11.

these Chapter 11 Cases. GCG has been retained as the administrative agent in a number of large chapter 11 cases in this District, including: In re Patriot Coal Corporation, et al., Case No. 12-12900 (SCC) (Bankr. S.D.N.Y. July 9, 2012); In re AMR Corporation, Case No. 11-15463 (SHL) (Bankr. S.D.N.Y. November 29, 2012); In re General Maritime Corporation, et al., Case No. 11-15285 (MG) (Bankr. S.D.N.Y. Nov. 17, 2011); In re MF Global Holdings Ltd., et al., Case No. 11-15059 (MG) (Bankr. S.D.N.Y. Oct. 31, 2011); In re Borders Group, Inc., et al., Case No. 11-10614 (MG) (Bankr.S.D.N.Y. Feb. 16, 2011); In re Partsearch Technologies, Inc., Case No. 11-10282 (MG) (Bankr. S.D.N.Y. Jan. 27, 2011); In re Boston Generating, LLC, Case No. 10-14419 (SCC) (Bankr. S.D.N.Y. Aug. 18, 2010); In re Motors Liquidation Company, et al., Case No. 09-50026 (REG) (Bankr. S.D.N.Y. June 1, 2009).

3. The Debtors selected GCG to serve as the Administrative Agent for the Debtors' estates, as set forth in more detail in the Section 327 Application filed contemporaneously herewith. To the best of my knowledge, neither GCG, nor any of its professional personnel, have any relationship with the Debtors that would impair GCG's ability to serve as Administrative Agent. GCG does have relationships with some of the Debtors' creditors, but they are in matters completely unrelated to these Chapter 11 Cases, either as vendors or in cases where GCG serves in a neutral capacity as a class action settlement claims administrator or bankruptcy administrator. GCG's assistance in the cases where GCG acts as a class action settlement claims administrator has been primarily related to the design and dissemination of legal notices and other administrative functions in class actions. GCG, in its capacity as the neutral Claims Administrator in the UBS Muni Bond Derivative Settlement Action, previously made a payment in such capacity to the Debtors, and such matter and payment are completely unrelated to these Chapter 11 Cases. Based upon my current knowledge of the parties involved,

and to the best of my knowledge, none of these business relations constitute interests adverse to that of the creditors, or the Debtors' estates, with respect to the matter upon which GCG is to be engaged. In addition, GCG personnel may have relationships with some of the Debtors' creditors; however, such relationships are of a personal, financial nature and completely unrelated to these Chapter 11 Cases. GCG has working relationships with certain of the professionals retained by the Debtors and other parties herein, but such relationships are completely unrelated to these Chapter 11 Cases. GCG (i) has represented, and will continue to represent, clients in matters unrelated to these Chapter 11 Cases and (ii) has had, and will continue to have, relationships in the ordinary course of its business with certain vendors and professionals in matters unrelated to these Chapter 11 Cases

4. Since 1999, GCG has been 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 certain creditors, such relationships were (or are) in no way connected to GCG's retention by the Debtors in these Chapter 11 Cases.

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

- a. are not creditors, equity security holders or insiders 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' estates 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.

6. Prior to the Petition Date the Debtors provided GCG a retainer in the amount of \$30,000.00. GCG applied the retainer to its prepetition invoices and will apply the remaining

balance, if any, to its last bill issued to the Debtors in connection with these cases. GCG 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 GCG's proposed retention is approved by this Court, GCG will not accept any engagement or perform any services for any entity or person other than the Debtors in these Chapter 11 Cases without the prior express consent and authority of the Debtors; provided, however, that GCG will continue providing services for the Debtors in connection with its prior retention as claims agent in these cases pursuant to 28 U.S.C. § 156(c). In addition, GCG 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, these Chapter 11 Cases or the Debtors.

7. GCG 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 Administrative Agent;
- b. By accepting employment in these Chapter 11 Cases, GCG waives any right to receive compensation from the United States government;
- c. In its capacity as Administrative Agent, GCG will not be an agent of the United States and will not act on behalf of the United States; and
- d. GCG will not employ any past or present employees of the Debtors in connection with its work as Administrative Agent.

8. Subject to the Court's approval, the Debtors have agreed to compensate GCG for professional services rendered pursuant to section 327(a) of the Bankruptcy Code in connection with these Chapter 11 Cases according to the terms and conditions of the Engagement Letter.

9. To the extent that GCG's duties exceed the scope of 28 U.S.C. § 156 (c), GCG intends to apply to the Court for allowance of compensation and reimbursement of out-of-pocket expenses incurred after the Petition Date in accordance with the Amended Order Establishing

Procedures for Monthly Compensation and Reimbursement of Expenses of Professionals, dated December 21, 2010; the Amended Guidelines for Fees and Disbursements for Professionals in the Southern District of New York, dated January 29, 2013; the U.S. Trustee Fee Guidelines; sections 330 and 331 of the Bankruptcy Code; the Bankruptcy Rules; the Local Rules; and any further orders of the Court.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that, to the best of my knowledge and after reasonable inquiry, the foregoing is true and correct.

Executed on this 14th day of August, 2014

/s/ Angela Ferrante
Angela Ferrante, Vice President of GCG, Inc.

EXHIBIT C

Proposed Order

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
In re:

Chapter 11

SOUND SHORE MEDICAL CENTER
OF WESTCHESTER, et al.

Case No. 13-22840(RDD)

Debtors.

(Jointly Administered)

-----X

**ORDER PURSUANT TO 11 U.S.C. § 327(A) AND FED. R. BANKR.
P. 2014(A) APPROVING THE EMPLOYMENT AND RETENTION
OF GCG, INC. AS ADMINISTRATIVE AGENT TO THE DEBTORS**

Upon consideration of the application (the “**Section 327 Application**”)¹ of the above-captioned debtors and debtors in possession (collectively, the “**Debtors**”)², pursuant to section 327(a) of title 11 of the United States Code (the “**Bankruptcy Code**”) and Rule 2014(a) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), for entry of an order authorizing the retention and employment of GCG, Inc. (“**GCG**”) as administrative agent for the Debtors pursuant to the terms of the Engagement Letter, all as more fully described in the Section 327 Application; and upon the declaration of Angela Ferrante, attached to the Section 327 Application as Exhibit B (the “**Ferrante Declaration**”); and the Court being satisfied, based on the representations made in the Section 327 Application and the Ferrante Declaration, that GCG is “disinterested” as such term is defined in section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code, and as required under section 327(a) of the Bankruptcy Code; and that GCG represents no interest adverse to the Debtors’ estates with

¹ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Section 327 Application.

² The debtors in these chapter 11 cases, along with the last four digits of each debtor’s federal tax identification number include: Sound Shore Health System, Inc. (1398), Sound Shore Medical Center of Westchester (0117), The Mount Vernon Hospital (0115), Howe Avenue Nursing Home, Inc. d/b/a Helen and Michael Schaffer Extended Care Center (0781), NRHMC Services Corporation (9137), The M.V.H. Corporation (1514) and New Rochelle Sound Shore Housing, LLC (0117). There are certain additional affiliates of the Debtors who are not debtors and have not sought relief under Chapter 11.

respect to the matters upon which it is to be engaged; and the Court having jurisdiction to consider the Section 327 Application and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference M-431*, dated January 31, 2012 (Preska, Acting C.J.); and consideration of the Section 327 Application and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Section 327 Application having been provided; and it appearing that no other or further notice need be provided; and a hearing having been held to consider the relief requested in the Section 327 Application (the “**Hearing**”); and upon the record of the Hearing and all of the proceedings had before the Court; and the Court having found and determined that the relief sought in the Section 327 Application is in the best interests of the Debtors, their estates, creditors and other parties in interest; and that the legal and factual bases set forth in the Section 327 Application establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is hereby:

ORDERED that the Section 327 Application is granted as provided herein; and it is further

ORDERED that pursuant to section 327(a) of the Bankruptcy Code and Bankruptcy Rule 2014(a), the Debtors are authorized to employ and retain GCG as Administrative Agent, pursuant to the terms and conditions set forth in the Engagement Letter; and it is further

ORDERED that GCG is authorized to perform all actions and services set forth in the Section 327 Application, including, but not limited to, the following services:

- (a) Generating and providing claim reports and claim objection exhibits;

- (b) Managing the preparation, compilation and mailing of documents to creditors and other parties in interest in connection with the solicitation of a chapter 11 plan (a "Plan");
- (c) Managing the publication of legal notices;
- (d) Collecting and tabulating votes in connection with any Plan filed by the Debtors and providing ballot reports to the Debtors and their professionals;
- (e) Generating an official ballot certification and testifying, if necessary, in support of the ballot tabulation results;
- (f) Managing any distributions made pursuant to a Plan; and
- (g) Providing any and all necessary administrative tasks not otherwise specifically set forth above as the Debtors or their professionals may require in connection with these Chapter 11 Cases.

and it is further

ORDERED that this Order shall not apply to any services GCG was authorized to render pursuant to the Section 156(c) Order; and it is further

ORDERED that, to the extent that GCG's duties exceed the scope of the Section 156(c) Order, GCG shall be compensated in accordance with, will file interim and final fee applications for allowance of its compensation and expenses pursuant to, and shall be subject to, the Fee Guidelines; and it is further

ORDERED that GCG shall be reimbursed for reasonable and necessary expenses as provided in the Fee Guidelines; and it is further

ORDERED that GCG shall use its best efforts to avoid any duplication of services provided by any of the Debtors' other retained professionals in these Chapter 11 Cases; and it is further

ORDERED that the Debtors and GCG are authorized to take such other and further actions necessary to comply with all of the duties set forth in the Section 327 Application; and it is further

ORDERED that to the extent that there may be any inconsistency between the terms of the Section 327 Application, the Engagement Letter or this Order, the terms of this Order shall govern; and it is further

ORDERED that this Court retains jurisdiction with respect to all matters arising from, or related to, the implementation of this Order.

Dated: September __, 2014
White Plains, New York

Honorable Robert D. Drain
United States Bankruptcy Judge