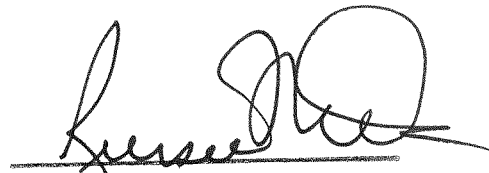


CLERK, U.S. BANKRUPTCY COURT  
NORTHERN DISTRICT OF TEXAS  
**ENTERED**  
THE DATE OF ENTRY IS ON  
THE COURTS DOCKET

  
Russell F. Nelms  
U.S. Bankruptcy Judge

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
FORT WORTH DIVISION

In re:	)	Chapter 11 Case
	)	
FOREST PARK MEDICAL CENTER AT	)	Case No. 16-40198-rfn-11
FORT WORTH, LLC	)	
	)	
Debtor.	)	

**SIXTH INTERIM ORDER AUTHORIZING USE OF CASH COLLATERAL**

Came on for consideration *Debtor's Emergency Motion for the Entry of Interim and Final Orders Authorizing the Use of Cash Collateral and Granting Adequate Protection* (the "Motion")<sup>1</sup> [Docket No. 9] filed by Forest Park Medical Center at Fort Worth, LLC (the "Hospital"). As more fully set forth in the Motion, Jefe Plover Interests, Ltd. ("Jefe Plover") asserts a lien or security interest in the Hospital's Accounts and the proceeds thereof. The Hospital disputes the validity of any such lien or security interest. In the Motion, the Hospital seeks authority to use Cash Collateral in which Jefe Plover asserts an interest. In addition, both Forest Park I, LLC and Forest Park II, LLC (collectively the "FP Lenders") assert a security interest in the Hospital's inventory.

<sup>1</sup> Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Motion.

Having considered the Motion, the evidence, and the arguments of counsel, the Court finds and concludes that good cause exists to enter the following Sixth Interim Order and that the use of Cash Collateral authorized herein is necessary to avoid immediate and irreparable harm to the Hospital's bankruptcy estate.

As used in this Order, the following terms have the respective meanings set forth below:

- (a) The term "Cash Collateral" shall be deemed to include, without limitation, all "cash collateral" as defined in section 363(a) of the Bankruptcy Code, and all deposits, rents and all cash arising from the collection or conversion into cash of property of the Hospital in which any of the Prepetition Lenders hold a valid and perfected prepetition security interest, lien or mortgage, if any;
- (b) The term "Jefe Plover Collateral" shall mean all property of the Hospital in which Jefe Plover holds a valid, unavoidable, perfected prepetition security interest, lien or mortgage, if any;
- (c) The term "FP Lender Collateral" shall mean all property of the Hospital in which either of the FP Lenders hold a valid, unavoidable, perfected security interest, lien or mortgage, if any;
- (d) The term "Term" shall mean April 18, 2016 through, and including, May 15, 2016;
- (e) The term "Prepetition Lenders" shall collectively include Jefe Plover and the FP Lenders; and
- (f) The term "Prepetition Lenders' Collateral" shall include both the Jefe Plover Collateral and the FP Lender Collateral.

Accordingly, it is hereby ORDERED that:

1. The Motion is hereby granted on an interim basis as set forth below. Any subsequent modification, vacation or stay of this Order, or any part thereof, including at the final hearing on the Motion, shall not affect any action or transfer made pursuant to this Order, including

without limitation the use of the Cash Collateral by the Hospital.

2. This Order shall be effective during the Term.

3. During the Term of this Order, the Hospital is authorized to operate its business and to use Cash Collateral to pay expenses in accordance with the Budget attached hereto as **Exhibit "A"**. The Hospital shall have a 10% variance for items reflected in the Budget. Thus, absent the approval of the Court or the Prepetition Lenders, the Hospital's actual expenses with respect to any line item entry on the Budget shall not deviate by 10% negatively from the projected line item entry (i.e., actual expenses shall not be greater than budgeted expenses by more than 10%).

4. As adequate protection for any diminution in the value of the Prepetition Lenders' respective interests in the Prepetition Lenders' Collateral caused by the use of Cash Collateral by the Hospital, each of the Prepetition Lenders shall have and is hereby granted new, first-priority liens and security interests upon all categories of property of the Hospital, whether now existing or hereafter acquired or arising, upon which any of the Prepetition Lenders held valid, perfected prepetition liens and security interests as of the petition date and all proceeds, rents, products or profits thereof. The grant of the liens to the Prepetition Lenders as to property of the Hospital shall only act as adequate protection for the diminution in value to the Prepetition Lenders' respective interests in the Prepetition Lenders' Collateral caused by the Hospital's use of Cash Collateral. For the avoidance of doubt, in the event that it is later determined that any of the Prepetition Lenders' asserted prepetition liens in the Prepetition Lenders' Collateral and other Cash Collateral are invalid or avoidable, all post-petition liens and security interests granted to any of the Prepetition Lenders as adequate protection herein shall likewise be invalid. The security interests and liens granted to the Prepetition Lenders shall at all times be senior to the rights of the Hospital and any successor trustee in these or any subsequent proceedings under the Bankruptcy Code to the extent the Prepetition Lenders' prepetition security interests and liens are senior to the rights of the Hospital. The security interests, liens and mortgages herein granted

(i) are and shall be in addition to all security interests, liens, mortgages, and rights to set off existing in favor of the Prepetition Lenders on the Petition Date; (ii) shall be in the same priority as prepetition to the extent that the prepetition liens, security interests, and mortgages are valid, perfected, enforceable and nonavoidable and shall not prime any prepetition liens or security interests in any property of the Hospital's estate that had priority over the Prepetition Lenders' prepetition liens and security interests therein on the petition date; (iii) are and shall be valid, perfected, enforceable, and effective as of the Petition Date without any further action by the Hospital or the Prepetition Lenders and without the execution, filing, or recordation of any financing statements, security agreements, mortgages, or other documents;<sup>2</sup> and (iv) shall secure payment of principal as well as any interest, costs, or other charges to which the Prepetition Lenders may be entitled post-petition. Nothing in this Order shall limit the Prepetition Lenders' rights to assert post-petition liens under Section 552 of the Bankruptcy Code. The Prepetition Lenders shall not be granted a lien against any Chapter 5 causes of action pursuant to this Order. Notwithstanding any other provision of this Order, the Hospital shall be authorized to use Cash Collateral to pay all quarterly fees payable to the United States Trustee pursuant to 28 U.S.C. § 1930(a)(6).

5. This Order shall be sufficient and conclusive evidence of the priority, perfection, and validity of the liens granted herein, effective as of the date and time of entry of this Order, without any further act and without regard to any other federal, state or local requirements of law requiring notice, filing, registration, recording, or possession of the collateral or other act to validate or perfect such security interest or lien. Nothing in this Order shall in any way restrict the scope of the Prepetition Lenders' prepetition liens, security interests, mortgages, rights of set-off or claims with respect to the Prepetition Lenders' Collateral, and all liens, security interests, and

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<sup>2</sup> As set forth elsewhere herein, in the event it is later determined that any of the Prepetition Lenders' asserted lien and/or security interest in the Cash Collateral is invalid or avoidable, the security interests, liens, and mortgages granted herein shall likewise be invalid.

mortgages on the Prepetition Lenders' respective collateral shall extend to the fullest extent permitted by Section 552(b) of the Bankruptcy Code.

6. The post-petition liens in favor of the Prepetition Lenders shall be prior and senior to any other security interest, interest, encumbrance, right or lien, subject only to: (i) the valid and perfected pre-petition liens and security interests in the Prepetition Lenders' Collateral existing as of the Petition Date, if any; (ii) valid and perfected liens and security interests of other creditors (including creditors holding ad valorem tax claims) in any specific piece of property and/or proceeds that existed as of the Petition Date and that are senior and prior to any pre-petition lien and security interest of the Prepetition Lenders in such property; (iii) post-petition ad valorem property tax liens; and (iv) fees payable to the United States Trustee pursuant to 28 U.S.C. § 1930(a)(6).

7. Nothing herein shall constitute an adjudication or determination of the validity of any of the Prepetition Lenders' asserted liens and/or security interests in any of the Hospital's Accounts or other Cash Collateral, and nothing in this Order shall waive, derogate, impair, or otherwise affect the rights, claims, and defenses of either the Hospital or any of the Prepetition Lenders with respect to the validity of any of the Prepetition Lenders asserted liens on the Hospital's Accounts or other Cash Collateral, all of which are hereby expressly preserved. The replacement liens granted to the Prepetition Lenders pursuant to this Order shall have the same validity, force, and effect as the Prepetition Lenders' asserted prepetition liens in the Cash Collateral. Notwithstanding any other provision of this Order, in the event it is later determined that the Prepetition Lenders' asserted prepetition liens in the Cash Collateral are invalid or avoidable, all post-petition liens granted to the Prepetition Lenders as adequate protection herein shall likewise be invalid.

8. By consenting to the entry of this Order, the Prepetition Lenders have not consented to or waived any objection to any debtor in possession (DIP) loan which the Hospital may hereafter seek or any use of Cash Collateral on a final basis. Without limiting the generality

of the foregoing, the Prepetition Lenders reserve all rights and objections with respect to any attempt to prime its security interests in favor of a DIP loan or to seek use of Cash Collateral on a final basis. Further, nothing in this Order shall constitute an admission by any of the Prepetition Lenders that they are adequately protected and the Prepetition Lenders hereby reserve the right to request further adequate protection.

9. All parties reserve all rights as to all future uses of Cash Collateral other than pursuant to this Sixth Interim Order.

10. The Court has previously entered the following orders relating to the powers of the Hospital's Chief Restructuring Officer (CRO):

a. *Interim Order Debtors Granting Debtor's Motion for an Order Authorizing the Debtor to Maintain Existing Cash Management System, Bank Account, Checks, and Business Forms* [Docket no. 43] ("Cash Management Order"); and

b. *Order Approving Application of the Debtor Pursuant to 11 U.S.C. §§ 105(a) and 363(b) Authorizing the Debtor to (i) Retain Alvarez & Marsal Healthcare Industry Group, LLC, and (ii) Designate Ronald Winters as Chief Restructuring Officer for the Debtor Nunc Pro Tunc to the Petition Date* [Docket no. 88] ("CRO Order").

Pursuant to the Cash Management Order and CRO Order, the CRO has control over the Hospital's bank accounts. Any and all expenditures by the Hospital, including those pursuant to this Order, may be authorized by the CRO. Without limiting the generality of the following, all persons are hereby authorized and directed to rely upon and follow the CRO's instructions with respect to any account maintained by the Hospital.

11. The Court retains jurisdiction and the power to approve any modification of the Budget upon appropriate notice and hearing to parties in interest.

12. The Hospital reserves all rights to seek further use of Cash Collateral upon the expiration of the Term of this Sixth Interim Order.

13. **Notice and Hearing.** A continued hearing on the Motion is scheduled for May 13, 2016, at 10:30 a.m. (the "Continued Hearing") in the Courtroom of the Honorable Russell F. Nelms at the United States Courthouse located at 501 W. 10<sup>th</sup> Street, Fort Worth, Texas 76102. A copy of this Sixth Interim Order and a Notice of Continued Hearing will be served by the Hospital on Parties entitled to notice thereof including any other secured creditor of the Hospital, the office of the U.S. Trustee, and any party requesting notice, within 48 hours of the entry of this Sixth Interim Order. Any objection to the relief requested in the Motion with regard to final authority, must be filed and served so that it is received by counsel for the Hospital (J. Robert Forshey, Forshey & Prostok, LLP, 777 Main St., Suite 1290, Fort Worth, Texas 76102) and counsel for the Official Unsecured Creditors Committee (George P. Angelich, Arent Fox, LLP, 1675 Broadway, New York, New York 10019-5820), not later than three (3) business days before the Hearing.

### End of Order ###

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# **Exhibit “A”**



**Forest Park Medical Center Ft Worth LLC****Authorization to Spend (Budget)**

<b>Week Beginning</b>	<b>Week 15 4/18/2016</b>	<b>Week 16 4/25/2016</b>	<b>Week 17 5/2/2016</b>	<b>Week 18 5/9/2016</b>
Receipts				
Patient Collections	521	521	542	542
Net DIP Borrowing/(Repayment) <sup>1</sup>	0	0	0	0
Other	0	0	0	0
Total Receipts	521	521	542	542
Disbursements				
Salaries	-	425	-	450
Benefits	-	200	-	-
Contract Labor	3	3	3	3
Supplies	246	246	277	277
Prof Fees - Physician	17	17	17	17
Prof Fees - Other	10	-	-	2
Outside Services	28	57	73	21
Utilities	-	-	-	88
Real Estate/Leases <sup>2</sup>	-	35	-	-
Property Taxes	-	-	-	-
Mgmt Fees <sup>3</sup>	5	5	5	5
Debt Payments	-	-	-	-
Franchise Tax	-	-	-	-
Restructure Cost <sup>3</sup>	-	20	-	-
Revolver Fees/Interest	-	-	-	-
Other	35	43	63	61
Total Disbursements	344	1,051	437	923
Net	177	(530)	105	(381)

<sup>1</sup>No DIP assumed for this cash collateral

<sup>2</sup>Although there will be an administrative expense for post-petition real estate and equipment lease obligations, it is expected that treatment of these obligations will be incorporated into a new-investor transaction

<sup>3</sup>Professional fees assumed to be paid only upon completion of DIP financing or a transaction