

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF LOUISIANA
LAFAYETTE DIVISION**

IN RE: NEW LOUISIANA HOLDINGS, LLC, et al. DEBTORS.	§ § § § § §	CHAPTER 11 CASE NO. 14-50756 Jointly Administered
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NOTICE OF SELECTION OF SUCCESSFUL BIDDER AND ALTERNATE BIDDER

PLEASE TAKE NOTICE that on June 9, 2015, SA-Clewiston, LLC, SA-Lakeland, LLC and SA-St. Petersburg, LLC (collectively, the “Debtors”), conducted an auction for the sale of substantially all of the Debtors’ assets (the “Auction”).

PLEASE TAKE FURTHER NOTICE that the Debtors, in consultation with the Official Committee of Unsecured Creditors (the “Committee”), have selected Lyon Financial Services, LLC as the Successful Bidder at the Auction. A copy of the Successful Bidder’s Purchase Agreement is attached hereto as Exhibit “A”.

PLEASE TAKE FURTHER NOTICE that the Debtors, in consultation with the Committee, have selected TL Management, LLC as the Alternate Bidder at the Auction.

Dated: June 11, 2015

Respectfully submitted,

/s/ Patrick J. Neligan, Jr.
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CERTIFICATE OF SERVICE

The undersigned hereby certifies that on the 11th day of June 2015, a true and correct copy of the foregoing was served via first class U.S. mail, upon those parties named on the attached Service List.

/s/ Patrick J. Neligan, Jr.
Patrick J. Neligan, Jr.

EXHIBIT A

OPERATIONS TRANSFER AGREEMENT

THIS OPERATIONS TRANSFER AGREEMENT ("Transfer Agreement") is made as of June 5, 2015, by and among the entities listed on Schedule I to this Agreement (collectively, the "Prior Operators"), and the entities listed on Schedule II to this Agreement (collectively, the "New Operators"). Prior Operators and New Operators are each individually referred to in this Transfer Agreement as a "Party" and, collectively, as the "Parties."

RECITALS

A. Prior Operators sublease the skilled nursing facilities identified next to their respective name in Schedule I hereto (each, a "Facilities" and, collectively, the "Facilities"), pursuant to those certain Facility Lease Agreements identified in Schedule I hereto (the "Prior Operator Leases") between Prior Operators, as Tenants, and SA-PT Master Tenant (as successor in interest to CHC-Grace Tenant, LLC) ("Master Tenant"), as Landlord.

B. Master Tenant leases the Facilities pursuant to a Lease Agreement (the "Master Lease" and, together with the Sublease and the Prior Operator Leases, collectively, the "Leases"), dated as of October 27, 2006, as amended, between NAE Florida LLC, 29-31 Florida LLC, Lovely Hills Florida LLC, Sagamore Florida LLC, and VLC Florida LLC (collectively, "Lessor").

C. Prior Operators, along with certain of its Affiliates (collectively, the "Debtors"), are debtors-in-possession under title 11 of the United States Code, 11 U.S.C. § 101 et seq. (the "Bankruptcy Code"), and filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code (the "Bankruptcy Case") on September 4, 2014 (the "Petition Date"), in the United States Bankruptcy Court for the Western District of Louisiana, Lafayette Division (the "Bankruptcy Court") (Case No. 14-50476).

D. Subject to the approval of the Bankruptcy Court, Prior Operators desire to sell, transfer and assign to New Operators, and New Operators desire to purchase, acquire and assume from Prior Operators pursuant to, *inter alia*, Sections 105, 363, and 365 of the Bankruptcy Code all of the Purchased Assets and Assumed Liabilities (each, as defined below), all as more specifically provided herein.

E. The Parties desire to enter into this Transfer Agreement to provide for an orderly transition of the operations of the Facilities from Prior Operators to New Operators, and to clarify and specify the terms and conditions of the transition of operations of, and financial responsibility for, the Facilities from Prior Operators to New Operators.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Prior Operators and New Operators hereby agree as follows:

1. Assets.

(a) Delivery of Assets. Subject to entry of an order of the Bankruptcy Court in substantially the form and substance set forth on Exhibit B in all material respects, approving

the sale transaction on the terms and conditions set forth in this Agreement (the "Sale Order"), on the date on which the transactions contemplated hereby are effected (the "Commencement Date"), Prior Operators shall deliver, convey, and transfer to New Operators, and New Operators shall accept, the following assets (the "Purchased Assets"):

(i) all Assumed Contracts as such term is defined in Section 10 of this Transfer Agreement;

(ii) in accordance with Section 8 of this Transfer Agreement, all documents, charts, personnel records, property manuals, resident records for current residents and residents discharged within five (5) years of the Commencement Date, and lists of the books, files and other business records attributable to the business or operations of the Facilities;

(iii) subject to the provisions of Section 10 of this Transfer Agreement, the rights, to the extent assignable by Prior Operators, of Prior Operators to the Medicare provider number and provider agreement utilized by Prior Operators for the Facilities;

(iv) all Trust Funds (as such term is defined in Section 7 of this Transfer Agreement);

(v) all Inventory (as such term is defined in Section 10 of this Transfer Agreement); and

(vi) all telephone and facsimile numbers used by the Facilities.

(b) Excluded Assets. Schedule 1(b) hereto shall set out all assets and rights of Prior Operators that shall not be transferred to New Operators pursuant to this Transfer Agreement. Furthermore, New Operators expressly acknowledge that certain assets located in the Facilities are not owned by Prior Operators but are leased or rented from third parties. No such assets will be transferred to New Operators hereunder unless the related lease or rental agreements are assigned to and assumed by New Operators in accordance with the provisions of Section 11 of this Agreement.

(c) Nursing Home Licenses and Provider Agreements. New Operators, at their own cost, will use their best efforts to obtain any approvals of the Florida Agency for Health Care Administration ("AHCA"), CMS, and any other state agencies (collectively, the "State Agencies") necessary to enter into this Transfer Agreement and for New Operators to operate the Facilities in the manner contemplated hereby. New Operators shall promptly and diligently execute and file any and all forms, notices, consents and applications with the State Agencies and CMS, as may be necessary to timely obtain any license or Medicaid provider agreement and to assume the Medicare provider agreements required to operate the Facilities on and after the Commencement Date and shall use best efforts to obtain all such licenses and consents as soon as is practicable in at New Operators' sole expense. Prior Operators shall reasonably cooperate in the filing of any and all forms, notices, consents and applications with the State Agencies and CMS as may be necessary to assist New Operators in applying for the issuance or assumption of any license or provider agreement to operate the Facilities.

(d) "AS IS, WHERE IS". BY EXECUTING THIS TRANSFER AGREEMENT, NEW OPERATORS AGREE THAT IT HAS VISUALLY INSPECTED AND IS SATISFIED AS TO THE PHYSICAL CONDITION, LOCATION, USABILITY, AND ALL OTHER MATTERS PERTAINING OR RELATING TO THE FOREGOING ASSETS, PROPERTIES, AND RIGHTS. EXCEPT FOR THOSE EXPRESSLY SET FORTH IN THIS TRANSFER AGREEMENT, PRIOR OPERATORS HAVE NOT MADE ANY REPRESENTATIONS OR WARRANTIES REGARDING ANY OF THE FOREGOING ASSETS, PROPERTIES AND RIGHTS OR ANY OTHER MATTER REGARDING OR RELATING TO THE TRANSACTIONS CONTEMPLATED HEREBY. EXCEPT FOR THOSE EXPRESSLY SET FORTH IN THIS TRANSFER AGREEMENT, PRIOR OPERATORS HEREBY DISCLAIM, AND NEW OPERATORS FOREVER WAIVE AND RELEASE, ALL REPRESENTATIONS AND WARRANTIES OF ANY KIND AS TO TITLE OR TO THE CONDITION OF SUCH ASSETS, WHETHER EXPRESS OR IMPLIED, WITH RESPECT TO THE FOREGOING ASSETS, PROPERTIES, AND RIGHTS OR ANY OTHER MATTER REGARDING OR RELATING TO THE TRANSACTION CONTEMPLATED HEREBY, INCLUDING, BUT NOT LIMITED TO, WARRANTIES AGAINST DEFECTS OR WARRANTIES OF FITNESS FOR INTENDED USE UNDER APPLICABLE LAW.

2. Cost Reports; Bad Debt.

(a) Prior Operators shall prepare and file any cost or other report with respect to their operation of the Facilities due for any period prior to the Commencement Date including any final Medicare or Medicaid cost reports not later than the date each such report is due. Prior Operators shall cooperate with New Operators in the completion of the cost reports relating to periods prior to the Commencement Date, including the provision of the information required to complete the reports. Prior Operators shall thereafter timely provide (or cause their accountants to provide) any additional existing information which may be reasonably requested by the State Agencies or CMS with respect to such final cost reports or any of Prior Operators' cost reports. All proceeds from Prior Operators' cost reports received after the Commencement Date shall remain the property of Prior Operators as and when received. Any deficiencies as a result of such cost reports for any periods of operation prior to the Commencement Date shall be the obligation of Prior Operators.

(b) Since New Operators will utilize Prior Operators' Medicare provider numbers and provider agreements, New Operators shall, in connection with the preparation and filing of their cost reports following the Commencement Date, include in all such cost reports an amount equal to the amount of bad debt carried on the books of Prior Operators arising from services provided to Medicare beneficiaries. Upon settlement of such amounts under the Medicare program, New Operators shall promptly forward all such amounts to Prior Operators. New Operators shall continue to include such bad debt amounts on their cost reports until reimbursement is finally made.

3. Employees.

(a) Termination and Rehiring of Employees. New Operators shall offer employment to employees of Prior Operators in accordance with this Section 3:

(i) Prior Operators shall terminate the employment of all employees of the Prior Operators at the Facilities, including, without limitation, persons temporarily absent from active employment by reason of disability, illness, injury, workers' compensation, approved leave of absence or layoff ("Prior Operator Employees"), as of 11:59 p.m. on the day before the Commencement Date ("Termination Date"). Prior Operators shall timely pay to all applicable governmental and regulatory authorities all employment-related taxes due with respect to Prior Operator Employees for periods ending at or prior to the Termination Date.

(ii) New Operators shall offer immediate employment (so that no period of unemployment shall occur between employment with Prior Operators and employment with New Operators) to no less than ninety percent (90%) of Prior Operator Employees, at salaries or terms no greater than those offered by Prior Operators, with such employment to commence at 12:01 a.m. on the Commencement Date (collectively, the "Transferred Employees").

(iii) New Operators are required to offer employment to a sufficient number of employees to avoid triggering a violation of the Worker Adjustment Retraining Notification Act (the "WARN Act"). Any failure to do so that could trigger a notice or payment is the responsibility of New Operators. Anything to the contrary notwithstanding, this Transfer Agreement shall not be deemed to create or grant to any Transferred Employee any third party beneficiary rights or claims or any cause of action of any kind or nature.

(iv) At New Operators' sole cost and expense, New Operators shall offer group health and hospitalization coverage to the Transferred Employees on such terms and conditions as New Operators shall determine for time periods on and after the Commencement Date.

(v) Prior Operators shall be solely responsible for the liability associated with any and all bonus pay owed to Prior Operators Employees pursuant to Prior Operators' established plans, programs, practices, labor union contracts, and arrangements which was accrued but unpaid as of the Commencement Date and any and all liability or claims associated therewith, including accrued paid time off or accrued vacation time.

(vi) Except to the extent otherwise required by applicable law, New Operators shall be responsible for any obligations under Section 4980B(f) of the Code and Part 6 of Title I of ERISA or any similar Law ("COBRA") in respect of Transferred Employees arising with respect to qualifying events that occur after the Commencement Date.

(vii) Prior Operators shall cooperate with and use commercially reasonable efforts to assist New Operators in New Operators' negotiations with respect to an extension of any union or collective bargaining contracts in place with Prior Operators Employees, or, alternatively, new contracts on terms no greater than terms under any union or collective bargaining contracts in place with Prior Operators Employees.

(b) Raises and Bonuses. During the time period commencing on the date this Transfer Agreement is executed by the Parties and expiring on the Commencement Date, Prior Operators shall not offer, announce or implement any general wage or salary increase or award any bonus for any employees at the Facilities without the prior written consent of New Operators. New Operators agrees to not unreasonably withhold or delay any such consent.

4. Revenues and Expenses; Real Estate Taxes.

(a) All revenues (including, but not limited to, payments due from the residents of the Facilities or Third Party Payor Programs) and expenses accrued and existing as of the Commencement Date related to the operation of the Facilities shall remain the sole property and liability of Prior Operators. Therefore, Prior Operators shall receive all revenues and be responsible for all expenses of the Facilities existing or accrued as of the Commencement Date. Revenues earned and expenses incurred in the operation of the Facilities on and after the Commencement Date shall be the sole property and liability of New Operators.

(b) New Operators and Prior Operators shall prorate the estimated 2015 ad valorem taxes regarding the Facilities based on 105% of the city and county 2014 ad valorem tax bills with Prior Operators being responsible for the portion of said estimated ad valorem taxes prior to the Commencement Date unless the 2015 tax ad valorem taxes have been announced in which case such proration shall be based on the 2015 ad valorem taxes.

5. Accounts Receivable.

(a) Subject to the remaining provisions of this Section 5, New Operators acknowledge that, as of or after the Commencement Date, Prior Operators will have uncollected accounts receivable for services and goods rendered by Prior Operators to the residents of the Facilities (collectively, the "Accounts Receivable"), which term shall include the Private A/R and the Third Party A/R (as each such term is defined in Section 5(b) below) and Prior Operators are entitled to such Accounts Receivable collected after the Commencement Date. All amounts received by New Operators for Accounts Receivable for goods and services provided prior to the Commencement Date shall be the sole property of Prior Operators. Within five (5) business days of New Operators' receipt of any amount representing Accounts Receivable for services provided prior to the Commencement Date, New Operators shall remit to Prior Operators by wire transfer to an account designated by Prior Operators that portion of such Accounts Receivable it received attributable to billings for services provided by the Facilities prior to the Commencement Date. Furthermore, to the extent that Prior Operators receives any payments in respect of goods or services provided by New Operators on or after the Commencement Date, such payments shall be the sole property of New Operators. Within five (5) business days of Prior Operators' receipt of any amount representing payments in respect of goods or services

provided on or after the Commencement Date, Prior Operators shall remit to New Operators by wire transfer to an account designated by New Operators that portion of such payments they received attributable to billings for services provided by the Facilities on or after the Commencement Date.

(b) New Operators shall reasonably cooperate with Prior Operators in their collection of (i) the private pay and private portion of Medicare and Medicaid receivables (the "Private A/R") and (ii) receivables and settlements under Medicare and Medicaid and insurance company receivables (collectively, the "Third Party Payer A/R"), in each case relating to the period prior to the Commencement Date.

(c) On the Commencement Date, Prior Operators shall deliver to New Operators the aggregate amount of any security deposits received from (or on behalf of) any resident of the Facilities and any advance payments for services to be rendered to any residents of the Facilities after the Commencement Date.

(d) New Operators shall supply Prior Operators with any resident account records possessed by New Operators which Prior Operators reasonably requests to collect such amounts.

(e) On or before the fifteenth (15th) day of each calendar month following the Commencement Date, Prior Operators shall deliver to New Operators copies of all portions of remittance advices received in the previous month which relate to payments which Prior Operators are required hereunder to deliver to New Operators, and any other similar documentation received and relating to payment for goods and services provided by New Operators after the Commencement Date. Additionally, after the Commencement Date, Prior Operators, or their designee, shall have the right to review and audit all documents and records related to Accounts Receivable upon at least five (5) business days notice to New Operators. New Operators will provide adequate space and equipment at the Facilities to permit Prior Operators or their designee to review and audit the books and records related to Accounts Receivable (including, without limitation, ledgers, financial statements and collection records) necessary to determine accurately the processing, collection and payment of any and all Accounts Receivable after the Commencement Date.

(f) Within ten (10) business days of receipt by Prior Operators, Prior Operators shall deliver to New Operators copies of all correspondence and documentation relating to payments or payment withhold issues on Accounts Receivable which affect payments made to or to be received by New Operators.

(g) Since New Operators will assume the Medicare provider numbers and provider agreements of Prior Operators, New Operators agree that all of their cost reports submitted for periods covered after the Commencement Date shall be prepared in accordance with applicable laws, rules and regulations and shall be filed on a timely basis.

6. Utilities. Schedule 6 hereto shall set out for each utility deposit made by Prior Operators for any utility service for the Facilities, identification of the utility provider, a brief description of the utility and the amount of deposit held by such utility for services at the

Facilities. Prior Operators shall arrange for a final statement with respect to all utilities serving the Facilities prior to the Commencement Date and shall pay all costs identified thereon, less any prepaid expenses and/or deposits held by utility providers in the name of Prior Operators. New Operators shall make all required utility deposits and arrange for all such utilities to be billed in their name on and after the Commencement Date, and shall pay all fees due therefore with respect to periods commencing on or after the Commencement Date.

7. Patient Trust Funds. Prior to or on the Commencement Date, Prior Operators will provide New Operators with a list of all patient trust funds being held by Prior Operators as of the Commencement Date at the Facilities (the "Trust Funds"). Such list shall set forth the names of the residents for whom such Trust Funds are held and the corresponding balance. Prior Operators, with the cooperation of New Operators, shall transfer the Trust Funds to bank accounts designated by New Operators. On and after the Commencement Date, New Operators shall assume all such obligations and be directly accountable to the residents of the Facilities, and to any applicable governmental authorities, for the Trust Funds transferred to them.

8. Facilities Records.

(a) Delivery and Maintenance of Records. On the Commencement Date, subject to all applicable confidentiality laws, restrictions and provisions, Prior Operators shall (i) deliver to New Operators all of the Facilities residents' admission, medical and personal records (other than such records that are not required to be maintained in accordance with applicable law), and (ii) keep on file in a central office a copy of each policy and procedure manual (the "Manuals") used by Prior Operators in connection with the operation of the Facilities at any time during the one (1) year prior to the Commencement Date, and provide access to such portions of the Manuals as may be reasonably necessary for New Operators to comply with applicable law (and not for ongoing operations purposes) and which may not be duplicated or disseminated by New Operators. Prior Operators shall be solely responsible for maintenance of all such medical records for discharges more than five (5) years prior to the Commencement Date and New Operators shall be solely responsible for maintenance of all such medical records for discharges less than five (5) years prior to the Commencement Date.

(b) Maintenance of Patient and Resident Records. New Operators understand that all of Prior Operators' patient and resident records are being transferred hereunder to New Operators subject to the requirements of applicable law, and, with respect to all patient and resident records, New Operators shall diligently maintain such records as prescribed by law. In addition, New Operators shall, to the extent permitted by the Health Insurance Portability and Accountability Act ("HIPAA") and other applicable laws, rules and regulations, allow Prior Operators, or their agents or representatives, to examine from time to time such records relating to the period of Prior Operators' operation of the Facilities, to promptly cooperate with Prior Operators, their agents or representatives in their examination or review of such records and shall promptly provide Prior Operators with copies thereof or provide access to such records to Prior Operators. New Operators shall promptly provide access to Prior Operators to protected health information, as defined in 45 C.F.R. § 164.501, for Prior Operators' treatment, payment, and health care operations to the fullest extent authorized by law, including but not limited to the provisions of 45 C.F.R. § 164.506(c). New Operators shall have no obligation to obtain any written individual authorization necessary to permit New Operators to disclose protected health

information requested by Prior Operators. This Section 8(b) shall survive the termination or expiration of this Transfer Agreement.

(c) Cooperation. New Operators and their employees, officers, directors, members, managers, partners, affiliates, agents, and consultants shall cooperate in all reasonable respects with Prior Operators and their attorneys, representatives and agents in the investigation, trial and defense of any claim, lawsuit or action, and any appeal therefrom, relating to Prior Operators' ownership or operation of the Facilities. Subsequent to the Commencement Date, New Operators shall provide to Prior Operators within five (5) days of receipt copies of any Notices of Action, Summons and Complaints, or other notices of potential claims or administrative actions against or involving Prior Operators that are served upon or received by New Operators. Subsequent to the Commencement Date, upon reasonable notice, New Operators shall, subject to the requirements set forth in Section 8(b) above, allow Prior Operators and their agents and representatives to have reasonable access to, and to make copies of, the books, records and supporting material of the Facilities relating to the period prior to the Commencement Date to the extent reasonably necessary: (i) to assist Prior Operators to investigate and defend malpractice or other legal claims of any nature, (ii) to assist Prior Operators in filing or defending tax returns, cost reports or other governmental inquiries which relate to periods prior to the Commencement Date, and (iii) for all other matters which reasonably require Prior Operators to access employees, records and other documents at the Facilities. This provision shall survive the termination or expiration of this Transfer Agreement.

9. Closing; Purchase and Sale.

(a) Closing. Subject to the satisfaction of the conditions set forth in Section 9(f) hereof (or the waiver thereof by the party entitled to waive that condition), the closing of the transactions contemplated in this Transfer Agreement (the "Closing") shall take place at the offices of Neligan & Foley, LLP or at such other place or manner as Prior Operators may designate in writing) at 10:00 a.m., central time on a date, set by Prior Operators, that is no later than five (5) Business Days following the satisfaction or waiver of the conditions set forth in Section 9(f) (other than conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions), unless another time or date, or both, are agreed to in writing by the parties hereto.

(b) Purchase Price. The purchase price for the Purchased Assets (the "Purchase Price") is Six Million Dollars (\$6,000,000.00).

(c) Earnest Money. Simultaneously with the execution and delivery of this Agreement, New Operators delivered to an escrow agent mutually acceptable to New Operators and Prior Operators (the "Deposit Escrow Agent"), pursuant to its standard form escrow agreement reasonably acceptable to the parties, an earnest money deposit in the amount of Five Hundred Thousand Dollars (\$500,000) (the "Deposit"). Accrued interest on the Deposit, if any, shall be transferred with the Deposit.

(i) In the event the transactions contemplated under this Agreement occur, ~~the Deposit shall be applied against the Purchase Price and New Operators~~

shall receive a credit therefor.

(ii) In the event this Agreement is terminated:

(a) by mutual written consent of all of the parties hereto;

(b) by New Operators if any condition precedent shall not have been fulfilled by September 30, 2015 and New Operators are not otherwise in default of any material obligation under this Agreement that by its terms was to be performed by such date; provided, however, that New Operators' rights under this subsection 9(c)(ii)(b) shall be qualified by and subject to Prior Operators' rights under subsection 9(c)(iii) below;

(c) by New Operators if New Operators are unable to obtain licensure and all necessary approvals and authorizations to operate on and after the Closing Date a skilled nursing facility in the State of Florida from all relevant governmental authorities; or

(d) by New Operators if there has been any change or event or effect that is materially adverse to the business or financial condition of the Facilities (a "Material Adverse Change"). Notwithstanding the foregoing, a Material Adverse Change shall not be deemed to exist if the event giving rise to such event or change was caused, directly or indirectly, by New Operators' breach of this Agreement,

then the Deposit Escrow Agent shall return the Deposit to New Operators.

(iii) In the event this Agreement is terminated by Prior Operators as a result of: (1) a material breach by New Operators of its obligations under this Agreement, (2) a material breach by New Operators (or its designee) of its obligations under the Real Estate Transaction, or (3) if New Operators (or its designee) terminate the Real Estate Transaction for any reason other than due to a default by Seller (as that term is defined in the Real Estate Transaction), then the Deposit Escrow Agent shall pay the Deposit to Prior Operators. For the avoidance of doubt, and without limiting the foregoing, should New Operators (or its designee) exercise its right under Sections 3.1(a), (b) and/or (e) of the Real Estate Purchase Agreement to terminate the Real Estate Transaction, the Deposit Escrow Agent shall pay the Deposit to Prior Operators.

(d) Payment of Purchase Price. At Closing, New Operators shall pay the Purchase Price as follows:

(i) New Operators shall direct the Deposit Escrow Agent to release the Deposit to Prior Operators; and

(ii) The New Operators shall transfer by wire transfer of immediately available funds the balance of the Purchase Price after deduction of (a) the Deposit, and (b) any further adjustments as provided for in this Agreement to an

account designated by Prior Operators.

(e) Allocation of Purchase Price. The Purchase Price shall be allocated as described on Schedule 9(e) attached hereto. Prior Operators and New Operators each hereby covenant and agree that neither will take a position on any Tax Return, before any governmental agency charged with the collection of any income Tax or in any judicial proceeding that is any way inconsistent with the terms of this Section 9(e) and Schedule 9(e).

(f) Conditions to Closing. The respective obligations of Prior Operators and New Operators to consummate the transactions contemplated by this Agreement are subject to the fulfillment, on or prior to the Closing, of each of the following conditions (any or all of which may be waived by Prior Operators and New Operators in whole or in part to the extent permitted by applicable Law):

(i) New Operators (or its designee) shall have closed on the agreement (the "Real Estate Purchase Agreement") for the purchase of the real estate and any associated ground leases relating to the Facilities for a purchase price of not more than \$30,000,000, in form and substance satisfactory to Prior Operators and New Operators (the "Real Estate Transaction") on or prior to the Closing; and

(ii) the Bankruptcy Court shall have entered the Sale Order.

(g) Termination.

(i) Termination by New Operators. New Operators may terminate this Agreement, if not then in material default, upon written notice to Prior Operators at any time after the occurrence of any of the events set forth in Section 9(c)(ii)(b)-(d).

(ii) Termination by Prior Operators. Prior Operators may terminate this Agreement, if not then in material default, upon written notice to New Operators, if any condition precedent shall not have been fulfilled by September 30, 2015, upon the occurrence of any of the events set forth in Section 9(c)(iii)(1)-(3), if New Operators (or its designee) shall have failed to deliver a fully executed copy of the agreement for the Real Estate Transaction by June 9, 2015, or if the Bankruptcy Court shall enter an Order approving a Competing Bid.

(iii) Termination by All Parties. This Agreement may be terminated at any time prior to the Closing by mutual written consent of Prior Operators and New Operators.

10. Assignment and Assumption of Contracts, Leases and Inventory.

(a) Assignment. In connection with the transfer of the operations of the Facilities to New Operators by Prior Operators, and subject to the terms and conditions of this Agreement and the entry of the Sale Order, on the Commencement Date and pursuant to Section 365 of the Bankruptcy Code, New Operators shall accept, assume and discharge all contracts and leases set forth on Schedule 10(a) hereto (collectively, the "Assumed Contracts"). The Parties shall cooperate to obtain any consent of any third parties necessary to permit the assignment of the Assumed Contracts. Prior Operators and New Operators acknowledge that certain of the Assumed Contracts may not, by their terms, be assignable; and, accordingly, none of such non-

assignable Assumed Contracts shall be deemed assigned to or assumed by New Operators unless and until the same shall become so assignable or consent to assignment is obtained. If and when any necessary consent shall be obtained or any such Assumed Contract shall otherwise become assignable, Prior Operators shall undertake reasonable efforts to assign all of their rights and obligations thereunder to New Operators and New Operators shall, without the payment of any further consideration therefor, assume such rights and obligations. New Operators shall be responsible for satisfying the requirements of "adequate assurance of future performance" as required by Section 365 of the Bankruptcy Code and shall cooperate fully with Prior Operators in seeking such approval from the Bankruptcy Court, including without limitation, New Operators providing the necessary evidence required as part of the Sale Motion to approve this Agreement and the transactions contemplated herein.

(b) Assumed Contracts. After the Commencement Date, until such time as the non-assignable Assumed Contracts are assumed by New Operators, New Operators shall perform and discharge fully all of the post Commencement Date obligations of Prior Operators under any of such non-assignable Assumed Contracts to the extent the same would have constituted assumed liabilities if the Assumed Contracts had been assumed by New Operators as of the Commencement Date, and New Operators shall indemnify, hold harmless, protect and defend Prior Operators, and their officers, employees, managers, members, and affiliates, from and against any and all damages, demands, costs, expenses and liabilities arising out of New Operators' failure to make payments or perform any other obligations occurring under the Assumed Contracts following the Commencement Date.

(c) Cure Amounts. The cure amounts (collectively, the "Cure Amounts"), if any, as determined by the Bankruptcy Court, necessary to cure all defaults, if any, and to pay all actual or pecuniary losses, if any, that have resulted from any defaults on the part of Prior Operators under the Assumed Contracts shall be paid by New Operators (or New Operators shall have delivered into escrow on terms reasonably acceptable to Prior Operators amounts sufficient to pay any claim therefor that remains disputed as of the Closing, as such amount shall have been determined by the Bankruptcy Court) at or before the Commencement Date (except as otherwise agreed to by the other party to the Assigned Contracts) and Prior Operators shall have no Liability for any such cure amount. New Operators shall indemnify Prior Operators for any such Cure Amount obligations. New Operators shall not have the right to terminate this Agreement as a result of the failure by Prior Operators or inability of Prior Operators to assign to New Operators (on terms and conditions no less favorable than those in existence as of the date hereof) at the Commencement Date any Assigned Contracts or Purchaser's decision not to assume any Assigned Contracts as to which New Operators have not paid the related Cure Amount in accordance with this section.

(d) Facility Supplies. Subject to the terms and conditions of this Transfer Agreement and the entry of the Sale Order, at the Commencement Date, Prior Operators shall transfer to New Operators and New Operators shall accept and assume from Prior Operators all of Prior Operators' rights, title, and interests in and to all supplies, consumables, medicines, and foodstuffs, excluding any of the foregoing items that is an Excluded Asset (collectively, the "Inventory") present in the Facilities as of the Commencement Date.

(e) Bulk Sales Laws. The parties hereto hereby waive compliance by Prior Operators with the requirements and provisions of any "bulk-transfer" Laws of any jurisdiction that may otherwise be applicable with respect to the sale and transfer of any or all of the Purchased Assets to New Operators.

11. Representations and Warranties.

(a) Subject to the entry of the Sale Order, Prior Operators make the following representations and warranties to New Operators, all of which shall to Prior Operators' knowledge be true and correct at the Commencement Date, and limited to periods during Prior Operators' tenancy under the Prior Operators Leases and shall survive the consummation of the transactions contemplated by this Transfer Agreement. As used herein, "Knowledge" shall mean the actual knowledge of each Facility administrator and Alex Paley:

(i) Organization and Standing of Prior Operators. Each Prior Operator is a limited liability company duly formed and validly existing under the laws of the State of Florida.

(ii) Authority. The execution and delivery of this Transfer Agreement and the consummation of the transactions herein contemplated have been duly and validly authorized by all necessary action on the part of Prior Operators and this Transfer Agreement constitutes a valid and legally binding obligation of Prior Operators enforceable in accordance with its terms.

(iii) Title to Assets. Prior Operators have good and marketable title to the Assets being transferred to New Operators hereunder, and have the lawful right, power and authority to transfer the same in accordance with the terms and conditions hereof. The Assets in use in the operation of the Facilities by Prior Operators together with the property leased by Prior Operators pursuant to the Prior Operator Leases are, and at the Commencement Date will be, sufficient to enable New Operators to operate the Facilities in substantially the same manner as operated by Prior Operators immediately prior to the Commencement Date, except that computers and other equipment purchased and installed by Prior Operators which contain or rely on proprietary systems or software of Prior Operators and their affiliates shall not be transferred to New Operators.

(iv) Encumbrances. The Facilities are not subject to any material liens, easements, leases, encumbrances, or other restrictions which were created by Prior Operators' actions and which will continue to exist following the Commencement Date.

(v) Employees. Schedule 11(a)(v) to this Transfer Agreement is a list of all employees of Prior Operators. All records for current employees of Prior Operators are kept or stored on the premises of the Facilities. Schedule 11(a)(v) shall include the following information for each employee: employee's name, date of hire, job category, and current rate of pay.

(vi) Assumed Contracts. Schedule 10(a), attached hereto and made a part hereof, sets forth, as of the date of this Transfer Agreement, a list of all documents or instruments creating or evidencing the Assumed Contracts. Except as otherwise set forth

in Schedule 10(a) hereto, Prior Operators is in compliance in all material respects with all of their material obligations arising under each of the Assumed Contracts to which they are a party for all time periods through the Commencement Date. To the Knowledge of Prior Operators, each party other than Prior Operators is in compliance in all material respects with each of their material obligations arising under each of the Assumed Contracts to which Prior Operators is a party as of the Commencement Date.

(vii) Surveys. As of the date hereof, other than licensure and certification surveys, no investigation or review by any governmental entity with respect to Facilities is to the Knowledge of Prior Operators, pending or threatened, nor has any governmental entity indicated to Prior Operators an intention to conduct the same. Prior Operators represent and warrant that they are or, as of the Closing Date, will be in substantial compliance with all survey requirements and are not on the CMS Special Focus Facilities list.

(viii) Litigation. Prior Operators are not a party to any agreement or instrument, or subject to any judgment, order, writ or injunction which materially and adversely affects the operations of the Facilities, except as disclosed in Schedule 11(a)(viii) hereto.

(ix) Cost Reports. Prior Operators have filed all of their required cost reports for the Facilities under the Medicare and Medicaid programs which were required to be filed prior to the Commencement Date. All such cost reports filed by the Prior Operators have been prepared in all material respects in accordance with and in compliance with all applicable government rules and regulations.

12. Representations and Warranties of New Operators. New Operators hereby represent and warrant to Prior Operators, as follows:

(a) Organization. Each New Operator is a duly organized and validly existing limited liability company organized under the laws of the State of Florida.

(b) Authority and Valid Execution. This Transfer Agreement has been duly executed and delivered by New Operators, and no other act or proceeding on the part of New Operators is necessary to authorize this Transfer Agreement or the transactions contemplated hereby. This Transfer Agreement represents a valid and binding obligation of New Operators, enforceable against New Operators in accordance with their terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, and similar laws affecting the enforcement of creditors' rights generally and general principles of equity.

(c) No Violation. Neither the execution and delivery by New Operators of this Transfer Agreement, nor the performance of any of their obligations contemplated herein, will (i) violate, or be in conflict with, or constitute a default (or an event or condition that, with notice or lapse of time or both, would constitute a default) under, or result in the termination of, or accelerate the performance required by, or cause the acceleration of the maturity of any of debt, liability, contract, agreement, or other arrangement to which New Operators is subject; or

(ii) violate any federal, state, or local statute, law, rule, regulation, judgment, decree, order, writ, or injunction of any court or governmental authority to which New Operators is subject.

(d) Licensure. New Operators have obtained, or will attempt to have obtained prior to the Commencement Date to the extent required by law, all licenses, certificates of need, certifications, permits, provider numbers, or other similar authorizations required to operate the Facilities as a skilled nursing Facilities in the State of Florida. There is no existing event, matter or situation and New Operators have no knowledge of any pending or threatened litigation or event, happening or occurrence which would prevent or materially and adversely impair New Operators' ability to obtain licensure in their name as required by applicable law for their operation of the Facilities. New Operators, nor any of their affiliates, has been denied licensure of a skilled nursing or assisted living Facilities in any state or participation in the Medicare or Medicaid programs.

(e) Exclusion; Debarment; Conviction. Neither New Operators, nor any of their owners, members, managers, officers, or directors has been (i) excluded from participating in any federal or state health care program, (ii) debarred from contracting with any governmental agency or (iii) convicted or pled guilty to any felony or any crime involving health care.

13. Survival. The representations and warranties contained in this Transfer Agreement, and in any agreements, certificates or other instruments delivered pursuant hereto, shall survive the Commencement Date and the consummation of the transactions contemplated hereby.

14. Bankruptcy Court Matters.

(a) Bidding Procedures. This Agreement is subject to the terms of the March 20, 2014 Order of the Bankruptcy Court approving the bidding procedures for the auction of the Purchased Assets ("Bidding Procedures Order").

(b) Competing Bids and Break-Up Fee. This Agreement is subject to approval by the Bankruptcy Court and the consideration by Prior Operators of higher or better competing bids (each a "Competing Bid"). From the date hereof (and any prior time) and until the Sale Order is approved by the Bankruptcy Court, Prior Operators are permitted to cause its representatives and affiliates to initiate contact with, solicit or encourage submission of any inquiries, proposals or offers by, any person (in addition to New Operators and their affiliates, agents and representatives) in connection with any sale or other disposition of all or any part of the Purchased Assets, alone or in connection with the sale or other disposition of any other asset of Prior Operators. In addition, until the Sale Order is approved by the Bankruptcy Court, Prior Operators shall have the responsibility and obligation to respond to any inquiries or offers to purchase all or any part of the Purchased Assets and perform any and all other acts related thereto which are required by the Bidding Procedures Order or under the Bankruptcy Code or other applicable law, including supplying information relating to the Purchased Assets and the other assets of Prior Operators to prospective purchasers. In consideration for New Operators having expended considerable time and expense in connection with this Agreement and the negotiation thereof, and New Operators' obligations hereunder, Prior Operators shall pay New Operators a break-up fee in an amount equal to \$150,000 (the "Break-Up Fee") on the first

business day following the consummation of a Competing Bid if no material breach by New Operators of this Agreement has occurred and this Agreement has not otherwise been validly terminated by either party.

(c) Back-up Bidder. New Operators agree and acknowledge that they will act as the back-up bidder ("Back-up Bidder") to the prevailing bidder (the "Prevailing Bidder") selected under the bidding procedures pursuant to the Bidding Procedures Order. In the event the Prevailing Bidder fails to close the transaction contemplated by the Prevailing Bidder's bid, Prior Operators, in their sole and absolute discretions, may elect instead to pursue the transaction contemplated herein with New Operators. New Operators agree that this Agreement shall remain in full force and effect until the earlier of (i) consummation of the transaction with the Prevailing Bidder, or (ii) September 30, 2015.

(d) Bankruptcy Court Filings and Cooperation by New Operators. New Operators agree that they will promptly take such actions as are reasonably requested by Prior Operators to assist in obtaining entry of the Sale Order, with such changes as are reasonably acceptable to New Operators and Prior Operators, and a finding of adequate assurance of future performance by New Operators, including furnishing affidavits or other Documents or information for filing with the Bankruptcy Court for the purposes, among others, of providing necessary assurances of performance by New Operators under this Agreement and demonstrating that New Operators are a "good faith" purchaser under Section 363(m) of the Bankruptcy Code. In the event the entry of the Bidding Procedures Order or Sale Order shall be appealed, each party shall use its respective commercially reasonable efforts to defend against such appeal.

(e) Notice of Sale. Notice of the sale of Purchased Assets contemplated in this Agreement shall be served in accordance with the Bidding Procedures Order.

(f) Dispute Resolution. The Bankruptcy Court shall retain jurisdiction to adjudicate any dispute that arises under this Agreement.

15. Covenants.

(a) Cooperation on Tax Matters. The Parties shall cooperate with each other and shall make available to the other, as reasonably requested and at the expense of the requesting Party, and to any taxing authority, all information, records or documents relating to tax liabilities or potential tax liabilities of such Parties for all periods on or prior to the Commencement Date, and shall preserve all such information, records and documents at least until the expiration of any applicable statute of limitations or extensions thereof and will not destroy such records without prior notice to the other Parties, consistent with the requirements of Section 8(c).

16. Miscellaneous.

(a) Binding Effect. This Transfer Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, executors, administrators, successors, and assigns.

(b) Applicable Law; Consent to Jurisdiction. This Transfer Agreement shall be governed by and construed in accordance with the laws and judicial decisions of the State of Delaware. The Parties consent to the exclusive jurisdiction of the Bankruptcy Court to adjudicate any dispute that arises under this Agreement.

(c) Counterpart Execution. This Transfer Agreement may be executed in two (2) or more counterparts, each of which will be deemed an original, but all of which together will constitute one (1) and the same agreement. Any counterpart may be executed by facsimile signature, or by electronic mail in "portable document format" (".pdf"), and such facsimile or .pdf signature shall be deemed an original.

(d) Amendments. This Transfer Agreement may not be amended or modified without the prior written consent of each of the Parties. Any such amendment must be set forth in a written instrument signed by each of the Parties.

(e) Expenses. Except as provided in this Transfer Agreement, each Party shall bear their own costs and expenses incurred in connection with this Transfer Agreement and the transactions contemplated hereby.

(f) Construction. If an ambiguity or question of intent or interpretation arises under this Transfer Agreement, this Transfer Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Transfer Agreement.

(g) Notices. The delivery of any notice or communication required or permitted hereunder shall be in writing. The delivery of such notices or communications shall be made by fax, by regular mail or overnight courier to the individuals at addresses indicated below:

If to Prior Operators:

c/o Cypress Health Group, LLC
4 West Red Oak Lane, Suite 201
White Plains New York 10583
Attn: Alex Paley, President

With a copy to:

Health Care Navigator, LLC
4 West Red Oak Lane, Suite 201
White Plains New York 10604
Attn: Trey Blalock, General Counsel

and

Neligan Foley LLP
325 N. St. Paul, Suite 3600
Dallas, Texas 75201
Attn: Patrick J. Neligan, Jr.
Counsel to the Prior Operators

and

Pepper Hamilton LLP
3000 Two Logan Square
Philadelphia, PA, 19103
Attn: Francis J. Lawall
Counsel to the Committee

If to New Operators:

Lyon Financial Services, LLC
7383 N. Lincoln Avenue
Suite 100
Lincolnwood, IL 60712
Attn: David Aryeh

With a copy to:

Maslovsky & Associates Ltd.
555 Skokie Blvd.
Suite 500
Northbrook, IL 60062
Attn: Boris Maslovsky

(h) Entire Agreement. This Transfer Agreement constitutes the entire agreement between the Parties regarding the matters provided herein. There are no other written statements, promises, or representations made by the Parties that are intended to alter, modify, or complement this Transfer Agreement.

(i) Further Assurances. Each of the Parties shall execute and deliver any and all further agreements, documents or instruments necessary to effectuate this Transfer Agreement and the transactions referred to herein or contemplated hereby or reasonably requested by the other Party to perfect or evidence their rights hereunder.

(j) Joint Venture; Third Party Beneficiaries. Nothing contained in this Transfer Agreement shall be construed as forming a joint venture or partnership between the Parties with respect to the subject matter hereof. The Parties do not intend that any third party shall have any rights under this Transfer Agreement.

(k) Exhibits/Schedules. All Exhibits and Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Transfer Agreement as if set forth in full herein. Any matter or item disclosed on one Schedule shall be deemed to have been disclosed on each other Schedule to the extent it is reasonably apparent that it is pertinent to the subject matter of such other Schedule. Any capitalized terms used in any Schedule or Exhibit but not otherwise defined therein shall be defined as set forth in this Transfer Agreement.

(l) Captions. The Section headings contained herein are for convenience only and shall not be considered or referred to in resolving questions of interpretation.

(m) Recitals. The Recitals to this Transfer Agreement are incorporated by reference as though fully set forth at length herein.

IN WITNESS WHEREOF, this Transfer Agreement has been executed as of the date first above written.

PRIOR OPERATORS:

SA-CLEWISTON, LLC
SA-LAKELAND, LLC
SA-ST. PETERSBURG, LLC

By: Alex Paley
Name: Alex Paley
Title: President

NEW OPERATORS:

LYON FINANCIAL SERVICES, LLC

By: _____
Name:
Title:

(m) Recitals. The Recitals to this Transfer Agreement are incorporated by reference as though fully set forth at length herein.

IN WITNESS WHEREOF, this Transfer Agreement has been executed as of the date first above written.

PRIOR OPERATORS:

SA-CLEWISTON, LLC
SA-LAKELAND, LLC
SA-ST. PETERSBURG, LLC

By: _____
Name:
Title:

NEW OPERATORS:

LYON FINANCIAL SERVICES, LLC


By:  _____
Name: DAVID MEYEN
Title: PRESIDENT

EXHIBIT & SCHEDULE LIST

Exhibit A	Purchased Assets
Exhibit B	Sale Order
Schedule I	Prior Operators; Facilities
Schedule II	New Operators
Schedule 1(b)	Excluded Assets
Schedule 6	Utility Deposits
Schedule 9 (e)	Allocation of Purchase Price
Schedule 10(a)	Assumed Contracts
Schedule 11(a)(v)	Employee Matters
Schedule 11(a)(viii)	Litigation

EXHIBIT A

Purchased Assets

All assets of the Debtors other than the Excluded Assets identified on Schedule 1(b).

EXHIBIT B

Sale Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF LOUISIANA
LAFAYETTE DIVISION**

In re)	
)	
NEW LOUISIANA HOLDINGS, LLC, et al.,)	Chapter 11
)	
Debtors.)	Case No. 14-50756
)	
)	Jointly Administered
)	

**ORDER (A) APPROVING THE SALE OF SUBSTANTIALLY ALL OF THE PALM
TERRACE DEBTORS' ASSETS, (B) AUTHORIZING THE ASSUMPTION AND
ASSIGNMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES, AND (C)
GRANTING CERTAIN RELATED RELIEF**

This matter is before the Court on the Debtors' Motion for Entry of (I) an Order (A) Approving Bidding Procedures in Connection With Sale of Substantially all of Their Assets, (B) Approving Break-Up Fee, (C) Scheduling an Auction and Hearing to Consider the Proposed Sale and (D) Approving the Form and Manner of Notice Thereof; (II) an Order (A) Approving the Sale, (B) Authorizing the Assumption and Assignment of Executory Contracts and Unexpired Leases, and (C) Granting Certain Related Relief (the "Sale Motion"),¹ seeking,

¹ Unless otherwise defined in this Order, all capitalized terms shall have the meanings provided in the Final Purchase Agreement and the Sale Motion, and to the extent of any inconsistency, the Final Purchase Agreement shall govern.

among other things: (a) approval of the Purchase Agreement, as such agreement may have been amended (the "Final Purchase Agreement"), attached hereto as Exhibit A; (b) authority to sell the Purchased Assets as set forth in the Final Purchase Agreement free and clear of Liens (as defined below), Claims (as defined below), and other interests, (c) authority to assume and assign the Contracts identified as Purchased Assets in the Final Purchase Agreement (the "Acquired Contracts") to the Purchaser, and (d) related relief; and this Court, in furtherance of the Sale Motion, having entered an order on _____, 2015 (the "Bidding Procedures Order") (Docket No.) approving, among other things, the Bidding Procedures and the Notice Procedures; and the Debtors having determined, and after an extensive marketing process, that _____ (the "Purchaser") has submitted the highest and best offer for the Purchased Assets (as defined in the Final Purchase Agreement); and adequate and sufficient notice of the Bidding Procedures, the Final Purchase Agreement, and all transactions contemplated thereunder and in this Order having been given in the manner directed by the Court in the Bidding Procedures Order; and all interested parties having been afforded an opportunity to be heard with respect to the Sale Motion and all relief related thereto; and the Court having reviewed and considered the Sale Motion and all relief related thereto, and noting that no objections were filed thereto, and having held a hearing regarding the Sale Motion on _____, 2015 (the "Sale Hearing"); and it appearing that the Court has jurisdiction over this matter; and it further appearing that the legal and factual bases set forth in the Sale Motion and at the Sale Hearing establish just cause for the relief granted herein; and after due deliberation; and good and sufficient cause appearing,

THE COURT HEREBY FINDS AND DETERMINES THAT:²

Jurisdiction, Final Order, and Statutory Predicates

A. This Court has jurisdiction to hear and determine the Sale Motion pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

B. The statutory predicates for the relief requested in the Sale Motion are sections 105(a), 363 and 365 of the Bankruptcy Code, Bankruptcy Rules 2002(a)(2), 6004, 6006, and 9007, and 9014.

C. This Order constitutes a final order within the meaning of 28 U.S.C. § 158(a). Notwithstanding Bankruptcy Rules 6004(h) and 6006(d), and to any extent necessary under Bankruptcy Rule 9014 and Federal Rule of Civil Procedure 54(b), as made applicable by Bankruptcy Rule 7054, the Court expressly finds that there is no just reason for delay in the implementation of this Order.

Notice of the Sale and Auction

D. Actual written notice of the Sale Motion was provided to the Notice Parties.

E. The Notice of Auction and Sale Hearing was reasonably calculated to provide all interested parties with timely and proper notice of the Sale, Sale Hearing, and Auction.

F. As evidenced by the certificates of service previously filed with the Court, proper, timely, adequate, and sufficient notice of the Sale Motion, Auction, Sale Hearing, Sale, and the transactions contemplated thereby have been provided in accordance with the Bidding

² These findings and conclusions constitute the Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. All findings of fact and conclusions of law announced by the Court at the Sale Hearing in relation to the Sale Motion are hereby incorporated herein to the extent not inconsistent herewith. To the extent that any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

Procedures Order, sections 105(a), 363, and 365 of the Bankruptcy Code, and Bankruptcy Rules 2002, 6004, 6006, and 9007. The notices described above were good, sufficient, and appropriate under the circumstances, and no other or further notice of the Sale Motion, Auction, Sale Hearing, Sale, and assumption and assignment of the Acquired Contracts are or shall be required.

G. The disclosures made by the Debtors concerning the Sale Motion, Auction, Final Purchase Agreement, Sale, assumption and assignment of the Acquired Contracts, and Sale Hearing were good, complete, and adequate.

H. A reasonable opportunity to object and be heard with respect to the Sale and the Sale Motion and the relief requested therein (including the assumption and assignment of the Acquired Contracts), has been afforded to all interested persons and entities, including but not necessarily limited to the Notice Parties.

Good Faith of Purchaser

I. The Final Purchase Agreement was negotiated, proposed, and entered into by the Debtors and the Purchaser without collusion, in good faith, and from arm's-length bargaining positions.

J. Neither the Debtors nor the Purchaser has engaged in any conduct that would cause or permit the Final Purchase Agreement to be avoided under section 363(n) of the Bankruptcy Code. Specifically, the Purchaser has not acted in a collusive manner with any person and the Purchase Price was not controlled by any agreement among the bidders.

K. The Purchaser is purchasing the Purchased Assets in good faith and is a good faith buyer within the meaning of section 363(m) of the Bankruptcy Code, and is therefore entitled to all of the protections afforded by that provision, and otherwise has proceeded in good faith in all respects in connection with this proceeding in that, *inter alia*: (a) the Purchaser recognized that the Debtors were free to deal with any other party interested in acquiring the Purchased Assets;

(b) the Purchaser complied with the provisions in the Bidding Procedures Order; (c) the Purchaser agreed to subject its bid to the competitive bidding procedures set forth in the Bidding Procedures Order; (d) the Purchaser in no way induced or caused the filing of the Bankruptcy Cases; and (e) all payments to be made by the Purchaser in connection with the Sale have been disclosed.

Highest and Best Offer

L. The Debtors conducted an auction process in accordance with, and has otherwise complied in all respects with, the Bidding Procedures Order. The auction process set forth in the Bidding Procedures Order afforded a full, fair, and reasonable opportunity for any person or entity to make a higher or otherwise better offer to purchase the Purchased Assets. The auction process was duly noticed and conducted in a non-collusive, fair, and good faith manner, and a reasonable opportunity was given to any interested party to make a higher and better offer for the Purchased Assets.

M. The Final Purchase Agreement constitutes the highest and best offer for the Purchased Assets, and will provide a greater benefit for the Estates than would be provided by any other available alternative. The Debtors' determination, in consultation with the Committee, that the Final Purchase Agreement constitutes the highest and best offer for the Purchased Assets constitutes a valid and sound exercise of the Debtors' business judgment.

No Fraudulent Transfer

N. The consideration provided by the Purchaser pursuant to the Final Purchase Agreement (i) is fair and reasonable, (ii) is the highest and/or best offer for the Purchased Assets, and (iii) constitutes reasonably equivalent value (as those terms are defined in each of the Uniform Fraudulent Transfer Act, Uniform Fraudulent Conveyance Act, and section 548 of the Bankruptcy Code) and fair consideration under the Bankruptcy Code and under the laws of the

United States, any State, territory, or possession, or the District of Columbia. No other person or entity or group of entities has offered to purchase the Purchased Assets for greater value to the Estates than the Purchaser. Approval of the Sale Motion and the Final Purchase Agreement and the consummation of the transactions contemplated thereby are in the best interest of the Estates.

O. The Purchaser is not a mere continuation of the Debtors or the Estates and no continuity of enterprise exists between the Purchaser and the Debtor or the Estates. The Purchaser is not holding itself out to the public as a continuation of the Debtors or the Estates. The Purchaser is not a successor to the Debtors or the Estates and the Sale does not amount to a consolidation, merger, or de facto merger of the Purchaser and the Debtors or the Estates.

Validity of Transfer

P. The Final Purchase Agreement was not entered into for the purpose of hindering, delaying, or defrauding creditors under the Bankruptcy Code or under the laws of the United States, any State, territory, or possession, or the District of Columbia. Neither the Debtors nor the Purchaser are entering into the transactions contemplated by the Final Purchase Agreement fraudulently for purposes of statutory and/or common law fraudulent conveyance and fraudulent transfer laws.

Q. The Estates are the sole and lawful owner of the Purchased Assets. Subject to section 363(f) of the Bankruptcy Code, the transfer of the Purchased Assets to the Purchaser will be, as of the Closing Date, a legal, valid, and effective transfer of the Purchased Assets, which transfer vests or will vest the Purchaser with all right, title, and interest of the Estate to the Purchased Assets free and clear of: (a) all liens and encumbrances relating to, accruing or arising any time prior to the Closing Date (collectively, "Liens"), and (b) all claims (as that term is defined in Section 101(5) of the Bankruptcy Code), liabilities, obligations, demands, guaranties, options, rights, contractual commitments, restrictions, interests, and matters of any

kind and nature, whether arising prior to or subsequent to the Petition Date, and whether imposed by agreement, understanding, law, equity, or otherwise (including, without limitation, rights with respect to Claims and Liens (i) that purport to give to any party a right of setoff or recoupment against, or a right or option to effect any forfeiture, modification, profit sharing interest, right of first refusal, purchase or repurchase right or option, or termination of, any of the Estate's or the Purchaser's interests in the Purchased Assets, or any similar rights, or (ii) in respect of taxes, restrictions, rights of first refusal, charges of interests of any kind or nature, if any, including, without limitation, any restriction of use, voting, transfer, receipt of income, or other exercise of any attributes of ownership) (collectively, as defined in this clause (b), the "Claims"), relating to, accruing, or arising any time prior to the Closing Date.

Section 363(f) is Satisfied

R. The conditions of section 363(f) of the Bankruptcy Code have been satisfied in full; therefore, the Debtors may sell the Purchased Assets free and clear of any interests in the property.

S. The Purchaser would not have entered into the Final Purchase Agreement, and would not consummate the transactions contemplated thereby, if the sale of the Purchased Assets to the Purchaser were not free and clear of all Liens and Claims. The Purchaser shall not be responsible for any Liens or Claims other than Liabilities which have been expressly assumed by the Purchaser pursuant to the Final Purchase Agreement.

T. The Debtors may sell the Purchased Assets free and clear of all Liens and Claims against the Estates and/or any of the Purchased Assets because, in each case, one or more of the standards set forth in section 363(f)(1)-(5) of the Bankruptcy Code have been satisfied. Those holders of Liens or Claims against the Estates or any of the Purchased Assets who did not object, or who withdrew their objections, to the Sale or the Sale Motion are deemed to have consented

pursuant to section 363(f)(2) of the Bankruptcy Code. All other holders of Liens or Claims are adequately protected by having their Liens or Claims, if any, in each instance against the Estate or any of the Purchased Assets, attach to the net cash proceeds of the Sale ultimately attributable to the particular Purchased Assets in which such creditor alleges a Lien or Claim, in the same order of priority, with the same validity, force and effect that such Lien or Claim had prior to the Sale, subject to any claims and defenses that the Estates may possess with respect thereto.

Cure/Adequate Protection

U. The assumption and assignment of the Acquired Contracts is integral to the Final Purchase Agreement, is in the best interest of the Estates, and represents a reasonable exercise of sound and prudent judgment by the Debtors. The Purchaser's promise to perform the obligations under the Acquired Contracts after the Closing Date shall constitute adequate assurance of future performance within the meaning of section 365(f)(2)(B) of the Bankruptcy Code.

V. Any objections to the assumption and assignment of the Acquired Contracts are hereby overruled.

Compelling Circumstances for a Prompt Sale

W. Good and sufficient reasons for approval of the Final Purchase Agreement and the Sale have been articulated. The relief requested in the Sale Motion is in the best interest of the Estates. The Debtors have demonstrated both (i) good, sufficient, and sound business purposes and justifications, and (ii) compelling circumstances for the Sale other than in the ordinary course of business, pursuant to section 363(b) of the Bankruptcy Code in that, among other things, the prompt consummation of the Sale to the Purchaser is necessary and appropriate to maximize the value of the Estate. Time is of the essence in consummating the Sale.

X. Given all of the circumstances of the bankruptcy case and the adequacy and fair value of the Purchase Price under the Final Purchase Agreement, the proposed Sale of the

Purchased Assets to the Purchaser constitutes a reasonable and sound exercise of the Debtors' business judgment and should be approved.

Y. The consummation of the Sale and the assumption and assignment of the Acquired Contracts is legal, valid, and properly authorized under all applicable provisions of the Bankruptcy Code, including, without limitation, sections 105(a), 363(b), 363(f), 363(m), and 365, and all of the applicable requirements of such sections have been complied with in respect of the Sale.

**NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND
DECREED THAT:**

General Provisions

1. The relief requested in the Sale Motion is granted and approved as set forth herein, and the Sale contemplated in the Sale Motion is approved.
2. All objections to the Sale Motion or the relief requested therein that have not been withdrawn, waived, or settled as announced to the Court at the Sale Hearing or by stipulation filed with the Court, and all reservations of rights included therein, are hereby denied and overruled with prejudice.

Approval of the Final Purchase Agreement

3. The Final Purchase Agreement (and all schedules and exhibits affixed thereto) and all other ancillary documents, all of the terms and conditions thereof, and the transactions contemplated therein are hereby approved and authorized.
4. Pursuant to sections 363(b) and (f) of the Bankruptcy Code, the Debtors are authorized and empowered to take any and all actions necessary or appropriate to:
(i) consummate the Sale of the Purchased Assets to the Purchaser pursuant to and in accordance with the terms and conditions of the Final Purchase Agreement and this Order; (ii) close the Sale

as contemplated in the Final Purchase Agreement and this Order; and (iii) execute and deliver, perform under, consummate, implement, and close fully the Final Purchase Agreement, including the assumption and assignment to the Purchaser of the Acquired Contracts, together with all additional instruments and documents that may be reasonably necessary or desirable to implement the Final Purchase Agreement and the Sale. The Purchaser shall not be required to seek or obtain relief from the automatic stay under section 362 of the Bankruptcy Code to enforce any of its remedies under the Final Purchase Agreement or any other Sale-related document. The automatic stay imposed by section 362 of the Bankruptcy Code is modified solely to the extent necessary to implement the preceding sentence and the other provisions of this Order.

5. This Order shall be binding in all respects upon the Debtors, the Estates, all creditors of, and holders of equity interests in, the Debtor, any holders of Liens, Claims, or other interests in, against, or on all or any portion of the Purchased Assets (whether known or unknown), the Purchaser and all successors and assigns of the Purchaser, and the Purchased Assets. This Order and the Final Purchase Agreement shall inure to the benefit of the Estates and its creditors, the Purchaser, and the respective successors and assigns of each of the foregoing.

Transfer of the Purchased Assets

6. Pursuant to sections 105(a), 363(b), and 363(f) of the Bankruptcy Code, the Debtors are authorized to transfer the Purchased Assets to the Purchaser on the Closing Date and, upon the Closing under the Final Purchase Agreement, such transfer shall constitute a legal, valid, binding, and effective transfer of such Purchased Assets and shall vest the Purchaser with title to the Purchased Assets and, upon the Debtors' receipt of the full Purchase Price, shall be free and clear of all Liens, Claims, and other interests of any kind or nature whatsoever,

including but not limited to, successor or successor-in-interest liability and Claims, with all such Liens, Claims or other interests to attach to the net cash proceeds ultimately attributable to the property against or in which such Liens, Claims, or interests are asserted, subject to the terms thereof, with the same validity, force and effect, and in the same order of priority, that such Liens, Claims, or interests now have against the Purchased Assets. Upon the Closing, the Purchaser shall take title to and possession of the Purchased Assets.

7. All persons and entities in possession of some or all of the Purchased Assets on the Closing Date are directed to surrender possession of such Purchased Assets to the Purchaser or its assignee at the Closing. On the Closing Date, each of the Estate's creditors is authorized and directed to execute such documents and take all other actions as may be reasonably necessary to release its Liens, Claims, or other interests in the Purchased Assets, if any, as such Liens, Claims, or interests may have been recorded or may otherwise exist.

8. On the Closing Date, this Order shall be construed and shall constitute for any and all purposes a full and complete general assignment, conveyance, and transfer of the Estate's interest in the Purchased Assets. Each and every federal, state, and local governmental agency or department is hereby directed to accept any and all documents and instruments necessary and appropriate to consummate the transactions contemplated by the Final Purchase Agreement.

9. A certified copy of this Order may be filed with the appropriate clerk and/or recorded with the recorder to act to cancel any liens and other encumbrances of record.

10. If any person or entity that has filed statements or other documents or agreements evidencing Liens on, or interests in, all or any portion of the Purchased Assets shall not have delivered to the Debtors prior to the Closing, in proper form for filing and executed by

the appropriate parties, termination statements, instruments of satisfaction, releases of liens and easements, and any other documents necessary for the purpose of documenting the release of all Liens, Claims, or other interests that the person or entity has or may assert with respect to all or any portion of the Purchased Assets, the Debtors are hereby authorized and directed, and the Purchaser is hereby authorized, to execute and file such statements, instruments, releases, and other documents on behalf of such person or entity with respect to the Purchased Assets.

11. This Order is and shall be effective as a determination that, on the Closing Date, all Liens, Claims, or other interests of any kind or nature whatsoever existing as to the Purchased Assets prior to the Closing Date, shall have been unconditionally released, discharged, and terminated, and that the conveyances described herein have been effected. This Order is and shall be binding upon and govern the acts of all persons and entities, including, without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state and local officials, and all other persons and entities who may be required by operation of law, the duties of their office, or contract, to accept, file, register, or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to any lease; and each of the foregoing persons and entities is hereby directed to accept for filing any and all of the documents and instruments necessary and appropriate to consummate the transactions contemplated by the Final Purchase Agreement.

Assumption and Assignment of Acquired Contracts

12. The Debtors are hereby authorized and directed in accordance with sections 105(a) and 365 of the Bankruptcy Code to (a) assume and assign to the Purchaser, effective upon the Closing of the Sale, the Acquired Contracts free and clear of all Liens, Claims, and other interests of any kind or nature whatsoever, and (b) execute and deliver to the Purchaser

such documents or other instruments as the Purchaser reasonably deems necessary to assign and transfer the Acquired Contracts.

13. The counterparties to the Acquired Contracts (the "Counterparties") shall look solely to the Purchaser for any amounts payable under the Acquired Contracts from and after the Closing Date.

14. The Acquired Contracts are executory contracts under section 365 of the Bankruptcy Code. The Debtors may assume the Acquired Contracts in accordance with section 365 of the Bankruptcy Code. The Debtors may assign the Acquired Contracts in accordance with sections 363 and 365 of the Bankruptcy Code. Any provisions in the Acquired Contracts that purport to prohibit or condition the assignment of the Acquired Contracts or allow the Counterparties to terminate, recapture, impose any penalty, or modify any term or condition upon the assignment of the Acquired Contracts, constitute unenforceable anti-assignment provisions that are void and of no force and effect; all other requirements and conditions under sections 363 and 365 of the Bankruptcy Code for the assumption by the Debtors and assignment to the Purchaser of the Acquired Contracts have been satisfied. The Acquired Contracts shall be transferred and assigned to, and following the closing of the Sale remain in full force and effect for the benefit of the Purchaser, notwithstanding any provision in the Acquired Contracts (including those of the type described in sections 365(b)(2) and (f) of the Bankruptcy Code) that purports to prohibit, restrict, or condition such assignment or transfer and, pursuant to section 365(k) of the Bankruptcy Code, the Estate shall be relieved from any further liability with respect to the Acquired Contracts after such assignment to and assumption by the Purchaser. Upon Closing, in accordance with sections 363 and 365 of the Bankruptcy Code, the Purchaser shall be fully and irrevocably vested in all rights and title to the Acquired Contracts.

15. The amounts necessary to cure any defaults existing as of the Closing Date under the Acquired Contracts are the amounts listed on the Cure Notice filed and served in the Chapter 11 cases, or, if applicable, such other amount(s) upon which the Debtors, the Purchaser, and any of the Counterparties may have agreed (the "Cure Amounts"). The Purchaser shall pay the Cure Amounts at Closing, or at such later time as may be mutually agreed upon by the Purchaser and any of the Counterparties. No other defaults exist under the Acquired Contracts. The Counterparties waive, release, and are hereby precluded from asserting any claims against the Debtors, or the Estates for any claims arising out of or in connection with the Acquired Contracts. The Purchaser shall pay the Cure Amounts to the Counterparties in full satisfaction of the Counterparties' claims for defaults that may have arisen under the Acquired Contracts.

Prohibition of Actions against the Purchaser

16. Except as otherwise provided in this Order or the Final Purchase Agreement, the Purchaser shall not have any liability or other obligation to the Estates arising under or related to any of the Purchased Assets. Without limiting the generality of the foregoing, and except as otherwise provided herein or in the Final Purchase Agreement, the Purchaser shall not be liable for any Claims against the Estates, and the Purchaser shall have no successor or vicarious liabilities of any kind or character, including, but not limited to, under any theory of antitrust, environmental, successor or transferee liability, labor law, *de facto* merger, mere continuation, or substantial continuity, whether known or unknown as of the Closing Date, now existing or hereafter arising, whether fixed or contingent, whether asserted or unasserted, whether legal or equitable, whether liquidated or unliquidated.

17. All persons and entities holding Liens, Claims, or other interests of any kind or nature whatsoever against or in all or any portion of the Purchased Assets (whether legal or equitable, secured or unsecured, matured or unmatured, contingent or non-contingent,

liquidated or unliquidated, senior or subordinate), hereby are forever barred, estopped, and permanently enjoined from asserting against the Purchaser, its affiliates, its successors or assigns, their property, or the Purchased Assets, such persons' or entities' Liens, Claims, or interests in and to the Purchased Assets, including, without limitation, the following actions: (i) commencing or continuing in any manner any action or other proceeding against the Purchaser, its affiliates, its successors, assets or properties; (ii) enforcing, attaching, collecting, or recovering in any manner any judgment, award, decree, or order against the Purchaser, its affiliates, its successors, assets or properties; (iii) creating, perfecting, or enforcing any Lien or other Claim against the Purchaser, its affiliates, its successors, assets, or properties; (iv) asserting any setoff, right of subrogation, or recoupment of any kind against any obligation due the Purchaser, its affiliates, or its successors; (v) commencing or continuing any action, in any manner or place, that does not comply or is inconsistent with the provisions of this Order or other orders of the Court, or the agreements or actions contemplated or taken in respect thereof; or (vi) revoking, terminating or failing or refusing to transfer or renew any license, permit, or authorization to operate any of the Purchased Assets or conduct any of the businesses operated with the Purchased Assets. On the Closing Date, each creditor is authorized and directed to execute such documents and take all other actions as may be necessary to release Liens, Claims, and other interests in or on the Purchased Assets, if any, as provided for herein, as such Liens, Claims, or interests may have been recorded or may otherwise exist.

18. All persons and entities are hereby forever prohibited and enjoined from taking any action that would adversely affect or interfere with the ability of the Debtors to sell and transfer the Purchased Assets to the Purchaser in accordance with the terms of the Final Purchase Agreement and this Order.

19. The Purchaser has given substantial consideration under the Final Purchase Agreement for the benefit of the Estates. The consideration given by the Purchaser shall constitute valid and valuable consideration for the releases of any potential Claims and Liens pursuant to this Order, which releases shall be deemed to have been given in favor of the Purchaser by all holders of Liens against or interests in, or Claims against, the Estate or any of the Purchased Assets. The consideration provided by the Purchaser for the Purchased Assets under the Final Purchase Agreement is fair and reasonable and may not be avoided under section 363(n) of the Bankruptcy Code.

20. Nothing in this Order or the Final Purchase Agreement releases, nullifies, or enjoins the enforcement of any liability to a governmental unit under police and regulatory statutes or regulations that any entity would be subject to as the owner or operator of property after the date of entry of this Order. Nothing in this Order or the Final Purchase Agreement authorizes the transfer or assignment to the Purchaser of any license, permit, registration, authorization, or approval of or with respect to a governmental unit without the Purchaser's complying with all applicable legal requirements under non-bankruptcy law governing such transfers or assignments.

Other Provisions

21. The transactions contemplated by the Final Purchase Agreement are undertaken by the Purchaser without collusion and in good faith, and accordingly, the reversal or modification on appeal of the authorization provided herein to consummate the Sale shall not affect the validity of the Sale, unless such authorization and the Sale are duly stayed pending such appeal. The Purchaser is a good faith buyer and, as such, shall have the full protections of section 363(m) of the Bankruptcy Code.

22. Pursuant to Federal Rules of Bankruptcy Procedure 7062, 9014, 6004(h), and 6006(d), this Order shall be effective immediately upon entry and the Debtors and the Purchaser are authorized to close the Sale immediately upon entry of this Order.

23. Nothing in this Order or the Final Purchase Agreement approves or provides for the transfer to the Purchaser of any avoidance claims (whether under chapter 5 of the Bankruptcy Code or otherwise) of the Estates.

24. No bulk sales law or any similar law of any state or other jurisdiction applies in any way to the Sale.

25. The failure specifically to reference any particular provision of the Final Purchase Agreement in this Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the Final Purchase Agreement is authorized and approved in its entirety; provided, however, that this Order shall govern if any inconsistency exists between the Final Purchase Agreement (including all ancillary documents executed in connection therewith) and this Order. Likewise, all of the provisions of this Order are nonseverable and mutually dependent.

26. The Final Purchase Agreement and any related agreements, documents, or other instruments may be modified, amended, or supplemented by the parties thereto and in accordance with the terms thereof, without further order of the Court, provided that any such modification, amendment, or supplement does not have a material adverse effect on the Estate.

27. The Court shall retain jurisdiction to, among other things, interpret, implement, and enforce the terms and provisions of this Order and the Final Purchase Agreement, all amendments thereto and any waivers and consents thereunder and each of the agreements executed in connection therewith to which the Debtors are parties or which has been

assigned by the Debtors to the Purchaser, and to adjudicate, if necessary, any and all disputes concerning or relating in any way to the Sale, including, but not limited to, retaining jurisdiction to: (a) compel delivery of the Purchased Assets to the Purchaser; (b) interpret, implement, and enforce the provisions of this Order; (c) protect the Purchaser against any alleged Liens, Claims, or other interests in or against the Purchased Assets of any kind or nature whatsoever; and (d) enter any orders under sections 363 and/or 365 of the Bankruptcy Code with respect to the Acquired Contracts.

28. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

29. To the extent that this Order is inconsistent with any prior order or pleading with respect to the Sale Motion, the terms of this Order shall govern.

END OF ORDER

Submitted by:

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COUNSEL FOR THE DEBTORS

Schedule I

Prior Operators; Facilities

SA-Clewiston, LLC
d/b/a Palm Terrace of Clewiston
301 S Gloria Street
Clewiston, FL 33440

SA-Lakeland, LLC
d/b/a Palm Terrace of Lakeland
1919 Lakeland Hills Blvd
Lakeland, FL 33805

SA-St. Petersburg, LLC
d/b/a Palm Terrace of St. Petersburg
521 Atwood Avenue North
St. Petersburg, FL 33702

Schedule II

New Operators

Lyon Financial Services, LLC, on behalf of an entity to be formed.

Schedule 1(b)

Excluded Assets

"Excluded Assets" means the following:

(a) Cash and cash equivalents on hand or relating to the Facilities and the accounts in which they are held, as of the Commencement Date, except for Trust Funds which shall be delivered to New Operators as contemplated by the Transfer Agreement.

(b) Accounts Receivable for services rendered prior to the Commencement Date, including but not limited to Medicare, Medicaid, commercial insurance and self pay account balances and any cost report settlement amounts.

(c) Any rights to refunds, settlements and retroactive adjustments arising at any time in connection with the Medicare and Medicaid provider numbers and related participation agreements or any other Third Party Payor Programs of the Facilities relating to any time period prior to the Commencement Date. New Operators may set off any unreimbursed amounts it has paid for assessments, settlements and retroactive adjustments in connection with the Medicare and Medicaid provider numbers or any other Third Party Payor Programs of the Facilities relating to any time prior to the Commencement Date.

(d) All prepayments of insurance on the Facilities and Facilities operations prorated to the Commencement Date.

(e) Deposits, except for amounts representing advance payment for services to be rendered after the Commencement Date or refundable security and other deposits, which become the exclusive property of New Operators.

(f) Any rights, claims or causes of action of Prior Operators' and their affiliates against third parties relating to assets, properties, business or operations of Prior Operators, and all amounts of any nature or description relating thereto, to the extent such dispute, claim or litigation is related to the period prior to the Commencement Date, including, without limitation, any rights, claims or causes of action arising under Chapter 5 of the Bankruptcy Code.

(g) Except as otherwise specifically provided in this Schedule 1(b), proprietary materials of Prior Operators respecting their ownership and operation of the Facilities, including, but not limited to, internal financial information, employee records, dietary menus, contracts and forms promulgated by Prior Operators, except that copies of employee records and dietary menus may be provided as information to New Operators or their designee at Prior Operators' option.

(h) All computer equipment and software, including all proprietary software relating to any hospital patients, software licenses and manuals, any and all time clocks, time clock software and or licenses and vehicles used in connection with the Facilities.

(i) All operating agreements, contracts and equipment leases not assumed by New

Operators (and rights thereunder) for supplies and/or services, which contracts: (i) affect properties other than the Facilities; or (ii) affect properties in addition to the Facilities.

(j) Each of the following items:

(i) training tapes and miscellaneous in-service training materials and manuals;

(ii) Facilities brochures and marketing manuals which include the Cypress Health Group name, logo or trademarks;

(iii) Cypress Health Group promulgated forms, including standard contract forms;

(iv) uniforms which feature the Cypress Health Group name, logo or other trademark; and

(v) policy and procedures manuals.

(k) Security deposits for rent, electricity, telephone or other utilities and prepaid charges and expenses of Prior Operators.

(l) All insurance policies or rights to proceeds thereof relating to the Facilities to the extent arising from any date prior to the Commencement Date.

(m) Any claim, right or interest of Prior Operators in or to any refund, rebate, abatement or other recovery for taxes related to the operation of the Facilities for any periods prior to the Commencement Date, together with any interest due thereon or penalty rebate arising therefrom.

(n) Any intellectual property rights of Prior Operators or their affiliates, including, without limitation, any right in or to any website, trademark, copyright, logos, and e-mail address owned or used by Prior Operators or their affiliates, and any right to the use of any of the following names, designs or marks: "Cypress", "Cypress Health Group", and any variation, derivative or combination thereof and associated trademarks, service marks and logos.

Schedule 6
Utility Deposits

<u>Center</u>	<u>Account</u>	<u>Service</u>	<u>Amount</u>
Clewiston	City of Clewiston	Electric, Water, Sewer, Waste	\$1,600
Clewiston	City of Clewiston	Electric, Water, Sewer, Waste	\$19,000
			Total: \$20,600
Lakeland	City of Lakeland	Electric	\$300
Lakeland	City of Lakeland	Electric	\$21,065
Lakeland	Teco: People Gas	Gas	Surety Bond
			Total: \$21,365
St. Petersburg	Duke Energy	Electric	\$490
St. Petersburg	Duke Energy	Electric	\$11,045
St. Petersburg	Duke Energy	Electric	\$1,120
St. Petersburg	Duke Energy	Electric	\$35
St. Petersburg	Duke Energy	Electric	\$25
St. Petersburg	Duke Energy	Electric	\$1,720
St. Petersburg	Teco People Gas	Gas	\$800
St. Petersburg	City of St Petersburg	Water, Sewer, Waste	\$1,739
			Total: \$16,974

Schedule 9(e)
Allocation of Purchase Price

\$6.0 million to the Purchased Assets

\$30,000,000 to the Real Estate related to Facilities

Schedule 10(a)
Assumed Contracts

To be determined at New Operator's discretion.

Schedule 11(a)(viii)

Litigation

SA-Clewiston, LLC:

Proposed Settlement Agreement with the State of Florida, Agency for Health Care Administration, Case Number: 14-3389.

SA-Lakeland, LLC:

Proposed Settlement Agreement with the State of Florida, Agency for Health Care Administration, Case Number: 14-3385.

Proposed Settlement Agreement with the State of Florida, Agency for Health Care Administration, Case Number: 14-3386.

SA-St. Petersburg, LLC:

Proposed Settlement Agreement with the State of Florida, Agency for Health Care Administration, Case Number: 14-3388.

FIRST AMENDMENT TO OPERATIONS TRANSFER AGREEMENT

This First Amendment to Operations Transfer Agreement (this "Amendment") dated as of June 9, 2015, by and between SA-Clewiston, LLC, SA-Lakeland, LLC, and SA-St. Petersburg LLC, as debtors and debtors-in-possession (collectively "Prior Operators") and Lyon Financial Services, LLC ("New Operators"). Capitalized terms not defined herein shall have the meanings ascribed to them in the Agreement (as defined below).


WHEREAS, Prior Operators and New Operators are party to an Operations Transfer Agreement, dated as of June 5, 2015 (the "Agreement").

WHEREAS, Prior Operators and New Operators desire to amend certain of the provisions of the Agreement in accordance with this Amendment.

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, Prior Operators and New Operators hereby agree as follows.

1. Defined Terms. All terms defined in the Agreement shall have the same meanings in this Amendment.

2. Purchase Price. Section 9(b) of the Agreement is hereby amended and restated as follows:

(b) Purchase Price. The purchase price for the Purchased Assets (the "Purchase Price") is Nine Million Eight Hundred Fifty Thousand Dollars  (\$9,850,000.00).

3. Effect of Amendment. Except to the extent changed herein, all terms, conditions and provisions of the Agreement shall remain unchanged and in full force and effect. To the extent that there is any conflict or inconsistency between the Agreement and this Amendment, this Amendment shall control.

4. This Amendment may be executed in two or more counterparts, each of which shall constitute an original but when taken together shall constitute but one instrument. Delivery of executed counterpart signatures to this Amendment by facsimile or other electronic transmission shall be effective as delivery of original counterpart signatures to this Amendment.

IN WITNESS WHEREOF, the undersigned have caused this Amendment to be executed and delivered on the date first written above.

PRIOR OPERATORS:

SA-CLEWISTON, LLC,
SA-LAKELAND, LLC,
SA-ST. PETERSBURG LLC

By: 

Name: JAMES A. BERWICK

Title: ADMINISTRATIVE ASSISTANT

NEW OPERATORS:

LYON FINANCIAL SERVICES, LLC

By: 

Name: DAVID AYEEL

Title: PRES.

MASTER SERVICE LIST
New Louisiana Holdings, LLC, et al.

Debtor

New Louisiana Holdings, LLC
Attn: Raymond P. Mulry
4 West Red Oak Lane, Suite 201
White Plains, NY 10604

Debtor's Counsel

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Attn: Patrick J. Neligan, Jr.
325 N. St. Paul, Suite 3600
Dallas, TX 75201

Baker Donelson Bearman Caldwell &
Berkowitz, PC
Attn: Jan M. Hayden
201 St. Charles Avenue, Suite 3600
New Orleans, LA 70170

U.S. Trustee

Office of the United States Trustee
300 Fannin Street, Suite 3196
Shreveport, LA 71101

40 Largest Creditors on Consolidated Basis (Excluding Insiders)

Agency for Health Care Administration
P.O. box 13749
Tallahassee, FL 32317-3749

American Pharmaceutical Services
P.O. Box 102082
Atlanta, GA 30368-2082

Bay Pharmacy
Omnicare Billing
P.O. Box 715268
Columbus, OH 43271-5268

Bayfront Medical Center, Inc.
701 6th Street South
St. Petersburg, FL 33701

Compos Medical Pharmacy
660 Distributors Row, Suite A &B
Jefferson, LA 70123

Department of Health and Hospitals
P.O. Box 3767
Baton Rouge, LA 70821-3767

Airgas USA, LLC
P.O. Box 532609
Atlanta, GA 30353-2609

American Health Associates, Inc.
15712 SW 41st Street, Suite 16
Davie, FL 33331

Belfor USA Group Inc.
185 Oakland Avenue, Suite 300
Birmingham, MI 48009-3433

Chicago Health Care Leasing LLC
455 N. Cityfront Plaza, Suite 15
Chicago, IL 60611

CHC Labs Inc.
P.O. Box 277522
Atlanta, GA 30384-7522

Direct Supply, Inc.
6767 N. Industrial Road
Milwaukee, WI 53223

Direct Supply Healthcare Equipment
P.O. Box 88201
Milwaukee, WI 53288-0201

Health Services Group, Inc.
3220 Tillman Drive, Suite 300
Bensalem, PA 19020

Karl Koch
Koch Law Firm
637 St. Ferdinand Street
Baton Rouge, LA 70802

Liberty Ambulance Service Inc.
1626 Atlantic University Cir.
Jacksonville, FL 32207

Medline Industries
P.O. Box 382075
Pittsburgh, PA 15251-8075

Omnicare Pharmacy
900 Omnicare Center
201 East Fourth Street
Cincinnati, OH 45202

Palm Garden Health Care Inc.
2033 Main Street, Suite 300
Sarasota, FL 34237

RK Collaborative
720 Garden Plz
Orlando, FL 32803

U.S. Food Service
3682 Collection Center Drive
Chicago, IL 60693-0036

Encore Nursing Center Partners – Limited
Partnership 85
707 Westchester Avenue, #401
White Plains, NY 10604

Home Pharmacy Services, LLC
345 Dunn Road
Florissant, MO 63031

Lawrence Memorial Hospital
346 Maine, Suite 100
Lawrence, KS 66044

Georgia Department of Community Health
2 Peachtree Street, NW
Atlanta, GA 30303

Joerns Healthcare, Inc.
P.O. Box 933733
Atlanta, GA 31193

Mobilex USA/Symphony Inc.
930 Ridgebrook Road, 3rd Floor
Sparks Glencoe, MD 21152

Maintenance Warehouse
P.O. Box 509058
San Diego, CA 92150-9058

Medical Imaging, Inc.
5000 North West 27th Ct., Suite B
Gainesville, FL 32606

Phelps Dunbar LLP
P.O. Box 974798
Dallas, TX 75397-4798

Respiratory Health Services, LLC
P.O. Box 7247-6524
Philadelphia, PA 19170-6524

Recovercare LLC
Key Bank – LB #713222
895 Central Avenue, Suite 600
Cincinnati, OH 45202

Vista Clinical Diagnostics, Inc.
4290 South Hwy.27, Suite 201
Clemont, FL 34711

Halcyon Rehabilitation
4 West Red Oak Lane, Suite 201
White Plains, NY 10604

Heartland Health Laboratories, Inc.
10435 Lackman Road
Lenexa, KS 66219

Cape Coral Hospitalists
13607 Pine Ville Lane
Fort Myers, FL 33912

Arjohuntleigh, Inc.
P.O. Box 640799
Pittsburgh, PA 15264-0799

United Seating & Mobility LLC
975 Hornet Drive
Hazelwood, MO 63042

Inpatient Consultants of Texas, Inc.
7330 San Pedro Avenue, Suite 540
San Antonio, TX 78216

Creditors' Committee

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Attn: Patrick Orr
3220 Tillman Drive, Suite 300
Bensalem, PA 19020

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San Antonio, TX 78217

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1 Medline Place
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One Federal Street
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Indian River County Tax Authority
Attn: Bankruptcy Department
P.O. Box 1509
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