




Order Filed on December 15, 2015
by Clerk
U.S. Bankruptcy Court
District of New Jersey

UNITED STATES BANKRUPTCY COURT DISTRICT OF NEW JERSEY Caption in Compliance with D.N.J. LBR 9004-1	
LOWENSTEIN SANDLER LLP Kenneth A. Rosen, Esq. Gerald C. Bender, Esq. Michael Savetsky, Esq. Barry Z. Bazian, Esq. 65 Livingston Avenue Roseland, New Jersey 07068 (973) 597-2500 (Telephone) (973) 597-2400 (Facsimile) <i>Counsel to the Debtors and Debtors-in-Possession</i>	
In re: East Orange General Hospital, Inc., <i>et al.</i> , ¹ <p style="text-align: center;">Debtors.</p>	Chapter 11 Case No. 15-31232 (VFP) (Joint Administration Requested)

ORDER APPROVING (A) BIDDING PROCEDURES, (B) FORM AND MANNER OF SALE NOTICES, AND (C) SALE HEARING DATE

The relief set forth on the following pages, numbered two (2) through and including sixteen (16), is hereby **ORDERED**

DATED: December 15, 2015



Honorable Vincent F. Papalia
United States Bankruptcy Judge

¹ The Debtors and the last four digits of their Employer Identification Numbers are East Orange General Hospital, Inc. (7166) and Essex Valley Healthcare, Inc. (7667). The Debtors' principal place of business is located at 300 Central Avenue, East Orange, NJ 07018.

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Upon consideration of the motion (the “Motion”),² of the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”), for entry of orders pursuant to sections 105(a), 363, and 365 of title 11 of the United States Code (the “Bankruptcy Code”), Rules 2002, 6004, 6006, and 9014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rules 6004-1, 6004-2, and 6004-3 of the Local Bankruptcy Rules of the United States Bankruptcy Court for the District of New Jersey (the “Local Rules”), (i) approving (a) bidding procedures, including Bid Protections (defined herein) (b) form and manner of sale notices, and (c) sale hearing date, and (ii) authorizing and approving (a) the sale (“Sale”) of substantially all of their assets free and clear of liens, claims, and encumbrances and (b) assumption and assignment of certain executory contracts and unexpired leases; and the Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Standing Order of Reference to the Bankruptcy Court Under Title 11* of the United States Bankruptcy Court for the District of New Jersey dated as of September 18, 2012 (Simandle, C.J.); and venue being proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and this matter being a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and notice of the Motion being sufficient under the circumstances; and it appearing that no other or further notice need be provided; and the Court having determined that the relief sought in the Motion is in the best interests of the Debtors, their estates and creditors; and upon the record of the dockets in the Chapter 11 Cases; and after due deliberation and sufficient cause appearing therefor;

² Capitalized terms used herein but not defined shall have the meaning ascribed to such terms in the Motion.

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IT IS HEREBY FOUND, DETERMINED, ORDERED, ADJUDGED, AND DECREED THAT:

A. Jurisdiction and Venue. This Court has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157(b)(1) and 1334(a) and 1334 and the *Standing Order of Reference to the Bankruptcy Court Under Title 11* of the United States District Court for the District of New Jersey, dated September 18, 2012 (Simandle, C.J.). This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (N) and (O). Venue of these cases and the Motion in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

B. Statutory Predicates. The statutory and other legal predicates for the relief sought in the Motion are Bankruptcy Code sections 105, 363, and 365, Bankruptcy Rules 2002, 6004, 6006, and 9014 and Local Rules 6004-1, 6004-2, and 6004-3.

C. Final Order. This Order constitutes a final and appealable order within the meaning of 28 U.S.C. § 158(a). Notwithstanding Bankruptcy Rules 6004(h) and 6006(d), the Court expressly finds that there is no just reason for delay in the implementation of this Order, and expressly directs entry of judgment as set forth herein.

D. Notice. Proper, timely, adequate, and sufficient notice of the Motion and this Order has been provided by the Debtors to all parties entitled to notice in accordance with Bankruptcy Code sections 105(a), 363, and 365 and Bankruptcy Rules 2002, 6004, 6006, and 9007 and Local Rule 2002-1, and such notice, and the form and manner thereof, was good, sufficient and appropriate under the circumstances.

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E. Opportunity to Object. A reasonable opportunity to object or be heard with respect to the Motion and this Order has been afforded to all interested persons and entities.

F. Bidding Procedures Are Reasonable and Appropriate. The Debtors have demonstrated good and sufficient reasons for the Court to approve the Motion including, without limitation, approval of the bidding procedures attached hereto as Exhibit 1 and incorporated herein by reference (the “Bidding Procedures”), the form and manner of notice of the Motion and the Sale Hearing. Thus, the Bidding Procedures are reasonable and appropriate and represent the best method for maximizing the value of the Acquired Assets.

NOW, THEREFORE, IT IS ORDERED THAT:

1. Findings of Fact and Conclusions of Law. The findings of fact set forth above and conclusions of law stated herein shall constitute this Court’s findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent any finding of fact later shall be determined to be a conclusion of law, it shall be so deemed and deemed so ordered, and to the extent any conclusion of law shall be determined to be a finding of fact, it shall be so deemed and deemed so ordered.

2. Notice. Under the circumstances of the Chapter 11 Cases, proper, timely, adequate and sufficient notice of the Motion and this Order has been provided by the Debtors to all parties entitled to notice in accordance with Bankruptcy Code sections 105(a), 363, and 365 and Bankruptcy Rules 2002, 6004, 6006, and 9007, and such notice, and the form and manner thereof, was good, sufficient, and appropriate under the circumstances.

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3. Objections. All objections and responses, if any, to the Motion or this Order that have not been withdrawn, waived, or settled as announced to the Court or by stipulation filed with the Court or pursuant to the terms of this Order, and all reservations of rights included therein, are hereby overruled on the merits, with prejudice. All persons and entities given notice of the Motion and this Order that failed to timely object thereto are deemed to consent to the relief herein.

4. Asset Purchase Agreement Approved. The form of Asset Purchase Agreement attached as Exhibit B to the Motion, as amended (such amendment attached as Exhibit 5 hereto), shall be and hereby is approved to serve as the basis for the Debtors' solicitation of higher or otherwise better Bids for the Acquired Assets. The Debtors' request to consummate the sale transaction pursuant to the Asset Purchase Agreement shall be subject to further approval at the Sale Hearing (defined herein). All parties expressly reserve the right to object to the Sale.

5. Higher or Better Bids. The proposed sale of the Acquired Assets to Prospect EOGH, Inc. ("Prospect") pursuant to the Asset Purchase Agreement shall be subject to higher or otherwise better Bids.

6. Bidding Procedures Approved. The Bidding Procedures are approved and shall govern the solicitation of Bids for the Sale, and the procedures for the Auction, of the Acquired Assets in these cases. The Bid Procedures are hereby authorized, approved and made part of this Order as if fully set forth herein.

7. Bid Deadline. Bids shall be due no later than **January 6, 2016 at 4:00 p.m. (Prevailing Eastern Time)** (the "Bid Deadline"). All Bids must be submitted by hand delivery

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or by e-mail on or before the Bid Deadline to (i) the Debtors' Chief Executive Officer, Martin A. Bieber, 300 Central Avenue, East Orange, NJ 07018, bieberm@evh.org; (ii) the Debtors' proposed financial advisor, PricewaterhouseCoopers LLP, Attention: Perry Mandarino, 300 Madison Avenue, 24th Floor, New York, NY 10017, perry.mandarino@us.pwc.com; (iii) proposed counsel to the Debtors, Lowenstein Sandler LLP, Attention: Kenneth A. Rosen, Esq. and Gerald C. Bender, Esq., 65 Livingston Avenue, Roseland, NJ 07068, krosen@lowenstein.com and gbender@lowenstein.com; (iv) counsel for the proposed DIP Lender, Moritt Hock & Hamroff LLP, Attn: Marc L. Hamroff, Esq., 400 Garden City Plaza, Garden City, NY 11530, mhamroff@moritthock.com; (v) counsel to PNC Bank, N.A., Blank Rome LLP, Attn: Leon R. Barson, Esq., One Logan Square, 130 North 18th Street, Philadelphia, PA 19103-6998, lbarson@blankrome.com; (vi) counsel to Prospect, Pachulski, Stang, Ziehl & Jones, Attention: Bradford Sandler, Esq. and Shirley Cho, Esq., 919 North Market Street, 17th Floor, Wilmington, DE 19801, bsandler@pszjlaw.com and scho@pszjlaw.com; and (vii) co-counsel to the Official Committee of Unsecured Creditors (the "Committee"), Trenk, DiPasquale, Della Fera & Sodono, P.C., Attention: Joseph J. DiPasquale, Esq., 347 Mt. Pleasant Avenue, Suite 300, West Orange, NJ 07052, jdipasquale@trenklawfirm.com (collectively, the foregoing parties being the "Bid Notice Parties").

8. Bid Protections. In recognition of Prospect's expenditure of time, energy and resources, Prospect shall be entitled to the following bid protections: (i) a breakup fee in an amount of \$1,200,000 (the "Breakup Fee") and (ii) the Expense Reimbursement in an amount not to exceed \$600,000 (the "Reimbursement Amount," and together with the Breakup Fee, the

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“Bid Protections”). The Bid Protections shall be payable to Prospect pursuant to the terms and conditions set forth in the Asset Purchase Agreement. The Bid Protections are approved, binding against the Debtors, their estates, the Successful Bidder, any Chapter 11 trustee, or Chapter 7 trustee that may be appointed in these cases, and shall survive after termination of these cases or conversion of these cases to Chapter 7. The Expense Reimbursement and the Break-Up Fee shall be a super-priority administrative expense priority obligation of the Debtors under Section 364(c)(1) of the Bankruptcy Code with priority over all expenses of the kind specified in Sections 503(b) and 507(a) of the Bankruptcy Code, subject only to the super-priority and secured Claims of the DIP Lender, PNC Bank, and the carveout under any Cash Collateral Order or any DIP Order (as such terms are defined in the Asset Purchase Agreement).

9. Expense Reimbursement Review. Prior to the Expense Reimbursement being paid, Prospect agrees to submit documentation (redacted for privileges, attorney work product and confidentiality) containing a reasonably detailed summary of the work performed and the expenses incurred to the Debtors, counsel to the Debtors, counsel to the Committee, and the U.S. Trustee, each of whom shall have ten (10) calendar days following receipt of such documentation to object to the fees and/or expenses in question by providing a written notice setting forth the basis for the objection. If no timely objection shall have been received in accordance herewith, the Expense Reimbursement shall be immediately paid to Prospect within three (3) calendar days following the expiration of such ten (10) calendar-day period. If an objection is timely received, pursuant to the standard as set forth in the Asset Purchase Agreement, and in accordance herewith, Prospect shall only be entitled to receive the undisputed

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amount of fees and/or expenses and the Bankruptcy Court shall have jurisdiction to determine the disputed amount of such fees and/or expenses if the parties are unable to resolve the dispute consensually. No recipient of any such fees or expenses shall be required to file with respect thereto any interim or final fee application with this Court. Except in the event of an unresolved objection as provided herein, no such fees or expenses shall be subject to Court approval. For the avoidance of doubt, section 330 of the Bankruptcy Code, Bankruptcy Rule 2016 and the U.S. Trustee's Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. § 330 for Attorneys in Larger Chapter 11 Cases, dated June 11, 2013, shall not apply in the event of any dispute involving such fees and expenses.

10. No Auction Required. If no Qualified Bids are submitted by the Bid Deadline other than the Asset Purchase Agreement by Prospect, the Debtors shall not conduct an Auction and shall promptly seek Bankruptcy Court approval to enter into and consummate the Asset Purchase Agreement with Prospect.

11. Auction Required.

A. If more than one Qualified Bid is submitted by the Bid Deadline, the Debtors shall conduct an Auction on **January 12, 2016 at 10:00 a.m. (Prevailing Eastern Time)** at the offices of Lowenstein Sandler LLP, 65 Livingston Avenue, Roseland, NJ 07068 in accordance with the following procedures: (i) attendance at the Auction shall be limited to the Debtors, Prospect, each Qualified Bidder that has timely submitted a Qualified Bid, PNC Bank, N.A., the DIP Lender, any representative of the Committee, and the advisers to each of the foregoing, (ii) only Qualified Bidders shall be entitled to make any subsequent Qualified Bids at the Auction;

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(iii) by **January 8, 2016 at 3:00 p.m. (prevailing Eastern time)**, the Debtors shall, after consultation with the Committee, (a) notify each Qualified Bidder that has timely submitted a Qualified Bid whether its Bid is a Qualified Bid, (b) shall provide the list of Qualified Bidders to the Bid Notice Parties, and (c) shall provide all Qualified Bidders and the Bid Notice Parties with copies of the Qualified Bid that the Debtors believe, after Consultation with the Committee, is the highest or otherwise best offer for the Acquired Assets (the “Starting Bid”), and (iv) bidding at the Auction shall begin with the Starting Bid, continue in minimum increments of at least \$500,000 (the “Minimum Overbid Increment”), and conclude after each participating Bidder has had the opportunity to submit one or more additional Bids.

12. Sale Hearing. A hearing to consider approval of the Sale (the “Sale Hearing”) will be held on **January 20, 2016 at 11:30 a.m. (Prevailing Eastern Time)**, or if the Auction has not been held by such date, on the second business day following the Auction or as soon thereafter as the Bankruptcy Court’s calendar will permit, before the Honorable Vincent F. Papalia, U.S.B.J., United States Bankruptcy Court for the District of New Jersey, 50 Walnut Street, Newark, New Jersey 07102, at which time the Bankruptcy Court shall consider the Motion and the Successful Bid, and confirm the results of the Auction, if any. The Sale Hearing may be adjourned or rescheduled without notice, other than to the Successful Bidder, by an announcement of the adjourned date in open court or on the Court’s calendar upon notice to the Bid Notice Parties on the date scheduled for the Sale Hearing.

13. Notice of Sale. Notice of the Motion and the Sale Hearing shall be good and sufficient, and no other or further notice shall be required, if given as follows:

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A. Within three (3) days after entry of this Order (the “Mailing Date”), Debtors shall serve notice of the Sale substantially in the form attached hereto as Exhibit 3 (the “Sale Notice”), along with the this Order and the Bidding Procedures, via First Class Mail upon (i) the Office of the United States Trustee for the District of New Jersey (Attn: Mitchell B. Hausman), One Newark Center, 1085 Raymond Boulevard, Suite 2100, Newark, NJ 07102; (ii) the New Jersey Health Care Facilities Financing Authority (Attn: Mr. Mark E. Hopkins, Executive Director), Station Plaza Building #4, 22 S. Clinton Ave., Trenton, NJ 08609-1212; (iii) counsel for PNC Bank, National Association, c/o Blank Rome LLP (Attn: Leon R. Barson, Esq.), One Logan Square, 130 North 18th Street, Philadelphia, PA 19103-6998; (iv) The Bank of New York Mellon, as indenture trustee, The Bank of New York Mellon - Public Finance, 385 Rifle Camp Road, Woodland Park, NJ 07424; (v) counsel for Indigo Capital Markets, LLC, Moritt Hock & Hamroff LLP (Attn: Marc L. Hamroff, Esq.), 400 Garden City Plaza, Garden City, NY 11530; (vi) the Internal Revenue Service, 2970 Market Street, Mail Stop 5-Q30.133, Philadelphia, PA 19104-5016; (vii) the New Jersey Division of Taxation Compliance and Enforcement - Bankruptcy Unit, 50 Barrack Street, 9th Floor, Trenton, NJ 08695; (viii) the New Jersey Department of Health (Attn: Mr. William Conroy, Deputy Commissioner, Health Systems), 369 S. Warren St., Trenton, NJ 08608; (ix) the Office of the Attorney General of the State of New Jersey, Division of Law, Richard J. Hughes Justice Complex, 25 Market Street, Trenton, NJ 08625; (x) the Office of the United States Attorney, Peter Rodino Federal Building, 970 Broad Street, Suite 700, Newark, NJ 07102; (xi) counsel to Prospect, c/o Pachulski Stang Ziehl and Jones LLP (Attn: Bradford Sandler, Esq. and Shirley Cho, Esq.), 10100 Santa Monica Blvd., 13th

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Floor, Los Angeles, CA 90067; (xii) all entities known to have expressed an interest in a transaction with respect to the Acquired Assets; (xiii) all entities known to have asserted any lien, claim, interest, or encumbrance in or upon the Acquired Assets; (xiv) all non-Debtor counterparties to any executory contract or unexpired lease that may be assumed and assigned to Prospect or the Successful Bidder; (xv) all federal, state, and local regulatory or taxing authorities or recording offices which have a reasonably known interest in the relief requested by the Motion; (xvi) all known creditors of the Debtors; (xvii) co-counsel to the Committee, Trenk, DiPasquale, Della Fera & Sodono, P.C. (Attn: Joseph J. DiPasquale, Esq.), 347 Mt. Pleasant Avenue, Suite 300, West Orange, NJ 07052 and Arent Fox LLP (Attn: Leah Eisenberg, Esq.), 1675 Broadway, New York, NY 10019; and (xviii) those parties who have filed a notice of appearance and request for service of pleadings in these Chapter 11 Cases pursuant to Bankruptcy Rule 2002.

14. If any party objects to the relief requested in the Motion, such party shall be required to file an objection (the “Sale Objection”) on or before **January 6, 2016 at 4:00 p.m. (Prevailing Eastern Time)** (the “Sale Objection Deadline”) and serve a copy of the Sale Objection, so as to be actually received by the Sale Objection Deadline, upon (i) the Office of the United States Trustee for the District of New Jersey (Attn: Mitchell B. Hausman, Esq.), One Newark Center, 1085 Raymond Boulevard, Suite 2100, Newark, NJ 07102; (ii) the New Jersey Health Care Facilities Financing Authority (Attn: Mr. Mark E. Hopkins, Executive Director), Station Plaza Building #4, 22 S. Clinton Ave., Trenton, NJ 08609-1212; (iii) counsel for PNC Bank, National Association, c/o Blank Rome LLP (Attn: Leon R. Barson, Esq.), One Logan

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Square, 130 North 18th Street, Philadelphia, PA 19103-6998; (iv) The Bank of New York Mellon, as indenture trustee, The Bank of New York Mellon - Public Finance, 385 Rifle Camp Road, Woodland Park, NJ 07424; (v) counsel for Indigo Capital Markets, LLC, Moritt Hock & Hamroff LLP (Attn: Marc L. Hamroff, Esq.), 400 Garden City Plaza, Garden City, NY 11530; (vi) counsel to Prospect, c/o Pachulski Stang Ziehl and Jones LLP (Attn: Bradford Sandler, Esq. and Shirley Cho, Esq.), 10100 Santa Monica Blvd., 13th Floor, Los Angeles, CA 90067; (vii) the Internal Revenue Service, 2970 Market Street, Mail Stop 5-Q30.133, Philadelphia, PA 19104-5016; (viii) the New Jersey Division of Taxation Compliance and Enforcement - Bankruptcy Unit, 50 Barrack Street, 9th Floor, Trenton, NJ 08695; (ix) the New Jersey Department of Health (Attn: Mr. William Conroy, Deputy Commissioner, Health Systems), 369 S. Warren St., Trenton, NJ 08608; (x) the Office of the Attorney General of the State of New Jersey, Division of Law, Richard J. Hughes Justice Complex, 25 Market Street, Trenton, NJ 08625; (xi) the Office of the United States Attorney, Peter Rodino Federal Building, 970 Broad Street, Suite 700, Newark, NJ 07102; (xii) the Debtors' twenty largest unsecured creditors on a consolidated basis; (xiii) co-counsel to the Committee, Trenk, DiPasquale, Della Fera & Sodono, P.C. (Attn: Joseph J. DiPasquale, Esq.), 347 Mt. Pleasant Avenue, Suite 300, West Orange, NJ 07052 and Arent Fox LLP (Attn: Leah Eisenberg, Esq.), 1675 Broadway, New York, NY 10019 (xiv) those parties who have filed a notice of appearance and request for service of pleadings in these Chapter 11 Cases pursuant to Fed. R. Bankr. P. 2002; and (xv) all other entities known to have asserted any lien, claim, interest, or encumbrance in or against the Debtors' assets (the "Objection Notice Parties").

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15. The failure of any objecting person or entity to timely file its objection by the Sale Objection Deadline shall be a bar to the assertion, at the Sale Hearing or thereafter, of any objection to the Motion, the Sale, or the Debtors' consummation and performance of the Sale and any agreements related to the Sale, if authorized by the Court, except with respect to any objection relating solely to facts or circumstances that came into existence following the Sale Objection Deadline.

16. Laboratory Corporation of America ("LabCorp.") asserts that certain of the assets in the hospital's laboratory, or otherwise on the hospital's premises, are the exclusive property of LabCorp, and that the Bankruptcy Court therefore has no jurisdiction to order their sale. The Debtors and LabCorp. reserve their rights on this issue at this time.

17. Assumption Procedures. The following procedures for the proposed assumption and assignment of any executory contract and unexpired leases are hereby approved:

- (a) Within ten (10) days after entry of the Bidding Procedures Order, the Debtors shall serve on all non-Debtor counterparties to any executory contract ("Contract") or unexpired lease ("Lease") that may be assumed and assigned to either Prospect or other Successful Bidder, a notice substantially in the form attached as Exhibit 4 to the Bidding Procedures Order (the "Assumption Notice"), that identifies (i) the title of the Contract or Lease, (ii) the name of the non-Debtor counterparty to such Contract or Lease and (iii) the Debtor's good faith estimate as to the cure amount (the "Cure Amount") that must be paid to cure all existing defaults under such Contract or Lease in the event it is ultimately assumed by either Prospect or other Successful Bidder. In the event the Debtors are unable to establish that a default exists, the relevant Cure Amount shall be set at \$0.00.
- (b) Objections, if any, to (i) the proposed Cure Amount (a "Cure Objection") or (ii) the assumption and assignment of any Contract or Lease to Prospect, including, but not limited to, objections relating to whether Prospect can provide adequate assurance of future performance (a "Prospect Assumption Objection"), must be filed with the Court and served so as to be actually received by the Objection Notice Parties **by no later than January 6, 2016 at 4:00 p.m. (Prevailing**

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Eastern Time). Any Cure Objection must state with specificity what cure is required (with appropriate documentation in support thereof).

- (c) To the extent that a Contract or Lease was not included in the Assumption Notice (“Missing Contract”), the Debtors shall serve a supplemental notice (the “Supplemental Assumption Notice”) on the non-Debtor counterparty to such Missing Contract setting forth (i) the title of the Missing Contract, (ii) the name of the non-Debtor counterparty to such Missing Contract and (iii) the Debtors’ good faith estimate as to the Cure Amount to cure all existing defaults under such Missing Contract. Any Cure Objection or Prospect Assumption Objection by a non-Debtor counterparty to a Missing Contract must be filed with the Court and served so as to be actually received by the Objection Notice Parties by no later than seven (7) days following the date on which the Debtors’ served the Supplemental Assumption Notice.
- (d) If a Cure Objection or Prospect Assumption Objection is timely filed and served, a hearing with respect to the Cure Notice or Prospect Assumption Objection will be held at the Sale Hearing. In the event the Debtors serve a Supplemental Assumption Notice on the non-Debtor counterparty to a Missing Contract later than seven (7) days before the Sale Hearing, a hearing with respect to any Cure Objection or Prospect Assumption Objection relating to such Missing Contract will not be heard by the Court at the Sale Hearing absent consent of the non-Debtor counterparty; rather, such hearing will be scheduled by the parties to take place as soon as practicable but no later than the Closing Date.
- (e) Within two business days of the conclusion of the Auction, the Debtors shall file with the Court a Notice of Successful Bidder (the “Successful Bidder Notice”) setting forth (a) the identity of the Successful Bidder, and (b) the identity of the Back-Up Bidder (if any). If the Successful Bidder is not Prospect, the non-Debtor counterparties to any Contract or Lease may object to the assumption and assignment of the Contract or Lease solely on the issue of whether the Successful Bidder can provide adequate assurance of future performance (a “Successful Bidder Assumption Objection”). Any Successful Bidder Assumption Objection shall be filed with the Court and served so as to be actually received by the Objection Notice Parties by no later than **January 25, 2016 at 4:00 p.m. (Prevailing Eastern Time)**. If a Successful Bidder Assumption Objection is timely filed and served, a hearing with respect to the Successful Bidder Assumption Objection will be held on **February 10, 2016 at 11:30 a.m. (Prevailing Eastern Time)**.
- (f) If no Cure Objection, Prospect Assumption Objection or Successful Bidder Assumption Objection is received by the applicable deadline, (a) if the Contract or Lease is to be assumed and assigned under the Asset Purchase Agreement or

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Modified Agreement, the Contract or Lease shall be deemed assumed effective as of the date of the closing of the Sale, (b) the Cure Amount set forth in the Assumption Notice or Supplemental Assumption Notice, as applicable, shall be controlling, notwithstanding anything to the contrary in any Contract or Lease or any other document, and (c) the non-Debtor counterparty to the Contract or Lease shall be forever barred from asserting any other claims against the Debtors, Prospect or other Successful Bidder, as applicable, or the property of either of them, as to such Contract or Lease.

- (g) Except as may otherwise be agreed to by the parties to a Contract or Lease, upon the closing of the Sale, Prospect or other Successful Bidder, as applicable, shall pay all Cure Amounts in cash. In the event of a dispute regarding the Cure Amount, and following entry of a final order resolving such dispute, any such payments required shall be made as soon as practicable thereafter.
- (h) No other or further notice shall be required with respect to Contracts or Leases.
- (i) Notwithstanding any of the foregoing, with respect to the assumption and assignment of the Debtors' Medicare Provider Agreements, the United States Department of Health and Human Services' position that any Cure Amounts will be determined in accordance with the federal Medicare statute and regulations and to object to the Court's jurisdiction to determine the foregoing Cure Amount is preserved subject to any and all rights and defenses of the Debtors and Successful Bidder.

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

19. To the extent applicable, the notice requirements of Bankruptcy Rule 6004(a) are hereby waived.

20. Notwithstanding the possible applicability of the provisions of Bankruptcy Rules 6004 and 6006 or any applicable provisions of the Local Rules, this Order shall not be stayed for fourteen (14) days after the entry hereof, but shall be effective and enforceable immediately upon entry.

21. The requirement set forth in Local Rule 9013-1(a)(3) that any motion be accompanied by a memorandum of law is hereby deemed satisfied by the contents of the Motion

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or otherwise waived.

22. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order.

23. This Court shall retain exclusive jurisdiction to hear and decide any and all disputes related to or arising from the implementation, interpretation or enforcement of this Order.

24. In the event of a direct conflict between the terms of this Order and the terms of (a) the Asset Purchase Agreement, or (b) the Bidding Procedures, the terms of this Order shall govern and control.