

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
WEST PALM BEACH DIVISION
www.flsb.uscourts.gov

IN RE: Chapter 11 Cases

MEDICAL STAFFING NETWORK HOLDINGS, INC., *et al.*,¹ Case No. 10-29101-BKC-EPK

Debtors. Joint Administration Pending

DEBTORS, MEDICAL STAFFING NETWORK, INC., INTELISTAF HOLDINGS, INC. AND INTELISTAF HEALTHCARE, INC.’S EMERGENCY OMNIBUS MOTION TO REJECT (I) UNEXPIRED LEASES OF NON-RESIDENTIAL REAL PROPERTY; AND (II) UNEXPIRED EQUIPMENT LEASE AGREEMENTS (Emergency hearing requested)

Statement Of Exigent Circumstances

The Moving Debtors seek permission to reject seven leases of non-residential real property, all of which were vacated pre-petition and no longer used by the Moving Debtors. In addition, MSN (as defined below) seeks permission to reject three unexpired lease agreements for equipment that is no longer being used by MSN. Immediate rejection will preclude the accrual and assertion of administrative expense claims against the Moving Debtors’ Chapter 11 estates. The Moving Debtors respectfully request that the Court waive the provisions of Local Rule 9075-1(B), which requires an affirmative statement that a bona fide effort was made in order to resolve the issues raised in this Motion, as the relief requested herein is urgent in nature and does not lend itself to advance resolution.

Medical Staffing Network, Inc. (“MSN”), InteliStaf Holdings, Inc. (“InteliStaf Holdings”) and InteliStaf Healthcare, Inc. (“InteliStaf Healthcare”) (collectively, the “Moving Debtors”), by and through undersigned counsel, pursuant to 11 U.S.C. § 365(a) and Local Rule

¹ The address of each of the Debtors is 901 Yamato Road, Suite 110, Boca Raton, FL 33431; and the last four digits of the taxpayer identification number of each of the Debtors follows in parenthesis: (i) Medical Staffing Network Holdings, Inc. (5171); (ii) Medical Staffing Holdings, LLC (2662); (iii) Medical Staffing Network, Inc. (9868); (iv) MSN-Illinois Holdings, Inc. (4402); (v) InteliStaf Holdings, Inc. (4008); (vi) InteliStaf Group, Inc. (7220); (vii) Medical Staffing Network of Illinois, LLC (4409); (viii) Medical Staffing Network Assets, LLC (4413); (ix) InteliStaf Healthcare, Inc. (7108); (x) InteliStaf Partners No. 1, LLC (2832); (xi) InteliStaf Partners No. 2, LLC (5965); and (xii) InteliStaf Healthcare Management, L.P. (7958).

9075-1, file this *Debtors, Medical Staffing Network, Inc, InteliStaf Holdings, Inc and InteliStaf Healthcare, Inc.'s Emergency Omnibus Motion to Reject (I) Unexpired Leases of Non-Residential Real Property; and (II) Unexpired Equipment Lease Agreements* (the "Motion"). The Motion seeks entry of an order authorizing (1) the Moving Debtors to reject unexpired commercial leases with (i) Coolidge 585 Stewart, LLC; (ii) SVF , LLC; (iii) The Commerce Centre Venture, LLP; (iv) EOP - One Lincoln Centre, LLC; (v) MSC Sand Lake IV, Inc.; (vi) NB MS NEBC, LLC; and (vii) Grandview Office Group; and (2) MSN to reject unexpired equipment lease agreements with Pitney Bowes and Precision Print Solutions. In support of the Motion, the Moving Debtors rely upon the *Declaration of Mohsin Y. Meghji in Support of Chapter 11 Petitions and Request for First Day Relief* (the "First Day Declaration") which is filed concurrently herewith, and respectfully represents as follows:

I. Jurisdiction

1. This Court has jurisdiction over these cases pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A). Venue is proper in this District pursuant to 28 U.S.C. § 1408.

II. Background

2. On the date hereof (the "Petition Date"), the above-captioned debtors (collectively, the "Debtors") filed voluntary petitions for relief under Chapter 11, title 11, United States Code, 11 U.S.C. §§ 101-1532 (the "Bankruptcy Code").

3. The Debtors are operating their businesses and managing their affairs as debtors in possession. 11 U.S.C. §§ 1107(a) and 1108.

4. For a detailed description of the Debtors and their operations, the Moving Debtors respectfully refer the Court and parties in interest to the First Day Declaration.

III. Relief Requested and Basis Therefor

5. The Moving Debtors are parties (lessees) to numerous Lease Agreements (collectively, the “Lease Agreements”) with (i) Coolidge 585 Stewart, LLC.; (ii) SVF, LLC; (iii) The Commerce Centre Venture, LLP; (iv) EOP - One Lincoln Centre, LLC; (v) MSC Sand Lake IV, Inc.; (vi) NB MS NEBC, LLC; and (vii) Grandview Office Group regarding non-residential real property located in the states of New York, California, Maryland, Illinois, Florida, Massachusetts and Pennsylvania. For one such property, located in Oakbrook Terrace, Illinois, IntelliStaf Holdings subleases space to COMSYS Information Technology Services, Inc. (“COMSYS”). Although IntelliStaf Holdings has not paid rent on such Lease Agreement since March, COMSYS has been remitting its rent payments for the subleased space directly to the landlord, EOP – One Lincoln Centre, LLC since that time. As such, IntelliStaf Holdings would not be liable for any cure costs related to this sublease. The termination dates of the Lease Agreements vary, but the termination dates are all subsequent to the Petition Date. A schedule of those Lease Agreements that the Moving Debtors seek to reject is attached hereto as **Exhibit “A.”** The Moving Debtors seek authority to reject the Lease Agreements on an emergency basis, effective as of the Petition Date, because the Moving Debtors have closed those branch locations, pre-petition, and no longer need or use the premises (the “Leased Premises”) that are the subject of the Lease Agreements.

6. In addition, prior to the Petition Date, MSN entered into three equipment lease agreements (collectively, the “Equipment Leases”), through which Pitney Bowes provides a postage meter and related equipment and Precision Print Solutions provides record storage, destruction and imaging services (collectively, the “Equipment”) to MSN. The termination dates of the Equipment Leases are July 2011, February 2014 and September 2014, respectively. MSN

no longer needs or uses the Equipment, and seeks to reject the Equipment Leases, effective as of the Petition Date. Attached hereto as **Exhibit “B”** are copies of the Equipment Leases that MSN seeks to immediately reject.

7. Through rejection of the Lease Agreements and Equipment Leases, the Moving Debtors seek to preclude the accrual of administrative expense claims against their Chapter 11 estates.

8. Section 365(a) of the Bankruptcy Code allows a debtor, subject to approval of the bankruptcy court, to assume or reject any executory contract or unexpired lease. *See Stewart Title Guaranty Co. v. Old Republic National Title Insurance Co.*, 83 F.3d 735, 741 (5th Cir. 1996). “This provision allows a [debtor] to relieve the bankruptcy estate of burdensome agreements which have not been completely performed.” *Stewart Title*, 83 F.3d at 741 (quoting *In re Murexco Petroleum, Inc.*, 15 F.3d 60, 62 (5th Cir. 1994)). A debtor’s decision to assume or reject an executory contract or unexpired lease is subject to the “business judgment” test. *In re Gardinier, Inc.*, 831 F.2d 974, 976 n.2 (11th Cir. 1987); *In re Chira*, 367 B.R. 888, 898 (S.D. Fla. 2007); *In re Prime Motors, Inc.*, 124 B.R. 378, 381 (Bankr. S.D. Fla. 1991). The sole inquiry is whether assumption or rejection will benefit this estate. *Id.*; *see also In re Hawaii Dimensions, Inc.*, 47 B.R. 425, 427 (D. Haw. 1985) (“[u]nder the business judgment test, a court should approve a debtor’s proposed rejection if such rejection will benefit the estate”).

9. In applying the “business judgment” test, courts show great deference to a debtor’s decision to assume or reject an executory contract. *See Summit Land Co. v. Allen (in re Summit Land Co.)*, 13 B.R. 310, 315 (Bankr. D. Utah 1981) (absent extraordinary circumstances, court approval of debtor’s decision to assume or reject an executory contract “should be granted as a matter of course”). As long as the decision to assume or reject is a reasonable exercise of

business judgment, courts should approve the assumption or rejection of an executory contract or unexpired lease. *See, e.g., NLRB v. Bildisco and Bildisco*, 465 U.S. 513, 523 (1984); *Group of Institutional Investors v. Chicago M. St. P. & P. R. R. Co.*, 318 U.S. 523 (1943).

10. Because the Moving Debtors have vacated the Leased Premises pre-petition and no longer need or use the Leased Premises, it necessarily follows that rejection of the Lease Agreements as of the Petition Date is a decision made in the sound exercise of their business judgment, that is, a decision that will benefit the Moving Debtors' estates and, by extension, the other Debtors' estates. In addition, MSN no longer needs or uses the Equipment provided by Pitney Bowes and Precision Print Solutions and has concluded that the Equipment Leases should be rejected as of the Petition Date.

WHEREFORE, the Moving Debtors respectfully request entry of an Order in substantially the same form as is attached hereto as **Exhibit "C,"** (i) authorizing the rejection of the Lease Agreements and Equipment Leases, effective as of the Petition Date, and (ii) granting such other relief as is just and proper.

I HEREBY CERTIFY that I am admitted to the Bar of the United States District Court for the Southern District of Florida and I am in compliance with the additional qualifications to

practice in this court set forth in Local Rule 2090-1(A).

Dated: July 2, 2010

BERGER SINGERMAN, P.A.
Proposed Counsel for Debtors-in-Possession
200 S. Biscayne Boulevard, Suite 1000
Miami, FL 33131
Telephone: (305) 755-9500
Facsimile: (305) 714-4340
and
350 East Las Olas Boulevard, Suite 1000
Fort Lauderdale, FL 33301
Telephone: (954) 525-9900
Facsimile: (954) 523-2782

By: /s/ Paul Steven Singerman
Paul Steven Singerman
Florida Bar No. 378860
singerman@bergersingerman.com
Leslie Gern Cloyd
Florida Bar No. 303305
lcloyd@bergersingerman.com

EXHIBIT "A"**(List of Lease Agreements)**

| NAME OF DEBTOR | BRANCH LOCATION AND ADDRESS | LANDLORD NAME AND ADDRESS | MONTHLY RENT AMOUNT | LEASE EXPIRATION | DATE VACATED |
|--------------------------------|---|--|----------------------------|-------------------------|---------------------|
| Medical Staffing Network, Inc. | Branch 249 - 585 Stewart Avenue, Suite L-20, Garden City, NY 11530 | Coolidge 585 Stewart, LLC, c/o GHP Office Realty, LLC, 1 West Red Oak Lane, White Plains, NY 10604 | \$2,757.23 | 9/30/2010 | Aug-07 |
| Medical Staffing Network, Inc. | Branch 290 - 300 Carlsbad Village Drive, Suite 210, Carlsbad, CA 92008 | SVF, LLC, c/o SIMA Management Corporation, 115 West Cannon Perdido, # 200, Santa Barbara, CA 93101 | \$2,701.71 | 7/31/2011 | Oct-08 |
| Medical Staffing Network, Inc. | Branch 294 - 1777 Reisterstown Road, Suite 55-C, Baltimore (Pikesville), MD 21208 | The Commerce Centre Venture, LLP c/o MacKenzie Properties, Inc., 2328 West Joppa Road, Lutherville, MD 21093 | \$2,683.54 | 3/31/2011 | Jun-10 |
| InteliStaf Holdings, Inc. | Branch 050 - IS Corporate Office - 18 West 140th Butterfield Road, Suites 500, 600 & 650 (subleased), as well as lower level - storage, Oakbook Terrace, IL 60181 | EOP - One Lincoln Centre, LLC, 18 West 140th Butterfield Road, Oakbrook Terrace, IL 60181 | \$93,117.60 | 5/30/2013 | May-10 |
| InteliStaf Holdings, Inc. | Branch 115 - 7380 Sand Lake Road, Suite 160, Orlando, FL 32819-5286 | MSC Sand Lake IV, Inc., c/o Great Point Investors, LLC, 2 Center Plaza, Suite 410, Boston, MA 02108 | \$5,336.59 | 6/30/2011 | Oct-08 |
| InteliStaf Healthcare, Inc. | Branch 452 - 35 New England Business Center, 2nd Floor, Andover, MA 01810 | NB MS NEBC, LLC c/o New Boston Fund, Inc., 60 State Street, Suite 1500, Boston, MA 02109 | \$8,394.98 | 10/31/2011 | Oct-08 |
| InteliStaf Healthcare, Inc. | Branch 459 - 205 Grandview Avenue, Suite 404, Camp Hill, PA 17011 | Grandview Office Group, 2316 Dairy Road, Lancaster, PA 17601 | \$3,023.32 | 6/30/2011 | Jun-10 |

EXHIBIT "B"

(Lease Agreements with Pitney Bowes and Precision Print Solutions)

Pitney Bowes, Inc. 08/20/2005 9:35 PAGE 003/007 www.PitneyBowes.com



Engineering the flow of communication

8239932-001

Agreement Number

1111111111

Your Business Information

AMR PRONURSE

1235 S KOSKIE BLVD - STE 310
225 W WASHINGTON ST STE 500

TAMMY GREEN

225 W WASHINGTON ST STE 500

CHICAGO

CHICAGO

CHICAGO

CHICAGO NORTH BANK

847-418-3700

CHICAGO

CHICAGO

CHICAGO

TAMMY GREEN

IL 60606 3100

IL 60606-3100

IL 60606-3100

IL 60606-3100

IL 60606-3100

IL 60606-3100

Your Business Needs

| Quantity | Business Solution Description | Items to be included: |
|----------|-------------------------------|--|
| 1 | P700 Postage Meter | Included Equipment Maintenance |
| 1 | P7WS 5 LB WEIGHING | Includes Postage By Phone Meter Plates |
| 1 | P9S1 PROF. INSTALL B700/DM100 | Free Postage \$150 |
| 1 | PP0T POSTAGE BY PHONE PLUS | Software Included |

Your Payment Plan

Number of Quarters: 22
 Quarterly Amount: \$ 203
 Initial Lease Term: 18 Months
 Tax exempt certificate attached

NPMD000

Payments begin after any applicable Prepaid Usage Period.

Your Acknowledgment

I, the undersigned, hereby acknowledge that I have read and agree to all applicable terms, conditions and warranties of the Lease and, if applicable, the order agreement and acknowledge that you have read and agree to all applicable terms, conditions and warranties of the Lease and, if applicable, the order agreement. This lease portion of the document will become binding on PBOC only after an authorized employee accepts via e-mail or by signing below. If you do not have a signature to deliver the Acknowledgment, the security copy of page one is required and accepted by PBOC, along with copies of pages two and three, if needed. In order to be able to provide the one copy of the Acknowledgment, this lease contains a risk of loss provision in paragraph 12 that requires you to either provide proof of insurance or make a purchase in a Pitney Bowes Program, currently only available for an additional fee.

Chanin Surma

Chanin Surma

Georgann Quigley 1144419

em 163643 For (804) 704

NOV. 17, 2005

MANAGER

0009

District office

CSURMA@AMRPRONURSE.COM

Email address

PBOC 00000000

Equipment Vendor: Pitney Bowes Inc.

Page 1 of 4 See Pages 2 & 3 for additional terms and conditions

039453419

[Handwritten signature]

00380498

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PITNEY BOWES

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Agreement Number

LEASE AGREEMENT

| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|

Your Business Information

MEDICAL STAFFING NETWORK

| | | |
|---------------------------|--------------------|---------------------|
| Full Legal Name of Lessee | DBA Name of Lessee | Tax ID # (FEIN/TIN) |
| 901 NW 51ST STE 210 | BOCA RATON | FL 33431-4473 |
| Billing Address | City | State Zip+4 |

| | | |
|--|-------------------------|---------------|
| Billing Contact Name | Billing Contact Phone # | Billing CAN # |
| 901 NW 51ST STE 210 | BOCA RATON | FL 33431-4473 |
| Installation Address (If different than billing address) | City | State Zip+4 |

21347766863

| | | |
|---------------------------|------------------------------|--------------------|
| Installation Contact Name | Installation Contact Phone # | Installation CAN # |
|---------------------------|------------------------------|--------------------|

Please note any special billing requirements here

Invoice Attention of

Customer PO #

Your Business Needs

| Qty | Business Solution Description |
|-----|--|
| 1 | Mail Stream Solution - 1 Document Processing Project Management |

Check items to be included in customer's payment Service Level Agreement

- Tier 1 - Provides repair and maintenance service for equipment ("Standard SLA")
- Tier 2 - Provides Standard SLA with Training
- Tier 3 - Provides Standard SLA with Training and Guaranteed 4 Hour Response Time
- Software Maintenance (additional terms apply) Provides revision updates & technical assistance
- Soft-Guard® Subscription Provides postal and carrier updates
If you do not elect to include Soft-Guard® protection with your lease, you will automatically receive updates at the PBI's current rates.
- IntelliLink® Subscription/ Meter Rental Provides simplified billing and includes postage resets
 - Value Based Services
 - Purchase Power sm
- EasyPermitPostage® Subscription Allows you to pay for permit mail.
As a permit mail user, you will be contacted to establish your EasyPermitPostage® account. See Purchase Power Terms and Conditions.
- YES PBGFS ValueMax®
- No Enrollment (I will provide proof of insurance within the next 30 days as noted in paragraph 14)

Your Payment Plan

| Number of months | Monthly amount | Billed Quarterly at* |
|------------------|----------------|----------------------|
| First 54 | \$952 | \$2,856 |

*Does not include any applicable sales taxes & Payment plans begin after any applicable Interim Usage Period.

- Required advanced check of \$() received
- Tax exempt certificate attached

Your Acknowledgement

This Agreement consists of this Order page and the attached: Pitney Bowes Global Financial Services LLC (PBGFS) Lease Terms and Conditions; Pitney Bowes Inc. (PBI) Service Level Agreement; PBI Equipment Terms and Conditions (which includes the IntelliLink® Subscription/ Meter Rental terms); a U.S. Postal Service Acknowledgment of Deposit; and The Pitney Bowes Bank, Inc. Purchase Power Terms and Conditions. Your signature constitutes an acknowledgment that you have read and agree to all the terms and conditions and that you are authorized to sign this Agreement. The Lease will become binding on PBGFS only after an authorized PBGFS employee signs below. The Lease requires you either to provide proof of insurance or instead participate in PBGFS's equipment protection program called ValueMax® (see Paragraph 14), for an additional fee.

| | | |
|--------------|-----------------|------------------|
| | 4/29/09 | |
| Signature | Date | |
| TED MURANSKI | Controller | |
| Print Name | Title | Email Address |
| Ben Rubi | 090 | |
| Account Rep | District Office | PBGFS Acceptance |

PRECISION PRINT SOLUTIONS

Service/Lease Agreement for Record Storage/Destruction/Imaging Services

Customer: Medical Staffing Network Effective Date: September 26, 2007

Mailing Address: 901 Yamato Road, STE 110, Boca Raton, FL Zip Code 33431

In consideration of Precision Print Solutions, Inc. having agreed to provide storage space and/or destruction (including but not limited to shredding services) and including, but not limited to imaging and related services. The undersigned agrees to store its documents, tapes, films, records, or related materials in the facility located at 6200 Murray Street, Little Rock, Arkansas. Precision Print Solutions agrees to accept the materials for storage at its facility, subject to the following agreements, conditions, and requirements. The term of the lease is for eighty-four months from the effective date: 09 28 2007
Month Day Year

1. **RENTAL:** Customer shall pay Precision Print Solutions rent monthly in advance for the term of this contract at a price agreed upon based on the volume of items anticipated to be stored and/or serviced as of the date of this Agreement, as set forth in Exhibit A attached, with additional charges to be billed monthly for volume over and above the anticipated amount and for other services which may from time to time be performed by Precision Print Solutions at the request of the Customer, such charges to be due and payable upon receipt of invoices. All charges under the Agreement may increase by a minimum of five percent at time of extension. A finance charge of one and one half percent per month will be added to any balance not paid within fifteen days from receipt of invoice. Customer will have use of storage items during normal business hours, Monday – Friday, 8a.m. – 5p.m.

2. **OWNERSHIP; WARRANTY:** All items stored with Precision Print Solutions by the Customer under this Agreement shall be and remain the property of the Customer and will be returned to the Customer upon written request from Customer. Customer warrants that Customer has full authority to control and store any items stored under this Agreement or under any extensions hereof or amendments hereto, and warrants that Customer will not store items belonging to others except by written agreement with Precision Print Solutions.

3. **AUTHORITY TO STORE, WITHDRAW OR INSPECT:** Unless otherwise specified in writing to Precision Print Solutions in a timely manner, Precision Print Solutions is authorized to permit any employee of Customer to store or withdraw Materials. Precision Print Solutions shall be indemnified and held harmless by Customer for all such storage or withdrawals of Materials by any employee of Customer, except for gross negligence of Precision Print Solutions in the storage or withdrawal of Materials.

4. **HAZARDOUS OR ILLEGAL ITEMS:** Customer agrees that it shall in no event store materials or substances which are defined as "hazardous" under CERCLA or other similar federal, state, or municipal laws or ordinances or regulations and additionally, shall in no event store any items which are contraband or illegal or otherwise prohibited by applicable law or ordinances nor shall Customer use the facilities for any such purposes.

5. **LIABILITY:** (a) Precision Print Solutions shall be liable for loss or damage to items stored, serviced, shredded, or maintained under this agreement only when such loss or damage is due solely to the negligence of Precision Print Solutions in which event the liability of Precision Print Solutions shall be subject to the following limitations:

In the event the damaged items consist of media excluding paper records, Precision Print Solutions is expressly limited to replacement of the media which is damaged, or destroyed without any consideration or value whatsoever given to any data or information which may be stored on said media.

In the event the damaged items consist of boxes of paper records, Precision Print Solutions shall have no liability for claims, loss of damage, alleged or incurred as a result of or attributable to the data or information which may be contained in such paper records.

In no event shall Precision Print Solutions be liable for costs or damages related from (a) loss business; (b) inability to collect accounts receivable; (c) retrieving, locating, or recreating data; or for any special, consequential or punitive damages; or any other costs of any nature whatsoever resulting from the loss, destruction, or misdirection of any item stored under this Agreement.

In no event shall Precision Print Solutions be liable for loss, damage, or destruction resulting from natural deterioration of the items stored under this Agreement, whether from the maintenance performed by Precision Print Solutions or otherwise, or from acts of God, acts of government, or other causes beyond the control of Precision Print Solutions.

In no event shall Precision Print Solutions be liable for loss or damage resulting from or associated with incorrect inventorying, deterioration, or mutilation of items inventoried not packaged for storage by Precision Print Solutions.

In no event shall Precision Print Solutions be liable for damage noted on its rental receipts, maintenance receipts or for losses due to or resulting from such damages or defects.

Any claims against Precision Print Solutions must be in writing and must be received by Precision Print Solutions within fourteen (14) days after the withdrawal of affected items; otherwise, Precision Print Solutions shall not be liable whatsoever with respect to such property.

6. **WAREHOUSE RECEIPTS:** Customer understands that Precision Print Solutions is not a public warehouse and does not issue warehouse receipts.
7. **DELIVERY AND REMOVAL:** Precision Print Solutions may agree from time to time to transport items stored under this Agreement to or from its facilities for Customer or Customer's designee if so requested by Customer, at rates to be determined. All references herein to the limitations on Precision Print Solutions liability for items stored under this Agreement shall be applicable whether the alleged damage or loss occurs while the items are in storage in Precision Print Solutions facility or in the process of being transported to or from such facilities. All packing material and containers must meet the systems specifications required by Precision Print Solutions. Moreover Precision Print Solutions shall not be liable for any damages whatsoever, of any kind or nature, resulting from or arising out of failure or omission to make timely pick-up, or delivery of such items or the failure of omission to perform any such service. Additionally, Precision Print Solutions shall charge a permanent removal fee in the amount of three dollars per item in addition to other applicable charges in the event any items are removed from the Precision Print Solutions system (excluding destruction). All charges for such transporting will be billed monthly and payable upon receipt of invoices by Customer.
8. **NON-PAYMENT:** If Customer fails to pay any fees or charges of Precision Print Solutions for services hereunder within a period of thirty (30) days, Precision Print Solutions may suspend all services and refuse access to stored materials. If Customer fails to pay fees or charges for a period of sixty (60) days, Precision Print Solutions may, at its option, after giving notice to Customer by certified mail, sell any or all of the deposits and containers as scrap and apply the proceeds thereof to the sums due and/or destroy the deposits all without liability to Precision Print Solutions. Nothing herein shall preclude Precision Print Solutions from recourse to other legal remedies available to it. Also Precision Print Solutions may hold and/or refuse access to stored materials until all contractual and/or monetary issues are resolved.
9. **DEFAULT and TERM OF AGREEMENT:** In the event that the Customer fails to pay rent or other assessments due hereunder to Precision Print Solutions or otherwise violates any covenant, condition, or provision set forth in the Agreement, such actions constitute a default under the terms of the Agreement. In the event of default Customer shall pay all costs of collection or enforcement of the terms of this Agreement, including reasonable attorney fees. All installments remaining for the term of this Contract, at the option of Precision Print Solutions without demand or notice, shall immediately become due and payable, upon default of the Customer to the terms of this contract. The term of the Agreement may be terminated at the expiration of the initial term or at the expiration of any successive term by either party upon written notice, sent by certified mail, which is received by the other party at least ninety days prior to the expiration of the term.

- 10. **ITEMS HEREAFTER ADDED:** All terms and conditions of this Agreement shall apply items now or hereafter stored at Precision Print Solutions by Customer.
- 11. **CONFIDENTIALITY:** Precision Print Solutions and Customer agree to keep the terms and conditions of this Agreement confidential between the parties and not to disclose the terms and conditions of this Agreement to unrelated third parties. Inventory systems, bar coding and other material handling and storage procedures for Materials are proprietary property of Precision Print Solutions, and Customer agrees not to disclose any such information it may receive relative to storage of materials with Precision Print Solutions to unrelated third parties.
- 12. **AMENDMENTS:** All amendments, supplements, modifications, or waivers relative to this Agreement must be in writing, and duly signed by authorized representatives of Customer and Precision Print Solutions.
- 13. **ENTIRE AGREEMENT:** Except as herein provided, this Agreement is the entire Agreement between Precision Print Solutions and Customer, and supersedes all previous agreement between them with respect to the subject matter hereof.

CUSTOMER Medical Staffing Network PRECISION PRINT SOLUTIONS
 BY Donna Nichols BY Chris J. Olin
 DATE: 9/28/07 DATE: 9-28-07

PRECISION PRINT SOLUTIONS

Precision Print Solutions and Customer hereby certify that all property stored under this Agreement has been withdrawn and is in the care and custody of the Customer, and this Agreement is hereby no longer in force.

Customer Medical Staffing Network Precision Print Solutions
 BY Donna Nichols BY Chris J. Olin
 DATE: 9/28/07 DATE: 9-28-07

PRECISION PRINT SOLUTIONS

EXHIBIT A

| <u>ITEMS</u> | <u>COST</u> |
|--|------------------------|
| Inventory moved from your facility to ours includes Palletizing and shrink wrapping | \$2,650.00 |
| Storage of boxes | \$.25 per cubic foot |
| Barcode label each box, enter data with contents of box, location of box, and destroy date | \$.95 per box |
| Pull item/Pick-up fee | \$3.00 |
| Re-stock item fee | \$3.00 |
| Pallets | \$6.00 |
| Boxes | \$12.00 |
| Destruction of Boxes | \$20.00 + \$.10/per lb |
| Imaging/Scanning/Copy | \$3.00 |

Saved as Precision Print Solutions Exhibit A

6200 Murray Street Little Rock, Arkansas 72209 [501] 687-2222 Fax [501] 687-2223 Toll Free [877] 687-2999

EXHIBIT “C”

(Proposed Order)

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
WEST PALM BEACH DIVISION
www.flsb.uscourts.gov

IN RE: Chapter 11 Cases
MEDICAL STAFFING NETWORK HOLDINGS, Case No. 10-29101-BKC-EPK
INC., *et al.*,¹ Joint Administration Pending
Debtors.

**ORDER GRANTING DEBTORS, MEDICAL STAFFING NETWORK, INC.,
INTELISTAF HOLDINGS, INC., AND INTELISTAF HEALTHCARE, INC.'S
EMERGENCY OMNIBUS MOTION TO REJECT (I) UNEXPIRED LEASES OF
NON-RESIDENTIAL REAL PROPERTY; AND (II) UNEXPIRED
EQUIPMENT LEASE AGREEMENTS**

THIS MATTER came before the Court on the 6th day of July, 2010 at 1:30 p.m. in West Palm Beach, Florida, upon the *Debtors, Medical Staffing Network, Inc., IntelliStaf Holdings, Inc.*

¹ The address of each of the Debtors is 901 Yamato Road, Suite 110, Boca Raton, FL 33431; and the last four digits of the taxpayer identification number of each of the Debtors follows in parenthesis: (i) Medical Staffing Network Holdings, Inc. (5171); (ii) Medical Staffing Holdings, LLC (2662); (iii) Medical Staffing Network, Inc. (9868); (iv) MSN-Illinois Holdings, Inc. (4402); (v) IntelliStaf Holdings, Inc. (4008); (vi) IntelliStaf Group, Inc. (7220); (vii) Medical Staffing Network of Illinois, LLC (4409); (viii) Medical Staffing Network Assets, LLC (4413); (ix) IntelliStaf Healthcare, Inc. (7108); (x) IntelliStaf Partners No. 1, LLC (2832); (xi) IntelliStaf Partners No. 2, LLC (5965); and (xii) IntelliStaf Healthcare Management, L.P. (7958).

and InteliStaf Healthcare, Inc.’s Emergency Omnibus Motion to Reject (I) Unexpired Leases of Non-Residential Real Property; and (II) Unexpired Equipment Lease Agreements (the “Motion”) (D.E. _____) filed by Debtors, Medical Staffing Network, Inc., InteliStaf Holdings, Inc. and InteliStaf Healthcare, Inc. (collectively, the “Debtors”). The Motion seeks authority to reject the Lease Agreements² regarding the Leased Premises, and the Equipment Leases regarding the Equipment. The Court has jurisdiction over the matters raised in the Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A). The relief requested in the Motion is in the best interests of the Debtors, their estates, and their creditors. Proper and adequate notice of the Motion and the hearing thereon has been given and that no other or further notice is necessary. Upon review of the record before the Court, good and sufficient cause exists to grant the relief requested. Accordingly, it is

ORDERED that:

1. The Motion is **GRANTED**.
2. The rejection of the Lease Agreements and Equipment Leases is hereby authorized, effective as of the Petition Date.
3. The Court shall retain jurisdiction over any matter or dispute arising from or relating to the implementation of this Order.
4. **Any proof of claim for damages arising from the rejection of the Lease Agreements and Equipment Leases must be filed with the Court within thirty (30) days of the entry of this Order.**

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² Capitalized terms used herein shall have the meaning ascribed in the Motion.

Submitted by:

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Copies to:

Paul Steven Singerman, Esq.
(Attorney Singerman shall serve a copy of this Order upon all interested parties upon receipt and file a certificate of service.)