

Russell S. Walker #3363
WOODBURY & KESLER, P.C.
525 East 100 South, Suite 300
P. O. Box 3358
Salt Lake City, Utah 84110-3358
Telephone: (801) 364-1100
Telefax: (801) 359-2320
rwaker@wkalwpc.com

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF UTAH, CENTRAL DIVISION**

In re:

WOMEN AND BIRTH CARE, INC.

Debtor.

Bankruptcy No. 17-27013
Chapter 11

Judge William T. Thurman

**STIPULATION AND JOINT MOTION FOR ENTRY OF ORDER APPROVING CASH
COLLATERAL AND ADEQUATE PROTECTION AGREEMENT RELATING TO
ZIONS FIRST NATIONAL BANK**

Debtor and Debtor-in-possession, Women and Birth Care, Inc. (“Debtor”), and ZB, N.A. dba Zions First National Bank (“Zions Bank” and, with the Debtor, the “Parties”), a secured creditor of the Debtor, through their respective counsel and pursuant to 11 U.S.C. §§ 361, 362 and 363, Rules 4001 and 9014 of the Federal Rules of Bankruptcy Procedure, and the Local Rules of this Court, hereby stipulate, agree, and jointly move this Court for the entry of an Order approving the following *Cash Collateral and Adequate Protection Agreement* (the “Agreement”) between the Debtor and Zions Bank providing for, among other things, the Debtor's use of cash collateral in the course of the above-captioned chapter 11 bankruptcy case (the “Bankruptcy”

Case”) according to the terms, conditions, and proposed budget set forth herein, and, in exchange for which, granting certain adequate protection in favor of Zions Bank. In support hereof, the Parties respectfully state as follows:

RECITALS

1. On August 11, 2017, (the “Petition Date”), the Debtor filed a voluntary petition under Chapter 11 of the Bankruptcy Code. The Debtor continues to manage and operate its business as a debtor in possession pursuant to Bankruptcy Code § 1107 and 1108.

2. The Debtor’s primary business is operating a midwife clinic which provides midwife and related birthing services.

3. On or about September 25, 2009, the Debtor entered into a certain *Business Loan Agreement* (the “First Zions Bank Loan Agreement”) with Zions Bank.

4. In connection with the First Zions Bank Loan Agreement, the Debtor executed and delivered to Zions Bank that certain *Promissory Note*, dated September 25, 2009 (the “First Note”), in the principal sum of \$125,000.

5. Interest accrues on the balance due and owing under the First Note at a non-default variable interest rate, currently equal to 7.219% per annum.

6. On or about September 5, 2013, the Debtor entered into a certain *Business Loan Agreement* (the “Second Zions Bank Loan Agreement” and, with the First Zions Bank Loan Agreement, the “Zions Bank Loan Agreement”) with Zions Bank.

7. In connection with the Second Zions Bank Loan Agreement, the Debtor executed and delivered to Zions Bank a certain *Promissory Note*, dated September 5, 2013 (the “Second Note” and, with the First Note, the “Zions Bank Loan”) in the principal sum of \$103,000.

8. Interest accrues on the balance due and owing under the Second Note at a non-default variable interest rate, currently equal to 6.98% per annum.

9. As part of the First Zions Bank Loan Agreement and a condition, in part, to the First Note, the Debtor executed a certain *Commercial Security Agreement*, dated September 9, 2009 (the “First Security Agreement”), pursuant to which the Debtor granted Zions Bank a first priority security interest in certain assets of the Debtor including, but not limited to, all chattel paper, furniture, machinery, accounts, general intangibles, and fixtures of the debtor, together with accessions, replacements, additions or proceeds therefrom, whether now owned or hereafter acquired, of the Debtor (collectively, the “First Loan Collateral”).

10. As part of the Second Zions Bank Loan Agreement and a condition, in part, to the Second Note, the Debtor executed a certain *Commercial Security Agreement*, dated September 5, 2013 (the “Second Security Agreement” and, with the First Security Agreement, the “Commercial Security Agreement”), pursuant to which the Debtor granted Zions Bank a first priority security interest in certain assets of the Debtor including, but not limited to, all furniture, fixtures, and leasehold improvements of the Debtor, together with all accessions, replacements, additions or proceeds therefrom, whether now owned or hereafter acquired, of the Debtor (collectively, the “Second Loan Collateral” and, with the First Loan Collateral, the “Collateral”).

11. The Collateral includes cash collateral (the “Cash Collateral”) within the definition of 11 U.S.C. § 363.

12. As part of the Zions Bank Loan Agreement and a further condition, in part, to the Zions Bank Loan, the Debtor’s principal, Rebecca McInnis, granted Zions Bank a second trust deed on her personal residence to secure the Debtor’s payment obligations to Zions Bank relating to the Zions Bank Loan. The Debtor believes that there is sufficient equity in the personal residence to fully secure the Debtor’s obligations to Zions Bank under the Zions Bank Loan Agreement. Zions Bank reserves its rights with respect to this issue.

13. Zions Bank properly filed a UCC-1 financing statement with the proper filing authority in the State of Utah thereby perfected its security interest in the Collateral on September 28, 2009, September 10, 2013, and on July 19, 2016.

14. Prior to the Petition Date, the Debtor failed to repay the Zions Bank Loan as set forth above and as and when required, and is therefore currently in default of its payment and other obligations to Zions Bank under the Zions Bank Loan Agreement.

15. As of August 31, 2017, the balance due and owing by the Debtor under the First Note incurred by Zions Bank was \$4,577.59 (the “First Note Balance”), which amount included the following: (i) a principal balance due and owing in the amount of \$3,775.64; (ii) accrued interest in the amount of \$298.93; (iii) collection costs & fees in the amount of \$400.00, and (iv) late fees in the amount of \$103.02.

16. As of August 31, 2017, the balance due and owing by the Debtor under the Second Note, not including any attorney fees or costs incurred by Zions Bank, was \$78,199.16 (the “Second Note Balance” and, with the First Note Balance, the “Zions Bank Loan Balance”), which amount included the following: (i) a principal balance due and owing in the amount of \$65,752.54; (ii) accrued interest in the amount of \$4,380.97; (iii) collection costs & fees in the amount of \$7,009.38, and (iv) late fees in the amount of \$1,056.27.

17. In addition, Zions Bank has incurred, and continues to incur, additional fees and costs, including attorney fees and costs, in this matter and otherwise relating to the Debtor’s defaults of its payment and other obligations to Zions Bank, which fees and costs are also recoverable by Zions Bank under the terms and conditions of the Zions Bank Loan Agreement.

18. The Debtor has informed Zions Bank that it has an immediate need for the use of Cash Collateral in order to meet the current expenses, continue operation of its business, and enhance the possibility of a successful reorganization. Without such funds the Debtor would not be able to pay wages, salaries, operating expenses or purchase inventory and supplies. In an effort to avoid immediate and irreparable harm to its business and chapter 11 bankruptcy estate, the Debtor has requested that Zions Bank consent to the Debtor’s use of the Cash Collateral in the ordinary course the operation of the Debtor’s business.

19. Based upon the Debtor’s representations, Zions Bank has agreed, subject to the terms and conditions of this Agreement, to consent to the Debtor’s use and continued use of the Collateral, including the Cash Collateral.

AGREEMENT

20. The Parties each hereby agree that all of the statements made in the foregoing recitals are true and correct to the best of their information, knowledge, and belief.

21. The Debtor acknowledges and agrees that the Zions Bank Loan Agreement, including the First Note, Second Note, the Commercial Security Agreement, and any personal guarantees executed in connection therewith, are valid and enforceable agreements of the Parties according to their terms and conditions; (ii) the Zions Bank Loan Agreement, Zions Bank Loan, and the Collateral are not subject to any claim or defense, including, but not limited to, any claim, defense, offset, or counterclaim relating to the nature, scope, validity, priority, or enforceability of the Zions Bank Agreement, Zions Bank Loan, and/or the Collateral; (iii) the terms and conditions of the Zions Bank Agreement (including without limitation all terms respecting insurance, inspection rights, and maintenance) are fully enforceable; and (iv) Zions Bank has a properly perfected, first-priority, and unavoidable lien on and security interest in the Collateral, and all portions thereof.

22. The Debtor agrees that terms and conditions of the Zions Bank Agreement (except as expressly modified herein) are expressly incorporated in this Agreement and further agrees to abide by each and every term and condition of the Zions Bank Loan Agreement during the pendency of the Bankruptcy Case, except as otherwise modified by this Agreement, until the earlier to occur of (a) the date that the Debtor or a third party confirms a chapter 11 plan in the Bankruptcy Case, in which case the terms of the confirmed plan shall control the future treatment

of Zions Bank allowed secured claim; or (b) the Bankruptcy Case is dismissed or converted to a case under Chapter 7 of the Bankruptcy Code.

23. The Debtor agrees that, as of the date of this Agreement, Zions Bank has a valid, enforceable, and fully secured claim against the Debtor in the bankruptcy case in full amount of the Zions Bank Loan Balance—\$82,776.75 as of August 31, 2017, and that Zions Bank is entitled to have the foregoing amounts augmented by any and all additional interest, fees, and costs—including reasonable attorney fees and costs—to the extent allowed by 11 U.S.C. § 506(b), all without the need for Zions Bank to file any proof of claim in the Bankruptcy Case.

24. The Parties agree that the Debtor may use the Cash Collateral from the date of entry of any Order approving this Agreement and the earlier of (a) December 1, 2017; (b) the Debtor's failure to cure an Event of Default as provided herein; (c) conversion of the Debtor's case to a case under Chapter 7 of the Bankruptcy Code or; (d) the appointment of an interim or final trustee in the Chapter 11 case; (e) the confirmation of a Chapter 11 plan of reorganization; and/or (f) the sale of all or substantially all of the Debtor's assets under § 363 of the Bankruptcy Code (the "Agreement Term").

25. The Debtor agrees to use the Cash Collateral during the Agreement Term only in accordance with a stipulated budget (the "Approved Budget"), a proposed draft form of which is attached hereto as Exhibit A. The Parties have not yet agreed to a final version of the Approved Budget. The Parties agree in good faith to continue negotiating the terms of the Approved Budget. The Parties further agree that this Agreement is contingent upon the Parties reaching a

consensus and agreement as to a final agreed-to version of the Approved Budget, which the Parties agree to file with the Court within seven (7) calendar days from the date of the execution of this Agreement or, if the Parties cannot reach an agreement by that deadline, they agree to withdraw this Agreement.

26. The Parties further agree that the Debtor may use proceeds from Cash Collateral only for the purposes and in the amounts set out in Approved Budget during the Agreement Term. Notwithstanding the foregoing limitations, the Parties agree that Debtor may exceed individual line items on the Approved Budget in any given month by up to a 10% variance so long as the Debtor does not exceed the overall monthly budget cap as set forth in Approved Budget.

27. The Debtor further agrees that unless otherwise consented to in writing by Zions Bank, the Debtor will not use any portion of the Cash Collateral other than as authorized by this Agreement. In addition, the Debtor further agrees to use Cash Collateral only in the ordinary course of its business, subject to all requirements of this Agreement (including the Approved Budget), any Order approving this Agreement, all requirements of the Bankruptcy Code and applicable law, and all requirements of any other Order of the Bankruptcy Court, and only for the those expenses specifically identified in the Approved Budget.

28. The Court's Order and the U.S. Trustee's Guidelines require the Debtor to file Monthly Operating Reports with the Court and with the U.S. Trustee's office. The Debtor agrees to continue filing the monthly reports and to provide Zions with a copy of the reports. On a not

less than weekly basis, the Debtor agrees to provide Zions Bank financial reports reflecting all accounts receivable and inventory and all disbursements actually made by the Debtor.

29. The Debtor agrees within five (5) business days following entry of any Order approving this Agreement to provide Zions Bank with an accounting of any and all Cash Collateral expended by the Debtor prior to entry of the execution of this Agreement.

30. The Debtor agrees that no person, firm, or entity shall be authorized to collect any of the Cash Collateral on behalf of the Debtor without the prior written consent of Zions Bank, and without such person's or firm's written agreement to be bound by the terms of this Agreement. During the Agreement Term, the Debtor is authorized, pursuant to § 363(c)(2) of the Bankruptcy Code, to collect and use Cash Collateral in accordance with the terms and conditions of the Zions Bank Loan Agreement and this Agreement.

31. In exchange for, and as adequate protection to, Zions Bank for the Debtor's possession and use of the Collateral during the pendency of the Bankruptcy Case, including the Debtor's use of the Cash Collateral during the Agreement Term and according to the terms and conditions of this Agreement, the Debtor agrees to make monthly adequate protection payments to Zions Bank in the amount of \$4,100.00 each, starting on or before October 2, 2017, and due on or before the 1st day of each month thereafter, as further set forth in this Agreement. Approval of this Agreement by the Court shall not be a condition precedent to the Debtor's payment obligations under the Agreement.

32. Notwithstanding the Debtors obligations set forth in paragraph 31, this Agreement shall be effective only upon receipt by Zions Bank of the following, each in form and substance reasonably satisfactory to Zions:

- a. The filling of an agreed-to final version of the Approved Budget;
- b. The Debtor's scheduling of a hearing to approve this Agreement and providing notice of such hearing and related deadlines in accordance with § 363 of the Bankruptcy Code, Fed. R. Bankr. P. 4001(b) and (d), the Local Rules of the Bankruptcy Court, and any other applicable rule of bankruptcy procedure; and
- c. Entry of an Order by the Bankruptcy Court approving this Agreement in form and substance satisfactory to the parties and reflecting the terms set forth in this Agreement.

33. The Parties further agree that Zions Bank will apply such adequate protection payments received by Zions Bank pursuant to paragraphs 31 of this Agreement in the following order: (a) first, to payment of any and all amounts due and owing under the First Note; (b) second, to any and all costs and expenses allowable under the Zions Bank Loan Agreement, including (subject to any required approval of the Bankruptcy Court) reasonable attorney fees and costs incurred by Zions Bank relating to the Debtor's defaults under the Zions Bank Loan Agreement, or otherwise; (c) third, to any and all accrued interests under the Second Note; and (d) fourth, to the reduction of the outstanding principal and any other amounts due and owing under the Second Note; and (e) fifth, any all other amounts due and owing under the Zions Bank Loan Agreement.

34. The adequate protection payments required by paragraphs 31 above shall be made by the Debtor each and every month as and when the same come due hereunder until the earlier to occur of (a) the date that the Debtor, either by itself or in connection with any third party, confirms a chapter 11 plan in the Bankruptcy Case, in which case the terms of the confirmed plan shall control the future treatment of Zions Bank's allowed secured claim, or (b) the Bankruptcy Case is dismissed or converted to a case under chapter 7 of the Bankruptcy Code.

35. As further adequate protection and a condition of continued use of the credit under the Zions Bank Loan Agreement, this Agreement, and the Debtor's use of the Cash Collateral; to secure against diminution in the value of the Collateral and Cash Collateral; and to secure the Debtor's obligations under the Zions Bank Loan Agreement and this Agreement, the Debtor hereby grants to Zions a continuing post-petition first priority security interest in and lien upon (the "Post-Petition Liens") the same Collateral set forth in the Security Agreement and which the Debtor's Estate acquires after the Petition Date (the "Post-Petition Collateral") upon which Zions Bank had a pre-petition lien. The Post-Petition Liens shall be deemed valid, enforceable and duly perfected as of the Petition Date and no filing or other act in accordance with applicable non-bankruptcy law shall be necessary to create or perfect such liens and security interests.

36. As further adequate protection, the Debtor acknowledges that in any sale of or which includes the Collateral under 11 U.S.C. § 363 (whether pursuant to a plan of

reorganization or otherwise), Zions Bank shall have the right to credit bid pursuant to 11 U.S.C. § 363(k) with respect to the Collateral.

37. The Debtor shall at all times maintain and keep the Collateral insured in accordance with the Zions Bank Loan Agreement and free and clear of all liens, encumbrances and security interests other than those granted by this Order or in existence on the Petition Date. Zions Bank shall cooperate in good faith with the Debtor in using the Cash Collateral for payment of these obligations.

38. This Agreement, and any subsequent agreement for the use of Cash Collateral, are solely for the purpose of inducing Zions Bank to consent to post-petition financing and the Debtor's use of the Cash Collateral. If the protections afforded herein are, in retrospect, inadequate or otherwise fail to adequately to protect Zions's interests, Zions Bank shall be entitled, to the full extent of any deficiency, to the full priority afforded by Sections 503(b) 507(b) of the Bankruptcy Code.

39. Consistent with section 552 of the Bankruptcy Code, proceeds, products, rents, and profits of the Collateral, and all property and assets of the Debtor which are of the same type or nature as the Collateral coming into existence or acquired by the Debtor on or after the Petition Date (including, without limitation, all accounts receivable generated after the Petition Date), are hereby deemed to be part of the Collateral, subject to the pre-petition liens held by Zions Bank pursuant to the Zions Bank Loan Agreement.

40. The Post-Petition Liens shall be deemed valid, enforceable and duly perfected as of the Petition Date and no filing or other act in accordance with applicable non-bankruptcy law shall be necessary to create or perfect such liens and security interests.

41. The Debtor agrees that is shall not grant any liens on or security interests in any of the Collateral, whether under Section 364(d) of the Bankruptcy Code or otherwise, other than pursuant to this Agreement.

42. The Debtor agrees that any plan of reorganization proposed by the Debtor, either by itself or in conjunction with any third party, shall (i) expressly incorporate the terms and conditions of this Agreement; (ii) provide that all existing monetary and non-monetary terms and conditions of the Zions Bank Loan Agreement not expressly modified by this Agreement shall remain in full force and effect and shall be incorporated into any such plan, and that any confirmation Order shall provide that all such terms and conditions of the Zions Bank Loan Agreement, except as modified herein, are expressly ratified and adopted by the Debtor; (iii) separately classify Zions Bank secured claim against the Debtor; (iv) treat Zions Bank's secured claim as an allowed fully secured claim against the Debtor in the amount of the Zions Bank Claim as set forth herein, secured by any pre- and post-judgment liens granted Zions Bank pursuant to the Zions Bank Loan Agreement and this Agreement, plus any and all additional interest, fees, and costs—including reasonable attorney fees and costs—to the extent allowed by 11 U.S.C. § 506(b).

43. The Debtor further agrees that any plan of reorganization proposed by the Debtor, either by itself or in conjunction with any third party, shall provide Zions Bank with an allowed fully secured claim, including all unpaid principal, interest, late fees and other charges, including any attorney fees or costs incurred by Zions Bank relating to the Zions Bank Loan Agreement through August 31, 2017, in the amount of \$82,776.75, plus additional interest, fees, and other costs—including reasonable attorney fees and costs incurred by Zions Bank after August 31, 2017, to the extent authorized and allowed by 11 U.S.C. § 506(b) (collectively, the “Zions Bank Claim”). Interest on the Zions Bank Claim shall accrue at the fixed rate of 6% per annum. The Zions Bank Claim shall be paid in full through equal monthly installment payments in the amount of \$4,100.00 each, starting October 2, 2017, and continuing each month thereafter until October 1, 2019, along with a final payment for any amount still left due and owing on the Zions Bank Claim, if any, by November 1, 2019.

44. The Debtor agrees to insure and maintain the Zions Bank Collateral in accordance with all of the terms and conditions of the Zions Bank Loan Agreement, and to immediately (within five (5) business days of signing this Agreement) provide Zions Bank with proof that the Collateral is adequately insured and that Zions Bank is named as the loss payee.

45. The Debtor agrees to allow Zions Bank an opportunity to inspect the Collateral, or any portion thereof, during the course of the Bankruptcy Case and until such time as Zions Bank’s secured claim is paid in full, upon request, and upon no more than one (1) business day’s notice.

46. The Debtor agrees that Zions Bank, at any reasonable time during the term of this Agreement, shall have the right to inspect, audit, or otherwise examine the books, records, and premises of the Debtor. The Debtor agrees to provide Zions Bank with full and complete access at reasonable times and after reasonable notice to all of the Debtor's financial records as may be necessary to ensure that the Debtor is in compliance with this Agreement, the Zions Bank Agreement, and any Orders entered by the Bankruptcy Court in the Bankruptcy Case.

47. The Debtor will, by no later than October 9, 2017, at 5:00 p.m., prevailing Mountain Time, and regardless of whether or not this Agreement has been approved by the Court by that time, provide Zions Bank with an full accounting of any post-petition collection and/or disposition of any the Collateral, including any of the Cash Collateral, in detail, by item, check or transfer number, payee, date and amount.

48. In the event that the Debtor fails to comply with any obligation, covenant, term, condition, agreement, or provision required herein, and upon due notice to the Debtor and its general bankruptcy counsel of the Debtor's failure to comply with such obligation or cure such default within three (3) business days after such notice, the Debtor's right to use the Cash Collateral shall automatically terminate without further notice, hearing, or Order of the Bankruptcy Court. Furthermore, the Debtor's authorization to use the Cash Collateral may, in Zions Bank sole and absolute discretion, be terminated immediately upon entry of an Order converting the Bankruptcy Case to a case under Chapter 7 of the Bankruptcy Code or at any time after entry of an order appointing a Chapter 11 trustee in the Bankruptcy Case or the appointment

of an examiner in the Bankruptcy Case. Furthermore, the Debtor's authorization to use of the Cash Collateral shall be terminated if there is an event of default of the obligations, covenants, terms, conditions, agreements, or provisions of this Agreement or of the Zions Bank Loan Agreement (except as otherwise modified by this Agreement).

49. Nothing in this Agreement shall prevent Zions Bank from filing a motion seeking modification or termination of any Order approving this Agreement, or filing a motion for stay relief relating to the Collateral, in the event of any material adverse change in the financial condition or performance of the Debtor.

50. The Debtor shall be in default under this Agreement upon the occurrence of any one or more of the following events, failures, occurrences, or conditions, each of which shall constitute an event of default under this Agreement:

- a. failure by the Debtor to pay any amount as and when due under this Agreement;
- b. failure by the Debtor to timely perform or satisfy any of the obligations, covenants, terms, conditions, agreements, or provisions under this Agreement;
- c. failure by the Debtor to timely perform or satisfy any of the obligations, covenants, terms, conditions, agreements, or provisions of the Zions Bank Loan Agreement, except as expressly modified by this Agreement, and except for acceleration of the indebtedness under the Zions Bank Loan Agreement;

d. any warranty, representation, or statement contained in this Agreement made or furnished to Zions Bank by or on behalf of the Debtor in connection with this Agreement or to induce Zions Bank to enter into this Agreement that is proven to have been false in any material respect when made or furnished;

e. the Debtor's sale or use of any of the Collateral in violation of the terms and conditions of this Agreement including, but not limited to, use of the Collateral outside of the ordinary course of the Debtor's business without prior written consent of Zions Bank and approval of the Bankruptcy Court;

f. any material adverse change in the Debtor's business, operations, prospects, or assets; or in the markets in which the Debtor does business; or the Collateral; any of which may jeopardize the adequate protection intended to be provided by this Agreement;

g. failure by the Debtor to comply with the terms of any Approved Budget;

h. defalcation by the Debtor or any insider of the Debtor;

i. the occurrence of any condition set forth in 11 U.S.C. § 1112; and/or

j. failure of the Debtor to maintain sufficient casualty and property insurance covering the Collateral with Zions Bank listed as the loss payee.

51. In the event the Debtor fails to strictly, fully, and timely fulfill all of the obligations, covenants, terms, conditions, agreements, or provisions of set forth in the Zions Bank Loan Agreement (except as expressly modified herein and except for acceleration of the indebtedness under the Zions Bank Loan Agreement) or as set forth in this Agreement, the

Parties agree that Zions Bank may deliver a *Notice of Default* (a) to counsel for the Debtor, by First Class mail, with postage prepaid, addressed as further set forth herein, **or** by e-mail at rwalker@wklawpc.com and sandy@huntzmanlofgran.com, and (b) to the Debtor, by First Class mail only, postage prepaid, addressed to the Debtor at the attention of Rebecca McInnis at 5089 South 900 East, Suite 201, Salt Lake City, Utah 84117, notifying both the Debtor and the Debtor's counsel of the nature of the default.

52. In the event Zions Bank provides the Debtor and the Debtor's counsel with a *Notice of Default* regarding a monetary default and the Debtor fails to fully cure the same within ten (10) calendar days after the date the notice is sent (not after receipt of the notice), Zions Bank may file a proposed Order with the Court terminating the automatic stay imposed by 11 U.S.C. §362(a), any co-debtor stay, and any post-confirmation stays or injunctions as it relates to Zions Bank and the Collateral, and the Debtor shall—upon entry of such Order and upon request from Zions Bank or its counsel—immediately (within three (3) business days) surrender each piece of the Zions Bank Collateral, including any Cash Collateral, to Zions Bank or its designated representative, and Zions Bank shall be entitled to repossess and to foreclose upon, sell or otherwise liquidate its interest in the Zions Bank Collateral pursuant to applicable non-bankruptcy law. In addition, in the event of any default resulting in termination of the automatic stay as provided herein, the Debtor consents to Zions Bank, in its sole discretion, filing an *ex parte* application seeking a turnover Order from the Bankruptcy Court with respect to the Zions Bank Collateral, or any portion thereof.

53. In the event Zions Bank provides the Debtor's counsel with a *Notice of Default* regarding a non-monetary default and the Debtor fails to fully cure such default within fifteen (15) calendar days after the date the notice is sent (not after receipt of such notice), Zions Bank may file a proposed Order with the Court terminating the automatic stay imposed by 11 U.S.C. §362(a), any co-debtor stay, and any post-confirmation stays or injunctions as it relates to Zions Bank and the Collateral, and the Debtor shall—upon entry of such Order and upon request from Zions Bank or its counsel—immediately (within three (3) business days) surrender each piece of the Zions Bank Collateral, including any Cash Collateral, to Zions Bank or its designated representative, and Zions Bank shall be entitled to repossess and to foreclose upon, sell or otherwise liquidate its interest in the Zions Bank Collateral pursuant to applicable non-bankruptcy law. In addition, in the event of any default resulting in termination of the automatic stay as provided herein, the Debtor consents to Zions Bank, in its sole discretion, filing an *ex parte* application seeking a turnover Order from the Bankruptcy Court with respect to the Zions Bank Collateral, or any portion thereof.

54. The Debtor further agrees that upon (i) the entry of an Order granting relief from any bankruptcy stay relating to the Zions Bank Collateral, or any portion thereof, at the request of any other party; (ii) the dismissal of the Bankruptcy Case; (iii) the appointment of a Chapter 11 Trustee; (iv) the appointment of an examiner with expanded powers; or (v) the conversion of the Bankruptcy Case to a case under chapter 7 of the Bankruptcy Code—but subject to notice to and opportunity for hearing by the chapter 11 trustee, examiner or chapter 7 trustee— Zions Bank

may file a proposed Order with the Court terminating the automatic stay imposed by 11 U.S.C. §362(a), any co-debtor stay, and any post-confirmation stays or injunctions as it relates to Zions Bank and the Collateral, and the Debtor shall—upon entry of such Order and upon request from Zions Bank or its counsel—immediately (within three (3) business days) surrender each piece of the Zions Bank Collateral, including any Cash Collateral, to Zions Bank or its designated representative, and Zions Bank shall be entitled to repossess and to foreclose upon, sell or otherwise liquidate its interest in the Zions Bank Collateral pursuant to applicable non-bankruptcy law and as otherwise provided for herein.

55. During the entire pendency of the Bankruptcy Case, Zions Bank shall only be required to provide three (3) written Notices of Default and opportunities for cure to Debtor and Debtor's counsel. In the event of a fourth default by the Debtor, whether prior to or after confirmation of any plan of reorganization, and whether relating to any monetary or nonmonetary default, Zions Bank shall be entitled to file a written *Notice of Default* with the Court along with a proposed Order granting relief from the automatic stay imposed by 11 U.S.C. § 362(a), any co-debtor stays and any post-confirmation stays or injunctions as it relates to Zions Bank and the Collateral, and the Debtor shall—upon request from Zions Bank or its counsel—immediately (within three (3) business days) surrender the Zions Bank Collateral, including any and all Zions Bank Cash Collateral, to Zions Bank or its designated representative, and Zions Bank shall be entitled to repossess and to foreclose upon, sell, or otherwise liquidate its interest in the Zions Bank Collateral pursuant to applicable non-bankruptcy law.

56. The Debtor hereby forever releases, relieves, forgives and discharges any and/or all claims, demands, rights, causes of action, remedies, objections, and avoidance claims it has, or which it may have, against Zions Bank, its employees, officers, directors, agents, representatives, attorneys, and affiliates, whether known or unknown, liquidated or unliquidated, matured or unmatured, arising from or related to any claim, demand, causes of action, remedy, right and/or objection which in any way is related to (i) the Zions Bank Loan; (ii) the Zions Bank Loan Agreement; (iii) the Collateral; and/or (iv) Zions Bank's lending relationship with the Debtor including, but not limited to, any and all claims, demands, rights, causes of action, remedies, or objections arising under sections 510, 541, 544, 548, 549, 550 and 553 of the Bankruptcy Code.

57. The Parties agree that this Agreement shall bind and benefit the Parties' respective heirs, assigns, successors, and trustees (including any trustee hereinafter appointed in the Bankruptcy Case during its pendency as a case under chapter 11 of the Bankruptcy Code).

58. The Parties agree that, except as provided in Paragraphs 51-58 herein, notices pursuant to this Agreement shall be addressed as follows:

To Zions Bank:

ZB, N.A. dba Zions First National Bank.
ATTN: Matthew Barrett, Loan Workout
Officer, SAG Intermountain
One South Main Street, Suite 1400
Salt Lake City, Utah 84133-1109

With a Written Copy to:

Ray Quinney & Nebeker P.C.
ATTN: David H. Leigh
36 South State Street, Suite 1400
Salt Lake City, Utah 84111

With an E-mail Copy to: dleigh@rqn.com
Matthew.Barrett@zionsbancorp.com

To the Debtor: Women and Birth Care, Inc.
Attn: Rebecca McInnis
5089 South 900 East, Suite 201
Salt Lake City, Utah 84117

With a Written Copy to: Michael R. Lofgran
Huntsman Lofgran, PLLC
623 East Ft. Union Blvd, Suite 201
Salt Lake City, Utah 84047

Mr. Russell S. Walker
Woodbury & Kesler
525 East 100 South, Suite 300
Salt Lake City, Utah 84102

With an E-mail Copy to: sandy@huntsmanlofgran.com
rwalker@wklawpc.com

59. If this Agreement or any provisions of it are hereafter reversed, modified, vacated, or stayed by subsequent order of this Court or by any other court, such reversal, modification, vacation, or stay shall not affect the validity of any obligations of the Debtor to Zions Bank that are or were incurred by the Debtor pursuant to this Agreement prior to the effective date of such reversal, modification, vacation, or stay or the validity and enforceability of any security interest, lien, or priority authorized, created, affirmed, or granted herein. Notwithstanding such reversal, modification, vacation, or stay, any obligation of the Debtor under this Agreement and the Zions Bank Loan Agreement arising prior to the effective date of such reversal, modification, vacation, or stay shall be governed in all respect by the provisions of this Agreement and the Zions Bank Loan Agreement.

60. The Debtor's obligations to Zions under the Stipulation are in addition to its obligations to Zions under the Zions Bank Loan Agreement, except as modified herein.

61. The Debtor shall perform all acts and execute such other documents as Zions Bank deems necessary or appropriate to implement the terms of the Agreement, including the signing of appropriate financing statements.

62. The terms and provisions of the Agreement shall be binding upon any trustee appointed in the Debtor's case or in any Chapter 7 case in the event the Debtor's case is converted. The terms and conditions of the Agreement, once approved, shall be binding upon and shall inure to the benefit of Zions, the Debtor and their respective successors and assigns.

63. The Agreement may only be modified by a writing signed by the Debtor and Zions Bank or by further order of the Court.

CONCLUSION

The Parties submit that the use of Cash Collateral by the Debtor according the terms and conditions set forth in this Agreement will help minimize disruption of the business of the Debtor as a going concern, will increase the possibility of a successful reorganization and is therefore in the best interest of the Debtor, its creditors, and other parties in interest and the terms of the Agreement are fair and reasonable under the circumstances.

Per Local Rule 4001-2(a)(i), notice is hereby given that this Agreement does not contain any provision of the type indicated in Local rule 4001-2(a)(i)A-H except as otherwise set forth herein.

DATED this 29th day of September, 2017.

WOODBURY & KESLER, P.C.

/s/ Russell S. Walker
Russell S. Walker
Attorneys for the Debtor

DATED this 29th day of September, 2017.

RAY QUINNEY & NEBEKER

/s/ David H. Leigh
David H. Leigh
Attorneys for ZB, N.A., dba
Zions First National Bank

CERTIFICATE OF SERVICE

I hereby certify that on this 29th day of September, 2017, I electronically filed the foregoing **STIPULATION AND JOINT MOTION FOR ENTRY OF ORDER APPROVING CASH COLLATERAL AND ADQUATE PROTECTION AGREEMENT RELATING TO ZIONS BANK** with the United States District Court for the District of Utah by using the CM/ECF system. I further certify that the parties of record in this case are identified below and served via ECF:

David H. Leigh
dleigh@rqn.com

Laurie A. Cayton, Trustee's Office
laurie.cayton@usdoj.gov

Michael R. Lofgran
michael@huntsmanlofgran.com

/s/ Carolee Kirk