

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re: NEIGHBORS LEGACY HOLDINGS, INC., <i>et al.</i>, Debtors.¹	§ § Chapter 11 § § Case No. 18-33836 (MI) § § (Jointly Administered) §
--	---

NOTICE OF FILING OF AMENDMENTS TO
ASSET PURCHASE AGREEMENTS
(Relates to Docket Nos. 20 and 203)

Pursuant to the Order (A) Authorizing and Scheduling an Auction for the Sale of Debtors' Assets and (B) Approving Auction and Bid Procedures, Including Payment of Bid Protections [Docket No. 203] attached hereto as **Exhibits 1 and 2** are the respective amendments to the Asset Purchase Agreements between Neighbors Legacy Holdings, Inc., *et al.* (collectively, "the Debtors") and (i) Altus Health Systems, the stalking horse bidder for all the Debtors' Houston locations and (ii) Fostre, Inc., the stalking horse bidder for all of the Debtors' non-Houston locations.

[Remainder of the Page Intentionally Left Blank]

¹ Due to the large number of Debtors in these chapter 11 cases, a complete list of the Debtors and the last four digits of their tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' proposed claims and noticing agent at www.kccllc.net/neighbors. The location of Debtors' principal place of business and the Debtors' service address is: 10800 Richmond Avenue, Houston, Texas 77042.



Dated: August 15, 2018.

PORTER HEDGES LLP

By: /s/ John F. Higgins
John F. Higgins
State Bar No. 09597500
Eric M. English
State Bar No. 24062714
Genevieve M. Graham
State Bar No. 24085340
1000 Main Street, 36th Floor
Houston, Texas 77002
Telephone: (713) 226-6000
Fax: (713) 228-1331

**PROPOSED COUNSEL FOR DEBTORS
AND DEBTORS IN POSSESSION**

CERTIFICATE OF SERVICE

I hereby certify that this instrument was served by electronic transmission to all registered ECF users appearing in the case on August 15, 2018.

/s/ John F. Higgins
John F. Higgins

Execution Version

AMENDMENT NO. 1 TO ASSET PURCHASE AGREEMENT

This Amendment No. 1 to the Asset Purchase Agreement (this “***Amendment***”), dated as of August 14, 2018, is entered into by and among (i) Altus Health System OpCo, LLC, a Texas limited liability company (“***OpCo Buyer***”), Altus Health System Realty, LLC, a Texas limited liability company (“***Realty Buyer***” and together with OpCo Buyer, the “***Buyers***” and each individually a “***Buyer***”), and (ii) NEC Baytown Emergency Center, LP, a Texas limited partnership, NEC Bellaire Emergency Center, LP, a Texas limited partnership, NEC Crosby Emergency Center, LP, a Texas limited partnership, NEC Kingwood Emergency Center, LP, a Texas limited partnership, NEC Pasadena Emergency Center, LP, a Texas limited partnership, NEC Pearland Emergency Center, LP, a Texas limited partnership, NEC Porter Emergency Center, LP, a Texas limited partnership, and NEC Yorktown Emergency Center, LP, a Texas limited partnership (collectively, the “***Operating Sellers***” and each individually, an “***Operating Seller***”), (iii) NEC Baytown Asset Holdings, LLC, a Texas limited liability company, NEC Kingwood Asset Holdings LLC, a Texas limited liability company, and NEC Pearland Asset Holdings, LLC, a Texas limited liability company (collectively, the “***Owned Real Property Sellers***” and each individually, an “***Owned Real Property Seller***”), (iv) Neighbors Legacy Holdings, Inc., a Texas corporation (“***Seller Parent***”), Neighbors Global Holdings, LLC, a Delaware limited liability company (“***Global Holdings***”), Neighbors Health, LLC, a Texas limited liability company (“***Neighbors Health***”), EDMG, LLC, a Texas limited liability company (“***EDMG***”), and Neighbors Practice Management, LLC, a Texas limited liability company (“***NPM***” and collectively with Seller Parent, Global Holdings, Neighbors Health and EDMG, the “***Corporate and Shared Services Sellers***” and each individually, a “***Corporate and Shared Services Seller***”), and (v) Neighbors Emergency Center, LLC, a Texas limited liability company (the “***IP Seller***” and collectively with the Operating Sellers, the Owned Real Property Sellers, and the Corporate and Shared Services Sellers, the “***Sellers***” and each individually, a “***Seller***”). Buyers and Sellers are sometimes referred to collectively herein as the “***Parties***” and singly as a “***Party***.”

RECITALS:

WHEREAS, Buyers and Sellers entered into that certain Asset Purchase Agreement, dated as of July 10, 2018 (as the same may be further amended, supplemented or otherwise modified from time to time, the “***Asset Purchase Agreement***”); and

WHEREAS, the Parties now wish to amend certain provisions of the Asset Purchase Agreement in accordance with Section 10.03 thereof.

NOW, THEREFORE, in consideration of the premises and the mutual promises, agreements contained herein and in the Asset Purchase Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Buyers and Sellers hereby agree as follows:

1. **Definitions.** All capitalized terms used in this Amendment and not defined herein shall have the meanings assigned to them in the Asset Purchase Agreement.

2. Amendment to Section 1.01 of the Asset Purchase Agreement. Section 1.01 of the Asset Purchase Agreement is hereby amended to add the following defined terms in the appropriate alphabetical order:

“Post-Closing Tax Period” means any taxable period beginning after the Closing Date and, with respect to any Straddle Period, the portion of such Straddle Period beginning after the Closing Date.

“Pre-Closing Tax Period” means any taxable period ending on or before the Closing Date and, with respect to any Straddle Period, the portion of such Straddle Period ending on or including the Closing Date.

“Property Taxes” is defined in Section 2.10(b).

“Straddle Period” means any Tax period beginning before or on and ending after the Closing Date.

3. Amendment to Section 2.10 of the Asset Purchase Agreement. Section 2.10 of the Asset Purchase Agreement is hereby amended and restated in its entirety as follows:

“Section 2.10 Taxes.

(a) Transfer Taxes. All federal, state and local transfer Taxes, including all state and local Taxes in connection with the transfer of the Transferred Assets, and all recording and filing fees (collectively, ***“Transaction Taxes”***) that may be imposed by reason of the sale, transfer, assignment and delivery of the Transferred Assets, and are not exempt under Section 1146(a) of the Bankruptcy Code shall be borne one hundred percent (100%) by Sellers. Transaction Taxes do not include any Tax in the nature of an income tax, including any capital gains, franchise, excise, inheritance, estate, succession, or gift taxes. The Sellers and Buyers shall cooperate to minimize any such Transaction Taxes and to determine appropriate taxing authorities and amount of Transaction Taxes, if any, payable in connection with the Transactions. The Sellers shall assist Buyers reasonably in the preparation and filing of any and all required returns for or with respect to such Transaction Taxes with any and all appropriate taxing authorities.

(b) Straddle Periods. In the case of any Straddle Period, the amount of any real or personal property, ad valorem or similar Taxes of any Seller with respect to the Transferred Assets (the ***“Property Taxes”***) allocated to a the Pre-Closing Tax Period shall be the amount of such Property Taxes for the entire Straddle Period, multiplied by a fraction, the numerator of which is the number of days in the Straddle Period through and including the Closing Date, and the denominator of which is the number of days in such Straddle Period. Any Property Taxes for any Straddle Period not allocated to a Pre-Closing Tax Period shall be allocable to the Post-Closing Tax Period. Sellers shall be responsible for, pay, and indemnify Buyers in respect of, any Property Taxes that are allocated to the Pre-

Closing Tax Period, and Buyers shall be responsible for, pay, and indemnify Sellers in respect of, any Property Taxes allocable to the Post-Closing Tax Period.

(c) Cooperation. Buyers and Sellers agree to furnish or cause to be furnished to each other, upon request, as promptly as practicable, such information and assistance relating to the Transferred Assets (including access to books and records and Tax Returns and related working papers dated before Closing) as is reasonably necessary for the filing of all Tax Returns, the making of any election relating to Taxes, the preparation for any audit by any taxing authority, the prosecution or defense of any Claims, suit or proceeding relating to any Tax, and the claiming by Buyers of any federal, state or local business tax credits or incentives that Buyers may qualify for in any of the jurisdictions in which any of the Transferred Assets are located; *provided, however*, that neither Buyers nor any Seller shall be required to disclose the contents of its income Tax Returns to any Person other than the Parties. Any expenses incurred in furnishing such information or assistance pursuant to this Section 2.10(c) shall be borne by the Party requesting it.”

4. Amendment to Section 5.02(e) of the Asset Purchase Agreement. Section 5.02(e) of the Asset Purchase Agreement is hereby amended and restated in its entirety as follows:

“(e) The bidding procedures set forth in the Bidding Procedures Order shall require that all “qualified bids” (as determined pursuant to the Bidding Procedures Order) be submitted by no later than August 22, 2018 (the “***Qualified Bid Deadline***”).”

5. Amendment to Section 5.02(f) of the Asset Purchase Agreement. Section 5.02(f) of the Asset Purchase Agreement is hereby amended and restated in its entirety as follows:

“(f) The bidding and auction procedures set forth in the Bidding Procedures Order shall require the following: (a) any proposed Alternative Agreement shall be in the form of this Agreement, shall be accompanied by a good faith deposit of One Million Six Hundred Thousand and No/100 Dollars (\$1,600,000.00), and shall provide for a purchase price equal to the sum of Buyer’s Purchase Price *plus* the Bid Protections as calculated in Section 5.02(c) *plus* Two Hundred Fifty Thousand and No/100 Dollars (\$250,000.00). Subject to the adjustment of the Purchase Price pursuant to Section 2.06(a)(ii), the initial overbid amount for the Transferred Assets, as determined in accordance with the Bidding Procedures Order, shall be Thirty-Three Million Five Hundred Thirty Thousand and No/100 Dollars (\$33,530,000.00). After the initial overbid, all further overbids must be in increments of One Hundred Fifty Thousand and No/100 Dollars (\$150,000.00).”

6. Amendment to Section 5.02(g) of the Asset Purchase Agreement. Section 5.02(g) of the Asset Purchase Agreement is hereby amended to replace all references therein to “Highest

and Best Bid” with “Highest and/or Best Bid.” In addition, the defined term “Highest and Best Bid” in Section 1.01 of the Asset Purchase Agreement is amended to replace such reference with “Highest and/or Best Bid.”

7. Amendment to Section 5.02(h) of the Asset Purchase Agreement. Section 5.02(h) of the Asset Purchase Agreement is hereby amended and restated in its entirety as follows:

“(h) The hearing to approve the Sale Order shall take place no later than two (2) Business Days following the Auction.”

8. Amendment to Section 5.03(a) of the Asset Purchase Agreement. The first two sentences of Section 5.03(a) of the Asset Purchase Agreement are hereby amended and restated in their entirety to read as follows:

“(a) By no later than July 24, 2018, Buyers shall provide the Sellers with Schedule 5.03 to this Agreement, which shall be a list of the 365 Contracts that, as of such date, Buyers desire to be assumed by the Sellers and assigned to Buyers (collectively, the “**Desired 365 Contracts**”). Not later than twenty (20) days after the delivery of such Schedule 5.03, the Sellers shall provide Buyers with a schedule of the Cure Costs with respect to the 365 Contracts (including the Desired 365 Contracts) as of the Petition Date.”

9. Amendment to Section 5.03(e) of the Asset Purchase Agreement. Section 5.03(e) of the Asset Purchase Agreement is hereby amended and restated in its entirety as follows:

“With respect to each Specified Leased Real Property, by no later than five (5) Business Days prior to the Qualified Bid Deadline (a “**Specified Lease Assignment Deadline**”), Sellers shall deliver to OpCo Buyer an assignment and assumption of lease, landlord’s consent and amendment of lease (a “**Specified Lease Assignment and Amendment**”), duly executed by the applicable Operating Seller and the applicable landlord, pursuant to which, subject to the approval of the Bankruptcy Court and effective as of the Closing, (i) such Operating Seller assigns its leasehold interest in such Specified Leased Real Property to the OpCo Buyer (or any entity specified by the OpCo Buyer) and (ii) such landlord agrees to amend the existing lease with respect to such Specified Leased Real Property to accomplish the following: the initial term of such Real Property Lease shall be five (5) years, with the lessee having two options to extend the term of such Real Property Lease for five (5) year periods; *provided, however*, with respect to any Specified Leased Real Property, if a Specified Lease Assignment and Amendment is not delivered by the Specified Lease Assignment Deadline, OpCo Buyer, in its sole discretion, may elect by written notice delivered to Sellers by no later than one (1) Business Day following the Specified Lease Assignment Deadline to either (y) waive the requirement of Sellers to deliver such Specified Lease Assignment and Amendment or (z) reduce the Purchase Price by an amount equal to the Specified Lease Reduction Amount attributable to such Specified Leased Real Property and designate all of the Transferred Assets of the Operating Seller that is the tenant under such Specified Leased Real Property as Retained Assets

(the “***Specified Lease Reduction Option***”), other than the Transferred Assets of the Crosby Operating Seller which shall remain Transferred Assets notwithstanding OpCo Buyer’s exercise of its Specified Lease Reduction Option with respect to the Crosby Specified Leased Real Property.”

10. Amendment to Section 6.03 of the Asset Purchase Agreement. Section 6.03 of the Asset Purchase Agreement is hereby amended and restated in its entirety as follows:

“Section 6.03 Trade Name License Agreement and Transition Services Agreement. Commencing promptly following the Execution Date, Sellers and OpCo Buyer shall negotiate in good faith on the terms of the Trade Name License Agreement and the Transition Services Agreement and shall use commercially reasonable efforts to finalize the definitive forms of such agreements by no later than the date that is three (3) days prior to the Qualified Bid Deadline.”

11. Terms of Asset Purchase Agreement. The scope, nature and extent of the Transferred Assets and the Specifically Assumed Liabilities are expressly set forth in the Asset Agreement. Except as expressly set forth herein, nothing contained herein will itself change, amend, extend or alter (nor should it be deemed or construed as changing, amending, extending or altering) the terms or conditions of the Asset Purchase Agreement in any manner whatsoever. Except as expressly set forth herein, this Amendment does not create or establish rights, liabilities or obligations not otherwise created or existing under or pursuant to the Asset Purchase Agreement.

12. Binding Effect; Third Party Beneficiaries. All of the terms and provisions of this Amendment are binding upon, and inure to the benefit of and are enforceable by, Buyers and Sellers and their respective successors and permitted assigns. No provision of this Amendment is intended to confer upon any Person other than Buyers and Sellers any rights or remedies hereunder.

13. Counterparts. This Amendment may be executed in counterparts, each of which when executed and delivered shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. Any document or signature delivered by facsimile, email, or other means of electronic transmission (including .pdf) shall be deemed to have the same legal effect as delivery of an original signed copy of this Amendment.

14. Choice of Law. This Amendment shall be governed by and construed in accordance with the internal laws of the State of Texas, without giving effect to any choice or conflict of law provision or rule (whether of the State of Texas or any other jurisdiction).

[Signature Pages Follow]

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their respective authorized officers, all as of the day and year first above written.

SELLERS:

NEC BAYTOWN EMERGENCY CENTER, LP

By: Neighbors GP, LLC,
in its capacity as General Partner

By: 

Name: Chad J. Shandler

Title: Chief Restructuring Officer

NEC BELLAIRE EMERGENCY CENTER, LP

By: Neighbors GP, LLC,
in its capacity as General Partner


By: 

Name: Chad J. Shandler

Title: Chief Restructuring Officer

NEC CROSBY EMERGENCY CENTER, LP

By: Neighbors GP, LLC,
in its capacity as General Partner

By: 

Name: Chad J. Shandler

Title: Chief Restructuring Officer

NEC KINGWOOD EMERGENCY CENTER, LP

By: Neighbors GP, LLC,
in its capacity as General Partner

By: 

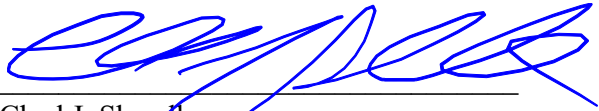
Name: Chad J. Shandler

Title: Chief Restructuring Officer

SELLERS, Continued:

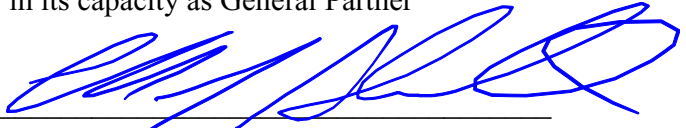
NEC PASADENA EMERGENCY CENTER, LP

By: Neighbors GP, LLC,
in its capacity as General Partner

By: 
Name: Chad J. Shandler
Title: Chief Restructuring Officer

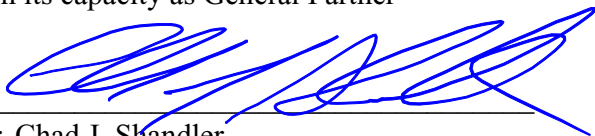
NEC PEARLAND EMERGENCY CENTER, LP

By: Neighbors GP, LLC,
in its capacity as General Partner

By: 
Name: Chad J. Shandler
Title: Chief Restructuring Officer

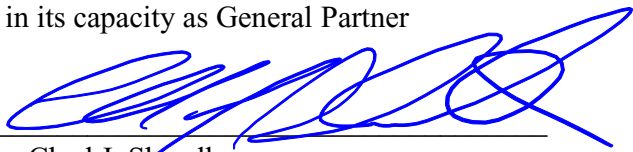
NEC PORTER EMERGENCY CENTER, LP

By: Neighbors GP, LLC,
in its capacity as General Partner

By: 
Name: Chad J. Shandler
Title: Chief Restructuring Officer

NEC YORKTOWN EMERGENCY CENTER, LP

By: Neighbors GP, LLC,
in its capacity as General Partner

By: 
Name: Chad J. Shandler
Title: Chief Restructuring Officer

SELLERS, Continued:

NEC BAYTOWN ASSET HOLDINGS, LLC

By: 
Name: Chad J. Shandler
Title: Chief Restructuring Officer

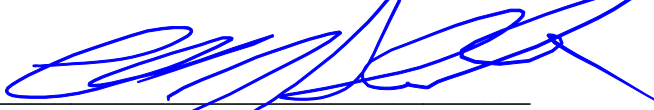
NEC KINGWOOD ASSET HOLDINGS LLC

By: 
Name: Chad J. Shandler
Title: Chief Restructuring Officer

NEC PEARLAND ASSET HOLDINGS, LLC

By: 
Name: Chad J. Shandler
Title: Chief Restructuring Officer

NEIGHBORS LEGACY HOLDINGS, INC.


By: 
Name: Chad J. Shandler
Title: Chief Restructuring Officer

NEIGHBORS GLOBAL HOLDINGS, LLC

By: 
Name: Chad J. Shandler
Title: Chief Restructuring Officer

SELLERS, Continued:

NEIGHBORS HEALTH, LLC

By: 
Name: Chad J. Shandler
Title: Chief Restructuring Officer


EDMG, LLC

By: 
Name: Chad J. Shandler
Title: Chief Restructuring Officer

NEIGHBORS PRACTICE MANAGEMENT, LLC

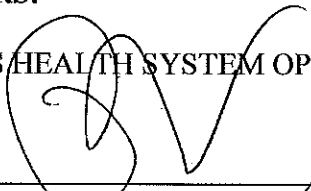
By: 
Name: Chad J. Shandler
Title: Chief Restructuring Officer

NEIGHBORS EMERGENCY CENTER, LLC

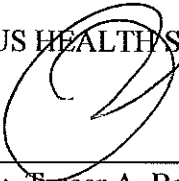
By: 
Name: Chad J. Shandler
Title: Chief Restructuring Officer

BUYERS:

ALTUS HEALTH SYSTEM OPCO, LLC

By: 
Name: Taseer A. Badar
Title: President & Manager

ALTUS HEALTH SYSTEM REALTY, LLC

By: 
Name: Taseer A. Badar
Title: President & Manager

AMENDMENT NO. 1 TO ASSET PURCHASE AGREEMENT

This Amendment No. 1 to the Asset Purchase Agreement (this “***Amendment***”), dated as of August 14, 2018, is entered into by and among (i) Fostre, Inc., a Texas corporation (“***Buyer***”), and (ii) NEC Port Arthur Emergency Center, LP, a Texas limited partnership, NEC Midland Emergency Center, LP, a Texas limited partnership, NEC Odessa Emergency Center, LP, a Texas limited partnership, NEC Amarillo Emergency Center, LP, a Texas limited partnership, NEC Eastside Emergency Center, LP, a Texas limited partnership, NEC Brownsville Emergency Center, LP, a Texas limited partnership, NEC Beaumont Emergency Center, LP, a Texas limited partnership, NEC Harlingen Emergency Center, LP, a Texas limited partnership, NEC Mueller Emergency Center, LP, a Texas limited partnership, NEC Orange Emergency Center, LP, a Texas limited partnership, NEC Texarkana Emergency Center, LP, a Texas limited partnership, NEC McAllen Emergency Center, LP, a Texas limited partnership, NEC Lubbock Emergency Center, LP, a Texas limited partnership, and NEC Paris Emergency Center, LP, a Texas limited partnership (collectively, the “***Operating Sellers***” and each individually, an “***Operating Seller***”), (iii) NEC Beaumont Asset Holdings, LLC, a Texas limited liability company (the “***Owned Real Property Seller***”), (iv) Neighbors Legacy Holdings, Inc., a Texas corporation (“***Seller Parent***”), Neighbors Global Holdings, LLC, a Delaware limited liability company (“***Global Holdings***”), Neighbors Health, LLC, a Texas limited liability company (“***Neighbors Health***”), EDMG, LLC, a Texas limited liability company (“***EDMG***”), and Neighbors Practice Management, LLC, a Texas limited liability company (“***NPM***” and collectively with Seller Parent, Global Holdings, Neighbors Health and EDMG, the “***Corporate and Shared Services Sellers***” and each individually, a “***Corporate and Shared Services Seller***,” and collectively with the Operating Sellers and the Owned Real Property Seller, the “***Sellers***” and each individually, a “***Seller***”). Buyer and Sellers are sometimes referred to collectively herein as the “***Parties***” and singly as a “***Party***.”

RECITALS:

WHEREAS, Buyer and Sellers entered into that certain Asset Purchase Agreement, dated as of July 20, 2018 (as the same may be further amended, supplemented or otherwise modified from time to time, the “***Asset Purchase Agreement***”); and

WHEREAS, the Parties now wish to amend certain provisions of the Asset Purchase Agreement in accordance with Section 10.03 thereof.

NOW, THEREFORE, in consideration of the premises and the mutual promises, agreements contained herein and in the Asset Purchase Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Buyer and Sellers hereby agree as follows:

1. Definitions. All capitalized terms used in this Amendment and not defined herein shall have the meanings assigned to them in the Asset Purchase Agreement.

2. Amendment to Defined Term “Alternative Transaction.” The defined term “Alternative Transaction” is hereby amended and restated in its entirety as follows:

“ ***Alternative Transaction***” means a transaction or series of related transactions pursuant to which the Sellers sell all or a substantial portion of the Transferred Assets or any group of assets that includes all or a portion of the Transferred Assets, from a Person other than Buyer or an Affiliate of Buyer, as the highest or best offer, in accordance with the Bidding Procedures Order or otherwise, but does not mean the sale of goods or services conducted in a manner consistent with the recent operation of the Acquired Business prior to the Petition Date.”

3. Amendment to Section 2.01(c) of the Asset Purchase Agreement. Section 2.01(c) of the Asset Purchase Agreement is hereby amended and restated in its entirety as follows:

“(c) At any time prior to the date that is one (1) day prior to the Qualified Bid Deadline, Buyer may provide written notice to Sellers that Buyer has elected to (i) remove from the Transferred Assets up to three (3) Leased Real Properties (including the associated Real Property Leases) attributable to Subject Locations (the “***Rejected Leased Real Properties***”) and (ii) designate such Rejected Leased Real Properties as Retained Assets. In the event that Buyer exercises its right under this Section 2.01(c), (i) all of the assets, properties, rights and interests of Sellers attributable to each Rejected Leased Real Property shall remain Transferred Assets, (ii) there shall be no change in the Purchase Price as a result of the designation of such Rejected Leased Real Properties as Retained Assets, and (iii) and Sellers shall be responsible for the closing costs attributable to shutting-down the operations at such Rejected Leased Real Properties.”

4. Amendment to Section 5.02(e) of the Asset Purchase Agreement. Section 5.02(e) of the Asset Purchase Agreement is hereby amended and restated in its entirety as follows:

“(e) The bidding procedures set forth in the Bidding Procedures Order shall include a requirement that all “qualified bids” (as determined pursuant to the Bidding Procedures Order) (i) be submitted by no later than August 22, 2018, (the “***Qualified Bid Deadline***”), (ii) require an initial overbid that is the sum of (A) the Purchase Price, (B) the Bid Protections amount and (C) \$250,000; (iii) after the initial overbid, all further overbids must be in increments of at least \$150,000.00, (iv) include a marked copy of this Agreement reflecting the Third Party bidder’s proposed changes to this Agreement; (v) include a good-faith deposit equal to the 10% of the Cash Purchase Price; and (vi) include no financing contingency.”

5. Amendment to Section 5.02(f) of the Asset Purchase Agreement. Section 5.02(f) of the Asset Purchase Agreement is hereby amended to replace all references therein to “Highest and Best Bid” with “Highest and/or Best Bid.” In addition, the defined term “Highest and Best Bid” in Section 1.01 of the Asset Purchase Agreement is amended to replace such reference with “Highest and/or Best Bid.”

6. Amendment to Section 5.03(b) of the Asset Purchase Agreement. The first two sentences of Section 5.03(b) of the Asset Purchase Agreement are hereby amended and restated in their entirety to read as follows:

“(b) By no later than July 31, 2018, Buyer shall provide the Sellers with Schedule 5.03 to this Agreement, which shall be a list of the 365 Contracts that, as of such date, Buyer desires to be assumed by the Sellers and assigned to Buyer (collectively, the “***Desired 365 Contracts***”). Not later than fifteen (15) days after the delivery of such Schedule 5.03, the Sellers shall provide Buyer with a schedule of the Cure Costs with respect to the 365 Contracts (including the Desired 365 Contracts) as of the Petition Date.”

7. Amendment to Section 5.04(c) of the Asset Purchase Agreement. The first sentence of Section 5.04(c) of the Asset Purchase Agreement is hereby amended and restated in its entirety as follows:

“By no later than July 31, 2018, Buyer shall provide Sellers with Buyer’s proposed terms (including rent and term) for its lease of the Desired Headquarters Space in sufficient detail so as to enable Sellers to commence discussions with the Headquarters Lease Landlord regarding such proposed lease agreement.”

8. Amendment to Section 6.03 of the Asset Purchase Agreement. Section 6.03 of the Asset Purchase Agreement is hereby amended and restated in its entirety as follows:

Section 6.03 Trade Name License Agreement and Transition Services Agreement. Commencing promptly following the Execution Date, Sellers and Buyer shall negotiate in good faith on the terms of the Trade Name License Agreement, the Transition Services Agreement (Houston) and the Transition Services Agreement (Debtor Estate) and shall use commercially reasonable efforts to finalize the definitive forms of such agreements by no later than the date that is three (3) days prior to the Qualified Bid Deadline.”

9. Terms of Asset Purchase Agreement. The scope, nature and extent of the Transferred Assets and the Specifically Assumed Liabilities are expressly set forth in the Asset Agreement. Except as expressly set forth herein, nothing contained herein will itself change, amend, extend or alter (nor should it be deemed or construed as changing, amending, extending or altering) the terms or conditions of the Asset Purchase Agreement in any manner whatsoever. Except as expressly set forth herein, this Amendment does not create or establish rights, liabilities or obligations not otherwise created or existing under or pursuant to the Asset Purchase Agreement.

10. Binding Effect; Third Party Beneficiaries. All of the terms and provisions of this Amendment are binding upon, and inure to the benefit of and are enforceable by, Buyer and Sellers and their respective successors and permitted assigns. No provision of this Amendment is intended to confer upon any Person other than Buyer and Sellers any rights or remedies hereunder.

11. Counterparts. This Amendment may be executed in counterparts, each of which when executed and delivered shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. Any document or signature delivered by facsimile,

email, or other means of electronic transmission (including .pdf) shall be deemed to have the same legal effect as delivery of an original signed copy of this Amendment.

12. Choice of Law. This Amendment shall be governed by and construed in accordance with the internal laws of the State of Texas, without giving effect to any choice or conflict of law provision or rule (whether of the State of Texas or any other jurisdiction).

[Signature Pages Follow]

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their respective authorized officers, all as of the day and year first above written.

SELLERS:

NEC PORT ARTHUR EMERGENCY CENTER, LP

By: Neighbors GP, LLC,
in its capacity as General Partner

By: 

Name: Chad J. Shandler

Title: Chief Restructuring Officer

NEC MIDLAND EMERGENCY CENTER, LP

By: Neighbors GP, LLC,
in its capacity as General Partner

By: 

Name: Chad J. Shandler

Title: Chief Restructuring Officer

NEC ODESSA EMERGENCY CENTER, LP

By: Neighbors GP, LLC,
in its capacity as General Partner

By: 

Name: Chad J. Shandler

Title: Chief Restructuring Officer

NEC AMARILLO EMERGENCY CENTER, LP

By: Neighbors GP, LLC,
in its capacity as General Partner

By: 

Name: Chad J. Shandler

Title: Chief Restructuring Officer

SELLERS, Continued:

NEC EASTSIDE EMERGENCY CENTER, LP

By: Neighbors GP, LLC,
in its capacity as General Partner

By: 

Name: Chad J. Shandler

Title: Chief Restructuring Officer

NEC BROWNSVILLE EMERGENCY CENTER, LP

By: Neighbors GP, LLC,
in its capacity as General Partner

By: 

Name: Chad J. Shandler

Title: Chief Restructuring Officer

NEC HARLINGEN EMERGENCY CENTER, LP

By: Neighbors GP, LLC,
in its capacity as General Partner

By: 

Name: Chad J. Shandler

Title: Chief Restructuring Officer

NEC MUELLER EMERGENCY CENTER, LP

By: Neighbors GP, LLC,
in its capacity as General Partner

By: 

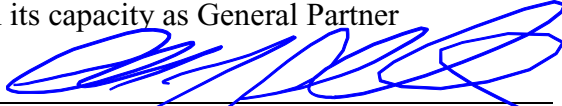
Name: Chad J. Shandler

Title: Chief Restructuring Officer

SELLERS, Continued:

NEC ORANGE EMERGENCY CENTER, LP

By: Neighbors GP, LLC,
in its capacity as General Partner

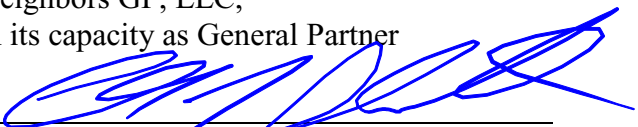
By: 

Name: Chad J. Shandler

Title: Chief Restructuring Officer

NEC TEXARKANA EMERGENCY CENTER, LP

By: Neighbors GP, LLC,
in its capacity as General Partner

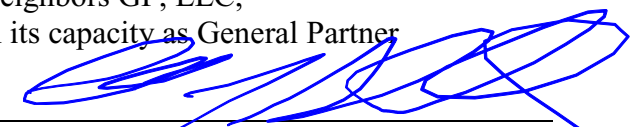
By: 

Name: Chad J. Shandler

Title: Chief Restructuring Officer

NEC MCALLEN EMERGENCY CENTER, LP

By: Neighbors GP, LLC,
in its capacity as General Partner


By: 

Name: Chad J. Shandler

Title: Chief Restructuring Officer

NEC LUBBOCK EMERGENCY CENTER, LP

By: Neighbors GP, LLC,
in its capacity as General Partner

By: 

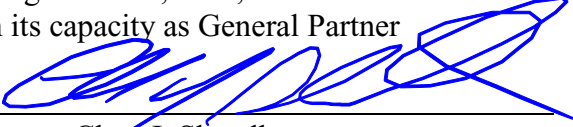
Name: Chad J. Shandler

Title: Chief Restructuring Officer


SELLERS, Continued:

NEC PARIS EMERGENCY CENTER, LP


By: Neighbors GP, LLC,
in its capacity as General Partner

By: 
Name: Chad J. Shandler
Title: Chief Restructuring Officer

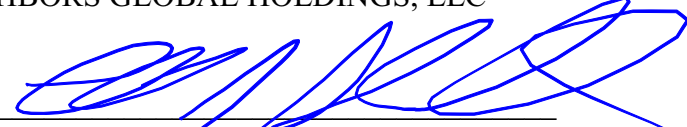
NEC BEAUMONT ASSET HOLDINGS, LLC

By: 
Name: Chad J. Shandler
Title: Chief Restructuring Officer


NEIGHBORS LEGACY HOLDINGS, INC.

By: 
Name: Chad J. Shandler
Title: Chief Restructuring Officer

NEIGHBORS GLOBAL HOLDINGS, LLC

By: 
Name: Chad J. Shandler
Title: Chief Restructuring Officer

NEIGHBORS HEALTH, LLC

By: 
Name: Chad J. Shandler
Title: Chief Restructuring Officer

SELLERS, Continued:

EDMG, LLC

By: 

Name: Chad J. Shandler

Title: Chief Restructuring Officer

NEIGHBORS PRACTICE MANAGEMENT, LLC

By: 

Name: Chad J. Shandler

Title: Chief Restructuring Officer

BUYER:

FOSTRE, INC.

By: 
Name: J Flint Smith MD
Title: President