

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 § § (Jointly Administered) §
---	--

**DEBTORS’ RESPONSE TO GREATER TEXAS EMERGENCY CENTERS LLC’S
EMERGENCY MOTION FOR FINDING REGARDING
ASSET PURCHASE AGREEMENT**

Neighbors Legacy Holdings, Inc. (“NLH”) and certain of its affiliates and subsidiaries, as debtors and debtors in possession in the above-captioned cases (collectively, the “Debtors”), file their response (the “Response”) to Greater Texas Emergency Center LLC’s (“Greater Texas”) Emergency Motion (the “Motion”) for Finding Regarding Asset Purchase Agreement.

SUMMARY OF RESPONSE

1. On October 31, 2018, the Debtors closed two of their asset sales and are well on the way to closing two others. In contrast, Greater Texas has not provided comments to any of the closing documents, all of which have been prepared by the Debtors. Instead, Greater Texas has delayed its preparation for closing and seeks to re-negotiate or re-write portions of the Greater Texas APA. In particular, Greater Texas now seeks to expand the definition of Transferred Assets through a reinterpretation of two provisions. The Debtors urge the Court to reject Greater Texas’s request to include new assets in their purchase agreement,² which is

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.

² The Debtors have conferred with counsel for the Official Committee of Unsecured Creditors (the “Committee”). The Committee has indicated that it supports the Debtors’ position in this Response.



contrary to the language of the Greater Texas APA and, to the extent relevant, the intent of the parties.³

JURISDICTION AND VENUE

2. This Court has jurisdiction to consider this motion pursuant to 28 U.S.C. § 1334. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. § 1408.

BACKGROUND

3. On July 23, 2018, the Debtors filed their Notice of Designation of Stalking Horse Bidder for their Non-Houston Locations, which attached the APA (the “Stalking Horse APA”) for the Debtors’ non-Houston locations (Doc No. 89). The Stalking Horse APA included Schedule 2.01(a)(v) – Furniture and Medical Equipment (Headquarters). *See* Notice of Non-Houston Stalking Horse, p. iv.

4. On August 9, 2018, the Debtors filed the Stalking Horse APA Disclosure Schedules, which included 2.01(a)(v) (the “Stalking Horse APA Schedule”),⁴ a list of Furniture and Medical Equipment (Headquarters) (Doc No. 206).

5. On August 22, 2018, Greater Texas submitted its Qualified Bid, which included Schedule 2.01(a)(v) (the “Greater Texas Schedule”). The Greater Texas Schedule includes a list of FF&E that is identical to the Stalking Horse APA Schedule. (*Compare* Stalking Horse APA Schedule 2.01(a)(v), attached hereto as **Exhibit A**, *with* Greater Texas Schedule, a list of Furniture and Medical Equipment (Headquarters), attached hereto as **Exhibit B**.)

³ The Debtors are attaching a chart of the Debtors’ and Greater Texas’s positions with respect to the issues that are the subject of the Motion. The chart of the Parties’ positions is attached as **Exhibit C**.

⁴ The Stalking Horse APA Disclosure Schedules inadvertently lists 2.01(a)(v) as “2.01(a)(viii).”

6. As the Court is aware, the Debtors are selling their assets in five separate asset packages (each an “APA”) to five separate buyers (“Buyers”). The Debtors are working diligently to finalize each APA, including Greater Texas’s APA, in order for the sales to close in the coming weeks. As of the date of this Response, the Debtors have consummated sales under two of the APAs.

7. The Debtors filed these cases having already engaged in an extensive pre-petition marketing process. Well in advance of the Auction, both pre- and post-petition, the Buyers, including Greater Texas, had ample opportunity to conduct due diligence. Upon information and belief, Greater Texas conducted no site visits prior to the Auction.

RESPONSE

A. Stored equipment at the Yorktown Facility

8. Prepetition, the Debtors closed 13 locations. As the Debtors closed these locations, the Debtors typically removed items owned by the Debtors that operated the closed locations, including medical equipment like hospital beds. In order to minimize costs to the Debtors’ estates, the Debtors stored some of this equipment at the Debtors’ Yorktown facility leased by Debtor NEC Yorktown Emergency Center, LP. That location includes extra space adjacent to the clinical area (the “Yorktown Storage Space”).

9. The property stored at the Yorktown Storage Space (the “Stored Property”), which included 27 Stryker hospital beds and other miscellaneous equipment, was not used in the Debtors’ operations at the Yorktown location. The equipment was never owned by the Yorktown Debtor and was not included on the Yorktown schedules. The Stored Property is owned by a number of other entities. The Debtors merely kept the Stored Property at the Yorktown Storage Space for a period of time due to the size of the Stored Property (hospital

beds) and the fact that the Yorktown Storage Space was one of the only places where the Debtors had room for the Stored Property.

10. Greater Texas representatives toured the Yorktown facility with the Debtors' representatives. During that tour, the Debtors made clear that the Stored Property was not used in operation of the Debtors' Yorktown location and that the Stored Property was the property of the Debtors that operated the closed centers. Recently, the Debtors removed the Stored Property from the Yorktown facility. The Debtors have not disposed of any of the Stored Property. The Greater Texas APA, filed at docket number 484-1, refutes the notion that the Debtors sold the Stored Property to Greater Texas. Section 2.01(a) provides:

(a) Subject to, and on the terms and conditions of this Agreement, effective at the Effective Time, Buyer shall purchase, acquire, and accept from the Sellers, and the Sellers shall sell, convey, transfer, assign, and deliver to Buyer free and clear of any and all Liens, Claims, and Interests of any kind or nature whatsoever, whether arising prior to, on or subsequent to the Petition Date, (other than Specifically Assumed Liabilities), all rights, title, and interest of every kind and nature of Sellers (including indirect and other forms of ownership), in and to all of the assets, properties, rights and interests set forth below **solely to the extent related to the Acquired Business** (the "Transferred Assets"):

Greater Texas APA, Section 2.01(a) (emphasis added).

11. That the Transferred Assets only includes assets "solely to the extent related to the Acquired Business" is a limitation on the list of all assets set forth in the subsections of Section 2.01(a). That limitation was necessary because the Debtors are selling different packages of assets to different buyers. In its Motion, Greater Texas ignores this limitation completely.

12. The Greater Texas APA defines "Acquired Business" as follows:

A. The Operating Sellers are or were engaged in the business of operating the emergency centers listed on Exhibit A (each a "**Facility**" and collectively, the "**Facilities**"), and the Corporate and Shared Services Sellers are or were engaged in performing corporate functions relative to

the operation of the Facilities (collectively with the business conducted by the Operating Sellers at the Facilities, the “*Acquired Business*”).

Greater Texas APA, Recitals, ¶ A, p. 1

13. The Stored Property is not related to the Acquired Business – the Stored Property is neither owned by the Yorktown Debtor nor does the Yorktown Debtor use the Stored Property in its operations. The Stored Property in no way relates to performing the corporate functions related to the operation of the Yorktown Facility nor does the Stored Property relate to the business conducted by the Operating Sellers, as defined in the Greater Texas APA, as the Stored Property has never been used in the operations at the Yorktown Facility.

14. Accordingly, consistent with what the Debtors explained to Greater Texas during its tour of the Yorktown facility, the Stored Property is excluded from the Transferred Assets under the Greater Texas APA.

B. Furniture and Medical Equipment on the Second Floor and Schedule 2.01(a)(v)

15. Greater Texas requests a finding that “all equipment located at the Headquarters is subject to the sale.” [*See* Motion, ¶ 17]. There is no support for such a finding in the Greater Texas APA. Greater Texas’s position that it is purchasing all of the furniture, fixtures and equipment (“FF&E”) at Headquarters i) is inconsistent with the terms of the Greater Texas APA and ii) conflicts with the Disclosure Schedules that Greater Texas submitted as a part of its Qualified Bid under the Bidding Procedures.

16. The second floor of the Headquarters has been used as a storage site for FF&E for numerous of the Debtors’ (and non-debtors’) centers. As with the Yorktown location, the Debtors stored equipment from their closed centers on the second floor of the Headquarters. The reference to the second floor in Section 2.01(a)(v) originated in the Stalking Horse APA and was intended to be specific about exactly where those scheduled items were being stored to provide

the stalking horse buyer comfort that it would be able to keep track of the FF&E that it was purchasing, especially in light of the fact that certain FF&E that constituted Transferred Assets is located on the third floor. The exact subset of second-floor FF&E that was negotiated to be acquired under the Stalking Horse APA is limited to the items specified on the schedule. The balance of FF&E on the second floor is not included, which is why it is purposefully not listed on the Stalking Horse APA Schedule 2.01(a)(v).

i. Greater Texas’s Position is Inconsistent with the Plain Language of the APA

17. Section 2.01(a)(v) provides that the following are Transferred Assets:

“(A) the furniture and medical equipment stored on the second floor of the Headquarters **and** listed on Schedule 2.01(a)(v) and (B) the furniture, fixtures and equipment located at the Desired Headquarters Space;”

Greater Texas APA, Section 2.01(a)(v) (emphasis added).

18. Greater Texas implies that because the definition of Desired Headquarters Space is “broadly defined,” Greater Texas is entitled to all equipment on the second floor of Headquarters. Greater Texas conflates the definitions of “Headquarters” and “Desired Headquarters Space,” even though those two terms have separate and distinct meanings. The Greater Texas APA defines “Headquarters” and the “Desired Headquarters Space” as follows:

“**Headquarters**” means the corporate headquarters of Seller Parent located at 10800 Richmond Ave., Houston, Texas 77042.

The “**Desired Headquarters Space**” – up to 10,000 square feet of office space on the **third floor of the Headquarters**” (see section 2.08(c)(iv)) if the Buyer enters into a lease with the Headquarters Lease Landlord.

See Greater Texas APA, Definitions, p. 6, and § 2.08(c)(iv), p. 24 (emphasis added).

19. Greater Texas argues that the Transferred Assets should include all FF&E located at the Desired Headquarters Space. (See Motion, ¶ 16). The Debtors agree with this argument –

the Transferred Assets include the FF&E located at the Desired Headquarters Space, pursuant to the plain language of the Greater Texas APA.

20. Greater Texas goes on to argue, however, that Greater Texas is entitled to “all equipment located at the Headquarters . . .” (*See* Motion, ¶ 17). Greater Texas’s argument is not supported by the plain language of the Greater Texas APA. The Greater Texas APA provides that the Transferred Assets include a specific subset of FF&E located on the second floor of the Headquarters. The Transferred Assets are not **all** of the FF&E located on the second floor of Headquarters; rather, the Transferred Assets are only the FF&E located on the second floor of Headquarters **and** listed on Schedule 2.01(a)(v). If the Transferred Assets included all FF&E on the second floor of Headquarters, the Greater Texas APA language would simply say “the furniture and medical equipment stored on the second floor of Headquarters.” Instead, the clause includes the word “and” and limits the FF&E on the second floor to that listed on Schedule 2.01(a)(v).

ii. Greater Texas’s New Definition of Transferred Assets Conflicts with its Schedules Submitted with its Qualified Bid

21. Although Greater Texas is now taking the position that it is entitled to all FF&E at the Headquarters, Greater Texas took a different position when it submitted its Qualified Bid prior to the Auction. In Greater Texas’s Qualified Bid, the Greater Texas Schedule 2.01(a)(v)⁵ was *identical* to the Stalking Horse APA Schedule 2.01(a)(v); Greater Texas did not add *any* furniture or equipment to the Greater Texas Schedule 2.01(a)(v) that the stalking horse bidder had not included.

⁵ The Executed Version of the Greater Texas APA inadvertently leaves Schedule 2.01(a)(v) off completely.

22. Greater Texas should not now, at the eleventh hour, be allowed to rewrite portions of the Greater Texas APA through its substantive changes to the Greater Texas Schedule 2.01(a)(v).

CONCLUSION

23. The Debtors respectfully request that this Court deny Greater Texas's Motion and grant Debtors any such other and further relief as the Court may deem just and proper.

Dated: November 1, 2018.

PORTER HEDGES LLP

By: /s/ Eric M. English
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) 226-6248

**COUNSEL FOR DEBTORS
AND DEBTORS IN POSSESSION**

Schedule 2.01(a)(viii)

Furniture and Medical Equipment (Headquarters)

[See attached.]

EXHIBIT A

Medical Equip					
MEDICUS	LIS HARDWARE	COMPUTER	\$ 12,443.00	1	\$ 12,443.00
MEDICUS	LIS HARDWARE	COMPUTER	\$ 12,443.00	1	\$ 12,443.00
MEDICUS	LIS HARDWARE	COMPUTER	\$ 12,443.00	1	\$ 12,443.00
MEDICUS	LIS HARDWARE	COMPUTER	\$ 12,443.00	1	\$ 12,443.00
MEDICUS	LIS HARDWARE	COMPUTER	\$ 12,443.00	1	\$ 12,443.00
MEDICUS	LIS HARDWARE	COMPUTER	\$ 12,443.00	1	\$ 12,443.00
Medtronic Inc	LIFEPAK 12 BIPHASIC	DEFIBRILLATORS	\$ 6,000.00	1	\$ 6,000.00
PRECISION INSTRUMENTS	PRECISION 101 SLIT LAMP	SLIT LAMP	\$ 4,250.00	1	\$ 4,250.00
PRECISION INSTRUMENTS	PRECISION 101 SLIT LAMP	SLIT LAMP	\$ 4,250.00	1	\$ 4,250.00
PRECISION INSTRUMENTS	PRECISION 101 SLIT LAMP	SLIT LAMP	\$ 4,250.00	1	\$ 4,250.00
PRECISION INSTRUMENTS	PRECISION 101 SLIT LAMP	SLIT LAMP	\$ 4,250.00	1	\$ 4,250.00
PRECISION INSTRUMENTS	PRECISION 101 SLIT LAMP	SLIT LAMP	\$ 4,250.00	1	\$ 4,250.00
PRECISION INSTRUMENTS	PRECISION 101 SLIT LAMP	SLIT LAMP	\$ 4,250.00	1	\$ 4,250.00
Medonic	M-SERIES	ANALYZERS, LABORATORY, HEMATOLOGY	\$ 13,500.00	1	\$ 13,500.00
Medonic	M-SERIES	ANALYZERS, LABORATORY, HEMATOLOGY	\$ 13,500.00	1	\$ 13,500.00
Medonic	M-SERIES	ANALYZERS, LABORATORY, HEMATOLOGY	\$ 13,500.00	1	\$ 13,500.00
Welch Allyn Inc	CP150	ELECTROCARDIOGRAPHS	\$ 3,094.64	1	\$ 3,094.64
Welch Allyn Inc	CP150	ELECTROCARDIOGRAPHS	\$ 3,094.64	1	\$ 3,094.64
Welch Allyn Inc	CP150	ELECTROCARDIOGRAPHS	\$ 3,094.64	1	\$ 3,094.64
Welch Allyn Inc	CP150	ELECTROCARDIOGRAPHS	\$ 3,094.64	1	\$ 3,094.64
Welch Allyn Inc	CP150	ELECTROCARDIOGRAPHS	\$ 3,094.64	1	\$ 3,094.64
Welch Allyn Inc	GS 600	LIGHTS, EXAMINATION	\$ 797.91	1	\$ 797.91
Welch Allyn Inc	GS 600	LIGHTS, EXAMINATION	\$ 797.91	1	\$ 797.91
Welch Allyn Inc	GS 600	LIGHTS, EXAMINATION	\$ 797.91	1	\$ 797.91
Welch Allyn Inc	GS 600	LIGHTS, EXAMINATION	\$ 797.91	1	\$ 797.91
Welch Allyn Inc	GS 600	LIGHTS, EXAMINATION	\$ 797.91	1	\$ 797.91
Welch Allyn Inc	GS 600	LIGHTS, EXAMINATION	\$ 797.91	1	\$ 797.91
Welch Allyn Inc	GS 600	LIGHTS, EXAMINATION	\$ 797.91	1	\$ 797.91
VersaMed Inc.	iVENT 201	VENTILATORS	\$ 6,500.00	1	\$ 6,500.00
VersaMed Inc.	iVENT 201	VENTILATORS	\$ 6,500.00	1	\$ 6,500.00
VersaMed Inc.	iVENT 201	VENTILATORS	\$ 6,500.00	1	\$ 6,500.00
Abaxis	PICCOLO XPRESS	ANALYZERS, LABORATORY, CLINICAL CHEMISTRY	\$ 12,299.97	1	\$ 12,299.97
Abaxis	PICCOLO XPRESS	ANALYZERS, LABORATORY, CLINICAL CHEMISTRY	\$ 12,299.97	1	\$ 12,299.97
Abaxis	PICCOLO XPRESS	ANALYZERS, LABORATORY, CLINICAL CHEMISTRY	\$ 12,299.97	1	\$ 12,299.97
Abaxis	PICCOLO XPRESS	ANALYZERS, LABORATORY, CLINICAL CHEMISTRY	\$ 12,299.97	1	\$ 12,299.97
iCare	TA01I	TONOMETER	\$ 3,795.00	1	\$ 3,795.00
iCare	TA01I	TONOMETER	\$ 3,795.00	1	\$ 3,795.00
iCare	TA01I	TONOMETER	\$ 3,795.00	1	\$ 3,795.00
iCare	TA01I	TONOMETER	\$ 3,795.00	1	\$ 3,795.00
iCare	TA01I	TONOMETER	\$ 3,795.00	1	\$ 3,795.00
iCare	TA01I	TONOMETER	\$ 3,795.00	1	\$ 3,795.00
iCare	TA01I	TONOMETER	\$ 3,795.00	1	\$ 3,795.00
iCare	TA01I	TONOMETER	\$ 3,795.00	1	\$ 3,795.00
Mindray DS USA, Inc.	PASSPORT 12M	MONITORS, PHYSIOLOGIC, VITAL SIGNS	\$ 4,593.76	1	\$ 4,593.76
Mindray DS USA, Inc.	PASSPORT 12M	MONITORS, PHYSIOLOGIC, VITAL SIGNS	\$ 4,593.76	1	\$ 4,593.76
Mindray DS USA, Inc.	PASSPORT 12M	MONITORS, PHYSIOLOGIC, VITAL SIGNS	\$ 4,593.76	1	\$ 4,593.76
Welch Allyn Inc	SURETEMP PLUS 690	THERMOMETERS, ELECTRONIC, PATIENT	\$ 183.60	1	\$ 183.60
Welch Allyn Inc	SURETEMP PLUS 690	THERMOMETERS, ELECTRONIC, PATIENT	\$ 183.60	1	\$ 183.60
Welch Allyn Inc	SURETEMP PLUS 690	THERMOMETERS, ELECTRONIC, PATIENT	\$ 183.60	1	\$ 183.60
Harloff	CRASH CART, RED	CART	\$ 1,454.76	1	\$ 1,454.76
Harloff	CRASH CART, MAUVE	CART	\$ 1,454.76	1	\$ 1,454.76
Welch Allyn Inc	GS 777	OPHTHALMOSCOPE/OTOSCOPES	\$ 760.54	1	\$ 760.54
Welch Allyn Inc	GS 777	OPHTHALMOSCOPE/OTOSCOPES	\$ 760.54	1	\$ 760.54
Welch Allyn Inc	GS 777	OPHTHALMOSCOPE/OTOSCOPES	\$ 760.54	1	\$ 760.54
Welch Allyn Inc	GS 777	OPHTHALMOSCOPE/OTOSCOPES	\$ 760.54	1	\$ 760.54
CareFusion	CAREFUSION - MEDLEY LVP (8100)	INFUSION PUMPS	\$ 1,000.00	1	\$ 1,000.00
CareFusion	CAREFUSION - MEDLEY LVP (8100)	INFUSION PUMPS	\$ 1,000.00	1	\$ 1,000.00
CareFusion	CAREFUSION - MEDLEY LVP (8100)	INFUSION PUMPS	\$ 1,000.00	1	\$ 1,000.00
CareFusion	CAREFUSION - MEDLEY LVP (8100)	INFUSION PUMPS	\$ 1,000.00	1	\$ 1,000.00
CareFusion	CAREFUSION - MEDLEY LVP (8100)	INFUSION PUMPS	\$ 1,000.00	1	\$ 1,000.00
CareFusion	CAREFUSION - MEDLEY LVP (8100)	INFUSION PUMPS	\$ 1,000.00	1	\$ 1,000.00
CareFusion	CAREFUSION - MEDLEY LVP (8100)	INFUSION PUMPS	\$ 1,000.00	1	\$ 1,000.00
CareFusion	CAREFUSION - MEDLEY LVP (8100)	INFUSION PUMPS	\$ 1,000.00	1	\$ 1,000.00
CareFusion	CAREFUSION - MEDLEY LVP (8100)	INFUSION PUMPS	\$ 1,000.00	1	\$ 1,000.00
CareFusion	CAREFUSION - MEDLEY LVP (8100)	INFUSION PUMPS	\$ 1,000.00	1	\$ 1,000.00

Medical Equip					
CareFusion	CAREFUSION - MEDLEY LVP (8100)	INFUSION PUMPS	\$ 1,000.00	1	\$ 1,000.00
CareFusion	CAREFUSION - MEDLEY LVP (8100)	INFUSION PUMPS	\$ 1,000.00	1	\$ 1,000.00
CareFusion	CAREFUSION - MEDLEY LVP (8100)	INFUSION PUMPS	\$ 1,000.00	1	\$ 1,000.00
CareFusion	CAREFUSION - MEDLEY LVP (8100)	INFUSION PUMPS	\$ 1,000.00	1	\$ 1,000.00
CareFusion	CAREFUSION - MEDLEY LVP (8100)	INFUSION PUMPS	\$ 1,000.00	1	\$ 1,000.00
					\$ 301,060.21
Furniture					
		Stretcher, Transport	\$ 3,210	\$ 8	25680
		Omnichel		1	5000
		Leather Sofa, Brown	1	\$ 2,000	\$ 1,000
		Lobby Chair, Green (Circles)	4	\$ 1,265	\$ 2,530
		Lobby Chair, Green (distressed marks)	4	\$ 1,265	\$ 2,530
		Lobby Chair, Green (no pattern)	4	\$ 1,265	\$ 2,530
		Lobby Chair, Teal (no pattern)	4	\$ 1,265	\$ 2,530
		Lobby End Table, Brown	2	\$ 120	\$ 120
		Lobby Loveseat- Blue	4	\$ 1,575	\$ 3,150
		Lobby Loveseat- Teal (distressed marks)	4	\$ 1,575	\$ 3,150
					\$ 48,220

Medical Equip

MEDICUS	LIS HARDWARE	COMPUTER	\$ 12,443.00	1	\$ 12,443.00
MEDICUS	LIS HARDWARE	COMPUTER	\$ 12,443.00	1	\$ 12,443.00
MEDICUS	LIS HARDWARE	COMPUTER	\$ 12,443.00	1	\$ 12,443.00
MEDICUS	LIS HARDWARE	COMPUTER	\$ 12,443.00	1	\$ 12,443.00
MEDICUS	LIS HARDWARE	COMPUTER	\$ 12,443.00	1	\$ 12,443.00
MEDICUS	LIS HARDWARE	COMPUTER	\$ 12,443.00	1	\$ 12,443.00
Medtronic Inc	LIFEPAK 12 BIPHASIC	DEFIBRILLATORS	\$ 6,000.00	1	\$ 6,000.00
PRECISION INSTRUMENTS	PRECISION 101 SLIT LAMP	SLIT LAMP	\$ 4,250.00	1	\$ 4,250.00
PRECISION INSTRUMENTS	PRECISION 101 SLIT LAMP	SLIT LAMP	\$ 4,250.00	1	\$ 4,250.00
PRECISION INSTRUMENTS	PRECISION 101 SLIT LAMP	SLIT LAMP	\$ 4,250.00	1	\$ 4,250.00
PRECISION INSTRUMENTS	PRECISION 101 SLIT LAMP	SLIT LAMP	\$ 4,250.00	1	\$ 4,250.00
PRECISION INSTRUMENTS	PRECISION 101 SLIT LAMP	SLIT LAMP	\$ 4,250.00	1	\$ 4,250.00
PRECISION INSTRUMENTS	PRECISION 101 SLIT LAMP	SLIT LAMP	\$ 4,250.00	1	\$ 4,250.00
Medonic	M-SERIES	ANALYZERS, LABORATORY, HEMATOLOGY	\$ 13,500.00	1	\$ 13,500.00
Medonic	M-SERIES	ANALYZERS, LABORATORY, HEMATOLOGY	\$ 13,500.00	1	\$ 13,500.00
Medonic	M-SERIES	ANALYZERS, LABORATORY, HEMATOLOGY	\$ 13,500.00	1	\$ 13,500.00
Welch Allyn Inc	CP150	ELECTROCARDIOGRAPHS	\$ 3,094.64	1	\$ 3,094.64
Welch Allyn Inc	CP150	ELECTROCARDIOGRAPHS	\$ 3,094.64	1	\$ 3,094.64
Welch Allyn Inc	CP150	ELECTROCARDIOGRAPHS	\$ 3,094.64	1	\$ 3,094.64
Welch Allyn Inc	CP150	ELECTROCARDIOGRAPHS	\$ 3,094.64	1	\$ 3,094.64
Welch Allyn Inc	GS 600	LIGHTS, EXAMINATION	\$ 797.91	1	\$ 797.91
Welch Allyn Inc	GS 600	LIGHTS, EXAMINATION	\$ 797.91	1	\$ 797.91
Welch Allyn Inc	GS 600	LIGHTS, EXAMINATION	\$ 797.91	1	\$ 797.91
Welch Allyn Inc	GS 600	LIGHTS, EXAMINATION	\$ 797.91	1	\$ 797.91
Welch Allyn Inc	GS 600	LIGHTS, EXAMINATION	\$ 797.91	1	\$ 797.91
Welch Allyn Inc	GS 600	LIGHTS, EXAMINATION	\$ 797.91	1	\$ 797.91
Welch Allyn Inc	GS 600	LIGHTS, EXAMINATION	\$ 797.91	1	\$ 797.91
VersaMed Inc.	iVENT 201	VENTILATORS	\$ 6,500.00	1	\$ 6,500.00
VersaMed Inc.	iVENT 201	VENTILATORS	\$ 6,500.00	1	\$ 6,500.00
VersaMed Inc.	iVENT 201	VENTILATORS	\$ 6,500.00	1	\$ 6,500.00
Abaxis	PICCOLO XPRESS	ANALYZERS, LABORATORY, CLINICAL CHEMISTRY	\$ 12,299.97	1	\$ 12,299.97
Abaxis	PICCOLO XPRESS	ANALYZERS, LABORATORY, CLINICAL CHEMISTRY	\$ 12,299.97	1	\$ 12,299.97
Abaxis	PICCOLO XPRESS	ANALYZERS, LABORATORY, CLINICAL CHEMISTRY	\$ 12,299.97	1	\$ 12,299.97
Abaxis	PICCOLO XPRESS	ANALYZERS, LABORATORY, CLINICAL CHEMISTRY	\$ 12,299.97	1	\$ 12,299.97
iCare	TA01I	TONOMETER	\$ 3,795.00	1	\$ 3,795.00
iCare	TA01I	TONOMETER	\$ 3,795.00	1	\$ 3,795.00
iCare	TA01I	TONOMETER	\$ 3,795.00	1	\$ 3,795.00
iCare	TA01I	TONOMETER	\$ 3,795.00	1	\$ 3,795.00
iCare	TA01I	TONOMETER	\$ 3,795.00	1	\$ 3,795.00

iCare	TA01I	TONOMETER	\$ 3,795.00	1	\$ 3,795.00
iCare	TA01I	TONOMETER	\$ 3,795.00	1	\$ 3,795.00
iCare	TA01I	TONOMETER	\$ 3,795.00	1	\$ 3,795.00
Mindray DS USA, Inc.	PASSPORT 12M	MONITORS, PHYSIOLOGIC, VITAL SIGNS	\$ 4,593.76	1	\$ 4,593.76
Mindray DS USA, Inc.	PASSPORT 12M	MONITORS, PHYSIOLOGIC, VITAL SIGNS	\$ 4,593.76	1	\$ 4,593.76
Mindray DS USA, Inc.	PASSPORT 12M	MONITORS, PHYSIOLOGIC, VITAL SIGNS	\$ 4,593.76	1	\$ 4,593.76
Welch Allyn Inc	SURETEMP PLUS 690	THERMOMETERS, ELECTRONIC, PATIENT	\$ 183.60	1	\$ 183.60
Welch Allyn Inc	SURETEMP PLUS 690	THERMOMETERS, ELECTRONIC, PATIENT	\$ 183.60	1	\$ 183.60
Welch Allyn Inc	SURETEMP PLUS 690	THERMOMETERS, ELECTRONIC, PATIENT	\$ 183.60	1	\$ 183.60
Harloff	CRASH CART, RED	CART	\$ 1,454.76	1	\$ 1,454.76
Harloff	CRASH CART, MAUVE	CART	\$ 1,454.76	1	\$ 1,454.76
Welch Allyn Inc	GS 777	OPHTHALMOSCOPE/OTOSCOPES	\$ 760.54	1	\$ 760.54
Welch Allyn Inc	GS 777	OPHTHALMOSCOPE/OTOSCOPES	\$ 760.54	1	\$ 760.54
Welch Allyn Inc	GS 777	OPHTHALMOSCOPE/OTOSCOPES	\$ 760.54	1	\$ 760.54
Welch Allyn Inc	GS 777	OPHTHALMOSCOPE/OTOSCOPES	\$ 760.54	1	\$ 760.54
CareFusion	CAREFUSION - MEDLEY LVP (8100)	INFUSION PUMPS	\$ 1,000.00	1	\$ 1,000.00
CareFusion	CAREFUSION - MEDLEY LVP (8100)	INFUSION PUMPS	\$ 1,000.00	1	\$ 1,000.00
CareFusion	CAREFUSION - MEDLEY LVP (8100)	INFUSION PUMPS	\$ 1,000.00	1	\$ 1,000.00
CareFusion	CAREFUSION - MEDLEY LVP (8100)	INFUSION PUMPS	\$ 1,000.00	1	\$ 1,000.00
CareFusion	CAREFUSION - MEDLEY LVP (8100)	INFUSION PUMPS	\$ 1,000.00	1	\$ 1,000.00
CareFusion	CAREFUSION - MEDLEY LVP (8100)	INFUSION PUMPS	\$ 1,000.00	1	\$ 1,000.00
CareFusion	CAREFUSION - MEDLEY LVP (8100)	INFUSION PUMPS	\$ 1,000.00	1	\$ 1,000.00
CareFusion	CAREFUSION - MEDLEY LVP (8100)	INFUSION PUMPS	\$ 1,000.00	1	\$ 1,000.00
CareFusion	CAREFUSION - MEDLEY LVP (8100)	INFUSION PUMPS	\$ 1,000.00	1	\$ 1,000.00
CareFusion	CAREFUSION - MEDLEY LVP (8100)	INFUSION PUMPS	\$ 1,000.00	1	\$ 1,000.00
CareFusion	CAREFUSION - MEDLEY LVP (8100)	INFUSION PUMPS	\$ 1,000.00	1	\$ 1,000.00
CareFusion	CAREFUSION - MEDLEY LVP (8100)	INFUSION PUMPS	\$ 1,000.00	1	\$ 1,000.00
CareFusion	CAREFUSION - MEDLEY LVP (8100)	INFUSION PUMPS	\$ 1,000.00	1	\$ 1,000.00
CareFusion	CAREFUSION - MEDLEY LVP (8100)	INFUSION PUMPS	\$ 1,000.00	1	\$ 1,000.00
CareFusion	CAREFUSION - MEDLEY LVP (8100)	INFUSION PUMPS	\$ 1,000.00	1	\$ 1,000.00
CareFusion	CAREFUSION - MEDLEY LVP (8100)	INFUSION PUMPS	\$ 1,000.00	1	\$ 1,000.00
					\$ 301,060.21

Furniture

Stretcher, Transport	\$ 3,210	\$ 8	25680
Omnice1		1	5000
Leather Sofa, Brown	1	\$ 2,000	\$ 1,000
Lobby Chair, Green (Circles)	4	\$ 1,265	\$ 2,530
Lobby Chair, Green (distressed marks)	4	\$ 1,265	\$ 2,530

Lobby Chair, Green (no pattern)	4	\$	1,265	\$	2,530
Lobby Chair, Teal (no pattern)	4	\$	1,265	\$	2,530
Lobby End Table, Brown	2	\$	120	\$	120
Lobby Loveseat- Blue	4	\$	1,575	\$	3,150
Lobby Loveseat- Teal (distressed marks)	4	\$	1,575	\$	3,150
				\$	48,220

11.2.18 hearing to consider Greater Texas’s Motion for Finding Regarding Asset Purchase Agreement – Chart of Parties’ Positions

NATURE OF DISPUTE	APA REFERENCE	DEBTORS’ POSITION	GREATER TEXAS’S POSITION
<p>Medical equipment stored at the Yorktown Facility</p>	<p>Section 2.01(a):</p> <p>(a) Subject to, and on the terms and conditions of this Agreement, effective at the Effective Time, Buyer shall purchase, acquire, and accept from the Sellers, and the Sellers shall sell, convey, transfer, assign, and deliver to Buyer free and clear of any and all Liens, Claims, and Interests of any kind or nature whatsoever, whether arising prior to, on or subsequent to the Petition Date, (other than Specifically Assumed Liabilities), all rights, title, and interest of every kind and nature of Sellers (including indirect and other forms of ownership), in and to all of the assets, properties, rights and interests set forth below solely to the extent related to the Acquired Business (the “Transferred Assets”):</p> <p>(iii) all equipment (including medical equipment and instruments), furniture, furnishings, computer hardware, communication equipment, supplies, fixtures, leasehold interests, materials, Inventory and other tangible personal property of any kind or type that is owned by the Operating Sellers, used in the Acquired Business or located at or within any Facility;</p> <p>[Greater Texas APA, Section 2.01(a)(iii) (emphasis added)].</p> <p>Definition of Acquired Business:</p> <p>A. The Operating Sellers are or were engaged in the business of operating the emergency centers listed</p>	<p>The Debtors believe that the bold language in 2.01(a) limits Transferred Assets to those related to the Acquired Business.</p> <p>The Stored Property was not used to operate the Yorktown Facility and is therefore not related to the Acquired Business and is not included in the Transferred Assets.</p>	<p>Greater Texas believes that the Transferred Assets include the property stored at the Yorktown Facility, pursuant to 2.01(a)(iii).</p>

11.2.18 hearing to consider Greater Texas’s Motion for Finding Regarding Asset Purchase Agreement – Chart of Parties’ Positions

NATURE OF DISPUTE	APA REFERENCE	DEBTORS’ POSITION	GREATER TEXAS’S POSITION
	<p>on Exhibit A (each a “<i>Facility</i>” and collectively, the “<i>Facilities</i>”), and the Corporate and Shared Services Sellers are or were engaged in performing corporate functions relative to the operation of the Facilities (collectively with the business conducted by the Operating Sellers at the Facilities, the “<i>Acquired Business</i>”).</p> <p>[Greater Texas APA, Recitals, ¶ A, p. 1].</p>		
<p>FF&E located at Headquarters</p>	<p>Section 2.01(a)(v):</p> <p>(v) (A) the furniture and medical equipment stored on the second floor of the Headquarters and listed in Schedule 2.01(a)(v) and (B) the furniture, fixtures and equipment located at the Desired Headquarters Space;</p> <p>[Greater Texas APA, Section 2.01(a)(v)].</p>	<p>The Debtors believe Transferred Assets at Headquarters include only the FF&E located on the second floor and listed on Schedule 2.01(a)(v) (and the FF&E located in the Desired Headquarters Space).</p>	<p>Greater Texas believes Transferred Assets at Headquarters include all FF&E located on the second floor (and the FF&E located in the Desired Headquarters Space).</p>