



**IT IS ORDERED as set forth below:**

**Date: June 8, 2018**

*Wendy L. Hagenau*

Wendy L. Hagenau  
U.S. Bankruptcy Court Judge

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION**

<b>IN RE:</b>	)	<b>CHAPTER 11</b>
	)	
<b>CLAYTON GENERAL, INC., f/k/a Southern</b>	)	<b>Jointly Administered Under</b>
<b>Regional Health System, Inc., d/b/a/ Southern</b>	)	<b>CASE NO. 15-64266-wlh</b>
<b>Regional Medical Center, et al.,</b>	)	
	)	
<b>Debtors.</b>	)	
	)	

**ORDER GRANTING JOINT MOTION FOR AN ORDER APPROVING SOLICITATION PROCEDURES AND FORM OF SOLICITATION MATERIALS**

THIS CAUSE came before the Court at a hearing at 9:30 a.m. on May 9, 2018, (the “**Hearing**”) to consider approval of the Motion for an Order Approving Solicitation Procedures and Form of Solicitation Materials (the “**Motion**”)<sup>1</sup> jointly filed by Clayton General, Inc., et al. (collectively, the “**Debtors**”), as debtors and debtors-in-possession in the above-captioned jointly administered Chapter 11 bankruptcy case (the “**Bankruptcy Case**”), and the Official Committee

<sup>1</sup> Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.



of Unsecured Creditors (“**Committee**”). It appearing that due and adequate notice of the Motion has been provided, that no creditor or party in interest objects to entry of this Order, and for good cause shown

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED as follows:

1. The Motion is Granted, but only as and to the extent set forth below.
2. The Solicitation Procedures, the Voting Procedures and the Tabulation Procedures, each as described in the Motion and incorporated herein to this Order, are approved, except as set forth herein.
3. Notwithstanding anything to the contrary in Fed. R. Bankr. P. 3018(a), the Record Date for determining (a) creditors and interest holders entitled to receive the materials described herein, and (b) creditors and interest holders entitled to vote to accept or reject the First Amended Joint Plan of Liquidation (the “**Plan**”), shall be May 9, 2018.
4. The form of notice specifying how a copy of the Plan may be viewed and/or obtained (the “**Plan Notice**”), substantially in the form attached hereto as Exhibit A, is approved.
5. The form of solicitation letter from the Debtors and the Committee (the “**Solicitation Letter**”), substantially in the form attached hereto as Exhibit B, is approved.
6. The form of notice of non-voting status (the “**Notice of Non-Voting Status**”), substantially in the form attached hereto as Exhibit C, is approved.
7. The form of ballot (the “**Ballot**”), substantially in the form attached hereto as Exhibit D, is approved.

8. Copies of (a) the Disclosure Statement to Accompany First Amended Joint Plan of Liquidation (the “**Disclosure Statement**”), (b) the Plan Notice, (c) the Solicitation Letter, (d) a Ballot, and (e) a copy of the Court’s order approving the Disclosure Statement and setting a hearing to consider whether to confirm the Plan (the “**Order Approving Disclosure Statement**”), shall be mailed to holders of claims in Classes 2, 3 and 4 within seven (7) business days of the date of entry of this Order and the Order Approving Disclosure Statement.
9. Copies of (a) the Disclosure Statement, (b) the Plan Notice, (c) the Notice of Non-Voting Status, and (d) the Order Approving Disclosure Statement shall be mailed to holders of administrative expense claims, priority tax claims, and claims or interests (if any) in Classes 1 and 5, and any other party in interest in this case not already identified above, within seven (7) business days of the date of entry of this Order and the Order Approving Disclosure Statement.
10. The Debtors’ counsel shall cause the materials described above (the “**Solicitation Materials**”) to be sent by first-class mail to the addresses for notices indicated in any filed proofs of claim or, if no proof of claim has been filed for a particular creditor or equity interest holder, to the address listed on the Debtors’ schedules or as otherwise shown in the Debtors’ records.
11. If any Solicitation Materials are returned by the United States Post Office with a forwarding address indicated, the Debtors’ counsel shall promptly cause such Solicitation Materials to be mailed to the forwarding address; provided, however, that Debtors’ counsel shall not be obligated to forward any Solicitation Materials that have been mailed to the address for notices listed on a creditor’s filed proof of

claim unless an appropriate notice of change of address had been filed with the Bankruptcy Court.

12. The last date and time (the “**Voting Deadline**”) by which Ballots for accepting or rejecting the Plan must be received by the Debtors’ claims and noticing agent, in order to be counted shall be July 17, 2018 at 5:00 p.m. (EDT);
13. At least three business days prior to the hearing to determine whether to confirm the Plan, Debtor’s counsel shall file and serve a Report of Balloting as required under Local Bankruptcy Rule 3018-1. As provided in such LBR 3018-1, if the Debtors’ counsel did not count a particular Ballot as a vote for or against the Plan, Debtor’s counsel shall provide a written statement explaining why such Ballot had not been counted and attaching a copy of such Ballot. Similarly, if a completed Ballot had not been timely returned or was otherwise defective, and the Debtors’ counsel in good faith believes such Ballot should be counted, the Debtors’ counsel shall provide a written explanation as to why such Ballot should be counted and attach a copy of such Ballot thereto. The Court shall then determine whether and how to count the vote for any such Ballot. On or before the date by which the Report of Balloting is filed, Debtors’ counsel shall make a good faith effort to contact any creditor (or that creditor’s attorney) whose Ballot is subject to the provisions of this Paragraph.
14. If the Debtors or any other party in interest have filed an objection to a scheduled claim or a filed proof of claim at least 14 days prior to the Voting Deadline, then such claim will not be counted for voting purposes unless temporarily allowed by

the Court for voting purposes pursuant to Bankruptcy Rule 3018(a) before the Voting Deadline.

15. To the extent the Debtors or the Committee determine that supplemental information to the Plan (the “**Plan Supplement**”) is necessary, the Debtors or the Committee, as applicable, shall file any Plan Supplement with the Court on or before seven days prior to the Voting Deadline (the “**Plan Supplement Filing Date**”); and
16. This Court shall retain jurisdiction with respect to any matters or disputes which arise from or relate to the Motion or implementation of this Order.

**[END OF DOCUMENT]**

Prepared and presented by:

SCROGGINS & WILLIAMSON, P.C.

By: /s/ Matthew W. Levin  
J. ROBERT WILLIAMSON  
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MATTHEW W. LEVIN  
Georgia Bar No. 448270

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*Counsel for the Debtors*

**EXHIBIT A**

**Plan Notice**



**EXHIBIT B**

**Solicitation Letter**



June [\_\_], 2018

**Re: *In re Clayton General, Inc., et al.*, Chapter 11 Case No. 15-64266-wlh  
U.S. Bankruptcy Court, Northern District of Georgia, Atlanta Division**

Dear Creditor:

Enclosed please find copies of (a) the Disclosure Statement to Accompany First Amended Joint Plan of Liquidation (the “**Disclosure Statement**”), (b) instructions on how to obtain a copy of the First Amended Joint Plan of Liquidation (the “**Plan**”), (c) a form of Ballot, and (d) a copy of the Bankruptcy Court’s order approving the Disclosure Statement and setting a hearing to consider whether to confirm the Plan.

If you desire to vote on the Plan, please execute the enclosed Ballot and mail it to:

**Southern Regional Balloting Center  
c/o KCC LLC  
2335 Alaska Ave.  
El Segundo, CA 90245**

Your **original ballot** must be received by the Balloting Agent no later than 5:00 p.m. (Eastern Time) on **July 17, 2018**. You are also asked to mail a copy to counsel for the Debtors at the address set forth below.

**For the reasons described in the Disclosure Statement, the Debtors and the Official Committee of Unsecured Creditors urge you to vote in favor of the Plan.**

Very Truly Yours,

Matthew W. Levin  
Scroggins & Williamson, P.C.  
4401 Northside Parkway  
Suite 450  
Atlanta, GA 30327  
(404) 893-3880  
Counsel for Clayton General, Inc., et al.

Francis J. Lawall  
Donald J. Detweiler  
Pepper Hamilton LLP  
Counsel for the Official Committee of  
Unsecured Creditors  
(215) 981-4481 (Mr. Lawall)  
(302) 777-6524 (Mr. Detweiler)

Enclosures

**EXHIBIT C**

**Notice of Non-Voting Status**

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION

IN RE: ) CHAPTER 11  
)  
CLAYTON GENERAL, INC., f/k/a Southern ) Jointly Administered Under  
Regional Health System, Inc., d/b/a/ Southern ) CASE NO. 15-64266-wlh  
Regional Medical Center, et al., )  
)  
Debtors. )  
\_\_\_\_\_ )

**NOTICE OF NON-VOTING STATUS**

TO: Parties in Interest Not Entitled to Vote:

PLEASE TAKE NOTICE THAT on June 7, 2018, the Debtors and Official Committee of Unsecured Creditors filed with the United States Bankruptcy Court their First Amended Joint Plan of Liquidation (the “**Plan**”), and the accompanying Disclosure Statement to Accompany First Amended Joint Plan of Liquidation (the “**Disclosure Statement**”). Enclosed, please find a copy of (a) the Disclosure Statement, (b) instructions on how to obtain a copy of the Plan, and (c) a copy of the Bankruptcy Court’s order approving the Disclosure Statement and setting a hearing to consider whether to confirm the Plan.

PLEASE TAKE FURTHER NOTICE THAT according to the Debtors’ records, you may have (a) an administrative claim, (b) a tax claim, (c) a priority claim, (d) an equity interest in or against one or more of the Debtors, or (e) some other non-claim interest in the above-captioned case. Pursuant to the terms of the Plan, all allowed (a) administrative claim(s), (b) tax claim(s), and (c) priority claim(s) will be paid in full and are not impaired; accordingly, holders of such claims are not entitled to vote on the Plan. All equity interests of the Debtors are extinguished and cancelled pursuant to the terms of the Plan; accordingly, holders of such interests are deemed to have rejected the Plan and are not entitled to vote.

PLEASE TAKE FURTHER NOTICE THAT if you believe that the characterization of your claim(s) or interests is not correct, please contact the Debtors’ counsel in writing immediately at the address shown below, but please note that we cannot provide you with legal advice.

SCROGGINS & WILLIAMSON, P.C.

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By: /s/ Matthew W. Levin  
J. ROBERT WILLIAMSON  
Georgia Bar No. 765214  
MATTHEW W. LEVIN  
Georgia Bar No. 448270

*Counsel for the Debtors*

**EXHIBIT D**

**Form of Ballot**

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION

IN RE: ) CHAPTER 11  
)  
CLAYTON GENERAL, INC., f/k/a Southern ) Jointly Administered Under  
Regional Health System, Inc., d/b/a/ Southern ) CASE NO. 15-64266-wlh  
Regional Medical Center, et al., )  
)  
Debtors. )  
\_\_\_\_\_)

**BALLOT FOR ACCEPTING OR REJECTING  
THE FIRST AMENDED JOINT PLAN OF LIQUIDATION PROPOSED BY  
DEBTORS AND OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

(Class \_\_: \_\_\_\_\_ Claims)

Clayton General, Inc., et al. (collectively, the “**Debtors**”) and the Official Committee of Unsecured Creditors (“**Committee**”) filed a First Amended Joint Plan of Liquidation dated June 7, 2018 (the “**Plan**”). The United States Bankruptcy Court for the Northern District of Georgia, Atlanta Division (the “**Bankruptcy Court**”) has approved the Disclosure Statement to Accompany First Amended Joint Plan of Liquidation (the “**Disclosure Statement**”), which provides information to assist you in deciding how to vote your ballot (the “**Ballot**”). **Court approval of the Disclosure Statement does not indicate approval of the Plan by the Bankruptcy Court.**

This Ballot is being sent to holders of [secured, general unsecured or convenience class] claims in Class [2, 3 or 4] (as to each claim, a[n] “[Secured or Unsecured or Convenience Class] **Claim**”). To have your vote count, you must complete and return this Ballot.

**YOU SHOULD REVIEW THE DISCLOSURE STATEMENT AND THE PLAN BEFORE YOU VOTE. YOU MAY WISH TO SEEK LEGAL ADVICE CONCERNING THE PLAN AND YOUR CLASSIFICATION AND TREATMENT UNDER THE PLAN. YOUR CLAIM HAS BEEN PLACED IN CLASS [2, 3 or 4] UNDER THE PLAN. IF YOU HOLD CLAIMS IN MORE THAN ONE CLASS, YOU WILL RECEIVE A BALLOT FOR EACH CLASS IN WHICH YOU ARE ENTITLED TO VOTE.**

**PLEASE COMPLETE, SIGN AND DATE THIS BALLOT AND RETURN IT SO THAT IT IS RECEIVED BY THE DEBTORS’ CLAIMS AND NOTICING AGENT BY JULY 17, 2018 (THE “VOTING DEADLINE”). IF THE BALLOT CONTAINING YOUR VOTE IS NOT RECEIVED ON OR BEFORE THE VOTING DEADLINE, AND SUCH DEADLINE IS NOT EXTENDED, YOUR VOTE WILL NOT COUNT AS EITHER AN ACCEPTANCE OR REJECTION OF THE PLAN. IF THE PLAN IS CONFIRMED BY THE BANKRUPTCY COURT, IT WILL BE BINDING ON YOU WHETHER OR NOT YOU VOTE.**

**ACCEPTANCE OR REJECTION OF THE PLAN**

**Please note that you must vote the entire claim that you hold to accept or reject the Plan. For purposes of tabulating the votes, you shall be deemed to have voted the full amount of your claim in your vote. You may not split your vote.**

1. **Vote on the Plan.** (Please check only one box)

**ACCEPTS** the Plan; or  **REJECTS** the Plan.

2. **Declarations.**

By signing this Ballot, the undersigned claimholder declares under penalty of perjury as provided for by 28 U.S.C. § 1746 that he/she/it has been provided with a copy of the Disclosure Statement relating to the Plan and all related tabulation materials.

By signing this Ballot, the undersigned claimholder declares under penalty of perjury as provided for by 28 U.S.C. § 1746 that he/she/it is the holder of the claim set forth below and has full power and authority to vote to accept or reject the Plan; provided, however, that, to the extent that the undersigned is voting on behalf of the actual holder of the claim, the undersigned declares under penalty of perjury as provided for by 28 U.S.C. § 1746 that he/she/it has the requisite authority to do so and will submit evidence of same upon request. The undersigned claimholder also acknowledges that the tabulation of votes is subject to all of the terms and conditions set forth in the Disclosure Statement relating to the Plan.

Dated: \_\_\_\_\_

\_\_\_\_\_  
(Print or type name of individual or company)

\_\_\_\_\_  
(Signature of individual or authorized agent)

\_\_\_\_\_  
(If authorized agent, print name and title)

\_\_\_\_\_  
(Address)

Amount of Claim: \$ \_\_\_\_\_

I voluntarily elect to reduce my class 3 General Unsecured Claim to \$5,000 and participate in class 4 Convenience Class Claims

**VOTING INFORMATION AND INSTRUCTIONS FOR COMPLETING THE BALLOT**

**1. TO HAVE YOUR VOTE COUNT, YOU MUST COMPLETE AND RETURN THIS BALLOT.**

2. The First Amended Joint Plan of Liquidation (the “**Plan**”) proposed by the Debtors and the Official Committee of Unsecured Creditors referred to in this ballot can be confirmed by the Court and thereby made binding on you if it is accepted by the holders of two-thirds in dollar amount and more than one-half in number of claims in each class voting on the Plan. In the event the requisite acceptances are not obtained, the Court may nevertheless confirm the Plan if the Court finds that the Plan accords fair and equitable treatment to the class rejecting it.

3. You should review the Disclosure Statement to Accompany First Amended Joint Plan of Liquidation (the “**Disclosure Statement**”) and the Plan before you vote. You may wish to seek legal advice concerning the Plan and your classification before deciding how to vote your ballot. If you do not have a copy of the Disclosure Statement and Plan, you may obtain copies online at [www.kccllc.net/southernregional](http://www.kccllc.net/southernregional) or a hard copy from Matthew W. Levin, Scroggins & Williamson, P.C., 4401 Northside Parkway, Suite 450, Atlanta, Georgia 30327, (404) 893-3880, [mlevin@swlawfirm.com](mailto:mlevin@swlawfirm.com). Court approval of the Disclosure Statement does not indicate approval of the Plan by the Court.

**4. For your vote to be counted, you must complete this ballot and sign and return this ballot to:**

**Southern Regional Balloting Center  
c/o KCC LLC  
2335 Alaska Ave.  
El Segundo, CA 90245**

**5. BALLOTS MUST BE RECEIVED BY THE DEBTORS’ CLAIMS AND NOTICING AGENT ON OR BEFORE 5:00 p.m. (Eastern Time) on JULY 17, 2018 (THE “VOTING DEADLINE”). IF YOUR BALLOT IS RECEIVED AFTER THE VOTING DEADLINE, YOUR BALLOT MAY NOT COUNT AS EITHER AN ACCEPTANCE OF REJECTION OF THE PLAN.**

**Distribution List**

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