



SO ORDERED,

Judge Neil P. Olack  
United States Bankruptcy Judge  
Date Signed: September 30, 2014

The Order of the Court is set forth below. The docket reflects the date entered.

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF MISSISSIPPI

In re:	)	
	)	
NATCHEZ REGIONAL MEDICAL CENTER	)	CASE NO. 14-01048-NPO
	)	Chapter 9
Debtor	)	
	)	

**FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER  
CONFIRMING THE CHAPTER 9 PLAN OF ADJUSTMENT FOR  
NATCHEZ REGIONAL MEDICAL CENTER**

[Docket No. 405]

On September 29, 2014, the Court held a hearing (the “*Confirmation Hearing*”) on confirmation of the *Second Amended Chapter 9 Plan of Adjustment for Natchez Regional Medical Center* [Docket No. 405], which made certain modifications to the *Amended Chapter 9 Plan of Adjustment for Natchez Regional Medical Center* [Docket No. 368], which in turn amended the *Chapter 9 Plan of Adjustment for Natchez Regional Medical Center* [Docket No. 364] (as may be subsequently further supplemented, amended, or modified, including by the Plan Supplement, the “*Plan*”<sup>1</sup>) proposed by Natchez Regional Medical Center, a political subdivision

<sup>1</sup> Capitalized terms used but not otherwise defined in this Confirmation Order have the meanings ascribed to those terms in the Plan. Any term used in this Confirmation Order that is not defined in the Plan or in this Confirmation Order, but that is defined in title 11 of the United States Code (the “*Bankruptcy Code*”) or the Federal Rules of Bankruptcy Procedure (the “*Bankruptcy Rules*”), shall have the meaning ascribed to that term in the Bankruptcy Code or the Bankruptcy Rules, as applicable. Except as set forth herein, the rules of interpretation and construction set forth in Section 1.2(b) of the Plan shall apply to this Confirmation Order. Among other things, those rules of interpretation and construction provide that the word “including” shall be deemed to mean “including, without limitation”.

of the State of Mississippi and the debtor in the above-captioned chapter 9 bankruptcy case (the “*Hospital*”). The record of the Confirmation Hearing reflects all appearances that were made at the Confirmation Hearing.

The Court has reviewed and considered the following documents in connection with confirmation of the Plan:

- the Plan and the exhibits to the Plan;
- the solicitation version of the Disclosure Statement accompanying the Plan [Docket No. 410];
- the *Order Approving Second Amended Disclosure Statement with Respect to the Second Amended Plan for the Adjustment of Debts of Natchez Regional Medical Center, Establishing Procedures for Confirmation, and Approving the Form of the Ballots* [Docket No. 411] (the “*Disclosure Statement Order*”);
- the *Certificate of Service* of Eileen Shaffer [Docket No. 413] (the “*Solicitation Certificate*”);
- the *Plan Supplement* dated September 22, 2014, and all amendments, modifications, and supplements of all documents and agreements filed as part of the Plan Supplement (including all exhibits and attachments thereto and documents referred to in such documents) prior to the date hereof, (the “*Plan Supplement*”);
- the *Certification and Declaration of Ballot Tabulator Regarding Solicitation and Tabulation of Votes in Connection with the Debtor’s Second Amended Plan of Adjustment* [Docket No. 475] (the “*Balloting Declaration*”), including the accompanying exhibits and tabulation summaries contained therein (together, the

“*Plan Ballot Summary*”), along with the individual ballots submitted to the Court at the Confirmation Hearing;

- all objections to confirmation of the Plan, including: the *Objection of Winthrop Resources Corporation to the Second Amended Plan for the Adjustment of Debts of Natchez Regional Medical Center* [Docket No. 467] and the *Limited Objection to the Debtor’s Plan of Adjustment* [Docket No. 473] filed by the Committee, which objections were resolved as set forth in this Confirmation Order and as stated on the record at the Confirmation Hearing;
- all other pleadings, documents, exhibits, and evidence submitted or adduced before or at the Confirmation Hearing;
- the record in the Case; and
- the statements, arguments, objections, and representations of counsel at the Confirmation Hearing and the entire record of the Confirmation Hearing.

#### **FINDINGS OF FACT AND CONCLUSIONS OF LAW**

After sufficient notice and opportunity for all parties to be heard, and after due deliberation, based on the Court’s thorough review and full consideration of the foregoing materials, and good and sufficient cause appearing therefor, the Court makes the following findings of fact and conclusions of law. Any finding of fact constitutes a finding of fact even if it is stated as a conclusion of law, and any conclusion of law constitutes a conclusion of law even if it is stated as a finding of fact. All findings of fact and conclusions of law announced by the Court on the record in connection with confirmation of the Plan or otherwise at the Confirmation

Hearing are incorporated herein by reference.<sup>2</sup> The findings and conclusions set forth herein and in the record of the Confirmation Hearing constitute the Court's findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, as made applicable herein by Bankruptcy Rules 7052 and 9014.

A. Venue and Jurisdiction. The Court has jurisdiction over the Case and confirmation of the Plan pursuant to 28 U.S.C. §§ 157 and 1334 and pursuant to the general order of reference entered by the United States District Court for the Southern District of Mississippi on July 23, 1984. Venue of the Case in the Court was proper as of the Petition Date pursuant to 28 U.S.C. §§ 1408 and 1409 and continues to be proper during the Case. Confirmation of the Plan is a core bankruptcy proceeding pursuant to 28 U.S.C. § 157(b)(2)(L). The Court has exclusive jurisdiction to determine whether the Plan complies with the applicable provisions of the Bankruptcy Code and should be confirmed, and the Court has the power and authority to enter a final order with respect thereto.

B. Eligibility to be a Debtor. The Hospital was and is an entity eligible to be a chapter 9 debtor under Bankruptcy Code section 109(c). *See Order (A) Approving Form and Publication of Noticing Required by 11 U.S.C. Section 923; and (B) Establishing a Deadline for Objections to Eligibility* [Docket No. 113].<sup>3</sup>

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<sup>2</sup> The findings of fact and conclusions of law set forth herein and announced on the record during the Confirmation Hearing shall be construed in a manner consistent with each other so as to effect the purpose of each; *provided, however*, that if there is any direct conflict that cannot be reconciled, then, solely to the extent of such conflict, the provisions of this Confirmation Order shall govern and shall control and take precedence over any findings of fact or conclusions of law announced on the record at the Confirmation Hearing.

<sup>3</sup> "IT IS HEREBY FURTHER ORDERED that if no timely and proper Eligibility Objections are filed and served in accordance with this Order, no Eligibility Hearing will be conducted and the filing of NRM's Chapter 9 petition for relief shall be deemed an order for relief under Chapter 9 of the Bankruptcy Code and this notice shall be deemed notice of such order for relief." No objection to eligibility was timely filed.

C. Judicial Notice. The Court takes judicial notice of the docket of the Case and all related adversary proceedings and appeals maintained by the clerk of the applicable court or its duly appointed agent, including all pleadings and other documents on file, all orders and memorandum opinions entered, all hearing transcripts, and all evidence and arguments made, proffered, submitted, or adduced at the hearings held before the applicable court during the pendency of the Case, including the hearing to consider the adequacy of the Disclosure Statement and the Confirmation Hearing.

D. Burden of Proof. The Hospital, as proponent of the Plan, has the burden of proving that the requirements for confirmation set forth in Bankruptcy Code section 943(b) have been satisfied by a preponderance of the evidence. As more fully set forth in this Confirmation Order and in the record of the Confirmation Hearing, the Hospital has met that burden. Additionally, as more fully set forth in this Confirmation Order and in the record of the Confirmation Hearing, the Hospital has met its burden with respect to approval of the compromise and settlement incorporated into the Plan pursuant to Bankruptcy Code sections 105(a) and 1123(b), Bankruptcy Rule 9019(a), and other applicable law.

E. Notice and Due Process. The Disclosure Statement Order (1) established the procedures (a) for voting on the Plan, and (b) for the solicitation and tabulation of votes with respect to the Plan; and (2) approved the form of ballots and election documentation. The Hospital thereafter provided due, adequate, and sufficient notice of the Plan and the exhibits thereto, the Confirmation Hearing, the time fixed for returning ballots, and the time fixed for filing objections to Plan confirmation by disseminating the Confirmation Hearing Notice and the Solicitation Packages and by otherwise complying with the solicitation procedures approved in the Disclosure Statement Order as more fully set forth in the Solicitation Certificate, and the

Balloting Declarations. Service of the Confirmation Hearing Notice and the Solicitation Packages provided reasonable and adequate notice of these matters, provided Creditors with a reasonable period of time in which to make an informed decision whether to accept or reject the Plan and complied in all regards with the requirements of the due process clause of the Fifth Amendment to the United States Constitution and, to the extent applicable, with the requirements of the due process clause of the Fourteenth Amendment to the United States Constitution. Service of the Confirmation Hearing Notice and the Solicitation Packages also complied with the applicable provisions of (i) the Bankruptcy Code; (ii) the Bankruptcy Rules, including Bankruptcy Rules 2002, 3017, 3018, and 3020; and (iii) the rules and orders of the Court, including the Disclosure Statement Order. No other or further notice is necessary or shall be required to bind the Hospital, the County, and all Creditors to the terms of this Confirmation Order and the Plan.

F. Good Faith Solicitation, Voting, and Tabulation. Based on the record in the Case: (1) the solicitation of acceptances of the Plan was made in good faith and in compliance with the Disclosure Statement Order, all applicable provisions of the Bankruptcy Rules (including Bankruptcy Rules 3017 and 3018), all applicable provisions of the Bankruptcy Code (including sections 1125 and 1126), and all other applicable laws, rules, and regulations; and (2) the Hospital, the County, the Committee, the Indenture Trustee and all their respective trustees, elected officials, members, officers, directors, employees, attorneys and advisors have acted in “good faith” within the meaning of Bankruptcy Code section 1125(e) and the Bankruptcy Rules in connection with their respective activities relating to the solicitation of acceptances of the Plan and their participation in the activities described in Bankruptcy Code section 1125. As more fully set forth in the Solicitation Certificate and the Balloting Declarations, all procedures used to

distribute solicitation materials to Creditors and to tabulate the ballots with respect to the Plan were fair, reasonable, utilized and applied in good faith, conducted in accordance with the Bankruptcy Code, the Bankruptcy Rules, the Disclosure Statement Order, and all other applicable rules, laws, and regulations, and complied with the requirements of the due process clause of the Fifth Amendment to the United States Constitution and, to the extent applicable, with the requirements of the due process clause of the Fourteenth Amendment to the United States Constitution.

G. Acceptances of the Plan. As evidenced by the Plan Ballot Summary, each of Classes 4 and 5 has accepted the Plan within the meaning of Bankruptcy Code section 1126(c). Each of Classes 1, 2 and 3 is not Impaired under the Plan and conclusively is deemed to accept the Plan pursuant to Bankruptcy Code section 1126(f). As set forth below, the Plan is confirmable under Bankruptcy Code section 1129(b) with respect to those Classes that are deemed to reject or have otherwise not accepted the Plan.

H. Consent Under Bankruptcy Code Section 904. Pursuant to and for purposes of Bankruptcy Code section 904, the Hospital consents to entry of this Confirmation Order on the terms and conditions set forth herein and to entry of any further orders as necessary or required to implement or enforce the provisions of the Plan, this Confirmation Order, and any and all related transactions.

I. Compromise and Settlement Embodied in the Plan is Fair, Equitable, Reasonable, and in the Best Interests of the Hospital, Creditors, and Other Persons. The Plan is the result of extensive arms' length negotiations among the Hospital and its significant Creditor constituencies, and the County, each of which was represented by counsel, and the compromise and settlement among the Hospital and various Creditors are integral to the Plan. In the absence

of such compromise and settlement, the Hospital's emergence from chapter 9 would likely be significantly delayed and burdened by additional expense, which could impair the ability of the Hospital to successfully adjust its debts, thereby prejudicing the recovery for all Creditors and raising uncertainties about the Hospital's future economic condition. The compromise and settlement incorporated into the Plan (a) is made in good faith, furthers the policies and purposes of chapter 9, is fair, equitable, and reasonable; (b) is in the best interests of the Hospital, the County, all Creditors, and all other affected Persons with respect to the Claims, Causes of Action, and other matters resolved by such compromise and settlement; (c) is within the range of reasonable results if the issues were litigated; (d) falls above the lowest point in the range of reasonableness; and (e) meets the standards for approval under Bankruptcy Code sections 105(a) and 1123(b), Bankruptcy Rule 9019(a), and other applicable law. The Plan is supported by the Committee and incorporates a compromise and settlement that resolves a significant potential obstacle to confirmation of a plan of adjustment. Each of these findings and conclusions supports the relief requested in the compromises and settlements set forth in the Plan and the Disclosure Statement. Without limiting the generality of the foregoing, the Court finds and concludes that the Plan incorporates and is expressly conditioned upon the approval and effectiveness of a compromise and settlement by and among the Hospital, the County and the Committee of numerous issues and disputes. As of the Effective Date, the Plan represents a full, final, and complete compromise, settlement, release, and resolution of, among other matters, all disputes and pending or potential litigation (including any appeals) regarding the following: (a) the assets of the Hospital that are available for use in the repayment of the Exit Loan; (b) the use of Net Cash Available by the Liquidation Trustee for repayment of the Exit Loan and for Distribution to the Holders of Allowed Class 4 Claims; (c) any Causes of Action or Avoidance Actions that the

Hospital could potentially assert (but not any Reserved Causes of Action<sup>4</sup> which are expressly reserved and preserved for the benefit of the Liquidation Trust in Article IX of the Disclosure Statement); and (d) the scope and extent of any liens or other property rights of the Indenture Trustee or others against the assets of the Hospital and the County, including the revenues of the Hospital and the Sale Proceeds. The compromise and settlement of these issues under the Plan is made in good faith, is fair, equitable, and reasonable, and is in the best interests of the Hospital, the County and all Creditors. Absent this compromise and settlement, the Hospital, the County and the Committee would devote very substantial time and resources litigating numerous, difficult, and uncertain issues of law and fact resolved by the Plan. Litigation of such issues would be expensive, time-consuming, and risky, and, more significantly, would jeopardize the Sale of the Hospital pursuant to the Plan. Any attempt to confirm a plan of adjustment without compromise and settlement of such issues likely would result in significant confirmation objections and a highly contested confirmation hearing, significant delay in obtaining confirmation of a plan of adjustment, erosion of distributions to Creditors (potentially in a material amount), and uncertainty as to the Hospital's future economic condition. The detrimental effects to the Hospital and its Creditors of further delay in confirmation and consummation of a plan of adjustment could be significant. The compromise and settlement by and among the Hospital, the County and the Committee incorporated into the Plan is fair, equitable, and within the range of reasonable results if the issues were litigated, falls above the lowest point in the range of reasonableness, and meets the standards for approval under Bankruptcy Code sections 105(a) and 1123(b), Bankruptcy Rule 9019(a), and other applicable law.

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<sup>4</sup> The Reserved Causes of Action are specifically and unequivocally described in Article IX of the Disclosure Statement.

J. Discharge, Releases, and Injunctions. Articles X.B.(1), X.B.(2), and X.B.(3) of the Plan contain certain discharge, release, and injunctive provisions. Based on the facts and circumstances presented, the Court finds that good and valuable consideration has been provided for such provisions and that such provisions are fair, equitable, reasonable, and integral elements of the adjustment of the Hospital's debts and the resolution of the Case. Each of the provisions in Articles X.B.(1), X.B.(2), and X.B.(3) of the Plan is hereby approved and shall be effective and binding upon all Persons as provided in the Plan. Without limiting the generality of the foregoing, the Court finds and concludes that:

1. The compromises, settlements, and releases incorporated into the Plan are: (a) essential elements of the Plan inextricably bound with the other provisions of the Plan; (b) in exchange for the good and valuable consideration provided by the parties; (c) good faith settlements and compromises of the Claims and Causes of Action released by such releases; (d) in the best interests of the Hospital, all Creditors, and all other affected Persons; (e) fair, equitable, and reasonable; and (f) given and made after due notice and opportunity for hearing.

2. In the context of this unique chapter 9 Case, each of the discharge, release, and injunctive provisions set forth in the Plan: (a) is within the jurisdiction of the Court under 28 U.S.C. §§ 1334(a), 1334(b) and 1334(d); (b) is an essential means of implementing the Plan pursuant to Bankruptcy Code section 1123(a)(5); (c) is an integral element of the transactions incorporated into the Plan; (d) confers material benefits on, and is in the best interests of, the Hospital, all Creditors, and all other affected Persons; (e) is important to the overall objectives of the Plan to resolve finally all Claims and was necessary to the formation of consensus to support the compromise and settlement

incorporated into the Plan; and (f) is consistent with Bankruptcy Code sections 105, 901, 903, 904, 943(b), 1123, and 1129, other applicable provisions of Chapter 9 of the Bankruptcy Code, and other applicable law.

K. Compliance with Bankruptcy Rule 3016. The Plan is dated and identifies the Hospital as the party submitting the Plan pursuant to Bankruptcy Code section 941, thereby satisfying Bankruptcy Rule 3016(a). The filing of the Disclosure Statement with the clerk of the Court satisfied Bankruptcy Rule 3016(b). The Plan and Disclosure Statement describe in specific and conspicuous language all acts and actions to be enjoined, and identify the Persons that would be subject to injunctions. Bankruptcy Rule 3016(c) is therefore satisfied.

L. Compliance with the Requirements of Bankruptcy Code Sections 943(b) and 1129(a). The Plan complies with all of the requirements of Bankruptcy Code section 943(b) and all requirements of Bankruptcy Code section 1129(a) that are applicable in a chapter 9 case.

1. Bankruptcy Code Section 943(b)(1) and (b)(2). The Plan complies with all applicable sections of the Bankruptcy Code, including section 1122, the applicable subsections of section 1123, and all the provisions of chapter 9.

(a) Bankruptcy Code Section 1122. Each Claim placed in a particular Class under the Plan is substantially similar to the other Claims in that Class. Valid business, factual, and legal reasons exist for the separate classification of the various Classes of Claims created under the Plan, the classifications were not done for any improper purpose, and the creation of such Classes does not unfairly discriminate between or among Creditors.

(b) Bankruptcy Code Section 1123(a). The Plan satisfies the mandatory requirements of section 1123(a) that are applicable in a chapter 9 case pursuant to Bankruptcy Code section 901(a).

(i) Bankruptcy Code Section 1123(a)(1). Article II of the Plan classifies all Claims, other than Administrative Claims, which need not be classified.

(ii) Bankruptcy Code Section 1123(a)(2). Articles II.A., II.B. and II.C. of the Plan specify that Classes 1, 2, and 3 are unimpaired within the meaning of Bankruptcy Code section 1124.

(iii) Bankruptcy Code Section 1123(a)(3). Articles II.D. and II.E. of the Plan specify that Classes 4 and 5 are Impaired, and specify the treatment of the Claims in each of those Impaired Classes.

(iv) Bankruptcy Code Section 1123(a)(4). Each subsection of Article III of the Plan satisfies section 1123(a)(4) by uniformly providing the same treatment for each Claim that is classified in each particular Class under the Plan, unless and to the extent that the holder of a particular Claim has agreed to a less favorable treatment of such particular Claim. The differing Distributions made available to holders of Allowed Class 3 and Class 4 Claims is based on Class 3 being a convenience class with a relatively low dollar threshold (\$1,000 or less) and which disparity in treatment will have an insignificant monetary effect on the distribution to holders of Class 4 claims, especially when the administrative cost savings

are considered. Further, any holder of a Class 4 claim could make an election to be treated as a Class 3 Creditor.

(v) Bankruptcy Code Section 1123(a) (5). The Plan (including the Plan Supplement) provides adequate and appropriate means for its implementation, including (1) the sale by the County of the assets used in the operation of the Hospital; (2) the sale by the Hospital of substantially all of its assets to the Successful Buyer; (3) the making, execution and delivery of the Exit Loan; (4) the compromise and settlement by and among the Hospital, the County and the Committee of numerous issues and disputes; (5) the application of the Purchase Price and the Prepaid Taxes to fund the performance of and Distributions under the Plan; and (6) the agreed allocation of the proceeds of the collection of Retained Accounts Receivable and other recoveries by the Liquidation Trustee from Net Cash Available.

(c) The Plan contains permissive provisions that the Court finds are appropriate pursuant to Bankruptcy Code section 1123(b), including the following:

(i) Assumption of Executory Contracts and Unexpired Leases. Article VI.A.(1) of the Plan provides that on the Effective Date, the Hospital shall assume and assign to the Successful Buyer the executory contracts and unexpired leases identified on the Schedule of Assigned Agreements with Cure Amounts as of September 24, 2014, as noted thereon (the “*Assigned Agreements*”), a copy of which is attached to this

Confirmation Order as Exhibit “A.” The assumption of the Assigned Agreements is in accordance with the requirements of Bankruptcy Code section 365, and is expressly authorized by Bankruptcy Code section 1123(b)(2).

Section 365(b)(1) of the Bankruptcy Code sets forth the requirements for assuming an unexpired lease or executory contract of a debtor, and provides:

If there has been a default in an executory contract or unexpired lease of the debtor, the trustee may not assume such contract or lease unless, at the time of assumption of such contract or lease, the trustee —

(A) cures, or provides adequate assurance that the trustee will promptly cure, such default . . . ;

(B) compensates, or provides adequate assurance that the trustee will promptly compensate, a party other than the debtor to such contract or lease, for any actual pecuniary loss to such party resulting from such default; and

(C) provides adequate assurance of future performance under such contract or lease.

The Court has determined the monetary Cure Amount for each Assigned Agreement, as well as the Reserved Claims,<sup>5</sup> all as set forth in Exhibit “A” hereto. Payment of the Cure Amount established by this Confirmation Order for each Assigned Agreement shall be deemed to discharge and satisfy, in full, any pre-petition or post-petition arrearage or other Claim (including any Claim asserted in a Filed Proof of Claim or listed on the List of Creditors) with respect to such contract or lease.

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<sup>5</sup> A “Reserved Claim” is any claim under Bankruptcy Code section 365(b)(1)(A) or 365(b)(1)(B).

Upon the payment of the identified “Total Cure Amounts” shown for each Assigned Agreement listed in the Schedule of Assigned Agreements, Exhibit “A” to this Confirmation Order, unless some Reserved Claim is listed thereon, then any and all monetary defaults under the Assigned Agreements are deemed to be paid in full and cured in all respects. If a Reserved Claim is listed for any Assigned Agreement in the Schedule of Assigned Agreements, Exhibit “A” to this Confirmation Order, then that Reserved Claim will have to be cured by the Hospital in connect with the assumption and assignment of that Assigned Agreement, but if there is no Reserved Claim listed on the Schedule of Assigned Agreements, then only the Total Cure Amounts, if any, will need to be paid in order for the Debtor to assume and assign to the Successful Buyer any such Assigned Agreements.

The Hospital has exercised reasonable judgment in determining to assume the Assigned Agreements and to assign the same to the Successful Buyer. The Cure Payments associated with the Assigned Agreements are determined to be as specified on the Schedule of Assigned Agreements (Exhibit “A” hereto) and shall be paid pursuant to Article VI.A.(2) of the Plan with each such payment having the consequences specified in Article VI.A.(3) of the Plan.

The Hospital also has demonstrated adequate assurance of future performance with respect to each of the Assigned Agreements, to the extent required. The assumption of each of the Assigned Agreements

under the Plan shall be binding on the Hospital and each non-debtor party to each such executory contract or unexpired lease.

Pursuant to Bankruptcy Code section 365(k), the assignment by the Hospital to the Successful Buyer of any Assigned Agreement under that section relieves the Hospital from any liability for any breach of such contract or lease occurring after such assignment.

With respect to the objection filed by Winthrop Resources Corporation (“*Winthrop*”), the parties have resolved such objection by acknowledging and agreeing, notwithstanding anything else herein or in the Plan, as follows:

(a) there are no non-monetary defaults as of the date hereof under the Lease Agreement Number NA052611 dated May 26, 2011 by and between Winthrop and the Hospital (the “*Winthrop Lease*”), which lease is an Assigned Agreement;

(b) the Assumed Liabilities under the Successful Buyer Purchase Agreement shall expressly include, without limitation, the obligations of the Successful Buyer, as the successor lessee under the Winthrop Lease, to return to Winthrop on the Return Date (as such term is defined in the Winthrop Lease) all of the Equipment (as such term is defined in the Winthrop Lease) in good working order and condition and as otherwise required under the terms of the Winthrop Lease;

(c) subject to the Closing of the Sale occurring, the Winthrop Lease shall be an Assigned Agreement, and

(d) the amount of the Cure Payment to be paid to Winthrop consists of the following amounts: (i) \$38,547.20 (subject to verification by Winthrop and the Hospital), however, such amount shall be reduced on a dollar for dollar basis for any payment received on account of invoice 181325 and increased on a dollar for dollar basis by the amount of any additional outstanding lease payments or taxes due under the Winthrop Lease on or before September 30, 2014; and (ii) an additional \$10,000 representing late charges (\$7,000) and attorneys' fees (\$3,000) recoverable pursuant to the Winthrop Lease (together, the "*Winthrop Cure Amount*"). The Winthrop Cure Amount owed as calculated herein shall be paid in accordance with Article VI.A.(2) of the Plan and at the same time as such other allowed Cure Payments are made.

(ii) Rejection of Executory Contracts and Unexpired Leases. Article VI.B.(1) of the Plan provides for the rejection of all executory contracts and unexpired leases that the Hospital entered into on or before the Petition Date that (A) have not been previously assumed or rejected by the Hospital and (B) are not set forth on the Schedule of Assigned Agreements. Rejection of these executory contracts and unexpired leases pursuant to the Plan satisfies the requirements of Bankruptcy Code section 365, and is expressly authorized by Bankruptcy Code section 1123(b)(2). The Hospital has exercised reasonable judgment in determining to reject the executory contracts and unexpired leases to be rejected under the Plan. The rejection of each executory contract or unexpired lease rejected under

the Plan shall be binding on the Hospital and each non-debtor party to each such executory contract or unexpired lease.

(iii) Settlement of Hospital's Claims. The Plan provides for the settlement of various claims belonging to the Hospital, as more particularly set forth in Article IV. D. of the Plan, including the agreement not to pursue any Avoidance Actions, as more particularly set forth in Article IV, D. 3 of the Plan. The settlement of such claims pursuant to the Plan is expressly authorized by Bankruptcy Code section 1123(b)(3)(A), and, as detailed above, is reasonable, appropriate, in the best interests of the Hospital, the County, all Creditors, and all other affected Persons, and not inconsistent with the Bankruptcy Code or other applicable law.

(iv) Vesting of Retained Claims and Reserved Causes of Action. Article V.E. of the Plan provides for all Retained Claims (which, for the avoidance of doubt, exclude Avoidance Actions) to be preserved and vest in the Liquidation Trust on the Effective Date, but only to the extent not expressly released pursuant to the Plan, this Confirmation Order, or any other order of the Court. The preservation and vesting of such Retained Claims pursuant to the Plan are expressly authorized by Bankruptcy Code section 1123(b)(3)(B), and are reasonable, appropriate, in the best interests of the Hospital, the County, all Creditors, and all other affected Persons, and not inconsistent with the Bankruptcy Code or other applicable law.

The definition of "Retained Claims" in paragraph 103 of Plan is

amended to read as follows:

**“Retained Claims”** means all Claims and Causes of Action, whether known or unknown, but specifically excluding Avoidance Actions, which are retained and preserved for the Liquidation Trust in this Plan and which may be pursued by the Liquidation Trustee. Retained Claims include the following reserved causes of action:

- Potential claim against British Petroleum and/or its subsidiaries (“*Deepwater Horizon Economic and Property Settlement Business Economic Loss Claim*”) under the Deepwater Horizon Economic and Property Damages Settlement Agreement, dated April 18, 2012, as amended, with the United States District Court for the Eastern District of Louisiana in the cases *In Re: Oil Spill by the Oil Rig “Deepwater Horizon” in the Gulf of Mexico, on April 20, 2010, MDL No. 2179, and Bon Secour Fisheries, Inc., et al., on behalf of themselves and all others similarly situated, v. BP Exploration & Production Inc.; BP America Production Company, BP p.l.c.*, Civil Action No. 12-970 for damages arising from the Deepwater Horizon Incident on April 20, 2010. The total amount of potential damages is unknown at this time.
- Claims against CMS arising as a result of appeals of certain amounts CMS improperly charged to the Hospital due to a series of audits conducted by Recovery Audit Contractors (the “*RAC Audits*”). CMS initiated recoupments against the Hospital arising out of the RAC Audits in the amount of \$2,400,000, which the Hospital disputes. The appeals of the RAC Audits continue. The total amount of potential recoveries as a result of the appeals of the RAC Audits ranges from \$0 - \$1,600,000.
- Potential claims against the University of Mississippi Medical Center (“*UMMC*”) arising as a result of over-charges in connection with its role as a sub-contractor of the third party administrator of the Hospital’s self-funded medical insurance plan. UMMC seeks to recover claims from the Hospital based upon charges to the Hospital through the Benefit Management System. The Hospital suspects that UMMC significantly over-charged the Hospital. The Liquidation Trustee will likely seek to avoid approximately \$150,000 – 200,000 in charges assessed prior to the Petition Date and approximately \$300,000 – 400,000 in charges assessed after the Petition Date. The Liquidation Trustee may also

seek to recover overcharged amounts paid to UMMC through the Benefit Management System for the period two years prior to the Petition Date. The total amount of potential recoveries is unknown at this time.

- Potential claims against the Board of Trustees and the officers of the Hospital based upon their alleged mismanagement of the operations and finances of the Hospital both prior to and after the Petition Date. The total amount of potential damages is unknown at this time.

- Potential claims against Horne LLP ("*Horne*"), which served as the accounting firm for the Hospital both prior to and after the Petition Date for alleged professional malpractice. During the pendency of the Chapter 9 Case, it was revealed that Horne failed to appropriately monitor the financial affairs of the Hospital, as called for under Horne's engagement, and failed to identify problems with the Hospital's recording and payment of liabilities. The total amount of potential damages is unknown at this time.

The Reserved Causes of Action are also specifically and unequivocally described in Article IX of the Disclosure Statement.

(v) Retention of Jurisdiction. Article X.C. of the Plan provides that the Court shall retain jurisdiction after the Effective Date to the fullest extent provided by law. Pursuant to Bankruptcy Code section 945(a), the Court may properly, and will, retain jurisdiction over each of the matters specified in Article X.C of the Plan, including because the retention of such jurisdiction is of critical importance to assure that post-confirmation disputes regarding matters resolved or addressed by the Plan do not impede the successful implementation of the Plan. Article X.C of the Plan is reasonable, appropriate, in the best interests of the Hospital, all Creditors, and all other affected Persons, and not inconsistent with the Bankruptcy Code or other applicable law.

2. Bankruptcy Code Section 1129(a)(2). The Hospital, as proponent of the Plan, has complied with all applicable Bankruptcy Code provisions, including sections 1125 and 1126, the Bankruptcy Rules, and the Disclosure Statement Order in transmitting the Solicitation Packages and related documents and notices and in soliciting and tabulating votes on and elections made or deemed made with respect to the Plan. The Plan therefore satisfies Bankruptcy Code section 1129(a)(2).

3. Bankruptcy Code Section 1129(a)(3). The Hospital has proposed the Plan in good faith and not by any means forbidden by law. The Plan was duly approved by the Board of Trustee of the Hospital as provided by Mississippi law and is in all respects consistent with applicable state law, including, but not limited to, the Hospital Act. In determining that the Plan has been proposed in good faith, the Court has examined the totality of the circumstances surrounding the filing of the Case, the Plan itself, the lengthy process leading to the Plan's formulation (including the compromises, settlements, and releases incorporated therein), and the process associated with the Plan's prosecution. The Hospital's good faith is evident from the facts and records of the Case, the Disclosure Statement and the hearing thereon, and the record of the Confirmation Hearing and other proceedings held in the Case. The Plan (including the compromises, settlements, and releases incorporated therein and all other agreements, documents, and instruments necessary to implement the Plan) is the product of extensive arms' length negotiations among the Hospital, the County, and the Committee. The Plan itself and the process leading to its formulation, including the negotiation of a compromise and settlement among the Hospital, the County and Committee, and the Creditor support for the Plan, provide independent evidence of the Hospital's good faith, serve the public

interest, and assure fair treatment of Creditors. Consistent with the overriding purpose of chapter 9, the Case was filed, and the Plan was proposed, with the legitimate and honest purpose of allowing the Hospital and the County to sell the assets of the hospital pursuant to the Hospital Act, thereby maximizing distributions to all Creditors. The Plan therefore satisfies Bankruptcy Code section 1129(a)(3).

4. Bankruptcy Code Section 1129(a)(6). There is no governmental regulatory commission with jurisdiction, after confirmation of the Plan, over the charges of the Hospital since the assets of the Hospital are being sold to the Successful Buyer and the Hospital will not be operating as a community hospital pursuant to the Hospital Act after the Effective Date. The Hospital therefore complies with the requirements of Bankruptcy Code sections 943(b)(6) and 1129(a)(6) and applicable state law. The Plan therefore satisfies Bankruptcy Code section 1129(a)(6).

5. Bankruptcy Code Section 1129(a)(8). Classes 4 and 5 are Impaired under the Plan and have voted to accept the Plan. Classes 1, 2 and 3 are not Impaired under the Plan and are deemed to have accepted the Plan pursuant to Bankruptcy Code section 1126(f).

6. Bankruptcy Code Section 1129(a)(10). As set forth in the Plan Ballot Summary, Classes 4 and 5 each voted affirmatively to accept the Plan. No Ballots were sent to or received from “insiders” holding Claims in any of those Classes. The Plan therefore satisfies Bankruptcy Code section 1129(a)(10).

7. Bankruptcy Code Section 943(b)(3). To the extent required, the Hospital fully disclosed at or in connection with the Confirmation Hearing all amounts that have been paid and are projected to be paid by the Hospital for services or expenses in the

Case or incident to the Plan. The Court has reviewed and considered such amounts paid and to be paid and has determined, based on the evidence presented in support thereof and the unique facts, circumstances, and context of the Case, the Plan, and the transactions contemplated by the Plan, that all such amounts are reasonable (including for purposes of Article III.A.(4) of the Plan) and have been and, to the extent to be paid, may appropriately be paid by the Hospital. The Plan therefore satisfies Bankruptcy Code section 943(b)(3).

8. Bankruptcy Code Section 943(b)(4). The Hospital is not prohibited by law from taking any action necessary to carry out the Plan. All documents and agreements necessary to implement the Plan, including the Successful Buyer Purchase Agreement and those contained in the Plan Supplement, and all other relevant and necessary documents (including the documentation of the Exit Loan), have been negotiated in good faith, at arms' length, are in the best interests of the Hospital, all Creditors, and all other affected Persons, and shall, upon completion of documentation and execution and the occurrence of the Effective Date, be valid, binding, and enforceable documents and agreements not in conflict with any federal or state law or the Hospital Act. The Plan therefore satisfies Bankruptcy Code section 943(b)(4).

9. Bankruptcy Code Section 943(b)(5). Article III.A.(1) of the Plan provides that, unless the Person holding an Allowed Administrative Claim agrees to different treatment, or already has been paid the full amount of such Allowed Administrative Claim, the Liquidation Trustee shall pay to that Person Cash in an amount equal to the Allowed amount of such Administrative Claim, without interest, on or before the later of (A) ninety (90) Business Days after the Effective Date, and (B) twenty (20) Business

Days after the date on which any order determining such Claim is an Allowed Administrative Claim becomes a Final Order. The Plan therefore satisfies Bankruptcy Code section 943(b)(5).

10. Bankruptcy Code Section 943(b)(6). There is no governmental regulatory commission with jurisdiction, after confirmation of the Plan, over the charges of the Hospital since the assets of the Hospital are being sold to the Successful Buyer and the Hospital will not be operating as a hospital after the Effective Date. The Hospital therefore complies with the requirements of Bankruptcy Code sections 943(b)(6) and 1129(a)(6) and applicable state law. The Plan therefore satisfies Bankruptcy Code section 943(b)(6).

11. Bankruptcy Code Section 943(b)(7). The evidence proffered, submitted, and adduced at or prior to the Confirmation Hearing demonstrates that the economic assumptions underlying the Plan: (a) are reasonable, persuasive, and credible; (b) have not been credibly controverted by other evidence; and (c) establish that the Plan affords all Creditors the potential for the greatest economic return from the Hospital's assets. Therefore, confirmation of the Plan is in the best interests of all Creditors, given the complex nature of the Case, and will result in a feasible adjustment of the Hospital's debts. The Plan therefore satisfies Bankruptcy Code section 943(b)(7).

M. Bankruptcy Code Section 1129(b). In Article IV.E. of the Plan, the Hospital requested that, with respect to any Impaired Class of Claims that fails to accept the Plan, the Court confirm the Plan pursuant to Bankruptcy Code section 1129(b). Notwithstanding the requirements of Bankruptcy Code section 1129(a)(8), based on the evidence proffered, submitted, and adduced at the Confirmation Hearing, the Plan does not discriminate unfairly, and

is fair and equitable, with respect to each of Classes 4 and 5. The Plan accordingly can be confirmed pursuant to Bankruptcy Code section 1129(b)(1).

N. Objections. All interested parties have had a full and fair opportunity to be heard and to litigate all issues raised in the objections to confirmation of the Plan, or which might have been raised by objection, and all objections raised by any Person have been fully and fairly litigated and considered by the Court. All objections not withdrawn or otherwise resolved are overruled as set forth in this Confirmation Order on their merits and with prejudice.

O. Plan Supplement. Beginning on September 22, 2014, and continuing thereafter, the Hospital filed its Plan Supplement [Docket No. 457], which included certain documents and agreements contemplated by the Plan, including: (1) the Liquidation Trust Agreement; (2) Liquidation Trustee Engagement Letter; (3) the Accountant Engagement Letter; (4) the Revised Schedule of Assigned Agreements; (5) the Exit Loan Documents (including the Escrow Agreement; the Loan Agreement; the Security Agreement; the Promissory Note; the Resolution of the Board of Supervisors; and the Resolution of the Hospital Board of Trustees); and (6) the Updated Projected Waterfall. The Plan Supplement complies with the terms of the Plan, and the filing and notice of such documents was good and proper in accordance with the Bankruptcy Code, the Bankruptcy Rules, and the Disclosure Statement Order, complied in all regards with the requirements of the due process clause of the Fifth Amendment to the United States Constitution and, to the extent applicable, with the requirements of the due process clause of the Fourteenth Amendment to the United States Constitution, and no other or further notice is or shall be required.

P. Modifications to the Plan. Subsequent to solicitation, and prior to or during the Confirmation Hearing, the Hospital agreed to make certain modifications to the Plan, which

modifications are set forth in this Confirmation Order. All modifications to the Plan since the entry of the Disclosure Statement Order are consistent with all of the provisions of the Bankruptcy Code (including sections 942 and 1127(d)) and of the Bankruptcy Rules (including Bankruptcy Rule 3019(a)). None of the modifications made since the commencement of solicitation adversely affects the treatment of any Creditor under the Plan. Accordingly, none of the modifications requires additional disclosure or resolicitation of votes, and under Bankruptcy Rule 3019(a), all Creditors that previously accepted the Plan are deemed to have accepted the Plan as modified. Pursuant to Bankruptcy Code section 942, the Plan as modified shall constitute the Plan submitted for confirmation at the Confirmation Hearing.

Q. Regions Exit Loan. The execution and delivery of the Exit Loan by the Hospital is necessary in order for the Hospital to secure sufficient funds to satisfy and pay in full all Allowed Administrative Claims, all Allowed Claims of Classes 1, 2 and 3, and to pay other obligations required by the Plan, and is therefore in the best interests of the Hospital and its Creditors. The terms and provisions of the Exit Loan reflected in the necessary documents evidencing the Exit Loan (included in the Plan Supplement) are reasonable, fair, and equitable under the circumstances. The Exit Lender, Regions Bank, is extending credit to the Hospital in good faith within the meaning of Bankruptcy Code section 364(e) and in compliance with all applicable provisions of the Bankruptcy Code and the Bankruptcy Rules. As a result, Regions Bank, as the Exit Lender, is entitled to the full protections and rights afforded by section 364(e) with respect to Regions Bank, as the Exit Lender, and the liens, priorities, and other rights granted by and pursuant to the Exit Loan. In addition, all other indebtedness incurred by the Hospital in connection with, or extensions of credit to the Hospital associated with, the offering of Exit Loan under the Plan, the incurrence of any underwriting, legal or other transaction fees to

be paid at closing, and such terms are fair, reasonable, and appropriate amounts for the consideration provided, were extended or incurred in good faith within the meaning of Bankruptcy Code section 364(e), and may properly be incurred and paid by the Hospital in compliance with all applicable provisions of the Bankruptcy Code and the Bankruptcy Rules. As such, the participants in the offering of Exit Loan under the Plan, the Persons receiving any underwriting, legal, or other transaction fees to be paid at closing are entitled to the full protections and rights afforded by Bankruptcy Code section 364(e) with respect to such transactions.

R. Good Faith Acts by Indenture Trustees. The Indenture Trustee has acted reasonably and in good faith during the course of the Case.

S. Consummation in Good Faith. The Hospital and the Liquidation Trustee will be acting in good faith if they proceed to (1) consummate the Plan and the agreements, settlements, transactions, transfers, and Distributions contemplated thereby; and (2) take the other acts or actions authorized and directed by this Confirmation Order.

T. Specific Findings of Fact with Respect to the Sale of the Purchased Assets to the Successful Buyer. The Sale of the Purchased Assets to the Successful Buyer pursuant to the Successful Buyer Purchase Agreement (a) is made in good faith, the result of an arms' length negotiation and a robust sales process pursuant to the Sales Procedures Order, and, therefore, is fair, equitable, and reasonable; and (b) is in the best interests of the Hospital, all Creditors, and all other affected Persons. The Court further specifically finds as follows:

1. The Sale of the Purchased Assets to the Successful Buyer pursuant to the Successful Buyer Asset Purchase agreement complies with the provisions of Sections 901

and 1123(a)(5)(D) of the Bankruptcy Code and therefore is free and clear of all Liens and Claims.

2. The Successful Buyer has acted in good faith within the meaning of the Bankruptcy Code and is entitled to the protections afforded thereby.

3. The Successful Buyer Asset Purchase Agreement was negotiated, proposed, and entered into by the Hospital, the County and the Successful Buyer without collusion, in good faith and from arms' length bargaining positions.

4. The Successful Buyer is not acquiring or assuming any of the Hospital's or the County's liabilities other than the Assumed Liabilities (as such term is defined in the Successful Buyer Asset Purchase Agreement) that have not been discharged or satisfied pursuant to payments made in accordance with the Plan.

5. The Successful Buyer Asset Purchase Agreement and the transactions contemplated thereby are specifically enforceable against the Hospital.

**NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:**

1. Plan Confirmation. The Plan, as modified by this Confirmation Order, is APPROVED and CONFIRMED. Each provision of the Plan is authorized and approved and shall have the same validity, binding effect, and enforceability as every other provision of the Plan. The terms of the Plan, as previously modified and as modified by any modifications made at the Confirmation Hearing, are incorporated by reference into and are an integral part of this Confirmation Order. The failure specifically to describe, include, or refer to any particular article, section, or provision of the Plan, Plan Supplement, or any related document in this Confirmation Order shall not diminish or impair the effectiveness of such article, section, or

provision, it being the intent of the Court that the Plan, the Plan Supplement, and all related documents be approved and confirmed in their entirety as if set forth verbatim in this Confirmation Order.

2. Compromise and settlement. The settlement among the Hospital, the Committee and the County described in Article V.D. of the Plan is APPROVED in its entirety. The Court accordingly hereby approves the compromise and settlement among the Hospital, the Committee and the County embodied in and relating to the Plan as a good faith, fair, reasonable, and equitable compromise and settlement of all Claims, Causes of Action, and other controversies and matters resolved pursuant to the Plan, and the entry of this Confirmation Order constitutes approval of such compromise and settlement pursuant to the Bankruptcy Rules, including Bankruptcy Rule 9019(a), the Bankruptcy Code, including Bankruptcy Code sections 105(a), 1123(a)(5), 1123(b)(3), and 1123(b)(6), and other applicable law. To the extent provided in the Plan, on the Effective Date, such compromise and settlement shall be binding on the Hospital, the parties, all other Creditors, and all other Persons.

3. Objections Resolved or Overruled. Any resolutions of objections to confirmation of the Plan explained on the record at the Confirmation Hearing are hereby incorporated by reference. All unresolved objections, statements, joinders, comments, and reservations of rights in opposition to or inconsistent with the Plan have been fully considered by the Court and are hereby OVERRULED with prejudice on the merits and in their entirety. Without limiting the generality of the foregoing, all arguments raised by the objecting parties are substantively incorrect, are rejected on the merits, and accordingly are hereby OVERRULED. All withdrawn objections are deemed withdrawn with prejudice.

4. Binding Effect. On or after the entry of this Confirmation Order, and subject to the occurrence of the Effective Date (except to the extent otherwise provided in the Plan or this Confirmation Order), the provisions of the Plan and this Confirmation Order shall bind the Hospital, all Creditors, all parties in interest, and all Holders of Liens who have participated in the Bankruptcy Case. The first sentence of Article X. A. on page 58 of the Plan is amended to read as follows: “Upon the Effective Date, and pursuant to Bankruptcy Code Section 944(a), the Distributions and transactions contemplated by the Plan and the compromises and settlements contained in the Plan shall be binding upon the Hospital, all creditors, all parties in interest, and all Holders of Liens.” Confirmation of the Plan binds each holder of a Claim to all the terms and conditions of the Plan, whether or not such holder’s Claim is Allowed, whether or not such holder holds a claim that is in a Class that is Impaired under the Plan, and whether or not such holder has accepted the Plan.

5. Sale of the Hospital Approved. On or after the entry of this Confirmation Order, and subject to the occurrence of the Effective Date, the County and the Hospital (as applicable and as required by the Hospital Act) are authorized and directed to convey the Purchased Assets to the Successful Buyer pursuant to the provisions of the Successful Buyer Purchase Agreement and pursuant to Sections 901 and 1123(a)(5)(D) of the Bankruptcy Code. At the Closing of the Sale, all of the Sellers’ rights, title and interests in and to the Purchased Assets immediately shall vest in the Successful Buyer (and its assignees and designees, as applicable) free and clear of all Liens and Claims of every kind or description, on, relating to, in respect of or against the Purchased Assets, except for the Assumed Liabilities, pursuant to Sections 105, 901 and 1123(a)(5)(D) of the Bankruptcy Code and this Confirmation Order is effective to so vest the Purchased Assets in the Successful Buyer (and its designees and assigns as applicable) effective

as of the Closing free and clear of all Liens and Claims. Any and all Liens and Claims of every kind or description, on, relating to, in respect of or against any of the Sellers or any of the Purchased Assets (except for the Assumed Liabilities) shall transfer and attach to the proceeds of the Sale in the order of their priority, to the same extent, and with the same validity, force and effect, as existed immediately prior to the Closing of the Sale. Without limitation of the foregoing, except for the Assumed Liabilities, neither the Successful Buyer (nor its assignees or designees) nor the Purchased Assets shall be subject to any Liens or Claims, of any kind or description, on, relating to, in respect of or against the Purchased Assets including, without limitation, any Claims or Liens arising from services provided prior to the Closing of the Sale, or any Claims or Liens arising from any litigation or claims asserted against any of the Sellers or the Purchased Assets. Except for the Assumed Liabilities, or as otherwise expressly provided in any written agreement directly between the Successful Buyer and a third party, the Successful Buyer (and its assignees and designees) shall have no liability for any Claims, Liens, obligations, or liabilities of the Sellers or against any Purchased Assets, whether arising prior to, on or after the Closing Date (as defined in the Successful Buyer Purchase Agreement), including, without limitation, any Claims, Liens, obligations, or liabilities of the Sellers or against the Purchased Assets for any environmental claims, asbestos claims, tort claims, claims for taxes, fines or pension claims or similar obligations. Consummation of the Successful Buyer Purchase Agreement and the transactions contemplated thereby and therein do not effect a de facto merger or consolidation of the Sellers (or any of them) with the Successful Buyer (or its assignees and designees). Without limiting the generality of the foregoing, the Successful Buyer (and its assignees and designees) shall not have any successor or transferee liability of any kind or character for any liability of the Sellers that the Successful Buyer (or its assignees or designees)

has not expressly assumed under the Successful Buyer Purchase Agreement, including, without limitation, any liability, claim or obligation that is or may be asserted based upon any alter ego or successor-in-interest theory or allegation.

The use of the Purchase Price and the Prepaid Taxes to defease any bond indebtedness of the Hospital, and to therefore satisfy and pay in full the Class 1 Claims, is hereby APPROVED. The Successful Buyer Asset Purchase Agreement and the transactions contemplated thereby shall be specifically enforceable against and binding upon the Hospital. This Confirmation Order constitutes an Order of the Bankruptcy Court approving the sale of the Facilities of the Hospital as described in the Successful Buyer Asset Purchase Agreement and also the assumption and assignment of the Assigned Agreements as provided in the Successful Buyer Asset Purchase Agreement as of the Effective Date.

On the Effective Date, the Hospital shall assume and assign to the Successful Buyer the Assigned Agreements. The assumption of the Assigned Agreements is in accordance with the requirements of Bankruptcy Code section 365, and is expressly authorized by Bankruptcy Code section 1123(b)(2). The Court has determined the monetary Cure Amount for each Assigned Agreement, as well as the Reserved Claims, all as set forth in Exhibit "A" hereto. Payment of the Cure Amount established by this Confirmation Order for each Assigned Agreement shall be deemed to satisfy and discharge, in full, any pre-petition or post-petition arrearage or other Claim (including any Claim asserted in a Filed Proof of Claim or listed on the List of Creditors) with respect to such contract or lease. Upon the payment of the identified "Total Cure Amounts" shown for each Assigned Agreement listed in the Schedule of Assigned Agreements, Exhibit "A" to this Confirmation Order, unless some Reserved Claim is listed thereon, then any and all monetary defaults under the Assigned Agreements are deemed to be cured in all respects. If a

Reserved Claim is listed for any Assigned Agreement in the Schedule of Assigned Agreements, Exhibit "A" to this Confirmation Order, then that Reserved Claim will have to be cured by the Hospital in connect with the assumption and assignment of that Assigned Agreement, but if there is no Reserved Claim listed on the Schedule of Assigned Agreements, then only the Total Cure Amounts, if any, will need to be paid in order for the Debtor to assume and assign to the Successful Buyer any such Assigned Agreements. The Cure Payments associated with the Assigned Agreements are determined to be as specified on the Schedule of Assigned Agreements (Exhibit "A" hereto) and shall be paid pursuant to Article VI.A.(2) of the Plan with each such payment having the consequences specified in Article VI.A.(3) of the Plan and this Confirmation Order. The Hospital also has demonstrated adequate assurance of future performance with respect to each of the Assigned Agreements, to the extent required. The assumption of each of the Assigned Agreements under the Plan shall be binding on the Hospital and each non-debtor party to each such executory contract or unexpired lease.

Pursuant to Bankruptcy Code section 365(k), the assignment by the Hospital to the Successful Buyer of any Assigned Agreement under that section relieves the Hospital from any liability for any breach of such contract or lease occurring after such assignment, and the payment of the amount set forth on the Schedule of Assigned Agreements releases the Successful Buyer of any Lien or Claim asserted against the Assets it acquires pursuant to the Plan or any liability of the Hospital arising prior to the Effective Date.

The Successful Buyer is authorized to file this Confirmation Order (or an abstract thereof) with any such filing or recording office as necessary or appropriate to evidence such satisfactions and releases, and this Confirmation Order is deemed to be in recordable form sufficient to be placed in the filing or recording system maintained by any such filing or

recording office. The Successful Buyer is hereby also authorized to prepare and file UCC-3 termination statements, or amendments as appropriate, to effectuate the provisions of this Confirmation Order. Upon the filing of this Confirmation Order with the clerk of the court of the respective counties or the secretary of state for any state in which any Lien or Claim shall have been filed on or in the Purchased Assets, this Confirmation Order shall constitute a satisfaction and release of all such Liens or Claims on the Purchased Assets, subject to the terms of this Confirmation Order and the Successful Buyer Purchase Agreement.

Notwithstanding anything to the contrary in this Confirmation Order or in the Plan, the Bankruptcy Court, in approving the Successful Buyer Purchase Agreement and the transactions contemplated thereby, renders no opinion on the validity, legality or enforceability of the provisions of (i) Section 9 of the Successful Buyer Purchase Agreement titled Sellers' Covenant Not to Compete or (ii) Section 12.18 of the Successful Buyer Purchase Agreement titled Waiver of Jury Trial, which Sections expressly qualify the covenants of the Sellers therein as being made only to the extent and if permitted by applicable Mississippi law and public policy, and the Bankruptcy Court's entry of this Confirmation Order is not to be construed as a ruling, positively or negatively, on the validity, legality or enforceability of such provisions. If this Court or another court of competent jurisdiction subsequently determines that any provision of either Section 9 or 12.18 of the Successful Buyer Purchase Agreement is not valid, legal, or enforceable, such invalidity, illegality, or unenforceability shall not affect, prejudice, impair, or disturb the validity of the remainder of the Successful Buyer Purchase Agreement, the Plan, or this Confirmation Order, all of which shall be and remain in full force and effect, enforceable in accordance with their respective terms and conditions.

6. Exit Loan Approved. The Exit Loan, the documents evidencing the Exit Loan, the terms and provisions of the Exit Loan, and the Liens granted by the Exit Loan, are hereby APPROVED. The Hospital is authorized and directed to execute and deliver the necessary documents evidencing the Exit Loan and to take all actions necessary to comply with the terms and provisions of the Exit Loan documents.

Upon the payoff of the UMB Loan, the Exit Lender is authorized to file this Confirmation Order (or an abstract thereof) with any such filing or recording office as necessary or appropriate to evidence such satisfactions and releases of the Liens or Claims of UMB in the UMB Collateral, and this Confirmation Order is deemed to be in recordable form sufficient to be placed in the filing or recording system maintained by any such filing or recording office. The Exit Lender is hereby also authorized to prepare and file UCC-3 termination statements, or amendments as appropriate, to effectuate the provisions of this Confirmation Order. Upon the filing of this Confirmation Order with the clerk of the court of the respective counties or the secretary of state for any state in which any Lien or Claim shall have been filed on or in the UMB Collateral, this Confirmation Order shall constitute a satisfaction and release of all such Liens or Claims on the UMB Collateral, subject to the terms of this Confirmation Order.

7. Plan Supplement Approved. Each document contained in the Plan Supplement (as such may be amended, modified, or supplemented in accordance with the Plan) and each of their provisions is approved in each and every respect. The documents contained in the Plan Supplement, and any amendments, modifications, and supplements thereto (each of which is made in accordance with the terms of the Plan and the applicable Plan Supplement document), and all documents and agreements related thereto (including all exhibits and attachments thereto and documents referred to in such documents), and the execution, delivery, and performance

thereof by the Hospital, are authorized and approved as finalized, executed, and delivered. Without further order or authorization of the Court, the Hospital is authorized and empowered to make all modifications to all documents included as part of the Plan Supplement that are consistent with the Plan and the applicable document. As set forth in the Plan, once finalized and executed, the documents comprising the Plan Supplement and all other documents contemplated by the Plan shall constitute legal, valid, binding, and authorized obligations of the respective parties thereto, enforceable in accordance with their terms and, to the extent applicable, shall create, as of the Effective Date, all liens and other security interests purported to be created thereby.

8. Authorization to Implement Plan. All acts and actions contemplated by the Plan are hereby authorized and approved in all respects (subject to the provisions of the Plan). On and after the Effective Date, the Hospital or the Liquidation Trustee, as applicable, may (a) execute, deliver, file, or record any and all documents, contracts, instruments, releases, and other agreements, including those contained in the Plan Supplement; (b) make any and all Distributions contemplated pursuant to, and as provided in, the Plan and any Plan Supplement document; and (c) take any and all acts or actions necessary or desirable to effectuate, implement, and further evidence the terms and conditions of the Plan, each Plan Supplement document, this Confirmation Order, and any other transaction contemplated under those documents or the Plan. To effectuate those transactions and the Plan, the President of the Board of Trustees and the managers, agents, representatives, and attorneys of the Hospital are authorized – without further notice or application to or order of the Court – to execute, deliver, file, or record any documents and to take any other acts or actions that they reasonably may determine to be necessary or desirable to implement the Plan or any Plan Supplement document,

regardless whether such acts, actions, or documents are specifically referenced in the Plan, the Plan Supplement, or this Confirmation Order.

9. Defeasance of Bonds. The disposition of the Sale Proceeds (including both the Purchase Price and the Prepaid Taxes) in accordance with Article IV.A.(1) and the other provisions of the Plan is hereby authorized and approved in all respects (subject to the provisions of the Plan). Subject to the occurrence of the Effective Date, the Indenture Trustee is hereby authorized and directed to take all acts or actions as are necessary or appropriate with respect to the disposition of the Debt Service Reserve Fund, the General Fund, the Sale Proceeds, the Bonds and the Bond Escrow Fund in accordance with the Plan. As a result of the depositing the required portion of the Sales Proceeds into the Bond Escrow Fund, as well as the moneys on deposit in the Debt Service Reserve Fund, the General Fund and the purchase of SLGS as provided by the Plan, on the Effective Date (a) the Indenture will be discharged in accordance with the provisions of Article IX of the Indenture; and (b) the County Indenture will be discharged and satisfied in accordance with the County Indenture. Upon the funding of the Bond Escrow Account with the amount necessary to defease the Bonds and the purchasing of the SLGS, on the Effective Date, the Indenture Trustee, the Development Bank, and the County are authorized and directed to release, or cause to be released, any and all Liens, Claims, security interests, mortgages, and other interests that they have or may have on the Purchased Assets. The Hospital is authorized and directed to take any and all necessary actions in accordance with the Escrow Agreement.

10. Administrative Claim Deadlines. The deadlines, procedures, and other provisions regarding the assertion, allowance, and treatment of Administrative Claims set forth in Article III of the Plan, to the extent not previously approved and adopted by an order of the Court, are

hereby approved and adopted. The Administrative Claims Bar Date shall be Monday, November 17, 2014.

11. Professional Fees. Section 943(b)(3) requires that all amounts to be paid by the Debtor or other persons for services or expenses in the case or incident to the plan have been fully disclosed and are reasonable. As set forth in the *Addendum to Plan Supplement to Debtor's Second Amended Plan for the Adjustment of Debts* [Docket No. 468], the Debtor submitted *Itemized Professional Fees and Expenses Schedules* in which it disclosed the amounts paid to, due from, incurred by, or estimated to be due to Professionals from the Petition Date through September 30, 2014. There have been no objections to the Plan based upon this disclosure. Further, an exhibit was introduced at the Confirmation Hearing setting forth the amounts paid to, due from, incurred by, or estimated to be due to Professionals by the Debtor for services rendered or expenses incurred in the Case, under the Plan, or incident to the Plan. Further, the Court received testimony from or on behalf of the Professionals. Based upon the Court's review and consideration of the hourly rates charged, the hours expended, and the billing judgment employed by each of the Professionals listed in Exhibit "B" hereto, the Court finds that all amounts to be paid by the Debtor or other persons for services or expenses in the case or incident to the plan have been fully disclosed and are reasonable. The Court approves the amount of the fees and expenses as set forth in Exhibit "B" as reasonable and necessary to effectuate the Plan in this complex Chapter 9 case, and thus Bankruptcy Code section 943(b)(3) is satisfied for the reasons stated in this Court's bench ruling at the hearing, which ruling and findings are incorporated herein by reference. The Court makes no ruling with respect to, but is reserving consideration of, the issue of the reasonableness of the fees and expenses of Horne CPA. The Debtor and/or the Liquidation Trustee anticipate filing a final report and application to close the

case, at which time an accounting of all fees and expenses incurred by Debtor's Professionals will be submitted. This finding by the Court as to reasonableness of fees at this time is an interim finding subject to review and, if necessary, modification upon the filing of the final report, except as to those fees and expenses owed to Professionals, and all other expenses necessary: (a) to pay off and satisfy in full the UMB Note and to fulfill the Debtor's obligations under the UMB Financing Orders, (b) to defease the Bonds as described in Article IV.A.(1) of the Plan, and (c) to close the Exit Loan, as described in Article V.C. of the Plan and the documents evidencing the Exit Loan included in the Plan Supplement [Docket No. 457], all of which amounts shall be deemed to be finally determined by this Confirmation Order. Further, to the extent funds are not available to pay fees and expenses for Professionals for the Debtor and the Committee as of the Effective Date, in order to effectuate the confirmation of the Plan, the Professionals for the Debtor and the Committee have agreed to defer payment of Allowed fees and expenses until such time as funds are available to pay these fees and expenses.

12. Assumption and Assignment of Executory Contracts and Unexpired Leases. As of the Effective Date, pursuant to Article VI.A.(1) of the Plan and Bankruptcy Code sections 365(b) and 1123(b), each of the Assigned Agreements shall be deemed assumed by the Hospital and assigned to the Successful Buyer and shall be in full force and effect, subject to the Successful Buyer's and the Hospital's rights to amend the Schedule of Assigned Agreements at any time prior to the Effective Date to: (a) remove any executory contract or unexpired lease from the Schedule of Assigned Agreements and provide for its rejection under the Plan or otherwise; or (b) add any executory contract or unexpired lease to the Schedule of Assigned Agreements and provide for its assumption by the Hospital and assignment to the Successful Buyer under the

Plan. The Hospital shall provide notice of any amendment to the Schedule of Assigned Agreements to the party or parties to the agreement affected by the amendment.

13. Rejection of Executory Contracts and Unexpired Leases. As of the Effective Date, pursuant to Article VI.B.(1) of the Plan and Bankruptcy Code section 365, each of the executory contracts and unexpired leases to be rejected under the Plan shall be deemed rejected as of such date. The deadlines, procedures, and other provisions regarding Rejection Damage Claims set forth in Article VI.B.(2) of the Plan are hereby approved and adopted.

14. Vesting of Retained Claims in the Liquidation Trust. The Retained Claims to be preserved and vested in the Liquidation Trust pursuant to Article V.E. of the Plan shall be fully preserved and shall be deemed vested in the Hospital as of the Effective Date. From and after the Effective Date, the Liquidation Trust shall retain its exclusive right, power, and duty to administer the collection, prosecution, enforcement, settlement, or abandonment of the Retained Claims in the Liquidation Trustee's sole and absolute discretion subject to the terms and provisions of the Liquidation Trust Agreement.

15. Allowance of Certain Claims. As set forth in the Plan and subject to the occurrence of the Effective Date, the Claims in Class 1 shall be Allowed on the Effective Date in the amounts and to the extent specified in the Plan, and, in each case, shall be satisfied pursuant to the terms of the Plan and any agreements related to the Plan. The allowance on the Effective Date of Allowed Claims in Class 1, along with treatment of those Allowed Claims under the Plan, is a necessary predicate to: (a) the sale of the Purchased Assets to the Successful Buyer (under the Hospital Act); (b) the issuance of the Exit Loan; and (c) is necessary to effectuate the compromise and settlement among the Hospital, the County and the Committee described in Article V.D. of the Plan.

16. Deadline for Objections to Claims by Liquidation Trustee. The deadline for objections to Claims against the Hospital shall be the date that is the later of (a) the first Business Day that is at least 180 calendar days after the Effective Date; and (b) the first Business Day that is at least 180 calendar days after the date on which a proof of Claim in respect of a Claim has been Filed, in each case unless extended by the Court upon a motion Filed by the Liquidation Trustee.

17. No Amendments to Proofs of Claim. From and after the Effective Date, other than a proof of Claim relating to an executory contract or unexpired lease that is rejected pursuant to the Plan, a proof of Claim relating to any prepetition Claim may not be Filed or amended without leave of the Court.

18. Validation and Approval of Exit Loan. The Court does hereby validate, approve, and confirm all proceedings had and taken in connection with the following: (a) the Plan; (b) all covenants, agreements, provisions and obligations of the Hospital set forth in the Plan; (c) all covenants, agreements, provisions and obligations of the Hospital set forth in the Exit Loan; and (d) the Exit Loan and the provisions made to pay and secure payment of such obligations. When the Exit Loan has been executed and delivered in accordance with the Plan, the Exit Loan and the pledges, covenants, agreements and obligations set forth are valid and binding.

19. Federal Trade Commission. Nothing in the Plan or this Confirmation Order is intended to preclude the Federal Trade Commission from performing its statutory duties.

20. Protection Under Bankruptcy Code Section 364(e). The Court hereby approves and authorizes the incurrence of all indebtedness and extensions of credit necessary to implement the Plan pursuant to Bankruptcy Code section 364, including the offering of Exit Loan under the Plan, and the incurrence of any underwriting or other transaction fees to be paid at closing. The

protections of Bankruptcy Code section 364(e) will apply to all such indebtedness or extensions of credit to the maximum extent permitted by law. As such, the Exit Lender and each of the Persons receiving any underwriting or other transaction fees to be paid at closing, are in each case entitled to the full protections and rights afforded by Bankruptcy Code section 364(e) with respect to such transactions.

21. Discharge and Permanent Injunction. Except as modified by this Confirmation Order, including subsection (c)(iv) hereof, the provisions of Article X.B. of the Plan are hereby approved and authorized in their entirety. Without limiting the generality of the foregoing,

(a) The rights afforded under the Plan and the treatment of Claims under the Plan will be in exchange for and in complete satisfaction, discharge and release of all Claims arising on or before the Effective Date, including any interest accrued on Claims from and after the Petition Date. Except as provided in the Plan or in this Confirmation Order, Confirmation of the Plan, as of the Effective Date, will discharge the Hospital from all Claims or other debts that arose on or before the Effective Date, and all debts of the kind specified in section 502(g), 502(h) or 502(i) of the Bankruptcy Code, whether or not (i) a proof of Claim based on such debt is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code, (ii) a Claim based on such debt is allowed pursuant to section 502 of the Bankruptcy Code or (iii) the Holder of a Claim based on such debt has accepted the Plan.

(b) Except as expressly provided otherwise in the Plan or this Confirmation Order, this Confirmation Order will be a judicial determination, as of the Effective Date, of a discharge of all Claims and other debts and Liabilities against the Hospital, pursuant to sections 524(a)(1), 524(a)(2) and 944(b) of the Bankruptcy Code, and such discharge

will void any judgment obtained against the Hospital at any time, to the extent that such judgment relates to a discharged Claim; provided that such discharge will not apply to (i) Claims specifically exempted from discharge under the Plan; and (ii) Claims held by an Entity that, before the Confirmation Date, had neither notice nor actual knowledge of the Chapter 9 Case.

(c) On the Effective Date, except as otherwise provided in this Confirmation Order, all entities or Persons that have been, are or may be Holders of Claims against the Hospital, shall be permanently enjoined from taking any of the following actions against or affecting the Hospital or its property (or the Successful Buyer with respect to any property sold to it in connection with the Sale of the Hospital) with respect to such Claims (other than actions brought to enforce any rights or obligations under the Plan or this Confirmation Order): (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind against or affecting the Hospital or its property (including all suits, actions and proceedings that are pending as of the Effective Date, which must be withdrawn or dismissed with prejudice); (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order against the Hospital or its property; (iii) creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any encumbrance of any kind against the Hospital or its property; (iv) asserting (except as otherwise authorized or permitted by law, and subject to the review and jurisdiction of the Bankruptcy Court, any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due the Hospital or its property; (v) proceeding in any manner in any place whatsoever that does not conform to or

comply with the provisions of the Plan, the settlements set forth in the Plan, this Confirmation Order, or the discharge provisions of Bankruptcy Code section 944; and (vi) taking any actions to interfere with the implementation or consummation of the Plan; The Hospital and any other Person injured by any willful violation of this permanent injunction shall be entitled to recover actual damages, including costs, expenses, and attorneys' fees, and, in appropriate circumstances, may recover punitive damages, from the willful violator, and the Court retains jurisdiction over any Causes of Action resulting from any willful violation of this permanent injunction.

(d) Continuation of Stays. Except as otherwise provided in the Plan, all injunctions or stays in effect in the Case under Bankruptcy Code sections 105, 362(a), or 922(a), or otherwise, on the Confirmation Date shall remain in full force and effect through and including the Effective Date.

22. Conditions to Effective Date. The Plan shall not become effective unless and until the conditions set forth in Article VIII.B. of the Plan are satisfied or waived pursuant to Article VIII.B. of the Plan.

23. Non-Occurrence of Effective Date. If the Effective Date does not occur, then, (a) the Plan; (b) any compromise or settlement embodied in the Plan (including the Allowance of any Claims); (c) the assumption or rejection of executory contracts or unexpired leases pursuant to the Plan; (d) any document or agreement executed pursuant to the Plan (including any document or supplement contained in the Plan Supplement); and (e) any acts, actions, releases, waivers, or injunctions authorized by this Confirmation Order or any order in aid of consummation of the Plan shall be deemed null and void and inadmissible as evidence in any proceeding. In such event, nothing contained in this Confirmation Order, any order relating to

consummation of the Plan, the Plan, or the Plan Supplement, and no acts taken in preparation for consummation of the Plan shall be (i) deemed to constitute a waiver or release of any Claims or Causes of Action by or against the Hospital or any other Person, to prejudice in any manner the rights of the Hospital or any other Person in any further proceedings involving the Hospital or otherwise, or to constitute an admission of any sort by the Hospital or any other Person as to any issue; or (ii) construed as a finding of fact or conclusion of law in respect thereof.

24. Notice of Confirmation Order and Effective Date. Within ten (10) Business Days following the Effective Date, the Liquidation Trustee shall mail or cause to be mailed to all Creditors a notice that informs such Creditors of (a) entry of this Confirmation Order and the resulting confirmation of the Plan; (b) the occurrence of the Effective Date; (c) the assumption and rejection of executory contracts and unexpired leases pursuant to the Plan, as well as the deadline for the filing of resulting Rejection Damage Claims; (d) the deadline established under the Plan for the filing of Administrative Claims; and (e) such other matters as the Liquidation Trustee finds appropriate. Such notice will be good and sufficient notice under the particular circumstances, will be made in accordance with all the requirements of the Bankruptcy Code and the Bankruptcy Rules (including Bankruptcy Rules 2002(f)(7) and 3020(c)(2)), will comply in all regards with the requirements of the due process clause of the Fifth Amendment to the United States Constitution and, to the extent applicable, with the requirements of the due process clause of the Fourteenth Amendment to the United States Constitution, and no other or further notice or publication is necessary.

25. Governing Law. Unless a rule of law or procedure is supplied by (a) federal law (including the Bankruptcy Code and the Bankruptcy Rules), or (b) an express choice of law provision in any agreement, contract, instrument, or document provided in, or executed in

connection with, the Plan, the rights and obligations arising under the Plan and any agreements, contracts, instruments, and documents executed in connection with the Plan shall be governed by, and construed and enforced in accordance with, the laws of the State of Mississippi without giving effect to the principles of conflict of laws thereof.

26. Preemptive Effect. Pursuant to Bankruptcy Code sections 1123(a), 1123(b), and 944(a), as well as general principles of federal supremacy, the provisions of this Confirmation Order, the Plan, and related documents or any amendments or modifications thereto shall apply and be enforceable notwithstanding any otherwise applicable nonbankruptcy law.

27. Retention of Jurisdiction. Notwithstanding the entry of this Confirmation Order or the occurrence of the Effective Date, pursuant to Bankruptcy Code section 945(a), the Court shall retain jurisdiction over the Case and as provided in Article X.C. of the Plan. Without limiting the generality of the foregoing, the Court shall retain jurisdiction (a) to enter appropriate orders in aid of implementation of the Plan pursuant to Bankruptcy Code section 1142(b); (b) with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Confirmation Order; and (c) to enforce prohibitions against any subsequent collateral attack on the validations contained in the Plan and this Confirmation Order. The Court shall reserve all powers as are necessary or appropriate to enforce or to give effect to the Court's retained jurisdiction under the Plan and this Confirmation Order, including by way of injunction.

28. Finality and Immediate Effect of this Confirmation Order. This Confirmation Order (a) is a final order and the period in which an appeal must be filed shall commence upon the entry hereof; (b) shall be immediately effective and enforceable upon the entry hereof; and (c) for good cause shown, based on the record of the Confirmation Hearing, shall not be subject

to any stay otherwise applicable under the Bankruptcy Rules, including Bankruptcy Rule 3020(e).

29. Authority to Consummate. The Hospital is authorized to cause the Effective Date to occur and to otherwise consummate the Plan at any time after the entry of this Confirmation Order subject to satisfaction or waiver (by the required parties) of the conditions precedent to the Effective Date set forth in Article VIII.B. of the Plan. Subject to Article VIII.D. of the Plan and notwithstanding Bankruptcy Rules 3020(e) or 7062 or otherwise, upon the occurrence of the Effective Date, the Plan and the Plan Supplement shall be immediately effective and enforceable and deemed binding upon the Hospital, all Creditors, and all other Persons in accordance with their respective terms.

30. Conflicts Between this Confirmation Order and the Plan. The provisions of this Confirmation Order, including the findings of fact and conclusions of law set forth herein, and the provisions of the Plan are integrated with each other, nonseverable, and mutually dependent unless expressly stated by further order of the Court. The provisions of the Plan, the Plan Supplement, and this Confirmation Order shall be construed in a manner consistent with each other so as to effect the purpose of each; *provided, however*, that if there is any direct conflict between the terms of the Plan or the Plan Supplement and the terms of this Confirmation Order that cannot be reconciled, then, solely to the extent of such conflict, the provisions of this Confirmation Order shall govern and any such provision of this Confirmation Order shall be deemed a modification of the Plan and shall control and take precedence.

**\*\*END OF ORDER\*\***

**APPROVED AND AGREED:**

s/ Stephen W. Rosenblatt  
STEPHEN W. ROSENBLATT  
Counsel to the Debtor

s/ Douglas S. Draper  
DOUGLAS S. DRAPER  
Counsel to the Committee

s/ Jay R. Bender  
JAY R. BENDER  
Counsel to the Successful Buyer

s/ Kristina M. Johnson  
KRISTINA M. JOHNSON  
Counsel to United Mississippi Bank

s/ Alan L. Smith  
ALAN L. SMITH  
Counsel to Regions Bank as Indenture Trustee

s/ Charles N. Parrott  
CHARLES N. PARROTT  
Counsel to Regions Bank as Exit Lender

ButlerSnow 22731778v12

**Schedule of Assigned Agreements  
(as of September 24, 2014)**

<u>Lease or Contract Number</u>	<u>Description of Contract</u>	<u>Monetary Cure Amount</u>		<u>Credits for Payments made (from 7/31/2014 to 9/30/2014)</u>	<u>Monetary Cure Amount</u>		<u>Reserved Claims [Section 365(b)(1)(B) Claims]</u>
		<u>(as of Petition Date) 7/31/2014</u>	<u>(from Petition Date to 7/31/2014)</u>		<u>(from 8/1/2014 to 9/30/2014)</u>	<u>Total Monetary Cure Amount</u>	
1	Certified Registered Nurse Anesthetist Contract for Services Agreement dated July 16, 2012 by and between Natchez Regional Medical Center and Starr Anesthesia	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	None
2	Independent Physician EKG Interpretation Agreement dated June 1, 2010 by and between Natchez Regional Medical Center and Vikram Dulam, M.D.	\$11,830.24	\$0.00	\$0.00	\$0.00	\$11,830.24	None
3	Certified Registered Nurse Anesthetist Contract for Services Agreement dated July 30, 2012 by and between Natchez Regional Medical Center and Riverview Anesthesia PLLC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	None
4	Mutual Agreement for Assistance Memorandum of Understanding by and between Adams County Correctional Center and Natchez Regional Medical Center	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	None
5	Service Agreement letter dated March 5, 2010 by and between Jefferson County Hospital and Natchez Regional Medical Center	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	None
6	Organ & Tissue Donation Cooperative Agreement dated by and between Mississippi Organ Recovery Agency and Natchez Regional Medical Center	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	None
7	Recovery Access Agreement dated April 23, 2009 by Mississippi Lions Eye Bank and Natchez Regional Medical Center	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	None
8	Clinical Purchased Services Agreement dated October 1, 2012 by and between Professional Rehabilitation Hospital, LLC d/b/a Promise Hospital of Miss Lou and Natchez Regional Medical Center	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	None
9	Professional and Medical Direction Services Agreement dated February 1, 2012 by and between Natchez Regional Medical Center and Barry Tillman, M.D.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	None

Ex. "A"

**Schedule of Assigned Agreements  
(as of September 24, 2014)**

<u>Lease or Contract Number</u>	<u>Description of Contract</u>	<u>Monetary Cure Amount</u>		<u>Credits for Payments made (from 7/31/2014 to 7/31/2014)</u>	<u>Monetary Cure Amount</u>		<u>Total Monetary Cure Amount</u>	<u>Reserved Claims [Section 365(b)(1)(B) Claims]</u>
		<u>(as of Petition Date)</u>	<u>(from 7/31/2014 to 7/31/2014)</u>		<u>(from 8/1/2014 to 9/30/2014)</u>	<u>Monetary Cure Amount</u>		
10	Anesthesia Services Agreement dated September 8, 2010 by and between Natchez Regional Medical Center and Jack Dunn, LLC; as amended by that certain First Amendment to Anesthesia Services Agreement dated January 30, 2012	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	None
11	Psychiatric Services Agreement dated November 18, 2013 by and between Natchez Regional Medical Center and William S. Cook	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	None
12	Hospital Emergency Care Agreement dated November 15, 2008 by and between Natchez Regional Medical Center and Keystone Medical Services of MS, P.A.; as amended and restated by that certain Amended and Restated Hospital Emergency Care Agreement dated November 1, 2011 and that certain First Addendum to Hospital Emergency Care Agreement effective as of October 1, 2013 by and between Natchez Regional Medical Center and Keystone Medical Services of MS, Inc.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	None
13	Business Associate Agreement dated November 1, 2011 by and between Keystone Medical Services of MS, Inc. and Natchez Regional Medical Center	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	None
14	Commitment Agreement dated on or around May 12, 2010 by and between Laboratory Corporation of America Holdings and its subsidiaries and Natchez Regional Medical Center	\$9,426.53	\$2,959.91	(\$2,959.91)	\$77.00	\$9,503.53	\$9,503.53	None
15	Radiology Services Agreement dated September 17, 2009 by and between Precision Radiology of Louisiana, LLC and Natchez Regional Medical Center, as amended on September 17, 2012 by that certain First Amendment to Radiology Services Agreement and on February 26, 2010 by that certain Second Amendment to Radiology Services Agreement	\$0.00	\$20,600.00	(\$20,600.00)	\$0.00	\$0.00	\$0.00	None
16	Acute Dialysis Services Agreement dated October 1, 2011 by and between RCG Mississippi, Inc. d/b/a RCG Natchez and Natchez Regional Medical Center (as amended by that certain Amendment to Acute Dialysis Services Agreement date February 10, 2012)	\$74,823.06	\$29,345.23	\$0.00	\$13,627.33	\$117,795.62	\$117,795.62	None



**Schedule of Assigned Agreements  
(as of September 24, 2014)**

Lease or Contract Number	Description of Contract	Monetary Cure Amount (as of Petition Date)	Monetary Cure Amount (from 7/31/2014 Date to 7/31/2014)	Credits for Payments made (from 7/31/2014 to 9/30/2014)	Monetary Cure Amount (from 8/1/2014 to 9/30/2014)	Total Monetary Cure Amount	Reserved Claims [Section 365(b)(1)(B) Claims]
		above.	above.	above.	above.	above.	None
25	Equipment Schedule dated as of May 8, 2013 to Master Lease Agreement dated as of April 24, 2006 by and between General Electric Capital Corporation and Natchez Regional Medical Center with respect to two (2) GE Healthcare LCS Telemetry ICU CIC Technology and three (3) GE Healthcare LCS CICV5+ Upgrade with MP1000 Technology (including Acceptance Certificate dated as of September 18, 2013)	See No. 22 above.	See No. 22 above.	See No. 22 above.	See No. 22 above.	See No. 22 above.	None
26	Equipment Schedule Dated as of December 13, 2007 to Master Lease Agreement dated as of April 24, 2006 by and between General Electric Capital Corporation and Natchez Regional Medical Center	See No. 22 above.	See No. 22 above.	See No. 22 above.	See No. 22 above.	See No. 22 above.	None
27	Equipment Schedule dated as of December 13, 2007 to Master Lease Agreement dated as of December 13, 2007 by and between General Electric Capital Corporation and Natchez Regional Medical Center (including Addendum to Schedule dated December 13, 2007, Purchase Order Assignment dated December 13, 2007 and Acceptance Certificate dated December 18, 2007)	See No. 22 above.	See No. 22 above.	See No. 22 above.	See No. 22 above.	See No. 22 above.	None
28	Master Lease Agreement (Quasi) dated as of October 25, 2006 by and between General Electric Capital Company, General Electric Company, and Premier Imaging Center, LLC (including Maxiservice Schedule dated as of October 25, 2006, Standard Terms and Conditions, Additional Terms and Conditions, and Statement of Service Deliverables), as assigned from Premier Imaging Center, LLC to Natchez Regional Medical Center Pursuant to that Certain Assignment and Assumption Agreement, effective April 1, 2009, by and between Premier Imaging Center, LLC, General Electric Capital Corporation, and Natchez Regional Medical Center	See No. 22 above.	See No. 22 above.	See No. 22 above.	See No. 22 above.	See No. 22 above.	None
30	Transcription Service Agreement dated November 12, 2004 by and between STAT Transcription Services and Natchez Regional Medical Center, as amended by that certain Amendment #1 to Transcription Agreement dated on or around November 12, 2004 and that certain Addendum #2 dated on or around November 12, 2004	\$8,628.45	\$0.00	\$0.00	\$1,888.18	\$10,516.63	None

Schedule of Assigned Agreements  
(as of September 24, 2014)

Lease or Contract Number	Description of Contract	Monetary	Monetary	Credits for	Monetary	Total	Reserved Claims
		Cure Amount (as of Petition Date)	Cure Amount (from Petition Date to 7/31/2014)	Payments made (from 7/31/2014 to 9/30/2014)	Cure Amount (from 8/1/2014 to 9/30/2014)	Monetary Cure Amount	[Section 365(b)(1)(B) Claims]
31	Independent Physician Hospitalist Agreement dated January 1, 2010 by and between Natchez Regional Medical Center and Jeffrey A. Anderson, DO	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	None
32	Employment Agreement dated October 23, 2012 by and between Natchez Medical Foundation, Inc. and Angie Waller, CFNP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	None
33	Vice President of Medical Affairs Independent Contractor Agreement dated April 28, 2008 by and between Natchez Regional Medical Center and Dr. Kenneth Stubbs, as amended on March 1, 2009 by the First Amendment to Independent Physician Agreement, as further amended on April 6, 2010 by the Second Amendment to Independent Physician Agreement, and as further amended by the Third Amendment to and Assignment of Vice-President of Medical Affairs Independent Contractor Agreement dated November 23, 2011 by and between Natchez Regional Medical Center, Kenneth Stubbs, M.D., and Internal Medicine Associates of Natchez PLLC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	None
34	Independent Physician EKG Interpretation Agreement dated July 1, 2009 by and between Natchez Regional Medical Center and Kenneth Stubbs, M.D.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	None
35	Medical Direction Agreement dated July 6, 2009 by and between Natchez Regional Medical Center and Scott Wolfe, M.D, as amended by that certain First Amendment to Independent Physician Agreement dated July 5, 2010 and that Second Amendment to Independent Physician Agreement dated May 17, 2012	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	None
36	Certified Registered Nurse Anesthetist Contract for Service Agreement dated July 16, 2012 by and between Natchez Regional Medical Center and Anesthesia Services of Natchez	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	None
37	Rental Agreement for Use by Mississippi Departments and Vendors dated on or around April 10, 2013 by and between Toshiba Business Solutions of Mississippi and Natchez Regional Medical Center (including Notice and Acknowledgment of Assignment of Rental Agreement dated April 2013	\$10,528.59	\$12,479.60	(\$12,479.60)	\$2,234.16	\$12,762.75	None







**Schedule of Assigned Agreements  
(as of September 24, 2014)**

<u>Lease or Contract Number</u>	<u>Description of Contract</u>	<u>Monetary Cure Amount</u>		<u>Credits for Payments made (from 7/31/2014 to 7/31/2014)</u>	<u>Monetary Cure Amount</u>		<u>Total Monetary Cure Amount</u>	<u>Reserved Claims [Section 365(b)(1)(B) Claims]</u>
		<u>(as of Petition Date)</u>	<u>(from Date to 7/31/2014)</u>		<u>(from 8/1/2014 to 9/30/2014)</u>	<u>Cure Amount</u>		
67	Lease Agreement dated August 29, 2012 between Leasing Associates of Barrington, Inc. and Natchez Regional Medical Center (Lease No. 10154000), as assigned to Siemens Financial Services, Inc. pursuant to a notice of assignment dated as of April 23, 2013. (Total Monetary Cure Amount includes, by agreement, \$6,000, representing late charges (\$811.97) and attorneys' fees (\$5,188.03), recoverable pursuant to the Siemens Lease)	\$12,459.70	\$0.00	\$0.00	\$4,207.00	\$22,666.70	None	
68	Medical Director Services Agreement dated as of July 16, 2014 by and between Natchez Regional Medical Center and Jeffrey R. Anderson DO	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	None	
69	Business Associate Agreement dated as of July 16, 2014 by and between Natchez Regional Medical Center and Jeffrey Anderson DO	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	None	
70	Agreement effective as of June 25, 2014 by and between Natchez Regional Medical Center and MEDHOST Direct, Inc.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	None	
71	Agreement dated May 1, 2014 but effective May 13, 2013 by and between Natchez Regional Medical Center and the Natchez Medical Foundation (re: Dr. Hubbard medical Directorship)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	None	
72	Independent Physician EKG Interpretation Agreement dated as of August 21, 2014 by and between Natchez Regional Medical Center and Internal Medicine Associates of Natchez, PLLC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	None	
73	Natus Software License Agreement	\$0.00	\$0.00	\$0.00	\$394.43	\$394.43	None	
74	Independent Contractor Agreement dated December 14, 2011 by and between Natchez Regional Medical Center and Anne Steimbach, RHIA	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	None	
75	Lease Agreement dated August 17, 2010 by and between Natchez Regional Medical Center and Beckman Coulter (LH 750 Hematology System) and related Purchase or Lease Plan dated July 28, 2010 and Coagulation Reagent Agreement dated July 28, 2010	\$10,651.94	\$0.00	\$0.00	\$0.00	\$10,651.94	None	



Schedule of Assigned Agreements  
(as of September 24, 2014)

Lease or Contract Number	Description of Contract	Monetary Cure Amount (as of Petition Date)		Credits for Payments made (from 7/31/2014 to 7/31/2014)	Monetary Cure Amount (from 8/1/2014 to 9/30/2014)		Total Monetary Cure Amount	Reserved Claims [Section 365(b)(1)(B) Claims]
		Monetary Cure Amount (as of Petition Date)	Monetary Cure Amount (from Petition Date to 7/31/2014)		Monetary Cure Amount (from 8/1/2014 to 9/30/2014)	Monetary Cure Amount		
82	Medicare Acute Care National Provider Identification Number 1811924954 (CMS Certification Number 250084); Medicare Rehabilitation Unit National Provider Identification Number 1881620649 (CMS Certification Number 25T084); and Medicare Behavioral Health Unit National Provider Identification Number 1902833056 (CMS Certification Number 25S084)	\$53,823.00	\$164,469.00	\$0.00	\$0.00	\$218,292.00	None	
83	Medicare PART B National Provider Identification Number 1588691703 (CMS Certification Number C00037)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	None	
84	Medicare PART B RAILROAD National Provider Identification Number 1588691703 (CMS Certification Number C12131)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	None	
		\$577,731.59	\$412,006.56	(\$83,447.53)	\$83,452.44	\$1,044,290.26		

PROFESSIONAL FEES AND EXPENSES  
ESTIMATED THROUGH SEPTEMBER 30, 2014 - TO BE PAID

Professional	March-14	April-14	May-14	June-14	July-14	August-14	September-14	TOTAL FOR MAR - SEPT 2014
<b>Natchez Regional Medical Center</b>								
Walter Brown				\$ 15,516.00	\$ 22,460.00	\$ 33,172.00	\$ 25,000.00	\$ 96,148.00
Eileen Shaffer	\$ 22,077.60	\$ 26,620.27	\$ 12,210.80	\$ 12,945.86	\$ 18,925.39	\$ 24,245.13	\$ 30,048.51	\$ 147,073.56
Butler Snow	\$23,001.40	\$88,079.97	\$149,172.57		\$127,928.46	\$230,601.54	\$275,000.00	\$ 893,783.94
Mitchell Day			\$32,068.00			\$28,693.60	\$17,537.52	\$ 78,299.12
Mintz, Levin							\$ 50,479.24	\$ 50,479.24
Healthcare Management Partners		\$37,397.39		\$29,630.02	\$66,000.00			\$ 133,027.41
<b>SUBTOTAL</b>								\$ 1,398,811.27
<b>Voluntary Fee Reduction (by Butler Snow and Walter Brown)</b>								\$ 30,000.00
<b>TOTAL</b>								\$ 1,368,811.27
<b>Unsecured Creditors Committee</b>								
Heller Draper (Committee Counsel)			\$		99,111.70	\$ 50,000.00	\$ 70,000.00	\$ 219,111.70
David Wheeler (Local Counsel)						\$ 3,200.00	\$ 4,200.00	\$ 7,400.00
<b>TOTAL</b>								\$ 226,511.70
<b>Split - Hospital/Liquidation Trustee</b>								
Ken Lefoldt (Lefoldt & Co.)							\$ 12,500.00	\$ 12,500.00
Scott Christian (The Gillon Group)							\$ 25,000.00	\$ 25,000.00
<b>TOTAL</b>								\$ 37,500.00
<b>United Mississippi Bank (Secured Lender)</b>								
Jones Walker (Counsel for UMB)	\$	20,727.60	\$ 763.50	\$ 4,238.30	\$	89,351.87	\$ 8,440.50	\$ 123,521.77
Bruce M. Kuehnle, Jr. (Counsel for UMB)							\$ 13,282.00	\$ 13,282.00
<b>TOTAL</b>								\$ 136,803.77

Ex. "B"

PROFESSIONAL FEES AND EXPENSES  
ESTIMATED THROUGH SEPTEMBER 30, 2014 - TO BE PAID

Bond Defeasance Costs	
Regions Bank (Indenture Trustee)	\$ 9,012.50 \$ 9,012.50
Regions Bank (Escrow Agent)	\$ 3,500.00 \$ 3,500.00
Baker Donelson (Trustee Counsel)	\$ 108,782.18 \$ 108,782.18
Piper, Jaffray (Underwriter)	\$ 10,000.00 \$ 10,000.00
The Arbitrage Group (Verification Agent)	\$ 2,000.00 \$ 2,000.00
MBA Insurance Corp. (Bond Insurer)	\$ 10,000.00 \$ 10,000.00
Nixon Peabody (Bond Insurer Counsel)	\$ 33,757.50 \$ 33,757.50
Craig Geno (Bond Insurer Local Counsel)(To be paid by MBIA)	\$ - \$ -
United Mississippi Bank (Letter of Credit Bank)	\$ 8,750.00 \$ 8,750.00
Butler Snow LLP (Rebate Agent) (Fees Included in above amount)	\$ - \$ -
<b>TOTAL</b>	\$ 185,802.18 \$ 185,802.18
Term Loan Closing Costs	
Financial Advisor to County (Gov. Consultants/Demery Grubbs)	\$ 30,000.00 \$ 30,000.00
Regions Bank (Lender Commitment Fee)	\$ 30,000.00 \$ 30,000.00
Adams & Reese (Counsel to Regions)	\$ 21,035.70 \$ 21,035.70
Scott Slover (Counsel to County)	\$ 12,500.00 \$ 12,500.00
Walter Brown (Counsel to Hospital) (Agreed to Waive Fee of \$12,500)	\$ 5,000.00 \$ 5,000.00
Regions Bank (Escrow Agent)	
Butler Snow (Counsel to County) (Fees Included Above)	
<b>TOTAL</b>	\$ 98,535.70 \$ 98,535.70

PROFESSIONAL FEES AND EXPENSES  
ESTIMATED THROUGH SEPTEMBER 30, 2014 - TO BE PAID

Horne CPA										
Horne CPA (Consideration of reasonableness of fees and expenses of Horne CPA deferred by the Court)	\$ 16,529.64	\$ 15,495.88	\$ 15,980.30	\$ 13,166.28	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 81,172.10		
<b>GRAND TOTAL</b>								<b>\$ 2,053,964.62</b>		

Form n031-ntcplancf

**UNITED STATES BANKRUPTCY COURT**  
Southern District of Mississippi

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**Case No.:** 14-01048-NPO  
**Chapter:** 9

**In re:**

Natchez Regional Medical Center  
54 Sergeant S. Prentiss Dr.  
Natchez, MS 39120

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Notice of Entry of Order Confirming Plan

The Court entered an Order on September 30, 2014 (Dkt. # 481 ) confirming the Debtor's Chapter 9 Plan.

The confirmation order is available for download from the court's CM/ECF system via PACER and for inspection/copying at the following locations:

Jackson Office:

Clerk, U.S. Bankruptcy Court  
Southern District of Mississippi  
501 East Court Street, Suite 2.300  
Jackson, MS 39201  
601-608-4600

Gulfport Office:

Clerk, U.S. Bankruptcy Court  
Southern District of Mississippi  
Dan M. Russell, Jr. U.S. Courthouse  
2012 15th Street, Suite 244  
Gulfport, MS 39501  
228-563-1790

Dated: September 30, 2014

Danny L. Miller, Clerk of Court