

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

JORDAN HEALTH PRODUCTS I, INC, *et al.*,¹

Debtors.

Chapter 11

Case No. 24- ____ (____)

(Joint Administration Pending)

**DECLARATION OF ROB HUBBARD IN SUPPORT OF THE
DEBTORS' CHAPTER 11 PETITIONS AND FIRST DAY RELIEF**

I, Rob Hubbard of Riveron Consulting, Inc. ("**Riveron**"), hereby declare under penalty of perjury:

1. I am the Chief Restructuring Officer ("**CRO**") of each of the above-captioned debtors and debtors in possession (collectively, "**Avante**," the "**Debtors**," or the "**Company**"). I have served as the Debtors' CRO since June 3, 2024. I am generally familiar with the Debtors' day-to-day operations, business and financial affairs, and books and records. I am above 18 years of age and I am competent to testify.

2. I am authorized to submit this Declaration on behalf of the Debtors. Except as otherwise indicated, all facts set forth in this Declaration are based upon my personal knowledge of the Debtors' operations and finances, information learned from my review of relevant documents, and information I have received from other members of the Debtors' management or the Debtors' advisors.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number are: Jordan Health Products I, Inc. (9981); Global Medical Imaging, LLC (8828); D.R.E. Medical Group, Inc. (2356); Technical Options of Georgia, Inc. (5488); Jordan Health Products III, Inc. (9350); Transtate Equipment Company, Inc. (4201); Equipment Maintenance Solutions, Inc. (7216); Ultra Solutions Holdings, Inc. (2305); Ultra Solutions, LLC (3425); Pacific Medical Group, Inc. (4339); and Pacific Medical Holdings, Inc. (2135). The Debtors' service address is 8700 W Bryn Mawr Ave., Suite 720S, Chicago, IL 60631. Debtor Jordan Health Products I, Inc. is doing business as Avante Health Solutions.

3. I submit this Declaration to assist the Court and parties in interest in understanding the circumstances that led to the commencement of the above-captioned chapter 11 cases (the “**Chapter 11 Cases**”) and in support of: (a) the Debtors’ voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code (the “**Bankruptcy Code**”) filed on the date hereof (the “**Petition Date**”) in the United States Bankruptcy Court for the District of Delaware (the “**Court**”); and (b) the relief that the Debtors have requested from the Court pursuant to the motions and pleadings (collectively, the “**First Day Pleadings**”).

4. The Debtors remain in possession of their assets and continue to operate their businesses as debtors-in-possession pursuant to Bankruptcy Code sections 1107 and 1108.

5. References to the Bankruptcy Code, the chapter 11 process, and related legal matters are based on my understanding of such matters in reliance on the explanation provided by, and the advice of, counsel or from my personal experience. If called upon to testify, I would testify competently to the facts set forth in this First Day Declaration.

6. To familiarize the Court with the Debtors and the relief the Debtors seek early in these Chapter 11 Cases, this Declaration is organized into four sections. Section I provide an introduction to the Debtors and detailed information on the Debtors’ corporate history and business operations. Section II provides an overview of the Debtors’ prepetition capital structure. Section III describes the circumstances leading to the commencement of the Chapter 11 Cases and the objectives of the Chapter 11 Cases. Section IV sets forth the relevant facts in support of each of the First Day Pleadings filed in connection with the Chapter 11 Cases, which the Debtors believe are critical to administering the Chapter 11 Cases and preserving and maximizing the value of the Debtors’ estates. With respect to Section IV of this Declaration, capitalized terms not otherwise

defined therein shall have the same meanings as defined in the relevant First Day Pleading being discussed.

The Debtors' History and Business

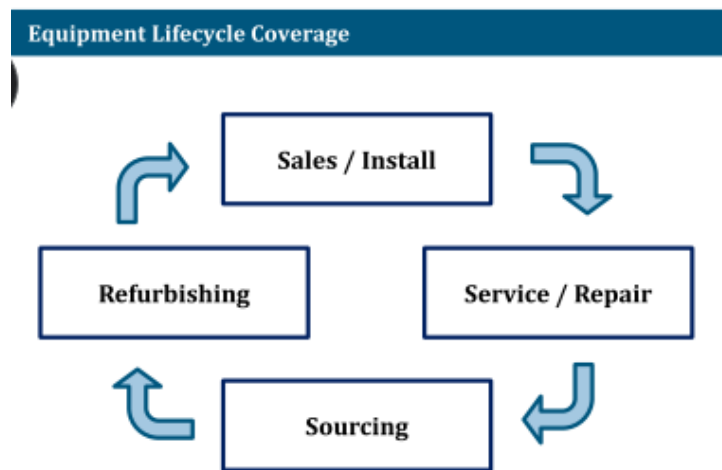
7. Avante is a leading provider of quality medical equipment solutions, selling new and refurbished equipment, parts, service, support, and training to healthcare facilities worldwide. Relevant here, several Avante businesses act as independent service organizations (“**ISO**”) for various medical facilities to provide maintenance and support services for equipment manufactured and produced by other companies (known as original equipment manufacturers, or “**OEMs**”). In general, ISOs are third-party entities that “maintain, restore, refurbish, or repair a finished device after distribution, for purposes of returning it to the safety and performance specifications established by the manufacturer and to meet its original intended use.” In other words, ISOs are “servicers.”

8. The Food and Drug Administration (“**FDA**”) is the primary agency that regulates the servicing of medical devices by any entity, pursuant to its mandate under the Food, Drug, and Cosmetic Act that all devices have a reasonable assurance of safety and effectiveness. According to the FDA, “proper servicing is critical to the ongoing safety and effectiveness of many devices...” FDA-2018-N-3741. The FDA has contemplated that “servicing” may include changing some aspects of the software present on a medical device, depending on the nature and effect of the change. ISOs routinely use internally-developed, or third-party developed, software to access certain materials or repair functions on medical devices in furtherance of these servicing activities.

9. In 2015, certain affiliates of JZ Capital Partners (“**JZ**”) and The Edgewater Funds (“**Edgewater**,” and, collectively with JZ, the “**Sponsors**”) partnered together to form the Company. The Company was created to pursue a strategic build-up in the growing, highly

fragmented \$465 billion global medical equipment market. Over the next six years, the Company grew through a series of eight targeted acquisitions. The Company also implemented several strategic operating initiatives to facilitate growth. Avante Health Solutions is the brand name for all transactions under this umbrella.

10. The Company is a global leader in the healthcare market by providing value-based medical capital equipment and related services. It is focused on selling new/private label and refurbished equipment, as well as extending the life of equipment through service and repair.



11. The Company's operations are broadly housed in four separate and distinct divisions: ultrasound, medical surgical, patient monitoring, and diagnostic imaging.² In addition, the Company rents equipment to customers on an as needed basis.

² In December 2022, Avante sold its oncology division.

Diagnostic Imaging

- Imaging equipment certified to OEM specs.
- Comprehensive support through a nationwide service network.
- Large inventory of certified parts and glassware ready for installation.
- Dedicated cutting-edge training programs.

Patient Monitoring

- Large inventory of certified restored monitoring equipment, OEM-compatible accessories, and replacement parts.
- ISO-certified engineers guarantee each equipment piece is quality-tested and ready for clinical use.

Medical-Surgical

- Broad range of new and certified restored capital equipment.
- Vast inventory of key parts and consumables to ensure smooth operation.
- Medical equipment experts provide end-to-end project consulting.
- High-quality instruments, sets, trays, and containers.

Ultrasound

- Full line of Samsung products to address a wide range of imaging needs.
- Extensive fleet of top-brand, certified restored ultrasounds.
- ISO 13485:2016 certified services minimize equipment downtime.
- Configurable service contracts and professional expert engineers.
- Over 15,000 certified parts and supplies

Rentals

- Fast nationwide delivery anywhere in the United States.
- Expert knowledge and reliable service to meet your rental needs every time.

**CORPORATE CONTRACTS****Refurbished Diagnostic Imaging & Ultrasound****Exam Room Equipment & Products****Refurbished OR Medical & Surgical Capital Equipment****Government****Animal Health****Ultrasound**

12. The ultrasound division provides installation, training, service, and repair of new and refurbished ultrasound equipment from all major manufacturers. The Company carries a large inventory of OEM and compatible parts. The ultrasound division also offers innovative transducer probe repair and replacement options. Ultrasound operations are in Charlotte, North Carolina and Ontario, California.

Medical Surgical



13. The medical surgical division is in Louisville, Kentucky. It provides a combination of new/private label and professionally refurbished equipment to medical and veterinary professionals worldwide. It also maintains a rental fleet of select equipment for short and long-term rentals. Medical surgical equipment includes anesthesia machines, surgical lighting and tables, ventilators, electrosurgical units, procedure chairs and instrument supplies.

Patient Monitoring



14. The patient monitoring division, located in San Clemente, California, repairs patient monitoring devices, including monitors, modules, telemetry, infusion pumps, and fetal transducers, among others. The Company historically had a substantial inventory of patient monitors and OEM parts from all major brands to meet up-time requirements. However, that inventory has diminished in recent times given liquidity concerns.

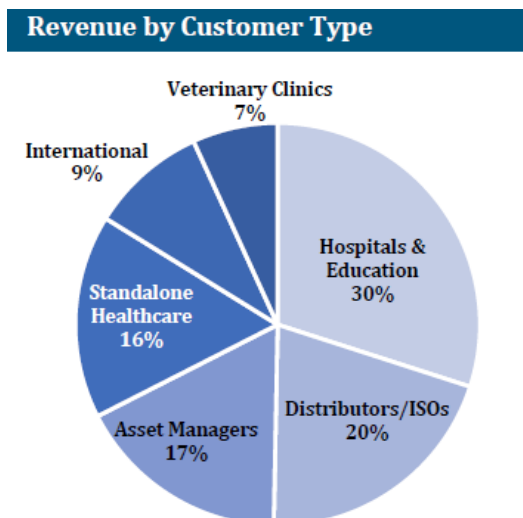
Diagnostic Imaging



15. The Company's diagnostic imaging division sells, services, repairs, and installs medical imaging equipment and specializes in cath/angio, CT scanners, MRI machines and nuclear medicine. The diagnostic imaging division provides nationwide field service, parts repair, remote diagnostics and 24/7/365 technical support. It is in Charlotte, North Carolina and Chicago, Illinois and employs approximately 113.

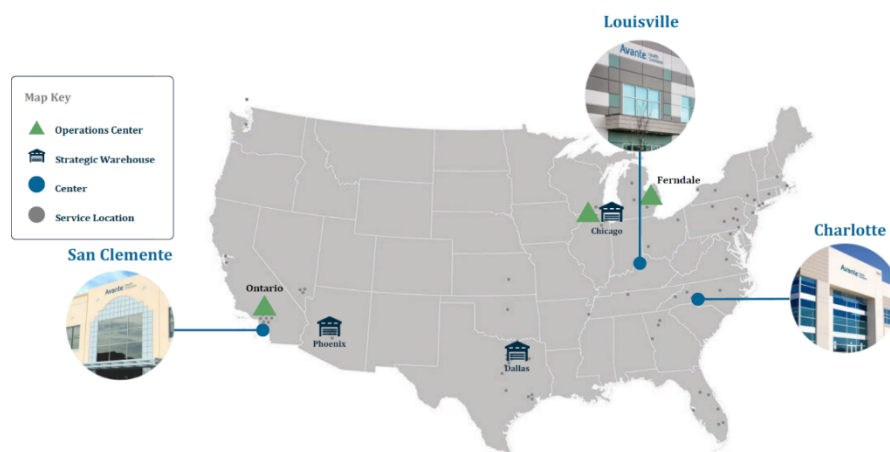
16. The Company's sales representatives target the domestic healthcare market in Capital Equipment, Biomedical Engineering, and Diagnostic Imaging. The Company also has dedicated sales teams for both the animal/veterinary and international markets. A centralized in-house marketing team directs a cohesive approach to web-based and direct mailing marketing.

17. The Company's has over 10,000 "active" customers. In 2020, the Company generated revenue from over 9,000 customers. The revenue breakdown by customer type is illustrated below.



18. The Company acquires its equipment and parts from a variety of sources, including customers, OEM trade-in desks, medical auction houses, and international sources. As a result, the Company suffers no single supplier concentration or related risk. Moreover, the Company maintains multiple vendors for each piece of key equipment or part type.

19. The Company's operations are primarily housed in San Clemente, California; Louisville, Kentucky; Charlotte, North Carolina; Chicago, Illinois; and Ontario, California. The Debtors lease their facilities and warehouses and do not own any real property. The warehouses in Dallas, Phoenix, and Michigan have been closed.



B. Financial Performance

20. For the fiscal year ending December 31, 2023, the Company generated revenue of approximately \$145.9 Million.

C. Employees

21. The Debtors employ approximately 358 full-time employees and 3 part-time employees (the “**Employees**”) who perform a variety of duties for the Company as follows:

DRE Medical: 65 employees
Equipment Maintenance solutions: 4 employees
Global Medical Imaging: 81 employees
Pacific Medical Group, Inc.: 78 employees
Transtate Holdings: 109 employees
Ultra Solutions MFG: 24 Employees
Total: 361 employees

22. As described in Section A, the Employees are employed by the specific business line for which they perform services. For example, the Employees servicing the patient monitoring division are employed by Pacific Medical Group, Inc. Approximately 127 of the Debtors’ Employees work remotely across the United States as part of the Debtors’ sales team. In addition to the Employees, the Debtors supplement their workforce by utilizing temporary workers (the “**Temp Workers**”) procured through employment agencies and independent and small contractors (the “**Independent Contractors**” and, together with the Employees and Temp Workers, the “**Workforce**”).

23. I believe that the Debtors’ Workforce is critical to the Debtors’ business, and its value cannot be overstated. To a significant extent, the Debtors’ success depends on the Debtors’ ability to attract and retain qualified personnel and the loss of certain Employees will impede the Debtors’ operations and seriously harm the ability to successfully implement their bankruptcy strategy. Additionally, the loss of the services provided by the Independent Contractors and Temp Workers would severely impair the Debtors’ business operations. As a result, I believe that the

loss of Workforce personnel at this critical juncture would have a material adverse impact on the Debtors' business and ability to maximize value through these Chapter 11 Cases.

24. The Debtors utilize two payroll cycles: (i) approximately 66 Employees who work for Debtor D.R.E. Medical Group, Inc. located in Louisville, Kentucky are paid on a bi-monthly basis the middle and end of each month and (ii) all other employees are paid on a bi-weekly basis. Payroll and benefits for Employees are processed through Paycor. None of the Debtors' Employees are subject to a collective bargaining agreement. The Debtors' average weekly gross payroll obligation on account of the Employees is approximately \$1,256,067.60.

25. In addition, the Debtors pay commissions to certain Employees in the sales and marketing department. Specifically, the Debtors pay commissions to certain Employees in the sales and marketing department (the "**Sales Representatives**"). Sales Representatives are responsible for building and maintaining customer relationships, with the goal of increasing sales opportunities. The Sales Representatives receive commission payments based on sales revenue and growth within their respective divisions (the "**Monthly Commissions**"). The Monthly Commissions are paid 60 days in arrears on a monthly basis and processed in the Debtors' normal payroll for the last pay period of the month. Thus, for example, the Monthly Commissions payable in October were earned in August. In addition, certain senior management level Employees (the "**Senior Sales Managers**") receive quarterly commissions when their departments meet targeted sales goals (the "**Quarterly Commissions**" and together with the Monthly Commissions, the "**Sales Commissions**"). Sales Commissions are paid during the last pay period of the month and the Debtors' have paid an average of \$268,570.00 per month in commissions this year.

26. After reviewing projected sales commissions (the "**Unpaid Sales Commissions**") that will become payable on October 25, 2024 for those Employees paid bi-weekly and October

31, 2024 for those Employees paid semi-monthly, I understand that approximately 5 Employees are owed more than the \$15,150.00 statutory cap contained in Bankruptcy Code section 507(a)(4). Such Employees consist of: (i) four Senior Sales Managers and (ii) one Sales Representative. The Senior Managers and Sales Representatives are not directors, officers, or persons otherwise in control of the Debtors. The amounts of Unpaid Sales Commissions owed to these Employees in excess of the statutory cap are approximately \$59,519.72 over the cap in the aggregate.

27. I believe that the amounts owed to these key Employees are reasonable based on the revenue they generate, and the value they preserve, for the Debtors and their estates and that it is therefore critical that the Debtors honor these prepetition obligations, regardless of the fact that they exceed the statutory cap. The Sales Commissions earned by these Employees are also an important aspect of their overall compensation and are customary in this industry for the work they perform. Finally, these Employees have earned the Sales Commissions and I believe that maintaining historical prepetition practices with regard to commission payments is essential to ensuring that the Debtors can retain these Employees and continue to operate their business and maximize value throughout the duration of these Chapter 11 Cases.

II. The Company's Organizational and Capital Structure

28. The Company's corporate structure is depicted on the chart attached hereto as Exhibit A. Until February 21, 2024, each Debtor's board of directors was comprised of five individuals appointed (directly or indirectly) by non-Debtor Jordan Health Products, LLC ("**JHP**"): John W. Jordan II, David W. Zalaznick, James A. Gordon, Matthew Snyder, and Jim Leidl. Mr. Leidl is the Debtors' current CEO.

29. JHP owns 100% of non-Debtor JHP Management, Inc. ("**JHPM**"), which is charged with management of the Companies. The CEO, CFO, and Corporate Controller of the

Debtors are employed by JHPM. Mr. Leidl is the CEO of JHPM. JHP also owns 99% of Equipment Maintenance, Inc. and 90% of Transtate Equipment Company, Inc., both debtors.

30. The Debtors' prepetition liabilities consist of secured and unsecured debt and intercompany obligations.

A. Secured Debt

31. On July 15, 2021, (i) Debtors Pacific Medical Holdings, Inc., Jordan Health Products I, Inc., Jordan Health Products, LLC, D.R.E. Medical Group, Inc., Jordan Health Products III, Inc., Transtate Equipment Company, Inc., Ultra Solutions Holdings, Inc., and Equipment Maintenance Solutions, Inc., as borrowers (collectively, the "**Borrowers**"), (ii) Debtors Pacific Medical Group, Inc., Global Medical Imaging, LLC, Ultra Solutions, LLC, Oncology Services International, Inc., and Technical Options of Georgia, Inc., as guarantors (the "**Debtor Guarantors**"), (iii) MERS Holdings, LLC and JHP, as guarantors (collectively, the "**Non-Debtor Guarantors**" and together with the Borrowers and Debtor Guarantors, the "**Loan Parties**"), (iv) the predecessor in interest to Apogem Capital, LLC, as agent (the "**Agent**"), (v) the Sponsor, and (vi) the lenders party thereto entered into that certain *Credit Agreement* dated as of July 15, 2021 and amended on April 11, 2023, February 29, 2024, March 27, 2024, April 30, 2024, May 17, 2024, and June 14, 2024 (as amended, modified, or otherwise supplemented from time to time, the "**Credit Agreement**"), which provided the Borrowers with an aggregate \$158,000,000.00 of loan commitments (collectively, the "**Credit Facility**"). The Credit Facility matures on July 27, 2027, is comprised of (i) a term loan commitment of \$115,500,000.00; (ii) a delayed draw term loan commitment of \$30,000,000.00; and (iii) a revolving loan commitment of \$12,500,000.00. Between March and June of 2024, the Debtors received a series of forbearances under the Credit Agreement that ultimately expired on July 12, 2024.

32. The table below reflects the funded debt obligations under the Credit Facility, exclusive of interest and fees:

Loan	Outstanding Principal
Term Loan	\$82,100,311
Delayed Draw Term Loan	\$0.00
Revolving Loan	\$5,000,000
Total Funded Debt	\$87,100,311

33. The Term Loan consists of a \$82,100,311 term loan and bears interest at a rate of 10.18% (SOFR + 4.75%) per annum in addition to the 2% default interest effective September 13, 2023. Pursuant to the Credit Agreement, the Borrowers are required to make quarterly installment payments in the amount of \$288,750.00 (subject to reduction to the extent the Term Loan is repaid in accordance with the Credit Agreement) until March 31, 2027, with the remaining outstanding principal due at maturity.

34. The Delayed Draw Term Loan consists of a \$0 delayed draw term loan and bears interest at a rate of (SOFR + 4.75%) per annum. Pursuant to the Credit Agreement, the Borrowers are required to make quarterly payments in an amount equal to one percent (1.00%) per annum of the then outstanding Delayed Draw Term Loan, with the outstanding principal balance due at maturity.

35. The Revolving Loan consists of a \$5,000,000 revolving loan and bears interest at a rate of 10.18% (SOFR + 4.75%) per annum. Pursuant to the Credit Agreements, the Borrowers are required to make quarterly interest payments on the amount of then-outstanding Revolving Loans, with the outstanding principal amount due at maturity.

36. The Borrowers' obligations under the Credit Agreement are secured by first priority-liens on, and first-priority security interest in, substantially all of the assets of the Loan Parties, aside from limited excluded assets. Pursuant to that certain *Guarantee and Collateral*

Agreement dated as of July 15, 2021, certain Loan Parties pledged their controlling equity interests in certain other Loan Parties, and granted the Agent irrevocable proxy rights in connection therewith, as summarized below:

Loan Party	Pledged Equity
PACIFIC MEDICAL HOLDINGS, INC.	80 Shares of Class A Common Stock of PACIFIC MEDICAL GROUP, INC.
JORDAN HEALTH PRODUCTS I, INC.	100 Units of GLOBAL MEDICAL IMAGING, LLC
JORDAN HEALTH PRODUCTS III, INC.	54,000 Shares of Common Stock of ONCOLOGY SERVICES INTERNATIONAL, INC.
ULTRA SOLUTIONS HOLDINGS, INC.	100 Units of ULTRA SOLUTIONS, LLC
MERS HOLDINGS, LLC	10,000 Shares of Common Stock of PACIFIC MEDICAL HOLDINGS, INC.
JORDAN HEALTH PRODUCTS, LLC	88 Shares of Class A Common Stock of JORDAN HEALTH PRODUCTS I, INC. 80 Shares of Class A Common Stock of D.R.E. MEDICAL GROUP, INC. 85 Shares of Class A Common Stock of JORDAN HEALTH PRODUCTS III, INC. 90 Shares of Class A Common Stock of TRANSTATE EQUIPMENT COMPANY, INC. 87 Shares of Class A Common Stock of EQUIPMENT MAINTENANCE SOLUTIONS, INC. 90 Shares of Class A Common Stock of ULTRA SOLUTIONS HOLDINGS, INC.
ONCOLOGY SERVICES INTERNATIONAL, INC.	500 Shares of Common Stock of TECHNICAL OPTIONS OF GEORGIA, INC.

37. The Borrowers were in default under the Credit Agreement for, among other things, failing to comply with certain financial covenants and reporting requirements. The Debtors were unable to cure the defaults and considered an emergency free-fall chapter 11 bankruptcy filing. Accordingly, on February 21, 2024 (the “**Pledge Exercise Date**”), the Agent exercised its proxy rights and amended the bylaws of each Debtor to remove such Debtors’ existing boards of directors and appoint a new three-member board consisting of Rick Arrowsmith, David Campbell, and Steven Pully as independent directors (the “**Independent Directors**”) for each Borrower (the “**Independent Boards**”). The Independent Directors had no prior relationship with the Debtors or the prior Agent.

38. The Independent Boards worked with management and the Agent to determine the most prudent path forward. The Independent Boards retained replacement counsel to assist with the evaluation of restructuring alternatives. After three months of extensive diligence on the Companies and their restructuring options, the Independent Boards, in consultation with the Agent, determined to run a sales and marketing process, as detailed more fully herein, to determine the market value of the Companies and evaluate whether a strategic or financial buyer was interested in purchasing substantially all of the Debtors’ assets.

39. As part of this evaluation, it became apparent that the Debtors would need a CRO to advise them through any bankruptcy preparation and, if needed, the Chapter 11 Cases. Accordingly, on June 3, 2024, in a sound exercise of their business judgment, the Boards resolved to retain me as CRO given my prior experience with the Company as a financial advisor prior to the appointment of the Independent Boards, as well as my prior experience in serving as CRO in other chapter 11 cases.

40. On September 24, 2024, the Debtors received the Notice of Resignation of Agent (the “**Resignation**”) from the Agent. After receipt of the Resignation, the Debtors were advised that AHS Acquisition Holdings, LLC, an affiliate of Staple Street Capital (“**SSC**”) was the new Agent and succeeded to all the rights, title, and interest of the Agent. The Debtors immediately began negotiating with SSC, as detailed more fully herein, on the appropriate path forward.

B. Unsecured Trade Debt

41. As of the Petition Date, the Debtors estimate their outstanding obligations to their trade vendors and other unsecured creditors at approximately \$15 million. This amount does not include any amounts that may be payable to litigation counterparties, which is approximately \$13 million in judgments as well as other pending litigation claims.

C. Intercompany Obligations

42. As noted on the organizational chart, each business line of the Debtors is located in its own holding company chain of ownership with one common ultimate owner – JHP, LLC, a non-Debtor.

43. There is a management agreement in place between JHPM and the Debtors. JHPM is the entity that employs and compensates the Debtors’ CEO, CFO, and other administrative roles and, in turn, such CEO, CFO, and administrative services are provided to the Debtors. Expenses incurred in connection with these personnel are allocated down to the Debtors via monthly invoices. The Debtors then manually pay the invoice via ACH transfers to JPMH, who subsequently remits payment for the CEO, CFO, and other administrative services on the Debtors’ behalf.

III. Events Leading Up to Chapter 11

Philips Litigation

44. One of the driving factors behind these Chapter 11 Cases was the litigation brought by Philips Medical Systems Nederland B.V., along with its North American subsidiary Philips North America LLC, (collectively, “**Philips**”) against two Avante business lines in two separate federal district court cases: *Philips Medical Systems Nederland B.V., et al. v. TEC Holdings, Inc.*, No. 3:20-cv-21-MOC-DSC (W.D.N.C. filed July 28, 2017) (the “**North Carolina Action**”), and *Philips Med Sys. Nederland B.V. et al. v. Global Medical Imaging, LLC et al.*, No. 1:21-cv-3615 (N.D. Ill. filed July 8, 2021) (the “**Illinois Action**”). The primary alleged basis of this litigation is related to Avante’s servicing of Philips’ equipment and its relation to the Digital Millennium Copyright Act (“**DMCA**”) and the Computer Fraud and Abuse Act (“**CFAA**”). See 18 U.S.C. §1030.

45. Enacted in 1986, the CFAA, as an amendment to the first federal computer fraud law, initially addressed hacking but has since been amended multiple times to address a broader range of conduct. The CFAA prohibits intentionally accessing a computer without authorization or in excess of authorization. However, the CFAA fails to define precisely what “without authorization” mean.

46. The DMCA, which was passed in 1998, amended copyright law (Copyright Act of 1976) to address the relationship between copyright and the internet by:

- a. Establishing protections for online service providers in the event their users engage in copyright infringement;
- b. Encouraging copyright owners to give great access to their works in digital formats by providing them with legal protections against unauthorized access; and
- c. Making it unlawful to provide false copyright management information or to remove or alter that type of information in certain circumstances.

47. Philips a large, publicly-traded multi-national foreign conglomerate with a market capitalization of \$24B, annual revenues in excess of \$18B and nearly 70,000 employees, accuses the Debtors of performing unauthorized maintenance on certain of Philips’ medical equipment—such as x-rays, CT machines, PET scanners, and ultrasounds—and misappropriating its trade secrets. These lawsuits assert similar legal theories under, among other statutes, the DMCA and CFAA. The Debtors are aware of no fewer than 13 cases against ISOs by Philips and their related entities (other than the Debtors) alleging substantially similar allegations. These cases are summarized on Exhibit B hereto.

48. Philips is one of the “Big 3” medical OEM in the United States. The other OEMs are GE HealthCare Technologies, Inc. (“**GE**”) and Siemens Medical Solutions USA, Inc. (“**Siemens**”). GE and Siemens have not brought similar litigation against ISOs.

49. The Debtors were hopeful in 2021 that the right to repair movement had garnered enough progress to halt this endless litigation. That year, the Librarian of Congress adopted the Copyright Office Registrar’s recommended exemption to the DMCA that permits owners of medical devices and outside service organizations to access the system software for the purposes of diagnosing, maintaining, and repairing such devices. *See* 37 CFR § 201(b)(15). This ruling provided a tremendous victory not only for ISOs such as the Debtors, which can provide more affordable equipment servicing and repair options to healthcare systems, but also the patients and providers who rely on such equipment for life-saving care and reduce the costs of such throughout the healthcare system which is largely funded by U.S. taxpayer dollars.

50. Unfortunately, the ruling did not end the litigation against the Company, and the North Carolina Action went to trial.

51. After a three-month jury trial, the jury found as follows:

- Philips Trade secret claim: Defense verdict for Avante; jury found no misappropriation;
- DMCA damages: Plaintiff verdict for Philips; Unjust enrichment: \$3,656,034.90, limited to time frame from before obtaining exemption from DMCA, Philips did not seek damages after exemption from DMCA granted;
- Actual damages: \$512,096.00; and
- CFAA damages: \$512,096.00 (duplicative of DMCA damages).

52. The Debtors also succeeded on certain counts and obtained a verdict against Philips based on the North Carolina Unfair and Deceptive Trade Practices Act (“**NCUDTPA**”):

- Damage award trebled to \$2,545,044 with an award of approximately \$400,000 in pre-judgment interest; and
- Court found Philips engaged in unfair and deceptive trade practices in violation of the NCUDTPA because Philips refused to provide documents, programs, or information to perform repair and maintenance on systems, in a timely and unhindered manner, to Transtate, the Wheelers, and/or TEC, so that they could properly service Allura and Azurion cath labs and/or CT systems.

53. Even though the Company was, in part, successful in the North Carolina Action, it continued to face mounting legal bills in connection with the ongoing Illinois Action, as well as post-trial motion practice in the North Carolina Action, continued threats from Philips to initiate further litigation, and the likelihood that Philips would appeal the outcome of the North Carolina Action.³ As a result, given that Avante could no longer fund its counsel in the Philips litigation, Avante provided its consent for its counsel to withdraw.

54. On September 25, 2024, the Final Judgement was entered in the North Carolina Action. United States District Court Judge Max O. Cogburn Jr. ordered that the Clerk enter final judgment as follows:

- d. That final judgment shall be entered in favor of Philips and against Defendants for Defendants’ violations of the CFAA and DMCA;

³ In addition to litigating against Avante, on October 6, 2023, Philips sent a letter to the Debtors accusing the Debtors of inappropriately using the Philips license key(s) to the s IntelliVue Support Tool to enable MX40 Patient Worn Monitor (PWM) software options for customers. The Debtors sent a responsive letter to Philips that they have no knowledge of anyone at Avante Health Solutions enabling MX40 Patient Worn Monitor (PWM) software options for customers, much less using Philips license key(s) to the s IntelliVue Support Tool to do so.

- e. That Defendants Transtate, TEC and Andy Wheeler are liable to and shall pay Philips \$512,096 in actual damages based on the Court's finding that they violated the CFAA and DMCA, along with post-judgment interest at the legal rate according to statute;
- f. That Defendants Transtate, TEC and Andy Wheeler are liable to and shall pay Philips \$3,656,034.90 in Defendants' profits based on their violations of the DMCA, along with post-judgment interest at the legal rate according to statute;
- g. That the final judgment shall be entered in favor of Defendants and against Philips for Philips violations of the NCUDTPA;
- h. That Plaintiffs Philips Medical Systems Nederland B.V., Philips North America LLC, and Philips India Ltd. are liable to and shall pay Defendants \$2,545,044 in damages as trebled by the Court based on their violations of the NCUDTPA, plus pre-judgment interest of \$398,281.95 as of February 7, 2024 (and shall continue at \$185.94 per day until the entry of final judgment), along with post-judgment interest at the legal rate according to statute.

North Carolina Action. N.C. No. 3:20-cv-00021-MOC-DCK, Dkt. #854 at 3-4.

55. Accordingly, Philips has an affirmative judgment against the Debtors in the amount of \$4,168,130.90 and the Debtors have an affirmative judgment against Philips in the amount not less than \$2,943,326.95.

56. Prior to the Petition Date, in the Illinois Action alone, the Debtors reviewed, and produced over 230,000 documents (approximately 1.7 million pages) in response to several hundred requests and demands, and gathered an additional 240,000 documents to be reviewed and produced. The court in the Illinois Action recently granted in part and denied in part a motion to dismiss Debtors' counterclaims against Philips, thus recognizing among other things that Debtors had sufficiently pled that Philips was liable for tortious interference with prospective economic advantage and common law unfair competition. However, the court dismissed Debtors' antitrust counterclaims as "too skeletal." N.D. Ill. No. 1:21-cv-03615, Dkt. # 215 at 19.

57. Cumulatively, the Debtors have spent well over \$20 Million in legal fees litigating with various parties. Despite the exorbitant amount of legal fees that were paid, many of the Debtors' litigation counsel are significant creditors of the Debtors' estates.

58. In addition to North Carolina Action and the Illinois Action, the Debtors face a litany of other lawsuits that have distracted them from running the business and run up insurmountable legal fees. Attached hereto as Exhibit C is a summary of all pending litigation against the Debtors.

59. The Debtors simply cannot afford to continue litigating with these various parties. The Debtors are in great need of the "breathing room" offered by the automatic stay.

Robust Prepetition Sales and Marketing Process

60. Once the decision was made that the Debtors could no longer afford to defend the pending litigation, the Debtors, in consultation with its Independent Board and their lenders, discussed all available restructuring options. As part of the ultimate restructuring strategy, on May 16, 2024, the Debtors formally retained Livingstone Partners as their investment banker.

61. Given its extensive experience in the industry, Livingstone immediately began a comprehensive marketing process focused on financial and strategic parties that engaged in similar business practices to the Debtors. In consultation with management and the Independent Boards, Livingstone reached out to Phase 1 and Phase 2 Potential Buyers that were identified.

62. Given the Debtors' liquidity concerns, an initial indication of interest deadline was set as June 6, 2024. Livingstone received strong interest from parties in purchasing all, or some, of the Debtors' assets. After submission of indications of interest, Livingstone worked with all potential bidders to get to a stalking horse agreement.

63. Livingstone worked with the Independent Boards and Avante's management team to compile a list of potentially interested parties (the "**Targets**") to contact regarding a potential sale.

64. In the initial phase of the marketing process of the marketing process ("**Phase 1**"), Livingstone reached out to ten (10) strategic Targets. These targets were considered by Livingstone—working collaboratively with the Debtors' Independent Boards, the Debtors' advisors, and the Debtors' management team—to be among the most likely potential buyers for the Debtors' Assets. In early June, Livingstone expanded the buyer outreach to an additional nine (9) strategic buyers that were similarly considered to be among the most likely potential buyers ("**Phase 2**"). Shortly thereafter, commencing around June 25, 2024, Livingstone expanded the outreach to not fewer than two hundred and sixty-five (265) additional Targets for a total of not fewer than two hundred and eighty-four (284) Targets that have been contacted to-date.

65. Prior to the Petition Date, one hundred and forty-seven (147) confidentiality agreements have been signed by Targets. All Targets that have executed confidentiality agreements (the "**Potential Buyers**") received a comprehensive marketing presentation with detailed information describing the Debtors' business, Assets, and financial condition and access to an online data room containing significant additional diligence data. Potential Buyers had an opportunity to submit requests for diligence information, which was made available for all buyers on a rolling basis through the data room. Additionally, Potential Buyers were given opportunities to request diligence calls with the Debtors' management as well as request in-person site visits and management meetings. Diligence calls were held with at least seventy-two (72) unique Potential Buyers and diligence request lists have been received from eighteen (18) Potential Buyers thus far, totaling more than five hundred (500) information requests and questions, a vast majority of which

were addressed either through written responses or the provision of diligence data. Over one thousand (1,000) unique files have been uploaded to the online data room for review by Potential Buyers. At least three (3) unique parties have completed site visits at one (or more) of the Debtors' facilities.

66. During the prepetition marketing process, the Debtors received nine (9) written or verbal indications of interest from Potential Buyers. Since the commencement of Phase 1, and continuing through the entirety of the prepetition marketing process, Livingstone and the Debtors' management and other advisors solicited interest among Potential Buyers in serving as a stalking horse and cultivated any such interest by facilitating the flow of diligence information, discussions with Debtors' management, and site visits.

67. Management, in conjunction with the Debtors' professionals, have spent hundreds of hours on diligence requests, calls, and in-person site visits. The Debtors worked extensively with two (2) different parties on a proposed stalking horse asset purchase agreement, which ultimately served as the form for the Stalking Horse Agreement.

68. Despite these extensive efforts by Livingstone, the Debtors' management, their Independent Boards, and their advisors, the Debtors were not able to find a party willing to serve as a stalking horse purchaser. The previous Agent and the lenders under the Credit Agreement were not willing to provide financing, including in the form of debtor in possession financing, to support the business through a sale process. In addition, they were not willing to commit to financing absent the Company have a stalking horse in hand. Nor would they permit the Debtors to obtain a priming debtor in possession financing facility. Having left no stone unturned and exhausted all available options, the Debtors prepared to file these Chapter 11 Cases on a free fall basis without a debtor in possession financing facility, without the consent of the previous Agent

to use its cash collateral in bankruptcy, and with the only the hope that a white knight would appear to maintain the Debtors as a going concern. The Debtors anticipated seeking approval of a 30-day sale process as a last-ditch effort to maximize value for all creditor constituencies.

Debt Purchase, DIP, and APA

69. When the Debtors thought all hope was lost after having exhausted all of its options to find financing or viable bidders, SCC emerged at the behest of the Debtors to purchase the Debtors' Credit Facility from the previous Agent and became the successor agent. SCC stepped in to help fund and stabilize the Debtors' business. SCC and the Debtors immediately began negotiating a consensual debtor in possession financing facility in the total amount of \$3.5 Million (the "**DIP**") and an asset purchase agreement ("**APA**") for SCC to purchase substantially all of the Debtors' assets via a credit bid in the amount of \$72.5 Million. The DIP will allow the Debtors to conduct these Chapter 11 Cases in an orderly fashion and finalize their sales and marketing process with the assets being sold to SCC, or the highest and best bidder at the conclusion of an open and fulsome sales process. The DIP will allow the Debtors to continue to operate as a going concern and purchase much needed inventory that they were not able to secure under the tight liquidity constraints imposed by the previous Agent. The Debtors inability to maintain sufficient liquidity levels has had a detrimental impact on the Debtors' business operations.

70. In furtherance of these business objectives, the DIP provides for \$3.5 Million of new money to fund, among other things, professional fees, critical vendors and the hiring of a Chief Transformation Officer ("**CTO**"). The CTO will focus on operational restructuring initiatives, including, but not limited to: (a) business unit strategic initiatives, (b) business unit facility and operations activities, including scenario assessments, (iii) headcount analysis and planning, and (iv) business activities related to the sale process.

71. Given that the Debtors have exhausted all available options and are working with SCC on a path forward that will continue the Debtors as a going concern on a consensual basis, I believe that the current proposed sale timeline is sufficient to maximize the value of the Debtors' assets.

72. However, to be clear, given the upcoming deadlines in several pieces of litigation, including the September 25, 2024 judgment entered in the North Carolina Federal Case, and the extensive interest in the Debtors' assets as demonstrated by approximately 141 confidentiality agreements being signed, as CRO, in consultation with the Independent Boards and the Debtors' professionals, I believe that the only way to maximize value for all stakeholders was to commence these Chapter 11 Cases and run a quick and efficient sales process to determine, after an open auction process, if there is a purchaser that will buy substantially all of the Debtors' assets as a going concern at a value above the credit bid and maximize value for all of the Debtors' creditor constituencies. Most importantly, my focus will be on preserving jobs as part of keeping the Debtors' businesses.

IV. Relief Sought in Debtors' First Day Motions

73. Contemporaneously with the filing of their chapter 11 petitions, the Debtors have filed the following First Day Pleadings:

- a) Motion of Debtors for Entry of an Order Directing Joint Administration of Related Chapter 11 Cases;
- b) Debtors' Motion for Entry of Interim and Final Orders (A) Authorizing the Debtors to (I) File a Consolidated List of Creditors in Lieu of Submitting a Separate Matrix for Each Debtor, (II) File a Consolidated List of the Debtors' 30 Largest Unsecured Creditors, and (III) Redact Certain Personal Identification Information, and (B) Granting Related Relief;
- c) Motion of Debtors for Entry of Interim and Final Orders Authorizing (I) Continued Use of Existing Cash Management System, Including Maintenance of Existing Bank Accounts, Checks, and Business Forms, and (II) Continuation of Existing Deposit Practices;

- d) Motion of Debtors for Entry of Interim and Final Orders Authorizing Payment of (I) Certain Prepetition Employee Claims, Including Wages, Salaries, and Other Compensation, (II) Certain Employee Benefits and Confirming Right to Continue Employee Benefits on Post-petition Basis, (III) Reimbursement to Employees for Prepetition Expenses, (IV) Withholding and Payroll-Related Taxes, (V) Workers' Compensation Obligations, and (VI) Prepetition Claims Owing to Administrators and Third-Party Providers;
- e) Application of Debtors to Employ and Retain Omni as Claims and Noticing Agent to the Debtor, Effective as of the Petition Date;
- f) Motion of Debtors for Entry of Interim and Final Orders (I) Prohibiting Utility Providers From Altering, Refusing, or Discontinuing Service, (II) Approving the Debtors' Proposed Adequate Assurance of Payment for Postpetition Services, and (III) Establishing Procedures for Resolving Requests for Additional Adequate Assurance of Payment;
- g) Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing Continuation of, and Payment Of Prepetition Obligations Incurred in the Ordinary Course of Business in Connection with Various Insurance Policies, (II) Authorizing Banks to Honor and Process Checks and Electronic Transfer Requests Related Thereto, (III) Preventing Insurance Companies From Giving Any Notice of Termination or Otherwise Modifying any Insurance Policy Without Obtaining Relief From the Automatic Stay, and (IV) Authorizing the Debtors to Continue Installment Payments and Brokerage Obligations;
- h) Debtors' Motion for Interim and Final Orders Authorizing Payment of Prepetition Obligations Owed to Critical Vendors;
- i) Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Obtain Secured Postpetition Financing and (B) Utilize Cash Collateral, (II) Granting Liens, (III) Modifying the Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Relief; and
- j) Motion of Debtors to Shorten Notice and Objection Periods for the Hearing on the Motion of Debtors for Entry of (I) an Order (A) Approving Bid Procedures in Connection with the Potential Sale of the Debtors' Assets, (B) Scheduling an Auction and a Sale Hearing, (C) Authorizing the Form and Manner of Notice Thereof, (D) Authorizing the Debtors to Enter into Stalking Horse Agreement, (E) Approving Procedures for the Assumption and Assignment of Contracts and Leases, and (F) Granting Related Relief, and (III) Order (A) Approving the Sale of Debtors' Assets Free and Clear of All Liens, Claims, Encumbrances, and Interests, (B) Authorizing the Assumption and Assignment of Contracts and Leases, and (C) Granting Related Relief.

74. The Debtors seek the relief set forth in the First Day Pleadings to minimize the disruption to and adverse effects of the commencement of the Chapter 11 Cases on business operations and to maximize the value of their assets. I have reviewed the Debtors' petitions and the First Day Pleadings or have otherwise had their contents explained to me by the Debtors' advisors, and it is my belief that the relief sought therein is essential to ensure the uninterrupted operation of the Debtors' business and to successfully maximize the value of the Debtors' estates.

75. Certain of the First Day Pleadings request authority to pay certain prepetition claims. I understand that Rule 6003 of the Federal Rules of Bankruptcy Procedure provides, in relevant part, that the Court shall not consider motions to pay prepetition claims during the first twenty-one (21) days following the filing of a chapter 11 petition, "[e]xcept to the extent that relief is necessary to avoid immediate and irreparable harm." In light of this requirement, the Debtors have narrowly tailored their request for immediate authority to pay certain prepetition claims to those circumstances where the failure to pay such claims would cause immediate and irreparable harm to the Debtors and their estates. Other relief will be deferred for consideration at a later hearing.

76. In sum, I believe that the relief sought in each First Day Pleading: (a) is necessary to enable the Debtors to operate in chapter 11 with minimal disruption or loss of value; (b) is necessary to avoid immediate and irreparable harm; and (c) best serves the interests of the Debtors' stakeholders.

I declare under penalty of perjury that the foregoing is true and correct:

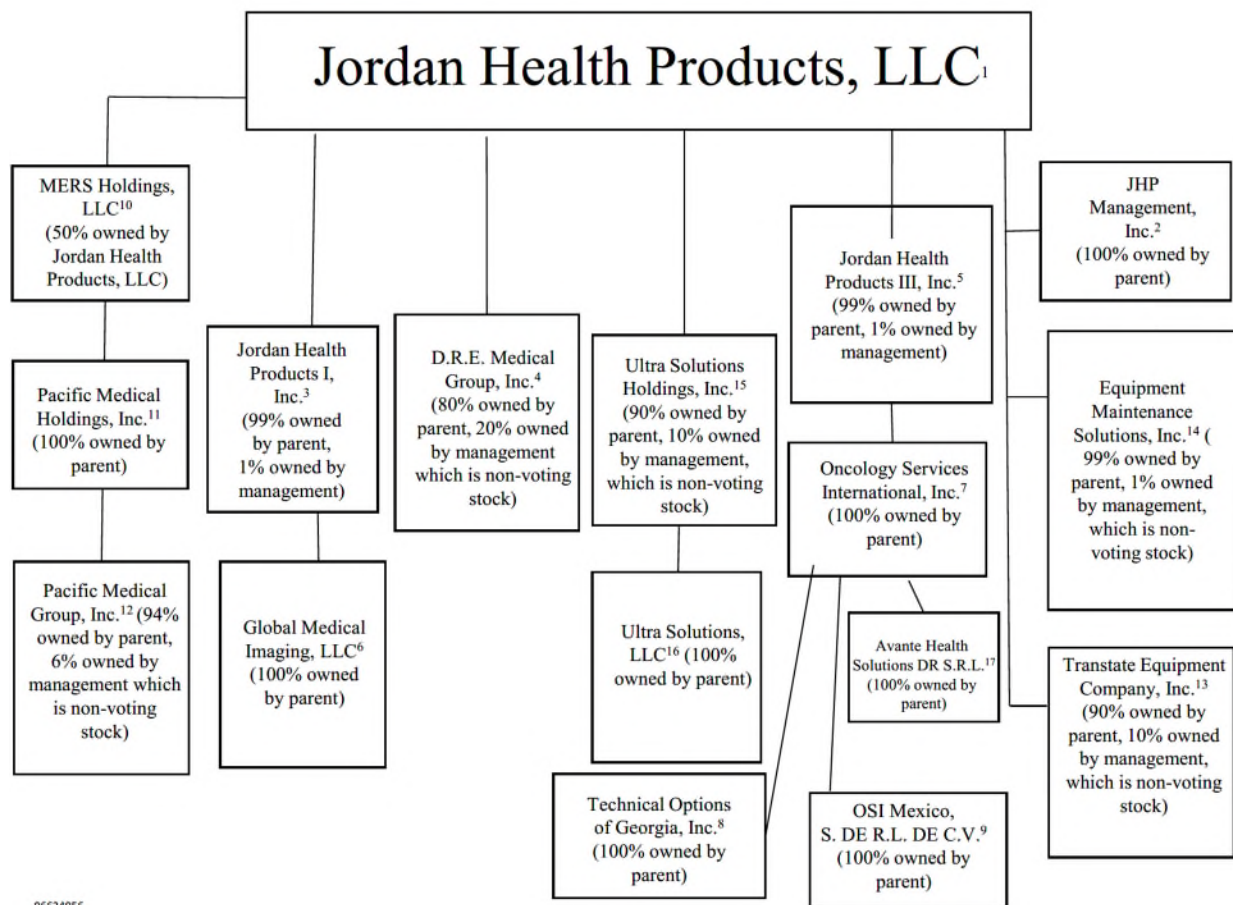
Dated: October 8, 2024

/s/ Rob Hubbard

Rob Hubbard
Chief Restructuring Officer

EXHIBIT A

Corporate Organizational Chart



Internal Entity ID	Legal Entity Name	Internal Name
AUE	Global Medical Imaging, LLC	Ultrasound - East
AUW	Ultra Solutions, LLC	Ultrasound - West
AMS	D.R.E. Medical Group, Inc.	Medical Surgical
ADI	Transtate Equipment Company, Inc.	Diagnostic Imaging
ADIMW	Equipment Maintenance Solutions	Diagnostic Imaging - MW
APM	Pacific Medical Group, Inc.	Patient Monitoring

EXHIBIT B

Philips Litigation Against ISOs and Related Entities

Case	Non-exhaustive list of Philips entities' alleged claims	Non-exhaustive list of claims against Philips entities
<i>Philips North America, LLC v. Image Technology Consulting, et al.</i> (N.D. Tex. No. 3:22-cv-00147)	Violations of Computer Fraud and Abuse Act ("CFAA"), Digital Millennium Copyright Act ("DMCA"), Defend Trade Secrets Act ("DTSA"), Texas Uniform Trade Secrets Act; and common law claims for unfair competition and fraud.	Monopolization (and attempted monopolization) in violation of the Sherman Act; tortious interference with prospective relations; business disparagement; defamation; declaration of copyright invalidity due to Philips' misuse
<i>Philips North America, LLC; Koninklijke Philips N.V.; and Philips India Ltd. v. Summit Imaging, Inc. et al.</i> (W.D. Wash. No. 2:19-cv-01745)	Violations of DMCA, DTSA, Lanham Act (false advertising), Washington Uniform Trade Secrets Act, Washington Consumer Protection Act; and copyright infringement.	Monopolization and attempted monopolization in violation of the Sherman Act, and declaratory relief that Philips' copyrights are invalid due to copyright misuse.
<i>Philips North America, LLC; Koninklijke Philips N.V.; and Philips India Ltd. v. KPI Healthcare, Inc. et al.</i> (C.D. Cal. No. 8:19-cv-01765)	Violations of DMCA, Lanham Act, DTSA, California Uniform Trade Secrets Act, California Business and Professions Code (unfair business practices and deceptive trade practices); copyright infringement, and civil theft.	Claims for declaratory relief on the absence of liability to Plaintiffs, copyright unenforceability, and invalidating Philips' copyright registrations.
<i>Philips North America, LLC; Koninklijke Philips N.V.; and Philips India Ltd. v. John Vartanian et al.</i> (C.D. Cal. No. 2:22-cv-07469)	Violations of DMCA, copyright infringement, vicarious liability for KPI Healthcare, Inc.'s DMCA violations (in C.D. Cal. No. 8:19-cv-01765, noted above).	N/A
<i>Philips North America LLC v. Atlas Comprehensive Technical Services Inc. et al.</i> (S.D. Tex. No. 3:23-cv-40)	Violations of CFAA, DMCA, Texas Harmful Access by Computer Act (Tex. Prac. & Rem. Code. § 143.001; Tex. Penal Code § 33.02); DTSA, Texas Uniform Trade Secrets Act, and common law claims for misappropriation of trade secrets and unfair competition.	N/A
<i>Philips North America LLC v. Probo Medical LLC et al.</i>	Violations of CFAA, DMCA, West Virginia Computer Crime and	N/A

Case	Non-exhaustive list of Philips entities' alleged claims	Non-exhaustive list of claims against Philips entities
(S.D. W. Va. No. 2:21-cv-00298)	Abuse Act; and common law claim for unfair competition.	
<i>Philips North America LLC v. Advanced Imaging Services, Inc. et al.</i> (E.D. Cal. No. 2:21-cv-00876-DAD-AC)	Violations of CFAA, DMCA, DTSA, California Comprehensive Computer Data Access and Fraud Act, California Uniform Trade Secrets Act, and California Unfair Trade Practices Act.	Monopolization and attempted monopolization in violation of the Sherman Act, declaration of copyright invalidity due to misuse, unfair competition.
<i>Philips North America, LLC v. Little</i> (E.D.N.C. No. 5:20-cv-00657-BO)	Violations of DTSA, North Carolina Trade Secrets Act, and North Carolina Unfair and Deceptive Trade Practices Act; common law claim for fraud.	N/A
<i>Philips Medical Systems (Cleveland), Inc.; Philips North America, LLC; Koninklijke Philips N.V.; Philips India Ltd.' and Philips Medical Systems Technologoies LTD v. Zetta Medical Technologies, LLC et al.</i> (N.D. Ill. 1:17-cv-03425)	Violations of CFAA, DMCA, DTSA, and Illinois Trade Secrets Act; copyright infringement; and common law claims for breach of contract, tortious interference with contract, and unfair competition.	N/A
<i>Philips Medical Systems Puerto Rico, Inc., Philips Medical Systems Nederland B.V., and Philips India Limited v. Alpha Biomedical and Diagnostic Corp.</i> (D.P.R. No. 3:19-cv-01488)	Violations of CFAA, DMCA, and DTSA, Puerto Rico Industrial and Trade Secret Protection Act; copyright infringement; and common law claim for unfair competition.	Tortious interference with contract, defamation, preliminary and permanent injunctive relief requiring restoration of Level 0 access to defendant, declaratory relief that defendant did not infringe copyright or misappropriate trade secrets, and unfair competition.
<i>Philips North America LLC, Philips Medical Systems Nederland B.V.; Philips India Ltd.; Philips Medical Systems (Cleveland), Inc; Philips Medical System Technologies</i>	Violations of the CFAA, DMCA, DTSA, Florida Deceptive and Unfair Trade Practices Act, Florida Uniform Trade Secrets Act, Florida Computer Abuse and Data Recovery Act; copyright infringement; and	N/A

Case	Non-exhaustive list of Philips entities' alleged claims	Non-exhaustive list of claims against Philips entities
<i>Ltd.; and Koninklijke Philips N.V. v. 626 Holdings, Inc. and Alexander Kalish</i> (S.D. Fla. No. 9:19-cv-81263)	common law claims for fraud, unfair competition, and conversion.	
<i>Philips Medical Systems Puerto Rico, Inc. v. GIS Partners Corp., et al.</i> (D.P.R. No. 3:15-cv-02702-BJM)	Violations of CFAA and Puerto Rico Industrial and Trade Secrets Protection Act; and common law claims for breach of contract and unfair competition.	Wrongful termination, malicious prosecution, emotional suffering, violating Puerto Rico statutory prohibition on retaliation against protected conduct by employees
<i>Philips North America, LLC; Koninklijke Philips N.V.; and Philips India Ltd. v. Minn et al.</i> (Orange County (CA) Superior Court No. 30-2022-01292967-CU-FR-CJC)	Avoidance of fraudulent transfers and aiding and abetting fraudulent transfer (relating to <i>KPI Healthcare</i> litigation noted above).	N/A

EXHIBIT C**Pending Litigation To Which AHS Entities Are Parties**

Case caption	Jurisdiction/Arbitral Forum	Case Number(s)	Description of subject matter
<i>Philips Medical Systems Nederland B.V., Philips North America, LLC, and Philips India Ltd. v. TEC Holdings Inc. (f/k/a Transtate Equipment Company, Inc.), Transtate Equipment Company, Inc. (f/k/a Transtate Holdings, Inc.), Robert A. "Andy" Wheeler, individually and as personal representative of the estate of Daniel Wheeler</i>	U.S. District Court for the Western District of North Carolina	No. 3:20-cv-00021-DOC-DCK	Computer Fraud and Abuse Act, Digital Millennium Copyright Act, Defend Trade Secrets Act, misappropriation of trade secrets, Georgia Trade Secrets Act, tortious interference with contract, injunctive relief
<i>Philips North America LLC, Koninklijke Philips N.V., Philips India, LTD., v. Global Medical Imaging, LLC d/b/a Avante Ultrasound, Avante Health Solutions (named as a defendant f/k/a Jordan Health Products, LLC, but disclosed by Dentons to court as a d/b/a of Jordan Health Products, LLC), Jordan Industries International, LLC</i>	U.S. District Court for the Northern District of Illinois	No. 1:21-cv-03615	Digital Millennium Copyright Act, Computer Fraud and Abuse Act, misappropriation of trade secrets and violations of related Illinois and federal acts, copyright infringement, tortious interference with contract, civil conspiracy, unfair competition, injunctive relief
<i>RS&A, LLC v. Jordan Health Products, LLC and Oncology Services International, Inc.</i>	Circuit Court of Cook County Illinois, County Department, Law Division	No. 2023L008375	Breach of contract and related declaratory relief
<i>Mobile Healthcare Facilities, LLC v. Avante Health Solutions</i>	U.S. Court of Appeals for the Eleventh Circuit (on appeal from U.S. District Court for Northern District of Georgia)	11th Cir. No. 24-11939 N.D. Ga. No. 1:21-cv-4038-SEG	Breach of contract and fraud

Case caption	Jurisdiction/Arbitral Forum	Case Number(s)	Description of subject matter
<i>Bonin Holdings, LLC f/k/a Pacific Medical LLC v. Pacific Medical Group, Inc. f/k/a Pacific Medical Acquisition Co., Inc.</i>	American Arbitration Association	No. 01-24-0004-6916	Breach of contract (asset purchase agreement and corresponding Note)
<i>Jordan Health Products III, Inc. and Oncology Services International, Inc. v. OSI Holdings I, LLC, Founders Equity NY, L.P., Founders Equity I, L.P., Upstate Linac Services, LLC, Tremont Associates, LLC, Bernard Amato, John Claybourn, Ronald Drake, Dominic Greco, Richard Hall, Scott John, Ricky Kreider, Les Mann, Joseph O'Connor, Philip Podmore, James Sharkey, Warren Stanton, Vincent Terribile, William Yaeger</i>	Superior Court of New Jersey Appellate Division (on appeal from Superior Court of New Jersey, Bergen County)	Appeal: Docket No. A-3028-21 Lower court: Docket No. L-2509-20	Judgment enforcement by Defendant/Counterclaim-Plaintiff Richard Hall (subject matter of underlying case was breach of stock purchase agreement and related note)