

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

IN RE:	§	Chapter 11
	§	
SYNERGENX LEGACY HOLDINGS, LLC, <i>et al.</i>,¹	§	Case No. 26-90644 (CML)
	§	
DEBTORS.	§	(Joint Administration Requested)
	§	

**DEBTORS' EMERGENCY MOTION FOR AN ORDER AUTHORIZING
THE DEBTORS TO (I) PAY CERTAIN PREPETITION EMPLOYEE WAGES,
OTHER COMPENSATION, AND REIMBURSABLE EMPLOYEE EXPENSES;
(II) PAY CERTAIN PREPETITION INDEPENDENT CONTRACTORS;
AND (III) CONTINUE EMPLOYEE BENEFIT PROGRAMS**

EMERGENCY RELIEF HAS BEEN REQUESTED. RELIEF IS REQUESTED NOT LATER THAN 2:00 P.M. (PREVAILING CENTRAL TIME) ON JULY 7, 2026.

IF YOU OBJECT TO THE RELIEF REQUESTED OR YOU BELIEVE THAT EMERGENCY CONSIDERATION IS NOT WARRANTED, YOU MUST APPEAR AT THE HEARING IF ONE IS SET, OR FILE A WRITTEN RESPONSE PRIOR TO THE DATE THAT RELIEF IS REQUESTED IN THE PRECEDING PARAGRAPH. OTHERWISE, THE COURT MAY TREAT THE PLEADING AS UNOPPOSED AND GRANT THE RELIEF REQUESTED.

A HEARING WILL BE CONDUCTED ON THIS MATTER ON TUESDAY, JULY 7, 2026, AT 2:00 P.M. (PREVAILING CENTRAL TIME) IN COURTROOM 402, 4TH FLOOR, 515 RUSK AVENUE, HOUSTON, TX 77002.

PARTICIPATION AT THE HEARING WILL ONLY BE PERMITTED BY AN AUDIO AND VIDEO CONNECTION.

AUDIO COMMUNICATION WILL BE BY USE OF THE COURT'S DIAL-IN FACILITY. YOU MAY ACCESS THE FACILITY AT 832-917-1510. ONCE CONNECTED, YOU WILL BE ASKED TO ENTER THE CONFERENCE ROOM NUMBER. JUDGE LOPEZ'S CONFERENCE ROOM NUMBER IS 590153. VIDEO COMMUNICATION WILL BE BY USE OF THE GOTOMEETING PLATFORM. CONNECT VIA THE FREE GOTOMEETING APPLICATION OR CLICK THE LINK ON JUDGE LOPEZ' HOME PAGE. THE MEETING CODE IS "JUDGELOPEZ". CLICK THE SETTINGS ICON IN THE UPPER RIGHT CORNER AND ENTER YOUR

¹ A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' proposed claims and noticing agent at <https://cases.stretto.com/SynergenX>. The location of Debtor Synergenx Legacy Holdings, LLC is 16131 N. Eldridge Pwky, STE 100, Tomball, TX 77377.

NAME UNDER THE PERSONAL INFORMATION SETTING.

HEARING APPEARANCES MUST BE MADE ELECTRONICALLY IN ADVANCE OF BOTH ELECTRONIC AND IN-PERSON HEARINGS. TO MAKE YOUR APPEARANCE, CLICK THE “ELECTRONIC APPEARANCE” LINK ON JUDGE LOPEZ’S HOME PAGE. SELECT THE CASE NAME, COMPLETE THE REQUIRED FIELDS AND CLICK “SUBMIT” TO COMPLETE YOUR APPEARANCE.

SynergenX Legacy Holdings, LLC (“**SynergenX Legacy**”) and certain of its subsidiaries, as debtors and debtors-in-possession in the above-captioned chapter 11 cases (collectively, “**SynergenX**” the “**Debtors**”), by and through their proposed undersigned counsel, file this, their *Emergency Motion for an Order Authorizing the Debtors to (I) Pay Certain Prepetition Employee Wages, Other Compensation, and Reimbursable Employee Expenses; (II) Pay Certain Prepetition Independent Contractor, and (III) Continue Employee Benefits Programs* (the “**Wages Motion**”). In support of this Wages Motion, the Debtors would respectfully show the Court as follows:

PRELIMINARY STATEMENT

1. To address their operating needs during their reorganization efforts, the Debtors require immediate authorization to pay the Debtors’ Workforce (defined below) in accordance with prepetition practice, including continuation of all benefits programs. Absent uninterrupted compensation to such persons, the Debtors almost certainly will experience catastrophic business disruptions and irreparable damage to their reorganization effort, to the direct detriment of all creditors and parties-in-interest.

2. The Debtors’ Workforce performs a wide variety of functions crucial to the Debtors’ operations. The Debtors’ Workforce engages in various functions to manage and support the operations, including various administrative, marketing, legal, accounting, finance, and management-related tasks. The skills and experience of the Debtors’ Workforce is essential to the Debtors’ ongoing operations. In many instances, the Debtors’ Workforce is distinctly familiar with the Debtors’ services, practices, processes, and systems and possess specialized knowledge,

skills, or experience that cannot be easily replaced. Finally, many of the Debtors' Workforce have medical and mental health professionals that are in short supply. Due to the high demand for professionals with these skill sets, if such a professional were to leave, it would be extremely difficult to replace them with someone with similar expertise.

THE DEBTORS' WORKFORCE

3. As of the Petition Date, Debtor SynergenX Health Holdings, LLC ("**SynergenX**") employs approximately 143 corporate employees and 400 nonprofessional field staff, including pharmacy staff, (the "**Employees**") plus 32 independent contractors (the "**Independent Contractors**"). All corporate staff and non-professional clinic staff are employed by, or contract with, SynergenX. All pharmacy staff are employed by Debtor Healthco Operations, LLC.

4. In the ordinary course, the Debtors contract with and provide various management and administrative services to SynergenX Physician Services, PLLC and Low T Physician Services, PLLC (collectively, the "**Professional Entities**") that are owned exclusively by licensed physicians affiliated with the Debtors. Non-Debtor SynergenX Physician Services, PLLC provides all professional staff and lab personnel for these Professional Entities. To facilitate the relationship between the Debtors and the Professional Entities, the Debtors have entered into management services agreements with the Professional Entities (the "**Management Services Agreements**"). The Management Services Agreements typically require the Debtors to process wages, payroll, and various other benefits of the individuals employed by the Professional Entities (the "**PE Employees**"). As of the Petition Date, Non-Debtor SynergenX Physician Services, PLLC employs 191 professional staff and lab personnel.

5. Although the PE Employees are not Employees of the Debtors, the Debtors seek authority, but not direction, to (a) pay and honor any prepetition claims and obligations owed to the PE Employees for compensation and benefits satisfied in the ordinary course by the Debtors

in accordance with the Management Services Agreements and (b) continue paying and honoring such obligations in the ordinary course of business and consistent with past practices during the administration of these Chapter 11 Cases.

6. Compensation is paid on a biweekly or semimonthly pay period basis. The Employees, Independent Contractors, and PE Employees (the “**Debtors’ Workforce**”) perform a variety of functions critical to the Debtors’ operations including management, accounting, billing, compliance, recordkeeping, patient/customer interfacing, nursing, medical assistance, pharmacy operations, and software and web services. The Debtors’ Workforce training, knowledge, and established understanding of the Debtors’ operations are essential to uninterrupted continuation of the Debtors’ operations and a successful reorganization of the Debtors’ financial affairs.

JURISDICTION AND VENUE

7. This Court has jurisdiction over this case pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A). Venue is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicates for the relief requested herein include sections 105(a), 363, 507(a)(4) and 507(a)(5) of the United States Code (the “**Bankruptcy Code**”) and Rules 6003 and 6004 the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”).

8. The Debtors seek a final order pursuant to Section B.4(a) of the *Procedure for Complex Cases in the Southern District of Texas*, effective September 18, 2024 (the “**Complex Case Procedures**”).

BACKGROUND

9. On July 2, 2026, (the “**Petition Date**”), each Debtor commenced a chapter 11 case by filing a voluntary petition for relief under chapter 11 of the Bankruptcy Code (collectively, the “**Chapter 11 Cases**”) in the United States Bankruptcy Court for the Southern District of Texas,

Houston Division (the “**Court**”). Contemporaneously herewith, the Debtors have requested joint administration of the Chapter 11 Cases pursuant to Bankruptcy Rule 1015(b).

10. The Debtors continue to operate their businesses and manage their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

11. To date, no request for the appointment of a trustee or examiner has been made in this case, and no committees have been appointed or designated.

12. The Debtors provide a comprehensive suite of management and support services via contract, to certain medical practices that specialize in hormone optimization, wellness, weight loss, and preventative care. Core service offerings for the managed medical practice groups include: (i) testosterone replacement therapy (injectable and pellet-based); (ii) female hormone therapy; (iii) weight loss programs (including GLP-1 and related therapies); (iv) telemedicine and remote patient management; (v) laboratory testing and diagnostics; and (vi) supplements and ancillary wellness services. In support of these managed medical groups, the Debtors operate a geographically diversified network of clinic facilities across the United States, with 21 SynergenX clinics, 38 Low T Centers, and 5 HerKare clinics, which Debtors provide, under contract to the medical practice groups to treat their patients. The Debtors have a presence in 10 states, and key markets include Texas, Colorado, Illinois, Tennessee, Indiana, and North Carolina.

13. A detailed background regarding the Debtors’ business and the circumstances leading to the Chapter 11 Cases is set forth in the *Declaration of Wayne Wilson, CEO of the Debtors in Support of Petitions and First Day Motions* (the “**First Day Declaration**”) filed contemporaneously and incorporated by reference as if fully set forth herein.

RELIEF REQUESTED & BASIS FOR RELIEF

14. The Debtors request the entry of an order, substantially in the form of the proposed order attached hereto (the “**Proposed Order**”). Specifically, the Debtors seek authority under

Bankruptcy Code §§ 105(a), 363, 507(a)(4) and 507(a)(5) and Rule 6003 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), to pay certain prepetition obligations owed to the Debtors’ Workforce or to employee benefits providers, to honor and continue certain employee benefits (collectively, and as described herein, the “**Employee Obligations**”), and to authorize financial institutions to receive, process, honor, and pay checks presented for payment and electronic payment requests relating to prepetition Employee Obligations.

15. As more fully described below, the Debtors seek authority, but not direction, to pay accrued and unpaid prepetition costs and expenses relating to the Employee Obligations (the “**Prepetition Employee Obligations**”). The following table identifies the general categories of Prepetition Employee Obligations the Debtors are seeking authorization to pay.

Pre-petition Employee Obligations	Estimated Amount
Wage Obligations	\$284,995.56
Independent Contractor Compensation	\$161,628.23
PE Employee Wage Obligations	\$301,676.22
Unremitted Payroll Taxes (for all)	\$219,227.10
Prepetition Employee Benefits Programs Expenses (for all)	\$36,060.61

16. The Debtors do not believe that the prepetition Wage Obligations, Independent Contractor Compensation, or the PE Employee Wage Obligations, together with the payment of any Employee Benefits Programs Obligations owed to any individual, will exceed the statutory cap of \$17,150.00 imposed pursuant to Bankruptcy Code section 507(a)(4) and (5).

A. Wage Obligations

17. In the ordinary course of business, the Debtors pay their Employees’ wages, salaries, and other compensation (excluding compensation under the Benefits Programs)

(collectively, the “**Wage Obligations**”). The last complete pay period ending on June 28, 2026, with Wage Obligations for each having been paid out thereafter but prior to the bankruptcy filing. Based upon the Debtors’ payroll records, the Debtors estimate that accrued and unpaid Wage Obligations owed to Employees from the end of the last pay period to the Petition Date total \$284,995.56 (the “**Prepetition Wage Obligations**”). Based on previous pay cycles and other general knowledge, the Debtors do not believe that the Prepetition Wage Obligations owed to any one employee exceed \$17,150.00.

18. The Debtors seek authority to fund the Prepetition Wage Obligations subject to a cap of \$17,150.00 per Employee, in the ordinary course of business and consistent with past practice, and to continue to pay Wage Obligations in the ordinary course of business on a post-petition basis.

B. Independent Contractor Compensation

19. The Debtors pay certain Independent Contractors for the services rendered by the Independent Contractors in accordance with the terms of their applicable agreements (the “**Independent Contractor Compensation**”). The pay period for the Independent Contractors runs on the same pay period as Employee Wage Obligations. As such the Debtors believe that they may owe approximately \$161,628.23 on account of services rendered prior to the Petition Date. The Debtors do not owe any single Independent Contractor amounts in excess of \$17,150.00 on account of any prepetition work performed by any Independent Contractor.

20. The Debtors request authority, but not direction, to pay all accrued and unpaid prepetition Independent Contractor Compensation (the “**Prepetition Independent Contractor Compensation**”), subject to a cap of \$17,150.00 per Independent Contractor, in the ordinary course of business and consistent with past practice, and to continue to pay Independent Contractor Compensation in the ordinary course of business on a post-petition basis.

C. PE Employee Wage Obligations

21. In the ordinary course of business, the Debtors incur payroll obligations for wages owed to PE Employees (the “**PE Employee Wage Obligations**”). The PE Employees are paid on a bi-weekly basis. Failure to pay PE Employee Wage Obligations may lead to widespread departures at the Non-Debtor SynergenX Physician Services, PLLC and harm the revenue from the Managing Services Agreement with the PE Entities, which constitutes a material source of the Debtors’ operating revenue.

22. The Debtors estimate that, as of the Petition Date, they owe approximately \$301,676.22 on account of accrued but unpaid PE Employee Wage Obligation. As described above, failure to continue paying the PE Employee Wage Obligations could cause the PE Employees to experience substantial financial hardship. In light of the substantial benefit that the Professional Entities provide to the Debtors, the Debtors want to avoid imposing such hardship and preserve their relationship with the Professional Entities. Accordingly, the Debtors seek authority to, in their sole discretion, pay the PE Employees any outstanding prepetition PE Employee Wage Obligations in the ordinary course of business and to continue honoring PE Employee Wage Obligations in the ordinary course of business and consistent with past practices during the administration of these Chapter 11 Cases.

D. Withholding Obligations and Payroll Taxes

23. In various jurisdictions, the Debtors are required by law to withhold amounts from the Employees’ earned pay related to income taxes, healthcare taxes, and other social welfare benefits, including social security, Medicare taxes, and unemployment insurance (collectively, the “**Withholding Taxes**”) for remittance to the appropriate taxing authorities (collectively, the “**Taxing Authorities**”).

24. In certain circumstances, the Debtors are also required to make additional payments

from their own funds in connection with the Withholding Taxes (the “**Employer Taxes**”, and collectively with the Withholding Taxes, the “**Payroll Taxes**”). In the aggregate, the accrued and unremitted prepetition Payroll Taxes total approximately \$219,227.10.

25. The Debtors seek authority to remit and/or fund all unpaid or unremitted prepetition Payroll Taxes (the “**Unremitted Payroll Taxes**”), and to continue to forward Payroll Taxes to the applicable third-party recipients in the ordinary course of business on a post-petition basis.

E. Payroll Processing

26. As of the Petition Date, the Debtors do not believe they owe any accrued unpaid prepetition fees collected when payroll is processed; however, in an abundance of caution, the Debtors seek authority, but not direction, to pay all accrued unpaid prepetition Payroll Processing Fees (the “**Prepetition Payroll Processing Fees**”) in the ordinary course of business and consistent with past practice, and to continue to pay the Payroll Processing Fees in the ordinary course of business on a post-petition basis.

F. Reimbursable Obligations

27. In the ordinary course of business, the Debtors reimburse their Employees for reasonable business expenses incurred on behalf of the Debtors within the scope of their employment (“**Reimbursable Expenses**”) incurred by the Employees. These reimbursements are made on account of Out-of-Pocket Expenses (“**Reimbursable Obligations**”).

The Debtors have expense reimbursement policies for certain travel, lodging, ground transportation, meals, and reasonable business expenses (collectively, the “**Out-of-Pocket Expenses**”). Employees may submit a reimbursement request after incurrence of an Out-of-Pocket Expense but often such reimbursement requests are made at the end of a month and paid with such payroll. At this phase of the month, the Debtor is unable to estimate the amount of Out-of-Pocket expenses that might have been incurred prior to the Petition Date, but estimates a de minimis

amount given the timing of the Petition Date in relation to the beginning of the new month. The Debtors' inability to reimburse Employees on account of the Reimbursable Obligations could impose hardship on those Employees who otherwise incurred obligations in conjunction with their employment with the Debtors. Accordingly, the Debtors request authorization to pay, in their discretion, any outstanding prepetition amounts incurred on account of the Reimbursable Obligations, and to continue paying the Reimbursable Obligations in the ordinary course of business and consistent with past practices during the administration of these Chapter 11 Cases.

G. Paid and Unpaid Leave

28. The Debtors provide eligible Employees paid time off ("**PTO**"), paid sick leave ("**Sick Leave**"), and other miscellaneous paid leave ("**Other Paid Leave**", and together with PTO and Sick Leave, "**Paid Leave**"). In addition to Paid Leave, the Debtors also provide other forms of unpaid leave, including leave under the Family Medical Leave Act (the "**FMLA**"), unpaid leaves of absence for family medical leaves, military leaves, and other forms of unpaid leave mandated by law or otherwise provided within the Debtors' discretion (collectively, the "**Unpaid Leave**"). These forms of Unpaid Leave do not involve incremental cash outlays beyond standard payroll obligations. The Debtors estimate that they do not owe any amount on accrued unpaid prepetition PTO.

29. The Debtors believe that continuation of the Paid Leave and Unpaid Leave policies in accordance with the Debtors' prior practice is necessary to retain Employees and maintain Employee morale. The Debtors do not anticipate that the Employees' use of Paid and Unpaid Leave in the ordinary course of business will create any material disruptions to cash flow beyond the Debtor's regular payroll obligations. The Debtors request authority, but not direction, to permit their Employees to use Unpaid Leave and accrued Paid Leave in the ordinary course.

H. Employee Benefits Programs

30. The Debtors maintain and/or offer various employee benefit plans, policies, and programs for health care, health savings, dental, vision, life, long and short-term disability, and critical illness, and provide eligible Employees access to a 401(k) plan (collectively, the **“Employee Benefits Programs”**).

31. As described more fully below, failure to continue the Employee Benefits Programs could cause Employees to experience severe hardship. In light of the substantial benefits the Employees have provided and will continue to provide to the Debtors’ estates, the Debtors wish to avoid imposing such a hardship. Accordingly, by this Motion, the Debtors seek authority to: (a) pay any accrued and unpaid prepetition amounts due with respect to the Employee Benefits Programs (collectively, the **“Prepetition Employee Benefits Programs Expenses”**); and (b) continue to provide Employee Benefits Programs in the ordinary course of business on a postpetition basis.

I. Certain of the Employee Obligations are Entitled to Priority Treatment

32. Pursuant to Sections 507(a)(4) and (5) of the Bankruptcy Code, certain of the unpaid prepetition Employee Obligations — including Prepetition Wage Obligations and certain Prepetition Employee Benefits Programs Expenses— are entitled to priority treatment in an amount up to \$17,150.00 for each individual Employee. To the extent such claims are afforded priority status, the Debtors will be required to pay these claims in full to confirm a Chapter 11 plan. *See* 11 U.S.C. § 1129(a)(9)(b) (requiring payment of certain allowed unsecured claims for (a) wages, salaries or commissions, including vacation, and sick leave pay earned by an individual, and (b) contributions to an employee benefit plan). As such, these claims would be entitled to payment in full under any plan. Therefore, authorizing the Debtors to make these payments at this time will affect only the timing of such payments.

J. Payment of Certain of the Employee Obligations and Benefits Is Required by Law

33. The Debtors also seek authority to pay amounts for Deductions and Payroll Taxes to be provided to the appropriate entities. These amounts principally represent Employee earnings that governments, Employees, and judicial authorities have designated for deduction from Employees' paychecks. Indeed, certain Deductions, including Employee contributions to Medical Benefit Plans and the 401(k) Plan, are not property of the Debtors' estates because they will be withheld from Employees' paychecks on another party's behalf. *See* 11 U.S.C. § 541(b). Further, federal and state laws require the Debtors and their officers to remit certain tax payments that have been withheld from Employees' paychecks. *See* 26 U.S.C. § 6672 and 7501(a); *see also City of Farrell v. Sharon Steel Corp.*, 41 F.3d 92, 95-97 (3d Cir. 1994) (finding that state law requiring a corporate debtor to withhold city income tax from its employees' wages created a trust relationship between debtor and the city for payment of withheld income taxes); *DuCharmes & Co., Inc. v. State of Mich. (In re DuCharmes & Co.)*, 852 F.2d 194, 196 (6th Cir. 1988) (noting that individual officers of a company may be held personally liable for failure to pay trust fund taxes). Because the Deductions and Payroll Taxes are not property of the Debtors' estates, the Debtors request that this Court authorize them to remit all amounts relating to Deductions and Payroll Taxes.

K. Ample Authority Exists to Authorize the Debtors to Honor Employee Obligations

34. Courts generally acknowledge that it is appropriate to authorize the payment (or other special treatment) of prepetition obligations in appropriate circumstances. *See, e.g., In re Ionosphere Clubs, Inc.*, 98 B.R. 174, 179 (Bankr. S.D.N.Y. 1989) (granting authority to pay prepetition wages); *see also Armstrong World Indus., Inc. v. James A. Phillips, Inc. (In re James A. Phillips, Inc.)*, 29 B.R. 391, 398 (S.D.N.Y. 1983) (granting authority to pay prepetition claims of suppliers who were potential lien claimants). Courts have relied on several legal theories,

including legal theories based on Sections 1107(a), 1108, 363(b), and 105(a), to authorize payments of certain prepetition obligations.

35. Pursuant to Sections 1107(a) and 1108, debtors in possession are fiduciaries “holding the bankruptcy estate[s] and operating the business[es] for the benefit of [their] creditors and (if the value justifies) equity owners.” *In re CoServ, L.L.C.*, 273 B.R. 487, 497 (Bankr. N.D. Tex. 2002). Implicit in the fiduciary duties of any debtor in possession is the obligation to “protect and preserve the estate, including an operating business’s going-concern value.” *Id.* Some courts have noted that there are instances in which a debtor can fulfill this fiduciary duty “only . . . by the preplan satisfaction of a prepetition claim.” *Id.* The *CoServ* court specifically noted that the preplan satisfaction of prepetition claims would be a valid exercise of the debtor’s fiduciary duty when the payment “is the only means to effect a substantial enhancement of the estate” *Id.*

36. Consistent with a debtor’s fiduciary duties, courts have also authorized payment of prepetition obligations under Section 363(b) where a sound business purpose exists for doing so. *See e.g., In re Ionosphere Clubs*, 98 B.R. at 175 (discussing prior order authorizing payment of prepetition wage claims pursuant to Section 363(b); relief appropriate where payment was needed to “preserve and protect its business and ultimately reorganize, retain its currently working employees and maintain positive employee morale.”); *see also Armstrong*, 29 B.R. at 397 (relying on Section 363 to allow contractor to pay prepetition claims of suppliers who were potential lien claimants because the payments were necessary for general contractors to release funds owed to debtors).

37. Courts have also authorized payment of prepetition claims in appropriate circumstances pursuant to Section 105(a). Section 105(a), which codifies the inherent equitable powers of the bankruptcy court, empowers the bankruptcy court to “issue any order, process, or

judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a). Under Section 105(a), courts may permit preplan payments of prepetition obligations when such payments are essential to the continued operation of the debtor’s business and, in particular, where nonpayment of a prepetition obligation would trigger a withholding of goods or services essential to the debtor’s business reorganization plan. *See In re UNR Indus., Inc.*, 143 B.R. 506, 520 (Bankr. N.D. Ill. 1992) (permitting the debtor to pay prepetition claims of suppliers or employees whose continued cooperation is essential to the debtors’ successful reorganization); *In re Ionosphere Clubs*, 98 B.R. at 177 (finding that Section 105 empowers bankruptcy courts to authorize payment of prepetition debt when such payment is needed to facilitate the rehabilitation of the debtor); *In re Gulf Air, Inc.*, 112 B.R. 152 (Bankr. W.D. La. 1989) (authorizing payment of pre-petition amounts due, inter alia, for wages, benefits, health insurance premiums and per diem expenses under the “necessity of payment doctrine,” without regard to statutory priorities of Section 507).

38. Many bankruptcy courts have recognized the importance of employees to a debtor’s reorganization and the severe harm to employees that can arise if courts do not grant motions such as this one. *In re Braniff, Inc.*, 218 B.R. 628, 633 (Bankr. M.D. Fla. 1998) (approving payment of prepetition employee wage claims due to the vital role the employees play to the debtor’s reorganization). Similar relief to that requested herein has been granted by bankruptcy courts in the Northern District of Texas. *See, e.g., In re Erickson Inc.*, Case No. 1634393 (Bankr. N.D. Tex. Nov. 10, 2016) [Docket No. 47]; *In re Forest Park Med. Ctr. at Southlake, LLC*, Case No. 16-40273 (Bankr. N.D. Tex. Jan. 25, 2016) [Docket No. 38]; *In re CHC Group Ltd.*, Case No. 16-31854 (Bankr. N.D. Tex. June 8, 2016) [Docket No. 289]; *In re ALCO Stores*, Case No. 14-34941 (Bankr. N.D. Tex. Oct. 16, 2014) [Docket No. 68].

39. In order to maintain the continuity of their business and to preserve the morale of their vital labor force, it is essential that the Debtors be permitted to pay the funds requested through this Motion. The Debtors seek the relief requested in this Motion on an emergency basis because any delay or disruption in providing employee compensation will destroy the Debtors' relationship with the Employees and irreparably impair workforce morale at the very time when the dedication, confidence, and cooperation of these individuals is most critical. The Debtors face the risk that their operations may be severely impaired if authority is not granted for the Debtors to make the payments described above.

40. Because the amounts represented by Wage Obligations are needed to enable the Employees to meet their own personal obligations, absent the relief requested herein, they will suffer undue hardship and, in many instances, serious financial difficulties. Moreover, without the requested relief, the stability of the Debtors would be undermined by the potential threat that otherwise loyal Employees would seek other employment.

L. Payment of the Independent Contractor Obligations Would Facilitate the Debtors' Successful Reorganization

41. The Debtors also believe that the uninterrupted performance by the Independent Contractors is essential to conducting services that are critical to the Debtors' operations and to the Debtors' efforts to maintain a steady cash flow from their businesses throughout the Chapter 11 Cases. Requiring the Debtors to seek to replace the Independent Contractors would significantly disrupt their operations and hamper their reorganization efforts.

EMERGENCY CONSIDERATION

42. Pursuant to Bankruptcy Local Rule 9013-1, the Debtors request emergency consideration of this Motion. For the reasons discussed above and in the First Day Declaration, an immediate and orderly transition into chapter 11 is critical to the viability of the Debtors'

operations. The requested relief is necessary for the Debtors to operate their business in the ordinary course, preserve the ongoing value of their operations, and maximize the value of their estates for the benefit of all stakeholders. The Debtors submit that they have demonstrated that the requested relief “is needed to avoid immediate and irreparable harm” and, as a result, the Debtors request that the Court approve the relief requested in this Motion on an emergency basis.

WAIVER OF BANKRUPTCY RULE 6004

43. To the extent applicable, Debtors seek a waiver of the notice requirements under Bankruptcy Rule 6004(a) and the 14-day stay under Bankruptcy Rule 6004(h), to the extent applicable. *See* Fed. R. Bankr. P. 6004(a), (h). As described above, the relief that the Debtors seek in this Motion is immediately necessary for the Debtors to be able to continue to operate their businesses and preserve the value of their estates. The Debtors respectfully request that the Court waive the notice requirements imposed by Bankruptcy Rule 6004(a) and the 14-day stay imposed by Bankruptcy Rule 6004(h), as the exigent nature of the relief sought herein justifies immediate relief.

NOTICE

44. Notice of this Motion will be provided to (i) the Office of the United States Trustee; (ii) the holders of the thirty (30) largest unsecured claims on a consolidated basis, (iii) counsel to all secured creditors, (iv) any party that has requested notice pursuant to Bankruptcy Rule 2002; (v) all governmental agencies having a regulatory or statutory interest in these cases; and (vi) all parties receiving notice via ECF. Based on the urgency of the circumstances surrounding this Motion and the nature of the relief requested herein, the Debtors respectfully submit that no further notice is required.

CONCLUSION

WHEREFORE, the Debtors respectfully request that the Court enter an order (i) granting this Wages Motion; and (ii) granting such other relief as the Court deems proper.

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Dated: July 3, 2026

Respectfully submitted,

**LAW OFFICES OF FRANK J. WRIGHT
PLLC**

/s/ Frank J. Wright

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***Proposed Counsel for the Debtors and
Debtors-in-Possession***

CERTIFICATE OF ACCURACY

I hereby certify that the foregoing statements are true and accurate to the best of my knowledge. This statement is being made in accordance with Local Rule 9013-1(i).

/s/ Frank J. Wright

Frank J. Wright

CERTIFICATE OF SERVICE

I hereby certify that on July 3, 2026, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas. Additionally, the foregoing document will be served as set forth in a forthcoming affidavit filed by the Debtors' claim agent.

/s/ Frank J. Wright

Frank J. Wright

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

IN RE: SYNERGENX LEGACY HOLDINGS, LLC, et al.,¹ DEBTORS.	§ § § § § §	Chapter 11 Case No. 26-90644 Joint Administration Requested
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**ORDER GRANTING DEBTORS' EMERGENCY MOTION FOR AN ORDER
AUTHORIZING THE DEBTORS TO (I) PAY CERTAIN PREPETITION EMPLOYEE
WAGES, OTHER COMPENSATION, AND REIMBURSABLE EMPLOYEE
EXPENSES; (II) PAY CERTAIN PREPETITION INDEPENDENT CONTRACTORS;
AND (III) CONTINUE EMPLOYEE BENEFIT PROGRAMS**

Came on to be considered the Debtors' *Emergency Motion for an Order Authorizing the Debtors to (I) Pay Certain Prepetition Employee Wages, Other Compensation, and Reimbursable Employee Expenses; (II) Pay Certain Prepetition Independent Contractor, and (III) Continue Employee Benefits Programs* (the "**Motion**")². Based on the specific facts and circumstances of this case and for the reasons stated on the record, which are incorporated herein, the Court finds that: (i) it has jurisdiction over the matters raised in the Motion pursuant to 28 U.S.C. §§ 157 and 1334; (ii) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and this Court may enter a final order consistent with Article III of the Constitution and Section B.4(a) of the *Procedure for Complex Cases in the Southern District of Texas*, effective September 18, 2024; (iii) venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; (iv) the relief requested in the Motion is in the best interests of the Debtors' estate, their creditors and other parties in interest; (v) notice of the Motion and the hearing were appropriate under the circumstances and no other

¹ A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' proposed claims and noticing agent at <https://cases.stretto.com/SynergenX>. The location of Debtor Synergenx Legacy Holdings, LLC is 16131 N. Eldridge Pwky, STE 100, Tomball, TX 77377.

² Unless otherwise defined herein, all capitalized terms shall have the meaning ascribed to them in the Motion.

notice need be provided; and (vi) upon review of the record before the Court, including the legal and factual bases set forth in the Motion and the statements made by counsel at the hearing, and after due deliberation thereon, there being found good and sufficient cause exists, IT IS HEREBY **ORDERED THAT:**

1. The Motion is **GRANTED** to the extent specified in this Order.
2. Subject to the requirements of Bankruptcy Code §§ 507(a)(4) and (a)(5), the Debtors are authorized, but not directed, to pay and remit in accordance with the Debtors' prepetition policies and programs, the Prepetition Employee Obligations and all costs incident to the foregoing in accordance with the Debtors' customary policies and in the ordinary course of business, including all specific categories identified in the Motion; *provided*, that, for the avoidance of doubt, the Debtors shall not make payments to or on behalf of any individual in respect of Prepetition Employee Obligations collectively in an amount that exceeds \$17,150 per individual.
3. Subject to the requirements of Bankruptcy Code §§ 507(a)(4) and (a)(5), the Debtors are authorized, but not directed, to pay and remit in accordance with the Debtors' prepetition policies and programs, the Prepetition Independent Contractor Compensation and all costs incident to the foregoing in accordance with the Debtors' customary policies and in the ordinary course of business, including all specific categories identified in the Motion; *provided*, that, for the avoidance of doubt, the Debtors shall not make payments to or on behalf of any individual in respect of Prepetition Independent Contractor Compensation collectively in an amount that exceeds \$17,150 per individual.
4. The Debtors are authorized, but not directed, to pay and remit in accordance with the Debtors' prepetition policies and programs, the Employee Obligations that accrue after the

Petition Date and all costs incident to the foregoing in accordance with the Debtors' customary policies and in the ordinary course of business including all specific categories identified in the Motion.

5. The Debtors are authorized, but not required, to maintain and continue to honor on a postpetition basis their practices, programs, and policies in place for the benefit of their Employees as were in effect as of the Petition Date, as such may be modified, amended, or supplemented from time to time in the ordinary course of business.

6. The Debtors are authorized, but not directed, to pay all post-petition costs and expenses incidental to payment of the costs, expenses, and programs described in paragraphs 2 through 5 herein, including all administrative and processing costs.

7. All applicable banks and financial institutions are hereby authorized to receive, process, honor, and pay all such checks, drafts, wire transfers, and other forms of payment evidencing amounts paid by the Debtors under this Order, regardless of whether presented prior to, on, or after the Petition Date. Such banks and financial institutions are authorized to rely on the representations of the Debtors as to which checks and fund transfers are issued or authorized to be paid pursuant to this Order without any duty of further inquiry and without liability for following the Debtors' instructions.

8. Nothing contained herein is intended or should be construed to create an administrative priority claim on account of any Employee Obligations or any obligations owed pursuant to the practices, policies, or programs described in paragraphs 2 through 6 herein.

9. All employees who have accrued prepetition Paid Leave are authorized to utilize such Paid Leave on a go-forward basis and the Debtors are authorized to honor their obligations related to the use of such prepetition Paid Leave, provided, however, that, for the avoidance of

doubt, this Order does not authorize the Debtors, upon the postpetition termination of any employee, to pay the cash value of any prepetition Paid Leave that such employee had accrued as of the Petition Date.

10. The Debtors shall not make any prepetition or post-petition bonus, incentive, retention, severance payments, or any payments that would violate or implicate section 503(c) of the Bankruptcy Code to any insiders (as such term is defined in section 101(31) of the Bankruptcy Code) without further order of this Court.

11. The Debtor is authorized and empowered to take all actions necessary to implement the relief granted in this Order.

12. Notwithstanding anything to the contrary in the Motion or this Order, any payment to be made and any relief or authorization granted hereunder shall be limited by, and shall be subject to, the requirements imposed on the Debtors by the Cash Collateral Orders, including, for the avoidance of doubt, the approved Budget. To the extent of any conflict (but solely to the extent of such conflict) between the terms of this Order and the terms of the Cash Collateral Orders, the terms of the Cash Collateral Orders will govern.

13. Notwithstanding the relief granted herein and any actions taken hereunder, nothing contained in the Motion or this Order nor any actions taken pursuant to the relief granted herein is intended or shall be construed as: (a) an implication or admission as to the amount of, basis for, or validity of any claim against a Debtor entity under the Bankruptcy Code or other applicable non-bankruptcy law; (b) an impairment or waiver of the Debtors' or any other party in interest's rights to dispute the amount of, basis for, or validity of any claim against, or interest in, any Debtor, its property, or its estate on any grounds; (c) a promise or requirement to pay any claim; (d) an implication or admission that any claim is of a type specified or defined in the Motion, or in this

Order granting the relief requested by the Motion, or a finding that any particular claim is an administrative expense claim or other priority claim; (e) a waiver of any claim or cause of action that may exist against any creditor or interest holder; (f) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code or otherwise affecting the Debtors' rights under section 365 of the Bankruptcy Code to assume or reject any executory contract or unexpired lease; (g) a waiver or limitation of the Debtors', or any other party in interest's, rights under the Bankruptcy Code or any other applicable law; (h) an implication or admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance of property of the Debtors' estates; (i) a concession by the Debtors that any liens (contractual, common law, statutory, or otherwise) that may be satisfied pursuant to this Order are valid and the rights of all parties in interest are expressly reserved to contest the extent, validity, or perfection or seek avoidance of all such liens; (j) a waiver of the obligation of any party in interest to file a proof of claim; or (k) an impairment or waiver of any claims or causes of action that may exist against any entity under the Bankruptcy Code or any other applicable law. Any payment made pursuant to this Order is not intended and should not be construed as an admission as to the validity or priority of any claim or a waiver of the Debtors' or any other party in interest's rights to subsequently dispute the extent, perfection, priority, validity, or amount of such claim.

14. The contents of the Motion satisfy the requirements of Bankruptcy Rule 6003(b).

15. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a) and the Local Rules are satisfied by such notice.

16. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective and enforceable upon its entry.

17. This Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.