The relief described hereinbelow is SO ORDERED

Done this 27th of August, 2025

Christopher L. Hawkins
United States Bankruptcy
Judge

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF ALABAMA

In re:	Chapter 11
JACKSON HOSPITAL & CLINIC, INC., *et al.*,[1]	Case No. 25-30256
Debtors.	Jointly Administered

ORDER AUTHORIZING THE DEBTORS
TO FURTHER AMEND THE DIP CREDIT AGREEMENT

Upon the motion (the "Motion")[2] of Jackson Hospital & Clinic, Inc. and its affiliated debtors, as debtors and debtors in possession (collectively, the "Debtors") in the above-captioned chapter 11 cases (the "Chapter 11 Cases"), seeking entry of an order (this "Order"), authorizing the Debtors to further amend the DIP Credit Agreement; and the Court having considered the Motion and the record in the Chapter 11 Cases; and this Court having jurisdiction over this matter

---

[1] The Debtors in the Chapter 11 Cases are Jackson Hospital & Clinic, Inc. and JHC Pharmacy, LLC.

[2] Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

pursuant to 28 U.S.C. §§ 157 and 1334 and the *General Order of Reference Bankruptcy Matters from the United States District Court for the Middle District of Alabama*, dated and filed April 25, 1985, entered by the United States District Court for the Middle District of Alabama; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that proper and adequate notice of the Motion and the hearing thereon having been given; and this Court having found that no other or further notice being necessary; and this Court having found that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and the hearing on the Motion having been held and concluded; and all objections, if any, to the interim relief requested in the Motion having been withdrawn, resolved, or overruled by this Court; and it appearing that the relief requested in the Motion is fair and reasonable and in the best interests of the Debtors and their estates, necessary to avoid immediate and irreparable harm to the Debtors and their estates, and essential for the continued operation of the Debtors' businesses and the preservation of the value of the Debtors' assets; and it appearing that the Debtors' entry into the DIP Amendment is a sound and prudent exercise of the Debtors' business judgment; and after due deliberation and consideration, and good and sufficient cause appearing therefor;

IT IS HEREBY ORDERED THAT:

1. The Motion is granted as set forth herein.

2. The DIP Amendment attached hereto as **Exhibit 1** is hereby approved.

3. Except as otherwise expressly provided herein or in the DIP Amendment, each provision of the DIP Orders and the DIP Documents shall remain unchanged and in full force and effect. All liens, priorities, and other rights, remedies, benefits, privileges, and protections provided to the DIP Lender and the Prepetition Secured Parties in the DIP Orders and the DIP

Documents with respect to or relating to the DIP Facility shall apply with equal force and effect with respect to the DIP Amendment and all obligations in connection therewith or related thereto.

4. The Debtors have an immediate need to extend the DIP Credit Agreement's Maturity Date as set forth in the DIP Amendment. The Debtors' continued access to suffcient working capital and liquidity is necessary and vital to the preservation and maintenance of the Debtors' estates.

5. The financing available under the DIP Documents, as amended by the DIP Amendment, represents the best and only available financing option for the Debtors under the circumstances.

6. The terms of the DIP Amendment are fair and reasonable, reflect the Debtors' exercise of prudent business judgment consistent with its fiducairy duties, and constitute reasonably equivalent value and fair consideration.

7. The terms of the DIP Amendment have been neogitated in good faith and at arms-length among the Debtors and the DIP Lender. All parties' obligations and indebtedness arising under, in respect of, or in connection with the DIP Amendment shall be deemed to have been extended by the DIP Lender in good faith, as that term is used in Section 364(e) of the Bankruptcy Code, and in express reliance upon the protections offered by Section 364(e) of the Bankruptcy Code, and the DIP Lender shall be entitled to the full protection of Section 364(e) of the Bankruptcy Code in the event that this Order or any provision hereof is vacated, reversed, or modified, on appeal or otherwise.

8. Any Bankruptcy Rule (including Bankruptcy Rule 6004(h)) or Local Rule that might otherwise delay the effectiveness of this Order is herbey waived, and the terms and conditions of this Ordershall be effective and enforceable immediately upon its entry.

9. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

10. The Court shall retian jurisdiction over nay matter arising from or related to the implementation, interpretation, an enforcement of this Order.

 # # # END OF ORDER # # #

Order drafted and submitted by:

BURR & FORMAN LLP

/s/ Derek F. Meek
Derek F. Meek
Marc P. Solomon
Catherine T. Via
Burr & Forman LLP
420 20th Street North
Suite 3400
Birmingham, Alabama 35203
(205) 251-3000
dmeek@burr.com
msolomon@burr.com
cvia@burr.com

Counsel for Debtors and Debtors-in-Possession

Exhibit 1 – DIP Amendment

Exhibit 1

DIP Amendment

SECOND AMENDMENT AND WAIVER TO SENIOR SECURED, SUPER-PRIORITY DEBTOR-IN-POSSESSION LOAN AND SECURITY AGREEMENT

THIS SECOND AMENDMENT AND WAIVER TO SENIOR SECURED, SUPER-PRIORITY DEBTOR-IN-POSSESSION LOAN AND SECURITY AGREEMENT (this "Amendment"*),* dated as of August 20, 2025, is entered into by and among (i) Jackson Hospital & Clinic, Inc., an Alabama corporation ("JHC") and JHC Pharmacy, LLC, an Alabama limited liability company ("JHC Pharmacy"), and (ii) Jackson Investment Group, LLC, a Georgia limited liability company ("JIG").

W I T N E S S E T H

WHEREAS, pursuant to the Senior Secured, Super-Priority Debtor-In-Possession Loan and Security Agreement dated as of March 4, 2025, as modified and amended by that certain "First Amendment and Waiver to Senior Secured, Super-Priority Debtor-in-Possession Loan and Security Agreement" (the "First Amendment") dated as of July 10, 2025 and approved by the Bankruptcy Court by Order entered on July 30, 2025 (as may be further amended, restated, supplemented, waived, or otherwise modified from time to time prior to the date hereof, the "Loan Agreement"), among JHC and JHC Pharmacy, as Borrowers, and JIG, as Lender, Lender has made Loans to Borrowers, the aggregate outstanding principal amount of which as of the date hereof is $21,607,500. Capitalized terms used but not expressly defined in this Amendment shall have the meanings ascribed to such terms in the Loan Agreement.

WHEREAS, the Borrowers have requested certain amendments and waivers to the Loan Agreement and, subject to the terms and conditions set forth herein, Lender has agreed to such amendments and waivers.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. **Introductory Paragraph and Recitals**. The above introductory paragraph and recitals of this Amendment are hereby incorporated into the body of this Amendment by reference as an integral part hereof and as if fully set forth herein.

2. **Amendments to the Loan Agreement**. Subject to Section 5, the Loan Agreement is hereby amended as follows:

(a) The definition of "Maturity Date" set forth in Section 1 of the Loan Agreement is hereby amended by replacing the date "July 31, 2025" set forth in clause (a) thereof with the date "September 30, 2025"; and

(b) Section 7.1(b) of the Loan Agreement is hereby stricken in its entirety.

3. **Waiver**. The Borrowers and Lender hereby acknowledge and confirm that the

Borrowers and Lender hereby acknowledge and confirm that certain reports delivered by the Borrowers pursuant Section 5.2(c) of the Loan Agreement with respect to certain cumulative rolling four-week periods (the "Measurement Periods") disclosed a Prohibited Variance, and (ii) that each such Prohibited Variance constitutes an Event of Default under both Sections 5.2(c) and 7.1(d) of the Loan Agreement (such Events of Default, the "Specified Defaults"). Upon the effectiveness of this Amendment in accordance with Section 5, Lender hereby waives, on a one-time basis, the occurrence of the Specified Defaults solely as they relate to the Measurement Periods (the "Waiver"). The Waiver applies only to the Specified Defaults and shall be effective only to the extent specifically set forth herein and this Waiver shall not (a) be construed as a waiver of any breach, default or Event of Default other than the Specified Defaults, (b) affect the rights of Lender to demand compliance by the Borrowers with all terms and conditions of the Loan Agreement and other Loan Documents except as specifically set forth in this paragraph, (c) be deemed a waiver of any transaction or future action on the part of the Borrowers requiring Lender's consent or approval under the Loan Agreement or any other Loan Document, or (d) except as to the Specified Defaults waived hereby, be deemed or construed to be a waiver or release of, or a limitation upon, Lender's exercise of any rights or remedies under the Loan Agreement or any other Loan Document or at law or in equity, whether arising as a consequence of any Default or Event of Default which may now exist or otherwise, and all such rights and remedies are hereby expressly reserved.

4. **Representations and Warranties**. Each Borrower hereby represents and warrants to Lender on and as of the date of this Amendment as follows:

(a) Representations and Warranties; No Event of Default. The representations and warranties herein set forth in Section 4 of the Loan Agreement, and in each other Loan Document, certificate or other writing delivered by or on behalf of the Borrowers to Lender pursuant Loan Agreement or any other Loan Document on or immediately prior to the date hereof are true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Change" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of such date as though made on and as of such date, except to the extent that any such representation or warranty expressly relates solely to an earlier date (in which case such representation or warranty shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Change" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of such earlier date), and no Default or Event of Default has occurred and is continuing as of the date hereof (after giving effect to any waiver herein) or would result from this Amendment becoming effective in accordance with its terms.

(b) Enforceability of Loan Documents. This Amendment is, and each other Loan Document to which any Borrower is a party is the legal, valid and binding obligation of such Borrower, enforceable against such Borrower in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and by general

principles of equity.

(c) Governmental Approvals. Subject to Bankruptcy Court approval, no material authorization or approval or other action by, and no notice to or filing with, any Governmental Authority is required in connection with the due execution, delivery and performance by any Borrower of any Loan Document to which it is or will be a party (other than those that have been duly obtained or made and which are in full force and effect).

(d) Bankruptcy Court Approval. This Amendment shall be subject to Bankruptcy Court approval.

5. **Effectiveness**. Subject to Bankruptcy Court approval, this Amendment shall be fully effective on the date hereof when each of the parties hereto delivers its duly executed signature page hereto.

6. **Continued Effectiveness of the Loan Agreement and Other Loan Documents**. Each Borrower hereby and agrees that the Loan Agreement and each other Loan Document to which it is a party is, and shall continue to be, in full force and effect and is hereby ratified and confirmed in all respects, except that on and after the date of this Amendment, all references in any such Loan Document to "the Loan Agreement", the "Agreement", "thereto", "thereof", "thereunder" or words of like import referring to the Loan Agreement shall mean the Loan Agreement including this Amendment. Each Borrower confirms and agrees that, to the extent that any such Loan Document purports to assign, pledge or grant to Lender a security interest in or Lien on any Collateral as security for the Obligations of the Borrowers from time to time existing in respect of the Loan Agreement and the other Loan Documents, such pledge, assignment and/or grant of the security interest or Lien is hereby ratified and confirmed in all respects and continues in full force and effect on the terms of the respective Loan Documents, and the obligations of each Borrower arising under or as a consequence of the Loan Agreement are included in the Obligations. This Amendment does not and shall not affect any of the Obligations of the Borrowers, other than as expressly provided herein, including, without limitation, the Borrowers' obligations to repay the Loans in accordance with the terms of Loan Agreement or the Obligations of the Borrowers under any Loan Document to which they are a party, all of which Obligations shall remain in full force and effect and are hereby reaffirmed by the Borrowers. Except as expressly provided herein, the execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of Lender under the Loan Agreement or any other Loan Document nor constitute a waiver of any provision of the Loan Agreement or any other Loan Document. Except as expressly amended by this Amendment, all terms and provisions of the Loan Agreement and the other Loan Documents remain unchanged and in full force and effect.

7. **No Novation**. Nothing herein contained shall be construed as a substitution or novation of the Obligations outstanding under the Loan Agreement or instruments securing the same, which shall remain in full force and effect, except as modified hereby.

8. **No Representations by Lender**. Each Borrower hereby acknowledges that it has not relied on any representation, written or oral, express or implied, by Lender in entering into this Amendment.

9. **Further Assurances**. The Borrowers shall execute any and all further documents, agreements and instruments, and take all further actions, as may be required under applicable laws or as Lender may reasonably request, in order to effect the purposes of this Amendment.

10. **Release**. In consideration of the accommodations to Borrowers provided by Lender pursuant to this Amendment, each Borrower does hereby remise, release, acquit, satisfy and forever discharge Lender and its respective agents, employees, officers, directors, predecessors, attorneys and all others acting or purporting to act on behalf of or at the direction of the Lender ("Releasees") of and from any and all manner of actions, causes of action, suit, debts, accounts, covenants, contracts, controversies, agreements, variances, damages, judgments, claims and demands whatsoever, in law or in equity, which such Borrower ever had or now has against any Releasee, for, upon or by reason of any matter, cause or thing whatsoever arising from, in connection with or in relation to any of the Loan Documents on or prior to the date hereof; provided that the foregoing clause shall not apply to a Releasee in the event of fraud or willful misconduct of such Releasee. Without limiting the generality of the foregoing, each Borrower does hereby waive and affirmatively agree not to allege or otherwise pursue any defenses, affirmative defenses, counterclaims, claims, causes of action, setoffs or other rights it does, shall or may have on or prior to the date hereof, including, but not limited to, the rights to contest any conduct of the Lender or other Releasees on or prior to the date hereof; provided, that the foregoing provisions of this sentence shall not apply to a Releasee in the event of fraud or willful misconduct of such Releasee.

11. **Miscellaneous**.

(a) Section and paragraph headings herein are included for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

(b) THE TERMS AND PROVISIONS OF SECTION 11 OF THE LOAN AGREEMENT ARE HEREBY INCORPORATED HEREIN AS IF FULLY SET FORTH HEREIN, *MUTATIS MUTANDIS*.

(c) Each Borrower hereby acknowledges and agrees that this Amendment constitutes a "Loan Document" under the Loan Agreement.

(d) Any provision of this Amendment that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining portions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

(e) This Amendment may be signed in counterparts and electronically in accordance with Section 13.6 of the Loan Agreement, and the terms of provisions of Section 13.6 of the Loan Agreement are hereby incorporated herein as if fully set forth herein, *mutatis mutandis*.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed and delivered as of the date set forth on the first page hereof.

BORROWERS:

JACKSON HOSPITAL & CLINIC, INC.

By:_____
Name: Allen Wilen
Title: CRO

JHC PHARMACY, LLC

By:_____
Name: Allen Wilen
Title: CRO

LENDER:

JACKSON INVESTMENT GROUP, LLC

By:_____
Name: Richard L. Jackson
Title: CEO