United States Bankruptcy Court
Southern District of Texas
ENTERED
June 03, 2024
Nathan Ochsner, Clerk

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

In re:	§	**Chapter 11**
STEWARD HEALTH CARE SYSTEM LLC, *et al.*,	§	**Case No. 24-90213 (CML)**
	§	**(Jointly Administered)**
Debtors.[1]	§	**Re: Docket Nos. 281, 559**

ORDER (I) APPROVING (A) GLOBAL BIDDING PROCEDURES FOR SALES OF THE DEBTORS' ASSETS, (B) FORM AND MANNER OF NOTICE OF SALES, AUCTIONS, AND SALE HEARINGS, AND (C) ASSUMPTION AND ASSIGNMENT PROCEDURES AND FORM AND MANNER OF NOTICE OF ASSUMPTION AND ASSIGNMENT; (II) AUTHORIZING DESIGNATION OF STALKING HORSE BIDDERS; (III) SCHEDULING AUCTIONS AND SALE HEARINGS; AND (IV) GRANTING RELATED RELIEF

Upon the motion, dated May 15, 2024 (the "**Motion**"),[2] of Steward Health Care System LLC and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "**Debtors**"), pursuant to sections 105, 363, 365, 503, and 507 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, 6006, 9007, 9008, and 9014, for entry of orders (i)(a) approving the bidding procedures attached hereto as **Exhibit 1** (the "**Global Bidding Procedures**"), in connection with the sale of substantially all of the Debtors' assets (the "**Assets**"), (b) authorizing the Debtors to designate one or more stalking horse bidders (each, a "**Stalking Horse Bidder**") and offer each such bidder certain bid protections set forth herein and in the Global Bidding Procedures (the "**Stalking Horse Bid Protections**"), (c) scheduling auctions for the Assets (each, an "**Auction**") and hearings for the approval of proposed Sale Transactions (as

[1] A complete list of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' proposed claims and noticing agent at https://restructuring.ra.kroll.com/Steward. The Debtors' service address for these chapter 11 cases is 1900 N. Pearl Street, Suite 2400, Dallas, Texas 75201.

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

defined below) (each, a "**Sale Hearing**"), (d) approving form and manner of (1) notice of Auctions, sales of the Assets (each, a "**Sale Transaction**"), and Sale Hearings substantially in the form annexed hereto as **Exhibit 2** (the "**Sale Notice**"), and (2) notice to each non-Debtor counterparty (each, a "**Counterparty**") to an executory contract or unexpired non-residential real property lease of the Debtors (each, a "**Contract**") regarding the potential assumption and assignment of such Contracts and the amount necessary to cure any monetary defaults under such Contracts (the "**Cure Costs**") and the applicable proposed assignee, substantially in the form attached hereto as **Exhibit 3** (the "**Cure Notice**"), (e) approving the procedures for the assumption or assumption and assignment of certain Contracts in connection with the Sale Transactions (collectively, the "**Assigned Contracts**") as set forth herein (the "**Assumption and Assignment Procedures**"), including the procedures for determining Cure Costs with respect thereto; and (ii)(a) authorizing the sale of the Assets as defined in each Stalking Horse Agreement (as defined herein), free and clear of all liens, claims, encumbrances, and other interests pursuant to section 363(f) of the Bankruptcy Code, (b) authorizing the assumption and assignment of the Assigned Contracts; and (c) granting related relief, all as more fully set forth in the Motion; and this Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §1334; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and it appearing that venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided; and such notice having been adequate and appropriate under the circumstances, and it appearing that no other or further notice need be provided; and this Court having reviewed the Motion; and upon any hearing held on the Motion; and all objections, if any, to the relief requested in the Motion having been withdrawn, resolved, or overruled; and the Court having determined that the legal and factual bases

set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtors and their estates as contemplated by Bankruptcy Rule 6003 and is in the best interests of the Debtors, their respective estates, creditors, and all parties in interest; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY FOUND AND DETERMINED THAT:[3]

A. Statutory and Legal Predicates. The predicates for relief granted herein are sections 105, 363, 365, 503, and 507 of the Bankruptcy Code, Rules 2002, 6004, 6006, 9007, 9008 and 9014 of the Bankruptcy Rules, and Rules 2002-1 and 9013-1 of the Bankruptcy Local Rules.

B. Global Bidding Procedures. The Debtors have articulated good and sufficient business reasons for the Court to approve the Global Bidding Procedures. The Global Bidding Procedures are fair, reasonable, and appropriate under the circumstances. The Global Bidding Procedures are reasonably designed to promote a competitive and robust bidding process to generate the greatest level of interest in the Debtors' business resulting in the highest or otherwise best offers.

C. Designation of Stalking Horse Bidders. Good and sufficient business reasons exist for the Court to authorize the Debtors to designate Stalking Horse Bidders and enter into Stalking Horse Agreements, in each case, in accordance with the terms of this Order and the Global Bidding Procedures.

[3] The findings and conclusions set forth herein constitute the Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent that any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

D. Stalking Horse Bid Protections. Subject to the provisions of paragraph 3 hereof, the Debtors shall be able to grant the Stalking Horse Bid Protections administrative expense claim or superpriority administrative expense claim status as determined in their sole discretion pursuant to sections 105(a), 364, 503, and 507 of the Bankruptcy Code and in all cases subject to paragraphs 13(b) and 13(g) of the *Interim Order (I) Authorizing the Debtors to (A) Obtain Junior Lien Postpetition Financing, (B) Use Cash Collateral, and (C) Grant Liens and Provide Superpriority Administrative Expense Claims; (II) Granting Adequate Protection to Certain Prepetition Secured Parties; (III) Modifying the Automatic Stay; (IV) Scheduling a Final Hearing; and (V) Granting Related Relief* (Docket No. 113) (the "**DIP Order**") unless otherwise consented to by the Prepetition ABL/FILO Agent, Prepetition FILO Agent, and MPT Prepetition Secured Lender. The Stalking Horse Bid Protections are (i) actual and necessary costs and expenses of preserving the Debtors' estates, (ii) commensurate to the real and substantial benefit conferred upon the Debtors' estates by having one or more Stalking Horse Bidders; (iii) reasonable and appropriate, in light of comparable transactions, to the commitments to be made and the efforts to be expended by one or more Stalking Horse Bidders; (iv) necessary to induce Stalking Horse Bidders to continue to pursue Sale Transactions; and (v) subject to all parties-in-interests' rights to object and be heard with respect to approval of the applicable Stalking Horse Bid Protections.

E. Good Faith Negotiations. The Global Bidding Procedures were negotiated in good faith and at arms' length and are reasonably designed to promote participation and active bidding and ensure that the highest or best value is generated for the Assets.

F. Assumption and Assignment Procedures. The Debtors have articulated good and sufficient business reasons for the Court to approve the Assumption and Assignment Procedures. The Assumption and Assignment Procedures, including the form of Sale Notice

attached hereto as **Exhibit 2** and the form Cure Notice attached hereto as **Exhibit 3**, are fair, reasonable, and appropriate. The Assumption and Assignment Procedures provide an adequate opportunity for all Contract Counterparties to raise any objections to the proposed assumption and assignment or to the proposed Cure Costs. The Assumption and Assignment Procedures comply with the provisions of section 365 of the Bankruptcy Code and Bankruptcy Rule 6006.

G. Cure Notice. The Cure Notice, the form of which is attached hereto as **Exhibit 3**, is appropriate and reasonably calculated to provide all interested parties with timely and proper notice of the Assumption and Assignment Procedures, as well as any and all objection deadlines related thereto, and upon service of the Cure Notice in accordance with the Global Bidding Procedures, no other or further notice shall be required for the Motion and the procedures described therein, except as expressly required herein.

H. Notice. All other notices to be provided pursuant to the procedures set forth in the Motion, as modified by the Global Bidding Procedures attached hereto, are good and sufficient notice to all parties in interest of all matters pertinent hereto. No further notice is required.

I. Relief is Warranted. The legal and factual bases set forth in the Motion establish just and sufficient cause to grant the relief requested therein.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. All objections to the relief granted herein that have not been withdrawn with prejudice, waived, or settled, and all reservations of rights included in such objections, are hereby overruled and denied on the merits with prejudice.

2. The Debtors are authorized to implement the Global Bidding Procedures in accordance with the following timeline (as may be modified in accordance with the Global Bidding Procedures):

Deadline	Stewardship Health & First Round Hospitals[4]	Second Round Hospitals[5] & Other Assets
Cure Notice Deadline[6]	Five (5) Business Days after Entry of Bidding Procedures Order	July 19, 2024
Cure Objection Deadline	10 Days after Service of Initial Cure Notice or, if applicable, 14 Days after Service of Supplemental Cure Notice	14 Days after Service of Initial Cure Notice or, if applicable, Supplemental Cure Notice*
Bid Deadline	June 24, 2024*	August 12, 2024*
Qualified Bid and Baseline Bid Designation Date	June 26, 2024*	August 13, 2024*
Auction[7]	June 27, 2024*	August 14, 2024*

[4] "**First Round Hospitals**" refers to all of the Debtors' Hospitals except for those in Florida and the four hospitals located in Texas, referred to as Odessa Regional Medical Center, Scenic Mountain Medical Center, Southeast Texas (Port Arthur), and Wadley Regional Medical Center.

[5] "**Second Round Hospitals**" refers to the Debtors' Hospitals in Florida and the four hospitals located in Texas, referred to as Odessa Regional Medical Center, Scenic Mountain Medical Center, Southeast Texas (Port Arthur), and Wadley Regional Medical Center.

[6] If (a) the Debtors identify (i) additional contracts or leases to be assumed and assigned to a Successful Bidder or (ii) modifications that need to be made to a proposed Cure Cost previously stated in a Cure Notice, or (b) a Successful Bidder designates any additional contracts or leases not previously included on a Cure Notice for assumption and assignment, the Debtors shall, after consultation with the Successful Bidder, as soon as practicable after the determination of the Successful Bidder, and in no event later than 14 days prior to the closing of the applicable Sale Transaction, file a Supplemental Cure Notice with the Court and serve such notice on the applicable Contract Counterparty.

[7] The Debtors shall serve and publish to the Kroll Website (as defined below) the Notice of Auction Results within one (1) calendar day of the conclusion of the applicable Auction.

Deadline	Stewardship Health & First Round Hospitals[4]	Second Round Hospitals[5] & Other Assets
Adequate Assurance Objection Deadline and Sale Objection Deadline[8]	July 8, 2024*	August 20, 2024*
Sale Hearing	July 11, 2024*	August 22, 2024*

**Or such earlier date with the consent of the Creditors' Committee or later date designated by the Debtors, in each case after consultation with the Consultation Parties[9]*

3. Subject to the terms of this Order, the Global Bidding Procedures, and any Stalking Horse Agreement, the dates and deadlines set forth in this Order or the Global Bidding Procedures are subject to modification by the Debtors, after consultation with the Consultation Parties (as defined in the Global Bidding Procedures) and upon proper notice to parties in interest, without further order of this Court; provided, that (i) the Official Committee of Unsecured Creditors (the "**Creditors' Committee**") reserves all rights to object to the extension of any such dates or deadlines, and (ii) the Debtors shall not accelerate any such dates or deadlines without the consent of the Creditors' Committee, not to be unreasonably withheld, conditioned, or delayed.

Designation of Stalking Horse Bidders

4. The Debtors are authorized to, in the exercise of their reasonable business judgment, after consultation with the Consultation Parties, designate one or more Stalking Horse Bidders for one or more of the Assets and enter into asset purchase agreements with Stalking Horse Bidders (each such agreement, a "**Stalking Horse Agreement**") for the sale of such Assets (each

[8] To the extent the Debtors designate a Stalking Horse Bidder and serve the applicable Notice of Stalking Horse Bidder on the Sale Notice Parties (each as defined herein), the Sale Objection Deadline shall be the earlier of (i) 21 days following service of the Notice of Stalking Horse Bidder and (ii) the dates here listed.

[9] All consent rights of the Creditors' Committee hereunder shall not be unreasonably withheld, conditioned, or delayed.

such group of Assets, a "**Stalking Horse Package**"), in each case, in accordance with the terms of this Order and the Global Bidding Procedures.

5. Subject to the notice provisions and other terms of this Order, the Global Bidding Procedures, and the DIP Order, the Debtors are authorized to offer Stalking Horse Bid Protections to each Stalking Horse Bidder, including a break-up fee and reimbursement of reasonable and documented out-of-pocket expenses subject to a reasonable cap (collectively, a "**Termination Payment**"); provided, that all Termination Payments (a) must be negotiated by the Debtors, after consultation with the Consultation Parties, (b) shall be noticed in accordance with paragraphs 6-11 herein, and (c) no break-up fee shall, other than with a further Bankruptcy Court order or the written consent of the Consultation Parties (not to be unreasonably withheld, conditioned, or delayed), exceed three percent (3%) of the purchase price (including the value of assumed liabilities) in the applicable Stalking Horse Bid and the total expense reimbursement shall be subject to a reasonable cap to be agreed between the Debtors (after consultation with the Consultation Parties) and the applicable Stalking Horse Bidder.

6. Each Sale Notice shall include the material terms of any Stalking Horse Agreement in effect as of the filing and service of the applicable Sale Notice, including the terms of any Stalking Horse Bid Protections. If the Debtors already have filed with the Court and served the Sale Notice on the Sale Notice Parties (as defined in the Motion) prior to the execution of a Stalking Horse Agreement, the Debtors shall file with the Court, serve on the Sale Notice Parties, and cause to be published on the website maintained by Kroll Restructuring Administration LLC, the Debtors' claims and noticing agent in these chapter 11 cases, located at https://restructuring.ra.kroll.com/Steward (the "**Kroll Website**"), an addendum to the Sale Notice setting forth the identity of the Stalking Horse Bidder and the material terms of such Stalking

Horse Agreement, including the terms of the applicable Stalking Horse Bid Protections and the Assigned Contracts in the Stalking Horse Package, and attaching the proposed Stalking Horse Agreement (each, a "**Notice of Stalking Horse Bidder**"). In all cases, the proposed form of Stalking Horse Agreement shall be served on the Sale Notice Parties and published on the Kroll Website in accordance with the Global Bidding Procedures.

7. Objections to the provision of Stalking Horse Bid Protections (each, a "**Stalking Horse Objection**") shall (a) be in writing; (b) comply with the Bankruptcy Code, Bankruptcy Rules, and Bankruptcy Local Rules; (c) state, with specificity, the legal and factual bases thereof; and (d) be filed with the Court and served on the Objection Notice Parties (as defined herein) within three (3) business days after service of the applicable Sale Notice or the applicable Notice of Stalking Horse Bidder.

8. If a timely Stalking Horse Objection is filed and served with respect to a Stalking Horse Agreement in accordance with the Global Bidding Procedures, any Stalking Horse Bid Protections provided for under such agreement shall not be deemed approved until the Stalking Horse Objection is resolved, either by agreement of the objecting party and the Debtors, or by order of the Court resolving such objection and approving the provision of the Stalking Horse Bid Protections. The Debtors may seek entry of any such order on an expedited basis.

9. If no timely Stalking Horse Objection is filed and served with respect to a Stalking Horse Agreement in accordance with the Global Bidding Procedures, the Debtors may file with the Court, upon certification of counsel, a proposed order authorizing and approving the Debtors' provision of Stalking Horse Bid Protections, including a Termination Payment, pursuant to the terms and provisions of the applicable Stalking Horse Agreement and the Global Bidding Procedures, which may be entered without further notice or hearing.

10. The Stalking Horse Bid Protections, to the extent earned and payable under any Stalking Horse Agreement, shall constitute an allowed administrative expense claim or superpriority administrative expense claim, pursuant to sections 105(a), 364, 503 and 507 of the Bankruptcy Code and in all cases subject to paragraphs 13(b) and 13(g) of the DIP Order unless otherwise consented to by the Prepetition ABL/FILO Agent, Prepetition FILO Agent, and MPT Prepetition Secured Lender.

11. Absent further order of the Court, no person or entity (other than any applicable Stalking Horse Bidder) shall be entitled to any expense reimbursement or break-up, "topping," termination, or other similar fee or payment by the Debtors for submitting a bid for the Assets, or in any way participating in an Auction or the Debtors' sale process.

Global Bidding Procedures

12. The Global Bidding Procedures, attached hereto as **Exhibit 1**, are hereby approved.

13. The Global Bidding Procedures are incorporated herein by reference, and shall govern the bids and proceedings related to the sale of the Debtors' businesses and assets, including, but not limited to, the Stalking Horse Packages, and the applicable Auction. The failure to specifically include or reference any particular provision of the Global Bidding Procedures in the Motion or this Order shall not diminish or otherwise impair the effectiveness of such procedures, it being the Court's intent that the Global Bidding Procedures are approved in their entirety, as if fully set forth in this Order. If there is any conflict between the terms of this Order and the Global Bidding Procedures, the terms of the Global Bidding Procedures shall govern. In the event that a Consultation Party submits a Bid at the Auction, such party shall no longer be a Consultation Party with respect to the bidding and auction relating to the assets subject to such Bid

until such time as such party withdraws such Bid; provided, that if a member of the Creditors' Committee submits a Qualified Bid, the Creditors' Committee will continue to be a Consultation Party and have consultation rights and the applicable consent rights set forth in the Global Bidding Procedures; provided, further, that the Creditors' Committee shall exclude such member from any discussions or deliberations regarding the sale of the Assets and shall not provide any confidential information regarding the sale of the Assets to such member.

14. The procedures and requirements set forth in the Global Bidding Procedures, including those associated with submitting a Qualified Bid, are fair, reasonable and appropriate, and are designed to maximize recoveries for the benefit of the Debtors' estates, creditors, and all parties in interest. For the avoidance of doubt, a Stalking Horse Bidder shall be deemed a Qualified Bidder, and a Stalking Horse Bid shall be deemed a Qualified Bid for purposes of the Global Bidding Procedures, which status cannot be abrogated by subsequent amendment or modification to the Global Bidding Procedures.

15. All parties are prohibited from (i) engaging in any collusion with respect to the submission of any bid or the Auction, (ii) coordinating or joining with any other party on a bid or bids (except as permitted by the Debtors), (iii) securing debt financing on an exclusive basis, or (iv) taking any other action intended to prevent a transparent and competitive auction process. Each Qualified Bidder participating in the Auction shall confirm in writing and on the record at the Auction that (a) it has not engaged in any of the foregoing prohibited actions and (b) its Qualified Bid is a good faith bona fide offer that it intends to consummate if selected as a Successful Bidder. Notwithstanding the foregoing, certain joint bids may be permitted in accordance with the Global Bidding Procedures.

16. The Debtors are authorized to take all reasonable actions necessary or appropriate to implement the Global Bidding Procedures in accordance with the terms of this Order and the Global Bidding Procedures.

Objections to Sale Transactions

17. Objections to a proposed Sale Transaction, including any objection to the sale of any Assets free and clear of liens, claims, encumbrances, and interests pursuant to section 363(f) of the Bankruptcy Code and entry of a Sale Order (each, a "**Sale Objection**") shall (a) be in writing; (b) comply with the Bankruptcy Code, Bankruptcy Rules, and Bankruptcy Local Rules; (c) state, with specificity, the legal and factual bases thereof; and (d) be filed with the Court and served on (i) proposed counsel to the Debtors, Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153 (Attn: Ray C. Schrock, Esq., Candace M. Arthur, Esq., David J. Cohen, Esq.), 700 Louisiana Street, Suite 3700, Houston, Texas 77002 (Attn: Gabriel A. Morgan, Esq., Clifford W. Carlson, Esq., Stephanie N. Morrison, Esq.); (ii) proposed counsel to the Creditors' Committee, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, NY 10036 (Attn: Brad M. Kahn, Esq., Sarah Link Schultz, Esq., Iain Wood, Esq., Erica D. McGrady, Esq.); (iii) counsel to the DIP Lender, Prepetition MPT Secured Party, and MPT Lessor, KTBS Law LLP, 1801 Century Park E #2600, Los Angeles, California 90067 (Attn: Thomas E. Patterson, Esq., Sasha Gurvitz, Esq.); (iv) counsel to the ABL Lenders, Paul Hastings LLP, 200 Park Avenue, New York, New York 10166 (Attn: Kristopher M. Hansen, Esq., Christopher Guhin, Esq., Jeff Lowenthal, Esq., Brian Kelly, Esq.); (v) counsel to Siemens Financial Services, Inc., Otterbourg P.C., 230 Park Avenue, New York, New York 10169 (Attn: Andrew Kramer, Esq.); (vi) counsel to the Ad Hoc Committee of FILO Lenders, Milbank LLP, 55 Hudson Yards, New York, NY 10001 (Attn: Dennis Dunne, Esq., Michael Price, Esq., Andrew Harmeyer, Esq., Brian Kinney,

Esq.); (vii) counsel to any applicable Stalking Horse Bidder; and (viii) the U.S. Trustee (collectively, the "**Objection Notice Parties**") by no later than the following deadlines:

a) with respect to a Sale Transaction to a Stalking Horse Bidder (as applicable) (each, a "**Stalking Horse Bidder Sale Objection Deadline**"), the earlier of (i) 21 days following service of the applicable Notice of Stalking Horse Bidder and (ii) the Successful Bidder Sale Objection Deadline (as defined below); and

b) with respect to the conduct of the Auction, the identity of the Successful Bidder, or a Sale Transaction with a Successful Bidder (if such Successful Bidder is not a Stalking Horse Bidder) (each, a "**Successful Bidder Sale Objection Deadline**," and together with the Stalking Horse Bidder Sale Objection Deadlines, the "**Sale Objection Deadlines**"):[10]

Assets	Successful Bidder Sale Objection Deadline
Stewardship Assets	July 8, 2024 at 5:00 p.m. (prevailing Central Time)
First Round Hospitals	July 8, 2024 at 5:00 p.m. (prevailing Central Time)
Second Round Hospitals	August 20, 2024 at 5:00 p.m. (prevailing Central Time)
Other Assets	August 20, 2024 at 5:00 p.m. (prevailing Central Time)

18. An appropriate representative of each Successful Bidder shall appear at the applicable Sale Hearing and be prepared, if necessary, to have such representative(s) testify in support of a Successful Bid and the Successful Bidder's ability to close the applicable Sale Transaction in a timely manner and provide adequate assurance of its future performance under any and all executory contracts and unexpired leases to be assumed and assigned to the Successful Bidder as part of the proposed transaction.

19. Any party who fails to timely file with the Court a Sale Objection will be forever barred from asserting any Sale Objection to the applicable sale, or to the consummation and performance of a Sale Transaction contemplated by a purchase agreement between the Debtors and a Successful Bidder, including the transfer of the Debtors' business to a Successful Bidder,

[10] Or such earlier date with the consent of the Creditors' Committee, or such later date designated by the Debtors, in each case after consultation with the Consultation Parties.

free and clear of all claims and interests pursuant to section 363(f) of the Bankruptcy Code. Failure to object shall constitute consent for the purposes of section 363(f) of the Bankruptcy Code.

Noticing Procedures

20. The Sale Notice, substantially in the form annexed hereto as **Exhibit 2**, is approved, and no other or further notice of the sale of the Assets, the Auctions, the Sale Hearings, or the deadlines for Sale Objections shall be required if the Debtors serve and publish such notice, including any Notice of Stalking Horse Bidder, in the manner provided in the Global Bidding Procedures and this Order. The Sale Notice complies in all respects with applicable provisions of the Bankruptcy Code, Bankruptcy Rules, and Bankruptcy Local Rules.

21. As soon as practicable after entry of this Order, and in no event later than three (3) business days after entry of this Order, the Debtors shall file on the docket and serve the Sale Notice, this Order, and the Global Bidding Procedures, by first-class mail, postage prepaid, on the Sale Notice Parties (as defined in the Motion), *provided, however*, that to the extent email addresses are available for any of the Sale Notice Parties, such parties may be served by email.

22. The Sale Notice is reasonably calculated to provide interested parties with timely and proper notice of the Auctions (if any) and Sale(s) with respect to the Assets, including, without limitation: (a) the date, time, and place of the Auction(s) (if any); (b) the Global Bidding Procedures; (c) reasonably specific identification of the Assets to be sold pursuant to the Global Bidding Procedures; and (d) a description of any Sale(s) pursuant to the Global Bidding Procedures as being free and clear of liens, claims, encumbrances, and other interests (except as set forth in the applicable definitive Sale documentation), with all such liens, claims, encumbrances, and other interests attaching with the same validity and priority to the applicable Sale proceeds, and no other or further notice of any Auction(s) (if any) and Sale(s) shall be required.

23. Within one (1) calendar day of the conclusion of the applicable Auction, the Debtors shall service and publish a notice on the docket and Kroll Website containing the results of the Auction (the "**Notice of Auction Results**"), which shall (a) identify the applicable Successful Bidder; (b) list all proposed Assigned Contracts to be assumed and assigned to the applicable Successful Bidder; (c) identify any known proposed assignee(s) of proposed Assigned Contracts (if different than the applicable Successful Bidder); and (c) set forth the deadline and procedures for filing Adequate Assurance Objections (as defined herein) in response to the Notice of Auction Results.

Assumption and Assignment Procedures

24. The following Assumption and Assignment Procedures are reasonable and appropriate under the circumstances, fair to all Contract Counterparties, comply in all respects with the Bankruptcy Code, and are approved.

25. The Cure Notice, substantially in the form attached hereto as **Exhibit 3**, is reasonable, fair, and appropriate, contains the type of information required under Bankruptcy Rule 2002, and complies in all respects with applicable provisions of the Bankruptcy Code, Bankruptcy Rules, and Bankruptcy Local Rules, and is hereby approved.

26. The Cure Notice, including any Supplemental Cure Notice (as defined below), is reasonably calculated to provide sufficient notice to the Contract Counterparties of the Debtors' proposed assumption and assignment of the Assigned Contracts in connection with any Sale Transaction and constitutes adequate notice thereof, and no other or further notice of the Debtors' proposed Cure Costs or the proposed assumption and assignment of the Assigned Contracts shall be required if the Debtors file and serve such notice in accordance with the Assumption and Assignment Procedures and this Order.

27. With respect to the Stewardship Assets and the First Round Hospitals, within five (5) business days after entry of this Order, the Debtors shall file the Cure Notice with the Court and serve the Cure Notice on the Contract Counterparties. With respect to the Second Round Hospitals and the Other Assets, on or before July 19, 2024, the Debtors shall file the Cure Notice with the Court and serve the Cure Notice on the Contract Counterparties. Service of the Cure Notice in accordance with this Order on all Contract Counterparties is hereby deemed to be good and sufficient notice of the proposed Cure Costs for, and the proposed assumption and assignment of, the Assigned Contracts. As soon as reasonably practicable after filing the Cure Notice, the Debtors shall post a copy of the Cure Notice on the Kroll Website.

28. In accordance with the Global Bidding Procedures, each Bid must contain such financial and other information that allows the Debtors, after consultation with the Consultation Parties, to make a reasonable determination as to the Potential Bidder's financial and other capabilities to consummate a Sale Transaction including, without limitation, ability to post replacement letters of credit, as applicable, and such financial and other information setting forth adequate assurance of future performance in satisfaction of the requirements under section 365(f)(2)(B) of the Bankruptcy Code, and the Potential Bidder's willingness to perform under any contracts that are assumed and assigned to such party (such information, "**Adequate Assurance Information**").

29. The Debtors shall provide, or cause to be provided, to applicable Contract Counterparties Adequate Assurance Information on a strictly confidential basis once a Qualified Bidder is deemed a Successful Bidder. Contract Counterparties shall not use any Adequate Assurance Information for any purpose other than to (i) evaluate whether the adequate assurance requirements under Bankruptcy Code section 365(f)(2)(B) and, if applicable, Bankruptcy Code

section 365(b)(3), have been satisfied, and (ii) to support any Adequate Assurance Objection filed by the Contract Counterparty; provided, that if a Contract Counterparty seeks to disclose confidential, non-public information included in the Adequate Assurance Information, it shall request Court authority to redact such information, unless disclosure of such confidential, non-public information is authorized by the Debtors, the Successful Bidder, and any known proposed assignee(s) of the relevant Assigned Contracts (if different from the Successful Bidder), or ordered by the Court.

30. In the event the Debtors designate a Stalking Horse Bidder in accordance with this Order, the Debtors shall use commercially reasonable efforts, on the date of service of the applicable Notice of Stalking Horse, as the case may be, or as soon as reasonably practicable thereafter, to provide or cause to be provided to all Contract Counterparties to a proposed Assigned Contract (a) a notice that sets forth a list of proposed Assigned Contracts that may be assumed by the Debtors and assigned to the Stalking Horse Bidder, and (b) Adequate Assurance Information for the Stalking Horse Bidder to any Contract Counterparties who request Adequate Assurance Information.

31. Objections, if any, to the proposed assumption, assignment, or assumption and assignment of Assigned Contracts, the subject of which objection is the Stalking Horse Bidder's or Successful Bidder's (a) ability to provide adequate assurance of future performance or (b) the proposed form of adequate assurance of future performance with respect to such Assigned Contract (each, an "**Adequate Assurance Objection**"), must: (i) be in writing; (ii) state the name and address of the objecting party and the amount and nature of the claim or interest of such party; (iii) state with particularity the basis and nature of any objection, and, to the extent applicable, provide proposed language that, if accepted and incorporated by the Debtors, would obviate such

objection; (iv) conform to the Bankruptcy Rules and the Bankruptcy Local Rules; and (v) be filed with the Court by the following deadlines (the "**Adequate Assurance Objection Deadlines**"):[11]

Assets	Adequate Assurance Objection Deadline
Stewardship Assets	July 8, 2024 at 5:00 p.m. (prevailing Central Time)
First Round Hospitals	July 8, 2024 at 5:00 p.m. (prevailing Central Time)
Second Round Hospitals	August 20, 2024 at 5:00 p.m. (prevailing Central Time)
Other Assets	August 20, 2024 at 5:00 p.m. (prevailing Central Time)

32. Objections, if any, to any proposed Cure Costs (each, a "**Cure Objection**," and together with the Adequate Assurance Objections, the "**Contract Objections**") must: (i) be in writing; (ii) state the name and address of the objecting party and the amount and nature of the claim or interest of such party; (iii) state with particularity the basis and nature of any objection, and, to the extent applicable, provide proposed language that, if accepted and incorporated by the Debtors, would obviate such objection; (iv) conform to the Bankruptcy Rules and the Bankruptcy Local Rules; and (v) be filed with the Court (a) with respect to the Stewardship Assets and First Round Hospitals, 10 days after service of the initial Cure Notice, or (b) with respect to the Second Round Hospitals and Other Assets, 14 days after service of the initial Cure Notice (each, a "**Cure Objection Deadline**").[12]

33. If a timely Contract Objection is filed and such objection cannot otherwise be resolved by the parties, such objection shall be heard at the applicable Sale Hearing or such other hearing scheduled prior to any scheduled closing of the applicable Sale Transaction.

[11] Or such earlier date with consent of the Creditors' Committee, or later date designated by the Debtors, in each case after consultation with the Consultation Parties.

[12] Or such earlier date with consent of the Creditors' Committee, or later date designated by the Debtors, in each case after consultation with the Consultation Parties. If a Supplemental Cure Notice is served on a Contract Counterparty, the Cure Objection Deadline shall be 14 days after service of the Supplemental Cure Notice.

34. If a Contract Objection cannot otherwise be resolved by the parties, the Debtors may, after consultation with the Consultation Parties and the applicable Successful Bidder(s) and only with the consent of the applicable Contract Counterparty, assume and assign the Contract(s) pending resolution of the Contract Objection.

35. If (a) the Debtors identify (i) additional contracts or leases to be assumed and assigned to a Successful Bidder or (ii) modifications that need to be made to a proposed Cure Cost previously stated in a Cure Notice, or (b) a Successful Bidder designates any additional contracts or leases not previously included on a Cure Notice for assumption and assignment, the Debtors shall, after consultation with the Successful Bidder, as soon as practicable after the determination of the Successful Bidder, and in no event later than 14 days prior to the closing of the applicable Sale Transaction, file with the Court and serve by first-class mail on the applicable Contract Counterparty a supplemental Cure Notice (each, a "**Supplemental Cure Notice**," the form of which shall be substantially similar to the form of Cure Notice attached hereto as **Exhibit 3**). As soon as reasonably practicable after filing a Supplemental Cure Notice, the Debtors shall post a copy of the Supplemental Cure Notice on the Kroll Website. Any Cure Objection with respect to Cure Costs set forth in a Supplemental Cure Notice must be filed within 14 days of service of such Supplemental Cure Notice, and to the extent a Cure Objection cannot be resolved, such Cure Objection shall be heard at the applicable Sale Hearing or a hearing scheduled prior to any scheduled closing of the applicable Sale Transaction.

36. If no timely Cure Objection is filed in respect of the Cure Cost identified for an Assigned Contract, the Cure Cost identified on the Cure Notice or a Supplemental Cure Notice, as applicable, will be the only amount necessary under section 365(b) of the Bankruptcy Code to cure all defaults under such Assigned Contract. Any party properly served with a Cure

Notice or Supplemental Cure Notice, as applicable, for an Assigned Contract that fails to timely file a Cure Objection shall be forever barred from objecting to the Cure Costs and from asserting any additional cure or other amounts related to the Assigned Contract against the Debtors, their estates, or a Successful Bidder.

37. If no timely Adequate Assurance Objection is filed with respect to the provision of adequate assurance of future performance of an Assigned Contract or a Successful Bidder, the Debtors will be deemed to have provided adequate assurance of future performance for such Assigned Contract in accordance with section 365(f)(2)(B) of the Bankruptcy Code and the Contract Counterparty shall forever be barred from asserting against the Debtors, their estates, and a Successful Bidder, any additional obligation to provide adequate assurance of future performance.

38. If no Contract Objection is timely filed with respect to an Assigned Contract: (i) the Contract Counterparty to such Assigned Contract shall be deemed to have consented to the assumption by the Debtors and assignment to the Successful Bidder of the Assigned Contract, and be forever barred from asserting any objection with regard to such assumption and assignment (including, without limitation, with respect to adequate assurance of future performance by the Successful Bidder); (ii) any and all defaults under the Assigned Contract and any and all pecuniary losses related thereto shall be deemed cured and compensated pursuant to Bankruptcy Code section 365(b)(1)(A) upon payment of the Cure Costs set forth in the Cure Notice for such Assigned Contract; and (iii) the Contract Counterparty shall be forever barred from asserting any other claims related to such Assigned Contract against the Debtors and their estates or the Successful Bidder, or the property of any of them, that existed prior to the entry of the order resolving such Contract Objections.

39. Absent entry of an order approving the applicable Sale Transaction, the Assigned Contracts shall not be deemed assumed or assigned, and shall in all respects be subject to further administration under the Bankruptcy Code.

40. The inclusion of a contract, lease, or other agreement on the Cure Notice or any Supplemental Cure Notice shall not constitute or be deemed a determination or admission by the Debtors or any other party in interest that such contract or other document is an executory contract or unexpired lease within the meaning of the Bankruptcy Code or that the stated Cure Cost is due (all rights with respect thereto being expressly reserved). The Debtors and the applicable counterparties reserve all of their rights, claims, defenses, and causes of action with respect to each contract or other document listed on the Cure Notice or any Supplemental Cure Notice.

Reservation of Rights

41. Except as otherwise set forth in the Global Bidding Procedures, the Debtors reserve the right to, in their reasonable discretion, in a manner consistent with their fiduciary duties and applicable law, and in consultation with the Consultation Parties, subject in all respects to the notice, consultation, and consent provisions set forth in paragraph 3 of this Order, to modify the Global Bidding Procedures; waive terms and conditions set forth in the Global Bidding Procedures with respect to all Potential Bidders; accelerate or extend the date of any Bid Deadline or Auction; accelerate or extend any other deadlines set forth in the Global Bidding Procedures; announce at the Auctions modified or additional procedures for conducting the Auctions; alter the assumptions set forth in the Global Bidding Procedures; provided, however, that absent further Court order, the Debtors may not eliminate the consent, consultation, or notice rights of any party thereunder. Subject to the foregoing, the Debtors may provide reasonable accommodations to any Potential

Bidder(s) with respect to such terms, conditions, and deadlines of the bidding and Auction process to promote further bids on the Debtors' business, in each case, to the extent not materially inconsistent with the Global Bidding Procedures, this Order, or any other order of this Court. All parties reserve their rights to seek Bankruptcy Court relief, including on an expedited basis, with regard to the Auction, the Global Bidding Procedures, and any related items (including, if necessary, to seek an extension of the Bid Deadline). The rights of all Consultation Parties with respect to the outcome of the Auction are reserved. Subject to the DIP Order, all parties' rights are reserved with respect to the treatment of the Debtors' leases with the MPT Lessor and claims arising therefrom, and nothing in this Order or the Global Bidding Procedures shall constitute a waiver of any parties' rights, claims or defenses in respect thereof. Notwithstanding anything herein, nothing in the Global Bidding Procedures, this Order, and/or the determination of any Bid as a Qualified Bid, shall waive, alter, or modify any rights of the MPT Lessor to approve or enter into any agreement with respect to real property owned by the MPT Lessor.

Fiduciary Out

42. Nothing in the Global Bidding Procedures will require the board of directors, board of managers, or such similar governing body of a Debtor to take any action, or to refrain from taking any action, with respect to the Global Bidding Procedures, to the extent such board of directors, board of managers, or such similar governing body reasonably determines in good faith, in consultation with outside counsel, that taking such action, or refraining from taking such action, as applicable, is required to comply with applicable law or its fiduciary obligations under applicable law.

General Provisions

43. All persons or entities (whether or not Qualified Bidders) that participate in the bidding process shall be deemed to have knowingly and voluntarily (a) consented to the entry of a final order by this Court in connection with the Motion or this Order (including any disputes relating to the bidding process, the Auction and/or any Sale Transaction) to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution, and (b) waived any right to jury trial in connection with any disputes relating to the any of the foregoing matters.

44. The Debtors are authorized to make non-substantive changes to the Global Bidding Procedures, the Assumption and Assignment Procedures, and any related documents without further order of the Court, including, without limitation, changes to correct typographical and grammatical errors; provided, that the Debtors shall provide the Consultation Parties with prior written notice of any such changes.

45. Notwithstanding anything herein, the issues raised in the *Notice of PeakCM, LLC's Omnibus Reservation of Rights to Debtor's Motion to Sell and Motion to Approve DIP Financing and Use of Cash Collateral* (Docket No. 445) with respect to the Motion do not relate to Global Bidding Procedures and are preserved for further consideration at one or more subsequent Sale Hearings and all parties reserve all rights with respect thereto.

46. Notwithstanding anything in this Order or any subsequent notice relating to the Sale Transactions to the contrary, the Debtors shall, no later than noon Central Time, two weeks prior to the closing date of each Sale Transaction, provide to Cigna Health and Life Insurance Company and certain of its affiliates (collectively, "**Cigna**"), through its counsel, written notice of the Debtors' irrevocable (subject to closing of the applicable Sale Transaction) intent to

assume and assign, or not, any of the Cigna Contracts (as defined in Cigna's objection to the Motion) (Docket No. 509) (the "**Cigna Objection**") to a Successful Bidder as part of the applicable Sale Transaction. Any rights and issues raised in Cigna's Objection to any proposed assumption and assignment of the Cigna Contracts as part of the Sale Transactions are reserved.

47. Notwithstanding anything herein, the issues raised in the *Limited Objection and Reservation of Rights of Fisher Scientific Company, LLC to Motion of Debtors for Entry of an Order (I) Approving (A) Global Bidding Procedures for Sales of the Debtors' Assets, (B) Form and Manner of Notice of Sales, Auctions, and Sale Hearings, and (C) Assumption and Assignment Procedures and Form and Manner of Notice of Assumption and Assignment; (II) Authorizing Designation of Stalking Horse Bidders; (III) Scheduling Auctions and Sale Hearings; and (IV) Granting Related Relief* (Docket No. 516) with respect to the Motion shall not be precluded by the Global Bidding Procedures and are preserved for further consideration at one or more subsequent Sale Hearings.

48. All of the Roman Catholic Archbishop of Boston's ("**RCAB**") and the Debtors' rights, claims, and defenses with respect to a Sale Transaction for any Hospital (and/or the assets of such Hospital) listed in that certain Stewardship Agreement dated as of April 30, 2010 (the "**Stewardship Agreement**") are fully reserved, including, without limitation, with respect to (a) any proposed transfer of the personal property referenced in the Stewardship Agreement, and (b) any assumption, rejection, or assignment of the Stewardship Agreement in connection therewith.

49. Notwithstanding anything herein, nothing in this Order or the Global Bidding Procedures shall (1) limit or impair the United States' rights to review any proposed transaction for violations of antitrust law or to commence any enforcement action thereunder;

(2) shorten or limit any review period permitted to the United States under the Clayton Act, 15 U.S.C. § 12et seq., other than as specifically set forth in section 363(b)(2) of the Bankruptcy Code; or (3) constitute the (a) United States' consent to have the Bankruptcy Court adjudicate any antitrust issues or related enforcement actions, or (b) the Debtors' or any other parties' consent to have any other court adjudicate any antitrust issues or related enforcement actions. All rights of the United States, the Debtors, and other parties in interest with respect to the foregoing matters are reserved.

50. Notwithstanding the possible applicability of Bankruptcy Rules 6004(h), 6006(d), 7062, and 9014, or any applicable provisions of the Bankruptcy Local Rules or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry, and no automatic stay of execution shall apply to this Order.

51. The Debtors are authorized to take all reasonable steps necessary or appropriate to carry out the relief granted in this Order.

52. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

Signed: June 03, 2024

Christopher Lopez
United States Bankruptcy Judge

Exhibit 1

Global Bidding Procedures

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

In re:	§	**Chapter 11**
STEWARD HEALTH CARE SYSTEM LLC, *et al.*,	§	**Case No. 24-90213 (CML)**
	§	**(Jointly Administered)**
Debtors.[1]	§	

GLOBAL BIDDING PROCEDURES

Overview

On May 6, 2024, Steward Health Care System LLC and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "**Debtors**"), filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**"). The Debtors are authorized to continue to operate their business and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

Thereafter, on [__], 2024, the United States Bankruptcy Court for the Southern District of Texas entered an order (Docket No. [__]) (the "**Bidding Procedures Order**"),[2] which, among other things, authorized the Debtors to solicit bids and approved these procedures (the "**Global Bidding Procedures**") for the consideration of the highest or best offer for all of the Debtors' assets, on the terms and conditions set forth herein.

These Global Bidding Procedures set forth the process by which the Debtors are authorized to conduct a marketing and sale process (including pursuant to one or more Auctions (as defined below), if any) for the sale or sales (each, a "**Sale**") of the Debtors' assets (collectively, the "**Assets**"), through one or more transactions (each, a "**Sale Transaction**"), which Sale Transaction(s) may be effectuated through a Sale or Sales pursuant to section 363 of the Bankruptcy Code, and which Sale Transaction(s) may contemplate the Sale or Sales of one or more of the following Assets (and/or the assumption and assignment of contracts or leases, as applicable):[3]

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[1] A complete list of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' proposed claims and noticing agent at https://restructuring.ra.kroll.com/Steward. The Debtors' service address for these chapter 11 cases is 1900 N. Pearl Street, Suite 2400, Dallas, Texas 75201.

[2] Capitalized terms used but not otherwise shall have the respective meanings ascribed to such terms in the Bidding Procedures Order or the Motion requesting the relief granted therein, as applicable.

[3] In connection with these Global Bidding Procedures, Potential Bidders (as defined below) may also submit a bid to make an investment in connection with a chapter 11 plan.

- assets related to *Stewardship Health*, the Debtors' risk-based payor contracting network and related primary care practices (collectively, "**Stewardship Health**," and such assets, the "**Stewardship Assets**");

- the Debtors' hospital operations in Massachusetts, Arizona, Ohio, Pennsylvania, Arkansas, Louisiana, Texas, and Florida (the "**Hospitals**"); and

- certain other assets of the Debtors as determined by the Debtors in their sole discretion after consultation with the Consultation Parties (as defined below) (collectively, the "**Other Assets**").

These Global Bidding Procedures describe, among other things: (i) the procedures for bidders to submit bids for one or more Assets; (ii) the procedures for the Debtors to designate one or more stalking horse bidders (each, a "**Stalking Horse Bidder**"); (iii) the manner in which bidders and bids become Qualified Bidders and Qualified Bids (each as defined herein); (iv) the negotiation of bids received; (v) the conduct of one or more subsequent auctions (each, an "**Auction**"); and (vi) the ultimate selection of the Successful Bidder(s) (as defined herein) and Bankruptcy Court approval thereof (collectively, the "**Bidding and Auction Process**"). The Debtors may also consider competing bids (each, a "**Chapter 11 Plan Bid**") in the form of a chapter 11 plan of reorganization (a "**Chapter 11 Plan Transaction**").

The Debtors reserve the right to extend any of the bidding deadlines or other dates set forth in these Global Bidding Procedures, after consultation with the Consultation Parties without further order of the Bankruptcy Court subject to providing notice as described below.

Reservation of Rights

The Debtors reserve the right to, in their reasonable business judgment, in a manner consistent with their fiduciary duties and applicable law, and, subject in all respects to the notice, consultation, and consent provisions set forth in paragraph 3 of the Bidding Procedures Order and any consent rights expressly set forth herein, after consultation with the Consultation Parties with respect to any of the following, to modify these Global Bidding Procedures; waive terms and conditions set forth herein with respect to all Potential Bidders; accelerate or extend the date of any Bid Deadline (as defined herein) or Auction; extend or accelerate any other deadlines set forth herein; announce at any Auction modified or additional procedures for conducting the Auction; alter the assumptions set forth herein. Subject to the foregoing, the Debtors may, after consultation with the Consultation Parties, provide reasonable accommodations to any Potential Bidder(s) with respect to such terms, conditions, and deadlines of the Bidding and Auction Process to promote further bids on the Debtors' Assets.

Fiduciary Out

Nothing in these Global Bidding Procedures will require the board of directors, board of managers, or such similar governing body of a Debtor to take any action, or to refrain from taking any action, with respect to these Global Bidding Procedures, to the extent such board

of directors, board of managers, or such similar governing body reasonably determines in good faith, in consultation with outside counsel, that taking such action, or refraining from taking such action, as applicable, is required to comply with applicable law or its fiduciary obligations under applicable law.

Summary of Important Dates

Deadline	Stewardship Health & First Round Hospitals[4]	Second Round Hospitals[5] & Other Assets
Cure Notice Deadline[6]	Five (5) Business Days after Entry of Bidding Procedures Order	July 19, 2024
Cure Objection Deadline	10 Days after Service of Initial Cure Notice or, if applicable, 14 Days after Service of Supplemental Cure Notice	14 Days after Service of Initial Cure Notice or, if applicable, Supplemental Cure Notice*
Bid Deadline	June 24, 2024*	August 12, 2024*
Qualified Bid and Baseline Bid Designation Date	June 26, 2024*	August 13, 2024*
Auction[7]	June 27, 2024*	August 14, 2024*

[4] "**First Round Hospitals**" refers to all of the Debtors' Hospitals except for those in Florida and the four hospitals located in Texas, referred to as Odessa Regional Medical Center, Scenic Mountain Medical Center, Southeast Texas (Port Arthur), and Wadley Regional Medical Center.

[5] "**Second Round Hospitals**" refers to the Debtors' Hospitals in Florida and the four hospitals located in Texas, referred to as Odessa Regional Medical Center, Scenic Mountain Medical Center, Southeast Texas (Port Arthur), and Wadley Regional Medical Center.

[6] If (a) the Debtors identify (i) additional contracts or leases to be assumed and assigned to a Successful Bidder or (ii) modifications that need to be made to a proposed Cure Cost previously stated in a Cure Notice, or (b) a Successful Bidder designates any additional contracts or leases not previously included on a Cure Notice for assumption and assignment, the Debtors shall, after consultation with the Successful Bidder, as soon as practicable after the determination of the Successful Bidder, and in no event later than 14 days prior to the closing of the applicable Sale Transaction, file a Supplemental Cure Notice with the Court and serve such notice on the applicable Contract Counterparty.

[7] The Debtors shall serve and publish on the Kroll Website (as defined below) the Notice of the Auction Results (as defined below) within one (1) calendar day of the conclusion of the Auction.

Deadline	Stewardship Health & First Round Hospitals[4]	Second Round Hospitals[5] & Other Assets
Adequate Assurance Objection Deadline and Sale Objection Deadline[8]	July 8, 2024*	August 20, 2024*
Sale Hearing	July 11, 2024*	August 22, 2024*

**Or such earlier date with the consent of the Creditors' Committee, or later date designated by the Debtors, in each case after consultation with the Consultation Parties[9]*

Marketing Process

Assets to be Sold

All of the Debtors' Assets are available for sale. A party who is interested in purchasing any of the following categories of Assets, in whole or in part, may submit one or more bids to purchase such Assets (in addition to related Assets):

(A) the Stewardship Assets;

(B) the First Round Hospitals;

(C) the Second Round Hospitals; and/or

(D) the Other Assets.

A complete list of the Hospitals available for sale pursuant to these Global Bidding Procedures is annexed hereto as **Schedule 1**.

Access to Diligence

To participate in the diligence process and receive access to due diligence information with respect to any of the Assets, a party must submit to the Debtors or their advisors:

(A) an executed confidentiality agreement in form and substance satisfactory to the Debtors;

[8] To the extent the Debtors designate a Stalking Horse Bidder and serve the applicable Notice of Stalking Horse Bidder on the Sale Notice Parties (each as defined herein), the Sale Objection Deadline shall be the earlier of (i) 21 days following service of the Notice of Stalking Horse Bidder and (ii) the dates here listed.

[9] All consent rights of the Creditors' Committee hereunder shall not be unreasonably withheld, conditioned, or delayed.

(B) a statement and other factual support demonstrating, to the Debtors' satisfaction that the interested party has a *bona fide* interest in purchasing certain Assets;

(C) a description of the nature and extent of any due diligence the interested party wishes to conduct and the date in advance of the applicable Bid Deadline by which such due diligence can be completed; and

(D) sufficient information, as reasonably determined by the Debtors, to allow the Debtors, after consultation with the Consultation Parties, to reasonably determine that the interested party has, or can obtain, the financial wherewithal and any required internal corporate, legal, or other authorizations to close a Sale Transaction, including, but not limited to, current audited financial statements of the interested party, sources of fully committed debt and/or equity financing, or such other form of financial disclosure reasonably acceptable to the Debtors in their discretion.

An interested party shall be a "**Potential Bidder**" if the Debtors, after consultation with the Consultation Parties, determine in their reasonable discretion that an interested party has satisfied the above requirements. As soon as practicable, the Debtors will deliver to such Potential Bidder (i) an information package containing information and financial data with respect to the Assets in which such Potential Bidder has expressed an interest, (ii) a form of purchase agreement with respect to the Assets in which such Potential Bidder has expressed an interest, and (iii) access to the Debtors' confidential electronic data room concerning such Assets (the "**Data Room**").

As set forth in the Notice and Consultation Parties section hereto, in the event a Consultation Party is deemed a Potential Bidder, it shall no longer be a Consultation Party; provided, that if a member of the Creditors' Committee submits a Qualified Bid, the Creditors' Committee will continue to be a Consultation Party and have consultation rights and the applicable consent rights set forth herein; provided, that the Creditors' Committee shall exclude such member from any discussions or deliberations regarding the Sale of the Assets and shall not provide any confidential information regarding the sale of the Assets to such member.

Each Potential Bidder shall comply with all reasonable requests for information and due diligence access by the Debtors or their advisors regarding the ability of such Potential Bidder, as applicable, to consummate its contemplated transaction.

No Potential Bidder may, without the prior written consent of the Debtors, enter into any agreement, arrangement or understanding with any person (including any other Potential Bidder) (or make any offers or have any discussions which might lead to such agreement, arrangement or understanding) with respect to jointly participating in a potential Sale Transaction. No Potential Bidder shall, without the prior written consent of the Debtors, communicate with or share the Debtors' confidential information with any potential bidding partners or financing sources, or enter into any agreement, arrangement or understanding (or have any discussions which might lead to such agreement, arrangement or understanding), whether written or oral, with any actual or potential bidding partners or financing sources that could reasonably be expected to limit, restrict, restrain, or otherwise impair in any manner, directly or indirectly, the ability of such partners or financing sources to bid for the Debtors' assets or provide financing or other assistance to any

other person in any other possible transaction involving the Debtors. Except as provided herein, requests from Potential Bidders related to the Debtors' leases with Medical Properties Trust, Inc. ("**MPT**") shall be directed to the Debtors' advisors to coordinate with MPT. Unless the Debtors consent otherwise or as provided below, any meeting, correspondence, or discussions between MPT and a Potential Bidder shall require the participation or supervision of the Debtors' advisors.

Due Diligence

Until the conclusion of the Auction (as defined below), the Debtors will provide any Potential Bidder with reasonable access to the Data Room and any other additional information that the Debtors believe to be reasonable and appropriate under the circumstances. The Debtors will work to accommodate all reasonable requests for additional information and due diligence access from Potential Bidders.

(A) Any party interested in submitting a bid on Stewardship Health, or any of the following Hospitals, should contact the Debtors' investment banker, **Leerink Partners LLC** (Attn: Toby King (Email: ProjectSapphire@leerink.com)):

Florida
Coral Gables Hospital
Florida Medical Center
Hialeah Hospital
Melbourne Regional Medical Center
North Shore Medical Center
Palmetto General Hospital
Rockledge Regional Medical Center
Sebastian River Medical Center
Northern Massachusetts
Carney Hospital
Holy Family Haverhill Hospital
Holy Family Methuen Hospital
Nashoba Valley Medical Center
Saint Elizabeth's Medical Center

(B) Any party interested in submitting a bid on the following Hospitals should contact the Debtors' investment banker, **Cain Brothers** (Attn: Jim Moloney and David Morlock (Email: Project_Golden_Sun@keybank.com)):

Arizona
Florence Hospital
Mountain Vista Medical Center
Tempe St. Luke's Hospital

Arizona
St. Luke's Behavioral Health
Arkansas
Wadley Regional Medical Center at Hope
Louisiana
Glenwood Regional Medical Center
Ohio
Hillside Rehabilitation Hospital
Trumbull Regional Medical Center
Pennsylvania
Sharon Regional Medical Center
Southern Massachusetts
Good Samaritan Medical Center
Morton Hospital
Saint Anne's Hospital
Texas
Odessa Regional Medical Center
Scenic Mountain Medical Center
Southeast Texas (Port Arthur)
St. Joseph's Medical Center
Wadley Regional Medical Center

(C) Any party interested in submitting a bid on any Other Asset should contact proposed counsel to the Debtors, **Weil, Gotshal & Manges LLP** ("**Weil**") (Attn: Ray C. Schrock, Candace M. Arthur, David J. Cohen (Email: Ray.Schrock@weil.com, Candace.Arthur@weil.com, DavidJ.Cohen@weil.com)).

Unless otherwise determined by the Debtors, the availability of additional due diligence to a Potential Bidder will cease if (i) the Potential Bidder does not become a Qualified Bidder or (ii) these Global Bidding Procedures are terminated.

Neither the Debtors nor any of their representatives shall be obligated to furnish any information of any kind whatsoever relating to the Assets (i) to any person or entity who (a) is not a Potential Bidder or a Consultation Party, (b) who does not comply with the participation requirements set forth above, or (c) in the case of competitively sensitive information, is a competitor of the Debtors (except pursuant to "clean team" or other information sharing procedures reasonably satisfactory to the Debtors); provided, that the Debtors shall give notice to the Consultation Parties of any person that they have designated as a competitor of the Debtors and restricted access to information as a result or (ii) to the extent not permitted by law.

Without the written consent of the Debtors, no Potential Bidder shall, directly or indirectly, initiate, solicit or maintain contact or otherwise engage in any communication with any director, officer, current or former employee of the Debtors or their affiliates, equityholders, affiliates, creditors, suppliers, distributors, vendors, customers, providers, agents, regulators, landlords or other commercial counterparty of the Debtors regarding the Debtors or their business, financial condition, operations, strategy, prospects, assets or liabilities or concerning any confidential information of the Debtors or any potential Sale Transaction or other transaction involving the Debtors.

Designation of Stalking Horse Bidders

Designation of Stalking Horse Bidders

In connection with the sale of the Assets, the Debtors, after consultation with the Consultation Parties, and subject to the notice and approval provisions set forth in paragraphs 4-11 of the Bidding Procedures Order, may, but are not obligated to, designate one or more Stalking Horse Bidders (and each such bidder's bid, a "**Stalking Horse Bid**") for one or more of the Assets (each such group of Assets, a "**Stalking Horse Package**") and offer each such Stalking Horse Bidder certain bid protections (the "**Stalking Horse Bid Protections**"), including a break-up fee and reimbursement of reasonable and documented out-of-pocket expenses subject to a reasonable cap (collectively, a "**Termination Payment**") as set forth in the applicable asset purchase agreement executed by the Debtors and the applicable Stalking Horse Bidder (each, a "**Stalking Horse Agreement**"); provided, that all Termination Payments must be negotiated by the Debtors, after consultation with the Consultation Parties, and no break-up fee shall, other than with a further Bankruptcy Court order or the written consent of the Consultation Parties (not to be unreasonably withheld, conditioned, or delayed), exceed three percent (3%) of the purchase price (including the value of assumed liabilities) in the applicable Stalking Horse Bid and the total expense reimbursement shall be subject to a reasonable cap to be agreed between the Debtors (after consultation with the Consultation Parties) and the applicable Stalking Horse Bidder.

In the event that the Debtors, after consultation with the Consultation Parties, determine to designate a Stalking Horse Bidder, the Debtors shall promptly upon execution of a Stalking Horse Agreement, file with the Bankruptcy Court, serve on the Sale Notice Parties (as defined in the Motion), and cause to be published on the website maintained by Kroll Restructuring Administration LLC, the Debtors' claims and noticing agent in these chapter 11 cases, located at https://restructuring.ra.kroll.com/Steward (the "**Kroll Website**"), a notice that contains information about the Stalking Horse Bidder and the Stalking Horse Bid, including the proposed Stalking Horse Bid Protections, and attaches the proposed Stalking Horse Agreement (the "**Notice of Stalking Horse Bidder**").

Objections to and Approval of Designation of Stalking Horse Bidder

Any objections (each, a "**Stalking Horse Objection**") to the designation of a Stalking Horse Bidder, including any Stalking Horse Bid Protections to be provided pursuant to the terms and provisions of a Stalking Horse Agreement, must (a) be in writing; (b) comply with the Bankruptcy Code, the Bankruptcy Rules, and the Bankruptcy Local Rules; (c) state, with specificity, the legal and factual bases thereof; and (d) be filed with the Bankruptcy Court and

served on the Objection Notice Parties (as defined herein) within three (3) calendar days after service of the applicable Notice of Stalking Horse Bidder.

If a timely Stalking Horse Objection is filed and served in accordance with the preceding paragraph, the proposed designation of a Stalking Horse Bidder and Stalking Horse Bid Protections will not be approved until either the Stalking Horse Objection is resolved by agreement of the objecting party and the Debtors after consultation with the Consultation Parties or by order of the Bankruptcy Court following a hearing on an expedited basis.

If no timely Stalking Horse Objection is filed and served with respect to a Stalking Horse Agreement in accordance with these Global Bidding Procedures, the Debtors shall file a Certificate of No Objection and submit a proposed order approving the Stalking Horse Bid Protections to the Bankruptcy Court.

For all purposes under these Global Bidding Procedures, a Stalking Horse Bidder approved as such in accordance with the Bidding Procedures Order shall be a Qualified Bidder, and its Stalking Horse Bid shall be considered a Qualified Bid. Subject to the other provisions of these Global Bidding Procedures, in the event that a Stalking Horse Bid is the only Qualified Bid received by the Debtors in respect of the Assets included in a Stalking Horse Package by the applicable Bid Deadline (as defined below), the Stalking Horse Bidder may be declared the Successful Bidder.

Auction Qualification Procedures

Bid Deadlines

A Potential Bidder that desires to make a bid shall deliver electronic copies of its bid to the Bid Notice Parties (as defined herein) so as to be received no later than the following deadlines (each, a "**Bid Deadline**"):[10]

Assets	Bid Deadline
Stewardship Assets	June 24, 2024 at 5:00 p.m. (prevailing Central Time)
First Round Hospitals	June 24, 2024 at 5:00 p.m. (prevailing Central Time)
Second Round Hospitals	August 12, 2024 at 5:00 p.m. (prevailing Central Time)
Other Assets	August 12, 2024 at 5:00 p.m. (prevailing Central Time)

provided, that the Debtors may, after consultation with the Consultation Parties, extend one or more of the Bid Deadlines for any reason whatsoever, in their reasonable business judgment, for all or certain Potential Bidders, without further order of the Bankruptcy Court, subject to providing notice to the Stalking Horse Bidder (as applicable), all Potential Bidders, and the Consultation Parties.

[10] Or such earlier date with the consent of the Creditors' Committee, or such later date designated by the Debtors, in each case after consultation with the Consultation Parties.

Any party that does not submit a bid by the applicable Bid Deadline will not be allowed to (i) submit any offer after such deadline for the applicable Assets or (ii) participate in the Auction for the applicable Assets; provided, that the foregoing shall not preclude the Debtors from marketing to any person or auctioning, or any parties from bidding on, any Assets not included in an Auction after the applicable Bid Deadline.

Communications with Potential Bidders

There must be no communications between and amongst Potential Bidders or between Potential Bidders and the Consultation Parties regarding the Debtors unless the Debtors have previously authorized such communication in writing; provided, that Potential Bidders' professionals may communicate with the Creditors' Committee's professionals, in each case, other than communications regarding the Bids, potential Bids or the terms thereof, or the Sale Transactions, or communications of Confidential Information of the Debtors. The Debtors shall have the right, in their reasonable business judgment, to disqualify any Potential Bidder(s) that have communications between and amongst themselves or with the Consultation Parties (other than communications with the Creditors' Committee's professionals permitted under the preceding sentence) unless the Debtors have previously authorized such communication in writing.

Further, to the extent a known Potential Bidder seeks to communicate with the Creditors' Committees' professionals about matters unrelated to Bids, potential Bids, or the terms thereof, or the Sale Transactions, or communications of Confidential Information of the Debtors, the Creditors' Committee's professionals shall promptly notify the Debtors' professionals and provide the Debtors' professionals an opportunity to participate.

The MPT Lessors (as defined below) are authorized to discuss and negotiate directly with any Potential Bidder regarding the treatment of any lease pertaining to the real estate owned by MPT Lessors underlying the applicable Hospital or Hospitals ("**MPT Real Property**"), provided as follows:

(A) MPT Lessors shall provide substantially concurrent copies to Cain and Leerink of any offers sent to or received from a Potential Bidder with whom an MPT Lessor has entered into a nondisclosure agreement with respect to the disposition (including, for the avoidance of doubt, the sale or lease) of MPT Real Property, including, for the avoidance of doubt, any offers prior to the Petition Date or the entry of the Bidding Procedures Order since the Debtors launched the prepetition marketing process for their Hospitals;

(B) Cain and Leerink shall be permitted to share information received under clauses (A), (C), and (D) with the Debtors professional advisors on a "professional eyes only" basis, and brief the Transformation Committee regarding such information on a confidential basis;

(C) MPT Lessors shall provide Cain, Leerink, and the Creditors' Committee's professionals a weekly summary of all material conversations with Potential Bidders, which such summary may be through telephonic means, as well as a written log of Potential Bidders communicated with and which may be discussed

by the Debtors' and Creditors' Committee's professionals (in each case on a "professional eyes only" basis);

(D) MPT Lessors will provide reasonable advance notice to the Debtors of any scheduled or outbound substantive call with a Potential Bidder of any Hospitals and the Debtors may include up to two professionals from Cain or Leerink, as applicable, as observers at such call;

(E) Leerink and Cain shall not share or disclose any information learned during the scheduled calls with any Potential Bidder;

(F) to the extent that a party-in-interest seeks discovery with respect to the proposals, summaries and information disclosed in conversations in clauses (B), (C) and (D), the Debtors and the Creditors' Committee shall reasonably cooperate with the MPT Lessors to seek a protective order with respect to commercially sensitive information;

(G) clauses (A) through (F) shall only apply to operating Hospitals and not with respect to any closed Hospitals or Hospitals under development or construction that are not listed in these Global Bidding Procedures.[11]

Nothing herein shall prohibit a Potential Bidder from discussing the Employee Obligations provisions of a Bid (as described below) with a collective bargaining representative of the employees of a Hospital it seeks to acquire or a pension plan whose participants are covered by a collective bargaining agreement (a "**CBA**"), solely to the extent that Weil, on behalf of the Debtors, consents in writing to such communication, which consent shall not be unreasonably withheld with respect to 1199SEIU United Healthcare Workers East, the Massachusetts Nurses Association, the Ohio Nurses Association, Service Employees International Union District 1199 WV/KY/OH, and Ohio Counsel 8 of the American Federation of State, County and Municipal Employees and its constituent Locals 2026, 2288 and 2804 (collectively, the "**Unions**"), and the Nurses & Local 813 IBT Retirement Plan (the "**Pension Plan**"); provided, that to the extent the Debtors withhold such consent in a reasonable exercise of their business judgment, the Unions and Pension Plan will not assert that withholding such consent was unreasonable.

Form and Content of Qualified Bids

A "**Bid**" as used herein is a signed binding document from a Potential Bidder received by the applicable Bid Deadline that identifies the purchaser by its legal name (including any equity holders or other financial backers, if the Potential Bidder is an entity formed for the purpose of submitting bids or consummating a Sale Transaction), and any other party that will be participating in connection with the bid or the Sale Transaction, and includes, at a minimum, the following information:

[11] Subject to the DIP Order, all parties' rights are reserved with respect to the treatment of the Debtors' leases with MPT Lessor and claims arising therefrom, and nothing in these Global Bidding Procedures constitutes a waiver of any parties' rights, claims or defenses in respect thereof.

(A) Purpose; Proposed Assets and Liabilities. Each Qualified Bidder must state that the Bid includes an irrevocable and binding offer by the Qualified Bidder to purchase some or all of the Assets (identified with specificity). Each Bid must clearly identify and list the particular assets and liabilities of the Debtors that the Potential Bidder seeks to acquire or assume, respectively, whether individually or in combination, including any contracts or leases and applicable Cure Costs to be assumed, if any. If the Bid includes the acquisition of more than one Hospital or multiple assets of the Debtors, the Bid must clearly state the allocation of the purchase price among the Hospitals (or such other assets).

(B) Proposed APA or Investment Agreement. Other than for any Chapter 11 Plan Bid, each Bid must include a duly executed, non-contingent asset purchase agreement reflecting the terms and conditions of the Bid, which agreement must be marked to show any proposed amendments and modifications to the form of purchase agreement posted by the Debtors in the Data Room, and shall include all schedules and exhibits thereto (the "**Proposed APA**"). For the avoidance of doubt, a "conceptual" or "issues list"-style markup of the form asset purchase agreement would not satisfy this requirement. The bid documents shall also include a schedule of any contracts and leases that the Qualified Bidder intends to assume. Notwithstanding the foregoing, the Qualified Bidder will not be able to later add any contracts and leases to such schedule without the prior written consent of the Debtors. Each Chapter 11 Plan Bid must be accompanied by a duly executed, non-contingent investment agreement, signed by an authorized representative of such bidder, pursuant to which the bidder proposes to effectuate the Chapter 11 Plan Transaction, in the form of a recapitalization transaction effectuated pursuant to a chapter 11 plan of reorganization, and must provide for a fully-committed investment of capital.

(C) Treatment of MPT Real Property. To the extent the real property underlying one or more of the Debtors' Hospitals that the Potential Bidder seeks to acquire is owned by MPT Operating Partnership, L.P. or one or more of its affiliates (as applicable, individually or collectively, "**MPT Lessor**") and is subject to a lease in favor of one of the Debtors, the Bid must indicate the proposed treatment of such real property and proposed terms of an agreement with MPT Lessor. Such proposed treatment and proposed terms may include, but is not limited to, the following: (i) the severance of the applicable real property from its current master lease, followed by the Debtors' assumption and assignment of such severed lease; (ii) the partial termination of the master lease with respect to the applicable real property and the execution of a new lease with respect thereto; or (iii) the Potential Bidder's purchase of the applicable real property.

(D) Unconditional Offer; No Financial Contingency. A statement that the Bid is formal, binding, and unconditional (except for those conditions expressly set forth in the applicable Proposed APA), is not subject to any due diligence, internal approvals or financing contingency, and is irrevocable until the first business day following the closing of the proposed Sale Transaction, except as otherwise provided in these Global Bidding Procedures. To the extent that a Bid is not (1)

accompanied by evidence of the Potential Bidder's capacity to consummate the Sale Transaction set forth in its Bid with cash on hand (or other immediately available cash) or (2) a Credit Bid, each Bid must include committed financing documented to the Debtors' satisfaction, that demonstrates that the Potential Bidder has received sufficient debt and/or equity funding commitments to satisfy the Potential Bidder's purchase price and other obligations under its Bid, and provide adequate assurance of future performance under contracts and leases proposed to be assumed by such Bidder, which may include the Potential Bidder's ability to comply with applicable statutory and regulatory requirements. Such funding commitments or other financing must be unconditional and must not be subject to any internal approvals, syndication, requirements, diligence, or credit committee approvals, and shall have covenants and conditions acceptable to the Debtors.

(E) Form of Consideration.

(i) All-Cash Offer. Unless the Bid includes a Credit Bid (as described below), a statement confirming that the Bid is based on an all-cash offer, including, (x) in the case of a bid for all or any part of a Stalking Horse Package, sufficient cash consideration to pay the applicable Termination Payment and to meet the applicable Minimum Overbid Amount (as defined herein) and (y) subject to any successful Challenge (as defined in the DIP Order (as defined below)), and unless the Court for cause orders otherwise, to the extent that a Credit Bid is submitted with respect to any Assets subject to such Bid, sufficient cash consideration earmarked for the acquisition of such Assets in an amount equal to or greater than the amount of the Credit Bid; provided, that any bid that includes a Credit Bid shall also include a cash component sufficient to pay, and earmarked exclusively for the payment of, any applicable Termination Payment and all obligations secured by senior liens on the applicable Assets. A Bid that contemplates a sale of less than all of the Assets but includes multiple segments or groups of Assets must contain sufficient information to allow the Debtors to determine an allocation of value among each segment or group of Assets (including, as applicable, by allocating the purchase price among each of the Assets that the Qualified Bidder intends to acquire).

(ii) Credit Bidding. In connection with the sale of all or a portion of the Assets, a person or entity may seek to credit bid all or a portion of their secured claims for their respective collateral (each such bid, a "**Credit Bid**") pursuant to section 363(k) of the Bankruptcy Code; provided, that the Credit Bid shall include cash consideration sufficient to pay in full all claims for which there are valid, perfected, and unavoidable liens on any Assets included in such Bid that are senior in priority to those of the party seeking to Credit Bid (unless such senior lien holder consents to alternative treatment) and complies with any orders of the Bankruptcy Court approving debtor-in-possession financing or use of cash collateral, and if for any portion of a Stalking Horse Package, an amount sufficient to pay the applicable Termination Payment. Notwithstanding anything to the contrary

herein, a Credit Bid shall be subject in all respects to any Challenge as to the validity or enforceability of any liens or security against such collateral subject to such Credit Bid. A Credit Bid without any cash consideration shall not require a Deposit (as defined herein) or a commitment for financing.

(F) Purchase Price; Minimum Bid.

(i) Stalking Horse Assets. Except as otherwise provided herein, each Bid submitted in connection with a Stalking Horse Package must (a) exceed the cash purchase price, the applicable Termination Payment, and any Minimum Overbid Amount set by the Debtors, or (b) otherwise propose an alternative transaction that provides higher or better terms than the Stalking Horse Bid, as applicable (as determined by the Debtors after consultation with the Consultation Parties).

(ii) Bids for Individual Assets or Combination of Assets. Bidders may submit Bids for individual Assets or combinations of Assets that do not comprise an entire Stalking Horse Package, whether or not any such Assets are included in the applicable Stalking Horse Package (each, a "**Partial Bid**"). The Debtors will determine, after consultation with the Consultation Parties, whether such Bids qualify as Qualified Bids. Generally, to be considered a Qualified Bid, the Debtors, after consultation with the Consultation Parties, must conclude that a Partial Bid, when taken together with other Partial Bids, satisfies the criteria for being a Qualified Bid with respect to the Stalking Horse Package.

If a Bid includes one or more Assets already included in a Stalking Horse Package, but does not include all of the Assets included in such Stalking Horse Package, such Bid will not be considered to be a "Qualified Bid" unless (a) the Debtors receive one or more Bids for the remaining Assets in such Stalking Horse Package that, in combination with one or more other Bids for other assets proposed to be acquired in the Stalking Horse Package, constitute a higher or better bid than the applicable Stalking Horse Bid; or (b) the Partial Bid includes less than all of the Assets in such Stalking Horse Package but proposes a purchase price allocable to such Assets that, together with the liquidation or alternative value of any Assets in such Stalking Horse Package not included in the Partial Bid, constitutes a higher or better Bid than the applicable Stalking Horse Bid.

(G) Employee Obligations. Each Bid must indicate whether the Potential Bidder intends to hire all of the employees of each Hospital it seeks to acquire and whether it intends to assume liability for accrued paid time off (including, but not limited to, vacation, holiday, sick and personal time) with respect to those employees. Each Bid must also indicate the Potential Bidder's treatment of health, welfare and retirement plans not otherwise incorporated in a CBA in which the employees of each Hospital it seeks to acquire participate. Each Bid must also indicate whether

the Potential Bidder seeks not to assume each CBA covering employees of each Hospital it seeks to acquire. To the extent that the Potential Bidder does not intend to assume a CBA or modify such CBA, the Potential Bidder should include an agreement to use good faith efforts to cooperate with the Debtors in ensuring compliance with all applicable law, including the provisions and requirements of sections 1113 and 1114 of the Bankruptcy Code.

(H) Required Approvals. A statement or evidence (i) that the Potential Bidder has made or will make in a timely manner all necessary filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, if applicable ("**HSR Filings**"), and any other antitrust law, and pay the fees associated with such filings, (ii) that the Potential Bidder has made or will make in a timely manner all necessary filings under any applicable healthcare regulatory law, rule, or regulation, and pay the fees associated with such filings, and (iii) of the Potential Bidder's plan and ability to obtain all other governmental and regulatory approvals (or exemptions or waivers thereof) (collectively, the "**Regulatory Approvals**") to consummate the applicable Sale Transaction and operate the business and the Assets included in its Bid from and after closing the applicable Sale Transaction and the proposed timing for the Potential Bidder to undertake the actions required to obtain such Regulatory Approvals. A Potential Bidder further agrees (i) that with respect to the Hospitals, it will consider in good faith a transition services agreement during the period pending Regulatory Approvals and (ii) that its legal counsel will coordinate in good faith with Debtors' legal counsel to discuss and explain Potential Bidder's regulatory analysis, strategy, and timeline for securing all such Regulatory Approvals as soon as reasonably practicable, and in no event later than the time period contemplated in the Proposed APA. To the extent the Debtors, after consultation with the Consultation Parties, are not satisfied with a Potential Bidder's ability to secure Regulatory Approvals for a Sale Transaction on a timely basis in the context of these chapter 11 cases and the Debtors' business needs, the Debtors shall have the right, in their reasonable judgment, to disqualify any such Potential Bidder(s).

(I) No Entitlement to Expense Reimbursement or Other Amounts. Except as provided with respect to a Stalking Horse Bidder in a Stalking Horse Agreement, (i) a statement that the Bid does not entitle the Potential Bidder to any breakup fee, termination fee, expense reimbursement, or similar type of payment or reimbursement and (ii) a waiver of any substantial contribution administrative expense claim under section 503(b) of the Bankruptcy Code related to bidding for the Assets.

(J) Adequate Assurance Information. Each Bid must contain such financial and other information that allows the Debtors to make a reasonable determination as to the Potential Bidder's financial and other capabilities to consummate the applicable Sale Transaction, including, without limitation, such financial and other information setting forth adequate assurance of future performance under section 365(f)(2)(B) of the Bankruptcy Code, and the Potential Bidder's ability to perform under any contracts or leases that are assumed and assigned to the Potential Bidder

(the "**Adequate Assurance Information**"). Adequate Assurance Information may, but shall not be required to, include (i) a corporate organizational chart or similar disclosure identifying ownership and control of the proposed assignee of the applicable contracts and leases; (ii) financial statements, tax returns, and annual reports; (iii) any financial projections, calculations, and/or financial pro-formas prepared in contemplation of purchasing Hospitals; (iv) the number of Hospitals the proposed assignee operates and all trade names that the proposed assignee uses; (v) the proposed assignee's experience in healthcare and in operating hospitals; and (vi) a contact person for the proposed assignee.

(K) Designation of Contracts and Leases. Each Bid must identify with particularity each and every contract and lease, the assumption and, as applicable, assignment of which is a condition to closing the applicable Sale Transaction, which list may not be amended to add or remove any contracts or leases without the consent of the Debtors.

(L) Representations and Warranties. Each Bid must include the following representations and warranties:

(i) a statement that the Potential Bidder has had an opportunity to conduct any and all due diligence regarding the applicable Assets prior to submitting its Bid;

(ii) a statement that the Potential Bidder has relied solely upon its own independent review, investigation, and/or inspection of any relevant documents and the assets in making its Bid and did not rely on any written or oral statements, representations, promises, warranties, or guaranties whatsoever, whether express or implied, by operation of law or otherwise, regarding the Assets or the completeness of any information provided in connection therewith, except as expressly stated in the representations and warranties contained in the Potential Bidder's Proposed APA ultimately accepted and executed by the Debtors;

(iii) a statement that the Potential Bidder agrees to serve as Back-Up Bidder (as defined herein), if its Bid is selected as the next highest or next best bid after the Successful Bid with respect to the applicable Assets, until the Back-Up Bid Termination Date (as defined herein) or as otherwise agreed to by the Debtors after consultation with the Consultation Parties;

(iv) a statement that the Potential Bidder has not engaged in any collusion with respect to the submission of its Bid;

(v) a statement that all proof of financial ability to consummate a Sale Transaction in a timely manner and all information provided to support adequate assurance of future performance is true and correct; and

(vi) a statement that the Potential Bidder agrees to be bound by the terms of these Global Bidding Procedures.

A Potential Bidder must also accompany its Bid with:

(A) a Deposit (as defined herein);

(B) the contact information of the specific person(s) whom the Debtors or their advisors should contact in the event that the Debtors have any questions or wish to discuss the bid submitted by the Potential Bidder;

(C) written evidence of available cash, a commitment for financing (not subject to any conditions), and such other evidence of ability to consummate the transaction contemplated by the applicable Proposed APA, which must be acceptable to the Debtors in their business judgment, including a description of each investor and any additional party or parties investing in the transaction included in the applicable bid and such party's financial position;

(D) a copy of a board resolution or similar document demonstrating the authority of the Potential Bidder to make a binding and irrevocable bid on the terms proposed and to consummate the transaction contemplated by the Proposed APA;

(E) a covenant to cooperate with the Debtors to provide pertinent factual information regarding the Potential Bidder's operations reasonably required to analyze issues arising with respect to any applicable antitrust laws, healthcare regulations, and other applicable regulatory requirements;

(F) in the case of a Bid for any Stalking Horse Package, if the value of the Bid relative to the applicable Stalking Horse Agreement includes additional non-cash components (such as fewer contingencies than are in the applicable Stalking Horse Agreement), a detailed analysis of the value of any additional non-cash component of the Bid and back-up documentation to support such value; and

(G) a signed asset purchase agreement, or if the Bid includes an asset purchase agreement or plan investment agreement that is not executed, a signed statement that such Bid is irrevocable until the first business day following the closing or closings of the applicable Sale Transaction.

The submission of a Bid by the applicable Bid Deadline shall constitute a binding and irrevocable offer to acquire the Assets reflected in such Bid.

Deposit

To qualify as a Qualified Bid (as defined herein), each Bid (other than any Credit Bid) must be accompanied by a good faith cash deposit in the amount of ten percent (10%) of the proposed purchase price (such amount or such other amount as the Debtors determine, in consultation with the Consultation Parties, the "**Deposit**"), to be deposited by transfer of immediately available funds to an account identified by the Debtors, prior to the applicable Bid Deadline, with an escrow agent selected by the Debtors (the "**Escrow Agent**") pursuant to the escrow agreement to be provided by the Debtors to the Potential Bidders (the "**Escrow Agreement**").

To the extent a Qualified Bid is increased at or prior to the Auction, the Qualified Bidder must adjust its Deposit so that it equals ten percent (10%) of the purchase price proposed to be paid for each of the Assets.

Review of Bids and Designation of Qualified Bidders

The Debtors will deliver, as soon as possible, but in no event later than one (1) business day after receipt thereof, copies of all Bids to the Consultation Parties, including any sealed bids, and will reasonably promptly notify the Consultation Parties of any determination by the Debtors as to whether any such Bid is not a Qualified Bid. A bid received for the Assets that is determined by the Debtors, after consultation with the Consultation Parties, to meet the requirements set forth in the preceding section will be considered a "**Qualified Bid**," and any Stalking Horse Bidder and any bidder that submits a Qualified Bid (including any Stalking Horse Bid) will be considered a "**Qualified Bidder**."

The Debtors may, after consultation with the Consultation Parties, amend or waive any one or more of the conditions precedent to being a Qualified Bidder at any time (provided that without the consent of MPT (not to be unreasonably withheld, conditioned, or delayed) the Debtors may not waive the requirements of a Bid under the heading "Treatment of MPT Real Property"), in their reasonable business judgment, in a manner consistent with their fiduciary duties and applicable law, and may engage in negotiations with Potential Bidders who submitted Bids complying with the preceding section as the Debtors deem appropriate in the exercise of their business judgment, based upon the Debtors' evaluation of the content of each Bid.

The Debtors will evaluate timely submitted bids, after consultation with the Consultation Parties, and may take into consideration the following non-binding factors:

(A) the amount of the purchase price, Credit Bid, and/or form of consideration, as applicable, set forth in the Bid;

(B) the Assets included in or excluded from the Bid;

(C) the value to be provided to the Debtors under the Bid for the Assets included therein (individually and in the aggregate), including the net economic effect upon the Debtors' estates after the payment of any applicable Termination Payment;

(D) any benefit to the Debtors' bankruptcy estates from any assumption or waiver of liabilities, including through a Credit Bid;

(E) the transaction structure and execution risk, including conditions to, timing of, and certainty of closing, termination provisions, availability of financing and financial wherewithal to meet all commitments, cost to the Debtors' bankruptcy estates to pursue such transaction, and required governmental or other approvals;

(F) the impact on employees and employee claims against the Debtors, CBAs, pension plans, and claims arising under or in relation to CBAs and pension plans;

(G) the impact on patients, trade suppliers, creditors, and landlords;

(H) the impact on other Sale Transactions; and

(I) any other factors the Debtors may reasonably deem relevant, after consultation with the Consultation Parties.

The Debtors, after consultation with the Consultation Parties, will make a determination regarding which bids qualify as Qualified Bids, and will notify Potential Bidders whether they have been selected as Qualified Bidders by no later than the following dates (the applicable date, the "**Qualified Bid Designation Date**"):[12]

Assets	Qualified Bid Designation Date
Stewardship Assets	June 26, 2024
First Round Hospitals	June 26, 2024
Second Round Hospitals	August 13, 2024
Other Assets	August 13, 2024

The Debtors reserve the right to work with any Bidder in advance of the Auctions to cure any deficiencies in a Bid that is not initially deemed a Qualified Bid. The Debtors may, after consultation with the Consultation Parties, accept a single Bid or multiple Bids for non-overlapping Assets such that, if taken together, would otherwise meet the standards for a single Qualified Bid as to a Stalking Horse Package, or any Assets or combination of Assets that the Debtors determine to auction (in which event those multiple bidders may be treated by the Debtors as a single Qualified Bidder for purposes of the applicable Auction). If a Bid is received and, in the Debtors' judgment, after consultation with the Consultation Parties, it is not clear whether the Bid is a Qualified Bid, the Debtors may consult with the Potential Bidder and seek additional information in an effort to establish whether or not the Bid is a Qualified Bid, or to cause such Bid to be a Qualified Bid.

In addition to any information rights of the Consultation Parties set forth herein or in another order of the Bankruptcy Court, solely to the extent provided in the DIP Order (or any subsequent order governing DIP financing or the use of cash collateral), the Debtors shall keep the Consultation Parties informed regarding material discussions and negotiations with bidders, including, without limitation, providing the Consultation Parties with copies of any proposal, offer, or indication of interest.

Any Stalking Horse Bidder shall be a Qualified Bidder and any Stalking Horse Bid shall be a Qualified Bid as to the applicable Stalking Horse Package.

Subject to any successful Challenge or if the Bankruptcy Court determines for "cause" that a Potential Bidder cannot credit bid, any Qualified Bidder who has a valid and perfected lien on any assets of the Debtors' estates and the right under applicable non-bankruptcy law to credit bid claims secured by such liens, shall have the right to credit bid all or a portion of

[12] Or such earlier date with the consent of the Creditors' Committee, or later date designated by the Debtors, in each case after consultation with the Consultation Parties.

the value of such Qualified Bidder's claims pursuant to section 363(k) of the Bankruptcy Code with respect to the collateral by which such Qualified Bidder's claim is secured.

Failure to Receive a Qualified Bid

If no Qualified Bid for any Hospital is received by the applicable Bid Deadline (or, after consultation with the Consultation Parties, prior to the applicable Bid Deadline), (i) the Debtors will not conduct the Auction for such Hospital and shall file and serve a notice indicating that no Qualified Bid has been received with respect to such Hospital, and (ii) the Debtors, after consultation with the Consultation Parties, shall be entitled to seek approval of other alternatives with respect to the disposition of such Hospitals on an expedited basis, including closure or the applicable MPT Lessor appointing an interim replacement operator for such Hospital on terms mutually acceptable to the Debtors and the MPT Lessor.[13]

Pre-Auction Procedures

Determination and Announcement of Baseline Bids

After consultation with the Consultation Parties, the Debtors shall make a determination regarding:

(A) the Assets to be auctioned by the Debtors, including any Stalking Horse Package (each, an "**Auction Package**");

(B) the highest or best Qualified Bid (or collection of Qualified Bids) determined for each Auction Package (each, a "**Baseline Bid**," and such bidder or group of bidders, a "**Baseline Bidder**") to serve as the starting point at the Auction for such Auction Package (which may or may not be the Stalking Horse Bidder for such Auction Package);

(C) which Bids have been determined to be Qualified Bids and the Auction Package applicable to such Qualified Bid; provided, that the Debtors may permit a Qualified Bidder to bid on any other Auction Package; and

(D) the time and place for the Auction of each Auction Package.

By the applicable Qualified Bid Designation Date, the Debtors shall file notice of the foregoing on the Bankruptcy Court's docket and publish such notice on the Kroll Website and in the Data Room. As soon as practicable, but no later than the commencement of the Auction, the Debtors will provide copies of each Baseline Bid to the Consultation Parties.

Between the date the Debtors notify a Potential Bidder that it is a Qualified Bidder and the Auction, the Debtors may discuss, negotiate or seek clarification of any Qualified Bid from a Qualified Bidder. Without the written consent of the Debtors (after consultation with the Consultation Parties), a Qualified Bidder may not modify, amend or withdraw its Qualified Bid,

[13] For the avoidance of doubt, the closure of, or appointment of an interim replacement manager for, any Hospital shall be subject to approval of the Bankruptcy Court.

except for proposed amendments to increase the purchase price or otherwise improve the terms of its Qualified Bid, which will then become a binding and irrevocable offer, during the period that such Qualified Bid remains binding as specified herein; provided, that any Qualified Bid may be improved at the Auction as set forth herein.

Except as provided in the Stalking Horse Agreement, the Debtors are under no obligation to (i) select any Baseline Bid or (ii) conduct separate Auctions for any Assets, whether before or after selecting a Baseline Bid. Notwithstanding anything to the contrary contained herein, the Debtors may elect, in their reasonable discretion, and after consultation with the Consultation Parties, to adjourn any Auction.

Failure to Receive Two or More Qualified Bids

If no Qualified Bid for any Stalking Horse Package other than the applicable Stalking Horse Bid is received by the applicable Bid Deadline, the Debtors will not conduct the Auction for such Stalking Horse Package, and shall file and serve a notice indicating that the Auction has been cancelled with respect to such Stalking Horse Package, that the applicable Stalking Horse Bidder is the Successful Bidder as to such Stalking Horse Package, and setting forth the date and time of the Sale Hearing.

With respect to Assets not included in any Stalking Horse Package, if only one Qualified Bid is received by the Bid Deadline for Assets that are not the subject of another Qualified Bid, the Debtors will not conduct an Auction with respect to such Assets and shall file and serve a notice with the Bankruptcy Court indicating that no Auction will be held with respect to such Assets and the Qualified Bidder will be named the Successful Bidder for such Assets. The Debtors have authority to decide, after consultation with the Consultation Parties, whether or not to proceed with an Auction based on the Bids received.

Except as provided in a Stalking Horse Agreement, nothing herein shall obligate the Debtors to consummate or pursue any transaction with a Qualified Bidder.

Auction Procedures

If there are two or more Qualified Bids for an Auction Package, the Debtors shall conduct an Auction with respect to such Qualified Bids. The Auctions, if required, shall be scheduled on the following dates:[14]

Assets	Auction
Stewardship Assets	June 27, 2024 at 10:00 a.m. (prevailing Central Time)
First Round Hospitals	June 27, 2024 at 10:00 a.m. (prevailing Central Time)
Second Round Hospitals	August 14, 2024 at 10:00 a.m. (prevailing Central Time)
Other Assets	August 14, 2024 at 10:00 a.m. (prevailing Central Time)

[14] Or such earlier date with the consent of the Creditors' Committee, or later date designated by the Debtors, in each case after consultation with the Consultation Parties.

The Auctions shall be conducted at (i) the offices of Weil, 767 Fifth Avenue, New York, NY 10153, or (ii) virtually, pursuant to procedures to be announced to bidders, or (iii) such other time and place as the Debtors, after consultation with the Baseline Bidder and the Consultation Parties, may notify Qualified Bidders who have submitted Qualified Bids. Only a Qualified Bidder will be eligible to participate at an Auction, subject to such limitations as the Debtors may impose in good faith, after consultation with the Consultation Parties. Professionals and/or other representatives of the Consultation Parties will be permitted to attend and observe an Auction.

Professionals and representatives of any union or pension plan shall be entitled to attend and observe any Auction at which a Hospital where the union members work or where pension plan participants are covered by a CBA is being auctioned so long as such parties provide written notice of their intent to attend the Auction at least one (1) business day prior to the Auction, which written notice shall be sent to proposed counsel for the Debtors via electronic mail. Prior to any Auction for a Hospital which employs members of the Unions and/or where Pension Plan participants are covered by a CBA, the Debtors shall share with counsel to the Unions and Pension Plan any portion of the applicable Baseline Bid which specifies the treatment of CBAs and pension plans, subject to the terms of any confidentiality agreement.

At any Auction, Qualified Bidders (including any Stalking Horse Bidder) will be permitted to increase their bids. For each Baseline Bid, bidding will start at the purchase price and terms proposed in the applicable Baseline Bid, and will proceed thereafter in increments to be determined by the Debtors and announced (a "**Minimum Overbid Amount**") after consultation with the Consultation Parties. The Debtors reserve the right to and may, after consultation with the Consultation Parties, increase or decrease the Minimum Overbid Amount at any time during the applicable Auction for any assets. If a Stalking Horse Bidder bids at an Auction for the applicable Stalking Horse Package that is the subject of its Stalking Horse Bid, such Stalking Horse Bidder will also be entitled to a "credit" in the amount of the applicable Termination Payment to be counted towards its bid such that the cash and other consideration proposed by the applicable Stalking Horse Bidder plus the applicable Termination Payment "credit" must exceed the most recent bid by at least the Minimum Overbid Amount.

The Debtors may adopt rules, after consultation with the Consultation Parties, for an Auction at any time that the Debtors reasonably determine to be appropriate to promote the goals of the Bidding and Auction Process. At the start of an Auction, the Debtors shall describe the terms of the applicable Baseline Bid. Any rules developed by the Debtors will provide that all bids in a particular Auction will be made and received in one room (in person or virtually), on an open basis, and all other bidders participating in that Auction will be entitled to be present for all bidding with the understanding that the true identity of each bidder will be fully disclosed to all other bidders participating in that Auction and that all material terms of each Qualified Bid submitted in response to the Baseline Bid or to any successive bids made at the Auction will be fully disclosed to all other bidders throughout the entire Auction. Each Qualified Bidder will be permitted what the Debtors reasonably determine to be an appropriate amount of time to respond to the previous bid at the Auction.

The Debtors reserve the right to and may, after consultation with the Consultation Parties, reject at any time before entry of the relevant Sale Order any bid that, in the Debtors' judgment, is (i) inadequate or insufficient; (ii) not in conformity with the requirements of the Bankruptcy Code, these Global Bidding Procedures, or the terms and conditions of the applicable Sale Transaction; or (iii) contrary to the best interests of the Debtors and their estates, except that if the Stalking Horse Bid as reflected in the applicable Stalking Horse Agreement is the only Qualified Bid for the applicable Stalking Horse Package, the foregoing provisions of this sentence will be inoperative. In doing so, the Debtors may take into account the factors set forth above regarding the form and content of Qualified Bids and the Debtors' review of bids. No attempt by the Debtors to reject a bid under this paragraph will modify any rights of the Debtors or the Stalking Horse Bidder under applicable Stalking Horse Agreement (as may be consensually modified at any Auction).

Prior to the conclusion of an Auction, the Debtors, after consultation with the Consultation Parties, will (i) review and evaluate each bid made at the Auction on the basis of financial and contractual terms and other factors relevant to the sale process, including those factors affecting the speed and certainty of consummating a Sale Transaction; (ii) determine the highest or best offer or collection of offers for an Auction Package (as applicable to each Auction Package, a "**Successful Bid**"); (iii) except as provided in the applicable Stalking Horse Agreement, determine which Qualified Bid is the next highest or best bid for such Auction Package (as applicable to each Auction Package, the "**Back-Up Bid**"); and (iv) notify all Qualified Bidders participating in an Auction, prior to its conclusion, the successful bidder for such Auction Package (the "**Successful Bidder**"), the amount and other material terms of the Successful Bid, and the identity of the party that submitted the Back-Up Bid for such Auction Package (the "**Back-Up Bidder**").

Each Qualified Bidder shall be required to confirm, both before and after the Auction, that it has not engaged in any collusion with respect to the submission of any bid, the bidding, or the Auction.

Post-Auction Process

Within one (1) calendar day of the conclusion of the applicable Auction, the Debtors shall serve and publish a notice on the docket and Kroll Website containing the results of the Auction (the "**Notice of Auction Results**"), which shall (a) identify the applicable Successful Bidder; (b) list all proposed Assigned Contracts to be assumed and assigned to the applicable Successful Bidder; (c) identify and known proposed assignee(s) of proposed Assigned Contracts (if different than the applicable Successful Bidder); and (c) set forth the deadline and procedures for filing Adequate Assurance Objections (as defined herein) in response to the Notice of Auction Results.

A Successful Bidder shall, within one (1) business day after the close of the Auction (or such other deadline with the consent of the Debtors, after consultation with the Consultation Parties), submit to the Debtors (i) by transfer of immediately available funds to an account identified by the Debtors the amount required to increase the Successful Bidder's Deposit to ten percent (10%) of the purchase price contained in the Successful Bid, or such other amount as the Debtors determine, after consultation with the Consultation Parties, and (ii) fully executed revised

documentation memorializing the terms of the Successful Bid, which shall be in form and substance acceptable to the Debtors, after consultation with the Consultation Parties. Promptly following the submission of such documentation, the Debtors shall file with the Bankruptcy Court notice of the Successful Bid, the Successful Bidder, and, if applicable, the Back-Up Bid and the Back-Up Bidder. The Successful Bid may not be assigned to any party without the consent of the Debtors after consultation with the Consultation Parties.

Except to the extent otherwise provided in the applicable Stalking Horse Agreement or as otherwise agreed to by the Debtors after consultation with the Consultation Parties, the Back-Up Bid shall remain open and irrevocable until the earliest to occur of (i) the consummation of the transaction with the Successful Bidder and (ii) the release of such bid by the Debtors (such date, the "**Back-Up Bid Termination Date**"). If the transaction with a Successful Bidder is terminated prior to the Back-Up Bid Termination Date, the Back-Up Bidder shall be deemed the Successful Bidder and shall be obligated to consummate the Back-Up Bid as if it were the Successful Bid.

Notices Regarding Assumption and Assignment

The Debtors shall provide all notices regarding the proposed assumption and assignment of contracts and leases in connection with the Assumption and Assignment Procedures set forth in the Bidding Procedures Order.

Sale Objections and Sale Hearings

Objections to a proposed Sale Transaction (the "**Sale Objections**"), including any objection to the sale of any Assets free and clear of liens, claims, interests, and encumbrances pursuant to section 363(f) of the Bankruptcy Code and/or entry of a Sale Order, must be (i) filed in accordance with the Bidding Procedures Order, (ii) filed with the Bankruptcy Court, and (iii) served on the Objection Notice Parties by no later than the following deadlines:

a) with respect to a Sale Transaction to a Stalking Horse Bidder (as applicable) (each, a "**Stalking Horse Bidder Sale Objection Deadline**"), the earlier of (i) 21 days following service of the applicable Notice of Stalking Horse Bidder and (ii) the Successful Bidder Sale Objection Deadline (as defined below); and

b) with respect to the conduct of the Auction, the identity of the Successful Bidder, or a Sale Transaction with a Successful Bidder (if such Successful Bidder is not a Stalking Horse Bidder) (each, a "**Successful Bidder Sale Objection Deadline**," and together with the Stalking Horse Bidder Sale Objection Deadlines, the "**Sale Objection Deadlines**"):[15]

[15] Or such earlier date with the consent of the Creditors' Committee, or such later date designated by the Debtors, in each case after consultation with the Consultation Parties.

Assets	Successful Bidder Sale Objection Deadline
Stewardship Assets	July 8, 2024 at 5:00 p.m. (prevailing Central Time)
First Round Hospitals	July 8, 2024 at 5:00 p.m. (prevailing Central Time)
Second Round Hospitals	August 20, 2024 at 5:00 p.m. (prevailing Central Time)
Other Assets	August 20, 2024 at 5:00 p.m. (prevailing Central Time)

The Debtors may extend the Sale Objection Deadlines, as the Debtors deem appropriate in the exercise of their reasonable business judgment and after consultation with the Consultation Parties and upon notice to each Successful Bidder(s). If a timely Sale Objection cannot otherwise be resolved by the parties, such objection shall be heard by the Bankruptcy Court at the applicable Sale Hearing.

Any party who fails to timely file with the Court a Sale Objection will be forever barred from asserting any objection to the applicable sale, or to the consummation and performance of a sale transaction contemplated by a purchase agreement between the Debtors and a Successful Bidder, including the transfer of the Debtors' Assets to a Successful Bidder, free and clear of all claims and interests pursuant to section 363(f) of the Bankruptcy Code. Failure to object shall constitute consent for the purposes of section 363(f) of the Bankruptcy Code. Any objection filed after the applicable Sale Objection Deadline will not be considered by the Court.

Unless the Debtors file and serve a revised notice, hearings (each, a "**Sale Hearing**") to approve the Sale Transaction(s) shall be held on (subject to Bankruptcy Court availability):[16]

Assets	Sale Hearing
Stewardship Assets	July 11, 2024
First Round Hospitals	July 11, 2024
Second Round Hospitals	August 22, 2024
Other Assets	August 22, 2024

The Sale Hearings may be adjourned or rescheduled as ordered by the Bankruptcy Court, or by the Debtors after consultation with the Consultation Parties, but without further notice to creditors and parties in interest other than by announcement by Debtors of the adjourned date at the Sale Hearing(s).

An appropriate representative of each Successful Bidder shall appear at the applicable Sale Hearing and be prepared, if necessary, to have such representative(s) testify in support of a Successful Bid and the Successful Bidder's ability to close the proposed transaction in a timely manner and provide adequate assurance of its future performance under any and all executory

[16] Or such earlier date with the consent of the Creditors' Committee, or later date designated by the Debtors, in each case after consultation with the Consultation Parties.

contracts and unexpired leases to be assumed and assigned to the Successful Bidder as part of the proposed transaction.

Treatment and Return of Deposits

Potential Bidders

Within five (5) business days after the Qualified Bid Designation Date for the applicable Assets, the Escrow Agent shall return to each Potential Bidder that was determined not to be a Qualified Bidder for such Assets, as confirmed by the Debtors, such Potential Bidder's Deposit, plus any interest accrued thereon. Upon the authorized return of such Potential Bidder's Deposit, the bid of such Potential Bidder shall be deemed revoked and no longer enforceable.

Qualified Bidders

Without limiting the terms of any definitive termination agreement with any Qualified Bidder, the Deposit of a Qualified Bidder shall be forfeited to the Debtors if (i) the applicable Qualified Bidder attempts to modify, amend, or withdraw its Qualified Bid, except as permitted by these Global Bidding Procedures, during the time the Qualified Bid remains binding and irrevocable under these Global Bidding Procedures, or (ii) the Qualified Bidder is selected as the Successful Bidder and fails to enter into the required definitive documentation or to consummate the transaction in accordance with these Global Bidding Procedures and the terms of the applicable transaction documents with respect to the Successful Bid. The Escrow Agent shall release the Deposit by wire transfer of immediately available funds to an account designated by the Debtors two (2) business days after the receipt by the Escrow Agent of a joint written notice by an authorized officer of the Debtors stating that the Qualified Bidder has breached or failed to satisfy its obligations or undertakings.

With the exception of the Deposit of a Successful Bidder and a Back-Up Bidder, the Escrow Agent shall return to any other Qualified Bidder any Deposit, plus any interest accrued thereon, five (5) business days after the execution by the Successful Bidder and the Debtors of the documentation memorializing the Successful Bid, but in no event later than ten (10) business days after the conclusion of the applicable Sale Hearing.

Notwithstanding anything to the contrary herein, the good faith Deposit provided by a Stalking Horse Bidder pursuant to a Stalking Horse Agreement (including any required return of such deposit) shall be governed by the terms and conditions of the applicable Stalking Horse Agreement.

Back-Up Bidder

The Escrow Agent shall return a Back-Up Bidder's Deposit, plus any interest accrued thereon, within ten (10) business days after the occurrence of the applicable Back-Up Bid Termination Date.

The Successful Bidder

The Deposit of a Successful Bidder shall be applied against the cash portion of the purchase price of such Successful Bidder upon the consummation of the transaction proposed in the applicable Successful Bid.

Joint Notice to Escrow Agent

The Debtors and, as applicable, the Potential Bidder, Qualified Bidder, and/or Back-Up Bidder agree to execute an appropriate joint notice to the Escrow Agent for the return of any Deposit to the extent such return is required by these Global Bidding Procedures. If either party fails to execute such written notice, the Deposit may be released by an order of the Bankruptcy Court.

Notice and Consultation Parties

Bid Notice Parties

Information that must be provided to the "**Bid Notice Parties**" under these Global Bidding Procedures must be provided to the following parties:

(i) Steward Health Care System LLC, 1900 N. Pearl Street, Suite 2400, Dallas, TX 75201 (Attn: John R. Castellano);

(ii) proposed counsel to the Debtors, Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153 (Attn: Ray C. Schrock, Esq., Candace M. Arthur, Esq., David J. Cohen, Esq.), 700 Louisiana Street, Suite 3700, Houston, Texas 77002 (Attn: Gabriel A. Morgan, Esq., Clifford W. Carlson, Esq.);

(iii) Leerink Partners LLC, 1301 6th Avenue, New York, NY 10019 (Attn: Toby King); and

(iv) Cain Brothers, 1301 6th Avenue, New York, NY 10019 (Attn: Jim Moloney, David Morlock).

Objection Notice Parties

Information that must be provided to the "**Objection Notice Parties**" under these Global Bidding Procedures must be provided to each of the Bid Notices Parties and the following parties:

(i) Proposed counsel to the Official Committee of Unsecured Creditors appointed in the Debtors' chapter 11 cases (the "**Creditors' Committee**"), Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, NY 10036, (Attn: Sarah Link Schultz, Esq., Brad M. Kahn, Esq., Iain Wood, Esq., Erica D. McGrady, Esq.)

(ii) counsel to the DIP Lender, Prepetition MPT Secured Party, and MPT Lessors, KTBS Law LLP, 1801 Century Park E #2600, Los Angeles, California 90067 (Attn: Thomas E. Patterson, Esq., Sasha Gurvitz, Esq.);

(iii) counsel to the ABL Lenders, Paul Hastings LLP, 200 Park Avenue, New York, New York 10166 (Attn: Kristopher M. Hansen, Esq., Christopher Guhin, Esq.);

(iv) counsel to Siemens Financial Services, Inc., Otterbourg P.C., 230 Park Avenue, New York, New York 10169 (Attn: Andrew Kramer, Esq.); and

(v) counsel to the FILO Lenders, Milbank LLP, 55 Hudson Yards, New York, NY 10001 (Attn: Dennis Dunne, Esq., Michael Price, Esq., Andrew Harmeyer, Esq., Brian Kinney, Esq.).

Consultation Parties

The term "**Consultation Parties**" as used in these Global Bidding Procedures shall mean (i) the Creditors' Committee, (ii) until the repayment in full of their claims (a) the DIP Lender, (b) the ABL Lenders (as defined in the DIP Order), (c) the FILO Lenders (as defined in the DIP Order), and (d) the Prepetition MPT Secured Party (as defined in the DIP Order), and (iii) except in respect of the Stewardship Assets, the MPT Lessors.

For the avoidance of doubt, any consultation rights provided to the Consultation Parties by these Global Bidding Procedures shall not limit the Debtors' discretion in any way and shall not include the right to veto any decision made by the Debtors in the exercise of their business judgment, in each case, subject to, and without limiting, the applicable Consultation Parties' applicable rights to object to such decision.

In the event that any Consultation Party or any member of the Creditors' Committee, or an affiliate of any of the foregoing, submits a bid that is a Qualified Bid, any obligation of the Debtors to consult with or obtain the consent of the bidding party established under these Global Bidding Procedures will be waived, discharged, and released without further action; provided, that (i) the bidding party will have the same rights as any other Potential Bidder set forth above, and will retain any rights it has under existing orders regarding debtor in possession financing and/or use of cash collateral (to the extent applicable) (the "**DIP Order**") and (ii) notwithstanding the foregoing, if a member of the Creditors' Committee submits a Qualified Bid, the Creditors' Committee will continue to have consultation and consent rights set forth herein; provided, that the Creditors' Committee shall exclude such member from any discussions or deliberations regarding the sale of the Assets and shall not provide any confidential information regarding the sale of the Assets to such member.

Consent to Jurisdiction and Authority as Condition to Bidding

All Potential Bidders (including any Stalking Horse Bidder) shall be deemed to have (i) consented to the core jurisdiction of the Bankruptcy Court to enter any order or orders, which shall be binding in all respects, in any way related to the Global Bidding Procedures, an Auction, or the construction and enforcement of any agreement or any other document relating to

the applicable Sale Transaction, (ii) waived any right to a jury trial in connection with any disputes relating to the Global Bidding Procedures, an Auction, or the construction and enforcement of any agreement or any other document relating to the Sale Transaction, and (iii) consented to the entry of a final order or judgment in any way related to the Global Bidding Procedures, an Auction, or the construction and enforcement of any agreement or any other document relating to the Sale Transaction if it is determined that the Bankruptcy Court would lack Article III jurisdiction to enter such a final order or judgment absent the consent of the parties.

Reservation of Rights

The Debtors shall have the right, in their reasonable discretion and subject to the exercise of their business judgment, and subject in all respects to the notice, consultation, and consent rights set forth in paragraph 3 of the Bidding Procedures Order and any consent rights expressly set forth herein, after consultation with the Consultation Parties, to alter or terminate these Global Bidding Procedures, to waive terms and conditions set forth herein with respect to all potential bidders, extend the deadlines set forth herein, alter the assumptions set forth herein, provide reasonable accommodations to any Stalking Horse Bidder with respect to such terms, conditions, and deadlines of the Bidding and Auction Process to promote bids (including, without limitation, extending deadlines as may be required to comply with any additional filing and review procedures with the applicable regulators in connection with HSR Filings or any other antitrust law or healthcare law or regulation) and/or to terminate discussions with any and all prospective acquirers and investors at any time and without specifying the reasons therefor, in each case to the extent not materially inconsistent with the objectives of these Global Bidding Procedures and/or the Bidding Procedures Order; provided, that absent further Court order, the Debtors may not eliminate the consent, consultation, or notice rights of any party hereunder.

Notwithstanding anything herein, nothing in these Global Bidding Procedures, the Bidding Procedures Order, and/or the determination of any Bid as a Qualified Bid, shall waive, alter, or modify any rights of the MPT Lessor to approve or enter into any agreement with respect to real property owned by the MPT Lessor. For the avoidance of doubt, the determination that a Bid is a Qualified Bid shall not constitute consent by the MPT Lessor.

Schedule 1

Hospitals

First Round Hospitals
Arizona
Florence Hospital
Mountain Vista Medical Center
Tempe St. Luke's Hospital
St. Luke's Behavioral Health
St. Luke's Medical
Arkansas
Wadley Regional Medical Center at Hope
Louisiana
Glenwood Regional Medical Center
Northern Massachusetts
Carney Hospital
Holy Family Haverhill Hospital
Holy Family Methuen Hospital
Nashoba Valley Medical Center
Saint Elizabeth's Medical Center
Ohio
Hillside Rehabilitation Hospital
Trumbull Regional Medical Center
Pennsylvania
Sharon Regional Medical Center
Southern Massachusetts
Good Samaritan Medical Center
Morton Hospital
Saint Anne's Hospital
Texas
St. Joseph Medical Center

Second Round Hospitals
Florida
Coral Gables Hospital
Florida Medical Center
Hialeah Hospital
Melbourne Regional Medical Center
North Shore Medical Center
Palmetto General Hospital
Rockledge Regional Medical Center
Sebastian River Medical Center
Texas
Odessa Regional Medical Center
Scenic Mountain Medical Center
Southeast Texas (Port Arthur)
Wadley Regional Medical Center

Exhibit 2

Sale Notice

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

In re:	§	**Chapter 11**
STEWARD HEALTH CARE SYSTEM LLC, *et al.*,	§	**Case No. 24-90213 (CML)**
	§	**(Jointly Administered)**
Debtors.[1]	§	

NOTICE OF SALE, GLOBAL BIDDING PROCEDURES, AUCTION, AND SALE HEARING

PLEASE TAKE NOTICE OF THE FOLLOWING:

On May 15, 2024, Steward Health Care System LLC and its debtor affiliates in the above-captioned chapter 11 cases, as debtors and debtors in possession (collectively, the "**Debtors**") filed with the United States Bankruptcy Court for the Southern District of Texas (the "**Bankruptcy Court**") a motion (Docket No. 281) (the "**Motion**") seeking, among other things, entry of an order:

a) approving the proposed global bidding procedures (the "**Global Bidding Procedures**") in connection with the sale of substantially all of the Debtors' assets, including the Stewardship Assets, the Hospitals, and the Debtors' Other Assets (each as defined below) and related contracts and other assets through one or more sale transactions (each, a "**Sale Transaction**");

b) authorizing the Debtors to designate stalking horse bidders (each a "**Stalking Horse Bidder**," and such bidder's bid, a "**Stalking Horse Bid**") and offer such bidder certain bid protections identified in the Motion (the "**Stalking Horse Bid Protections**");

c) scheduling Auctions of the Assets (as defined herein) and hearings for the approval of the proposed Sale Transaction(s) (the "**Sale Hearings**");

d) authorizing and approving the form and manner of notice for sale of the Assets, the Auctions, and the Sale Hearings;

e) authorizing and approving the form and manner of notice to each non-Debtor counterparty to an executory contract or unexpired lease of non-residential real property of the Debtors (each, a "**Contract**") regarding the potential assumption

[1] A complete list of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' proposed claims and noticing agent at https://restructuring.ra.kroll.com/Steward. The Debtors' service address for these chapter 11 cases is 1900 N. Pearl Street, Suite 2400, Dallas, Texas 75201.

and assignment of such Contracts and the amount necessary to cure any monetary defaults under such Contracts (the "**Cure Costs**");

f) authorizing and approving procedures for the assumption or assumption and assignment of certain Contracts in connection with the Sale Transactions, as applicable (collectively, the "**Assigned Contracts**") and the determination of Cure Costs with respect thereto;

g) authorizing the Sale Transaction(s) including, but not limited to, the assumption and assignment of the Assigned Contracts; and

h) granting related relief.

On [●], 2024, the Bankruptcy Court entered the *Order (I) Approving (A) Global Bidding Procedures for Sales of the Debtors' Assets, (B) Form and Manner of Notice of Sales, Auctions, and Sale Hearings, and (C) Assumption and Assignment Procedures and Form and Manner of Notice of Assumption and Assignment; (II) Authorizing Designation of Stalking Horse Bidders; (III) Scheduling Auctions and Sale Hearings; and (IV) Granting Related Relief* (Docket No. [●]) (the "**Bidding Procedures Order**").[2]

Assets for Sale

The Debtors are marketing for sale substantially all of their assets (the "**Assets**") including:

a) assets related to *Stewardship Health*, the Debtors' risk-based payor contracting network and related primary care practices (collectively, "**Stewardship Health**," and such assets, the "**Stewardship Assets**");

b) the Debtors' hospital operations in Massachusetts, Arizona, Ohio, Pennsylvania, Arkansas, Louisiana, Texas, and Florida (the "**Hospitals**"); and

c) certain other assets of the Debtors as determined in the Debtors' sole discretion (collectively, the "**Other Assets**").

A complete list of the Hospitals available for sale pursuant to the Global Bidding Procedures is annexed thereto as **Schedule 1**.

A party may submit a bid for any individual Asset (or combination of Assets), in each case, in accordance with the terms and provisions of the Global Bidding Procedures.

[2] Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Global Bidding Procedures or the Bidding Procedures Order, as applicable.

Important Dates and Deadlines

Bid Deadlines

A Qualified Bidder (as defined in the Global Bidding Procedures) that desires to make a bid shall deliver a written or electronic copy of its conforming bid so as to be received no later than the following deadlines (each, a "**Bid Deadline**"):[3]

Assets	Bid Deadline
Stewardship Assets	June 24, 2024 at 5:00 p.m. (prevailing Central Time)
First Round Hospitals	June 24, 2024 at 5:00 p.m. (prevailing Central Time)
Second Round Hospitals	August 12, 2024 at 5:00 p.m. (prevailing Central Time)
Other Assets	August 12, 2024 at 5:00 p.m. (prevailing Central Time)

The Debtors may extend the Bid Deadlines for any reason whatsoever, in consultation with the Consultation Parties (as defined in the Global Bidding Procedures).

Designation of Stalking Horse Bidders

In connection with the sale of the Assets, the Debtors may, but are not obligated to, after consulting with the Consultation Parties, designate one or more Stalking Horse Bidders for one or more of the Assets (each such group of Assets, a "**Stalking Horse Package**") and offer Stalking Horse Bid Protections to each such Stalking Horse Bidder, including a break-up fee and reimbursement of reasonable and documented out-of-pocket expenses subject to a reasonable cap (collectively, a "**Termination Payment**"). In the event the Debtors, in consultation with the Consultation Parties, select a party to serve as a Stalking Horse Bidder(s), upon such selection, the Debtors will seek Court approval of such Stalking Horse Bidder(s) and any Stalking Horse Bid Protections.

Objections to the provision of Stalking Horse Bid Protections (each, a "**Stalking Horse Objection**") shall (a) be in writing; (b) comply with the Bankruptcy Code, Bankruptcy Rules, and Bankruptcy Local Rules; (c) state, with specificity, the legal and factual bases thereof; and (d) be filed with the Court and served on the Objection Notice Parties (as defined in the Bidding Procedures Order) within three (3) calendar days after service of the Sale Notice or the applicable Stalking Horse Notice.

[3] Or such earlier date with the consent of the Creditors' Committee, or such later date designated by the Debtors after consultation with the Consultation Parties.

Auctions

With respect to each sale process, in the event that the Debtors receive one or more Qualified Bids, the Debtors shall conduct an auction (each, an "**Auction**") with respect to such Qualified Bids. The Auctions, if required, shall be scheduled on:[4]

Assets	Auction
Stewardship Assets	June 27, 2024 at 10:00 a.m. (prevailing Central Time)
First Round Hospitals	June 27, 2024 at 10:00 a.m. (prevailing Central Time)
Second Round Hospitals	August 14, 2024 at 10:00 a.m. (prevailing Central Time)
Other Assets	August 14, 2024 at 10:00 a.m. (prevailing Central Time)

The Auctions shall be conducted at (i) the offices of Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, NY 10153, or (ii) virtually, pursuant to procedures to be announced to bidders, or (iii) such other time and place as the Debtors, after consultation with the Baseline Bidder and the Consultation Parties, may notify Qualified Bidders who have submitted Qualified Bids. Only a Qualified Bidder will be eligible to participate at an Auction, subject to such limitations as the Debtors may impose in good faith, after consultation with the Consultation Parties. Professionals and/or other representatives of the Consultation Parties will be permitted to attend and observe an Auction.

Assumption and Assignment of Contracts

The Assigned Contracts to be assumed or assumed and assigned to the Successful Bidder(s) in connection with the Sale Transaction(s) will be identified in one or more Cure Notices.

Sale Objection Deadlines

Objections to a proposed Sale Transaction (the "**Sale Objections**"), including any objection to the sale of any Assets free and clear of liens, claims, interests, and encumbrances pursuant to section 363(f) of the Bankruptcy Code and/or entry of a Sale Order, must be (i) filed in accordance with the Bidding Procedures Order, (ii) filed with the Bankruptcy Court, and (iii) served on the Objection Notice Parties by no later than the following deadlines:

a) with respect to a Sale Transaction to a Stalking Horse Bidder (as applicable) (each, a "**Stalking Horse Bidder Sale Objection Deadline**"), the earlier of (i) 21 days following service of the applicable Notice of Stalking Horse Bidder and (ii) the Successful Bidder Sale Objection Deadline (as defined below); and

b) with respect to the conduct of the Auction, the identity of the Successful Bidder, or a Sale Transaction with a Successful Bidder (if such Successful Bidder is not a

[4] Or such earlier date with the consent of the Creditors' Committee, or such later date designated by the Debtors after consultation with the Consultation Parties.

Stalking Horse Bidder) (each, a "**Successful Bidder Sale Objection Deadline**," and together with the Stalking Horse Bidder Sale Objection Deadlines, the "**Sale Objection Deadlines**"):[5]

Assets	Successful Bidder Sale Objection Deadline
Stewardship Assets	July 8, 2024 at 5:00 p.m. (prevailing Central Time)
First Round Hospitals	July 8, 2024 at 5:00 p.m. (prevailing Central Time)
Second Round Hospitals	August 20, 2024 at 5:00 p.m. (prevailing Central Time)
Other Assets	August 20, 2024 at 5:00 p.m. (prevailing Central Time)

Sale Hearings

Unless the Debtors file and serve a revised notice, the hearings to approve the Sale Transaction(s) (each, a "**Sale Hearing**") shall be held on the following dates (subject to the availability of the Court):[6]

Assets	Sale Hearing
Stewardship Assets	July 11, 2024
First Round Hospitals	July 11, 2024
Second Round Hospitals	August 22, 2024
Other Assets	August 22, 2024

The Sale Hearings may be adjourned or rescheduled as ordered by the Bankruptcy Court, or by the Debtors in consultation with the Consultation Parties, but without further notice to creditors and parties in interest other than by announcement by Debtors of the adjourned date at the Sale Hearing(s).

The Debtors' presentation to the Bankruptcy Court for approval of a Successful Bid(s) does not constitute the Debtors' acceptance of the Successful Bid(s). The Debtors shall be deemed to have accepted Successful Bid(s) only when the Successful Bid(s) has been approved by order of the Court.

Nothing herein will be deemed a waiver of any rights of the Debtors or any other parties in interest to contest any rights asserted by any person in such objections, and all such rights of the Debtors are expressly preserved.

[5] Or such earlier date with the consent of the Creditors' Committee, or such later date designated by the Debtors after consultation with the Consultation Parties.

[6] Or such earlier date with the consent of the Creditors' Committee, or such later date designated by the Debtors after consultation with the Consultation Parties.

Additional Information

Until the applicable Bid Deadline, the Debtors will provide parties reasonable access to the Data Room and any other additional information that the Debtors believe to be reasonable and appropriate under the circumstances.

(A) Any party interested in submitting a bid on Stewardship Health, or any of the following Hospitals, should contact the Debtors' investment banker, **Leerink Partners LLC** (Attn: Toby King (Email: ProjectSapphire@leerink.com)):

Florida
Coral Gables Hospital
Florida Medical Center
Hialeah Hospital
Melbourne Regional Medical Center
North Shore Medical Center
Palmetto General Hospital
Rockledge Regional Medical Center
Sebastian River Medical Center
Northern Massachusetts
Carney Hospital
Holy Family Haverhill Hospital
Holy Family Methuen Hospital
Nashoba Valley Medical Center
Saint Elizabeth's Medical Center

(B) Any party interested in submitting a bid on the following Hospitals should contact the Debtors' investment banker, **Cain Brothers** (Attn: Jim Moloney and David Morlock (Email: Project_Golden_Sun@keybank.com)):

Arizona
Florence Hospital
Mountain Vista Medical Center
Tempe St. Luke's Hospital
St. Luke's Behavioral Health
Arkansas
Wadley Regional Medical Center at Hope
Louisiana
Glenwood Regional Medical Center

Ohio
Hillside Rehabilitation Hospital
Trumbull Regional Medical Center
Pennsylvania
Sharon Regional Medical Center
Southern Massachusetts
Good Samaritan Medical Center
Morton Hospital
Saint Anne's Hospital
Texas
Odessa Regional Medical Center
Scenic Mountain Medical Center
Southeast Texas (Port Arthur)
St. Joseph's Medical Center
Wadley Regional Medical Center

(C) Any party interested in submitting a bid on any Other Asset should contact proposed counsel to the Debtors, **Weil, Gotshal & Manges LLP** (Attn: Ray C. Schrock, Candace M. Arthur, David J. Cohen (Email: Ray.Schrock@weil.com, Candace.Arthur@weil.com, DavidJ.Cohen@weil.com)).

Copies of the Motion, the Bidding Procedures Order, and the Global Bidding Procedures may be obtained free of charge at the website dedicated to the Debtors' chapter 11 cases maintained by their claims and noticing agent and administrative advisor, Kroll Restructuring Administration LLC, located at https://restructuring.ra.kroll.com/Steward.

Reservation of Rights

The Debtors shall have the right, in their reasonable discretion and subject to the exercise of their business judgment, and subject in all respects to the notice, consultation, and consent rights set forth in paragraph 3 of the Bidding Procedures Order and any consent rights expressly set forth in the Global Bidding Procedures, after consultation with the Consultation Parties, to alter or terminate these Global Bidding Procedures, to waive terms and conditions set forth therein with respect to all potential bidders, extend the deadlines set forth herein, alter the assumptions set forth therein, provide reasonable accommodations to any Stalking Horse Bidder with respect to such terms, conditions, and deadlines of the Bidding and Auction Process (as defined in the Global Bidding Procedures) to promote bids (including, without limitation, extending deadlines as may be required to comply with any additional filing and review procedures with the applicable regulators in connection with HSR Filings or any other antitrust law or healthcare law or regulation) and/or to terminate discussions with any and all prospective acquirers and investors at any time and without specifying the reasons therefor, in each case to the extent not materially inconsistent with the objectives of the Global Bidding Procedures and/or the

Bidding Procedures Order; provided that absent further Court order, the Debtors may not eliminate the consent, consultation, or notice rights of any party hereunder.

FAILURE TO ABIDE BY THE GLOBAL BIDDING PROCEDURES, THE BIDDING PROCEDURES ORDER, OR ANY OTHER ORDER OF THE BANKRUPTCY COURT IN THESE CHAPTER 11 CASES MAY RESULT IN THE REJECTION OF YOUR BID.

THE FAILURE OF ANY PERSON OR ENTITY TO FILE AND SERVE AN OBJECTION IN ACCORDANCE WITH THE BIDDING PROCEDURES ORDER BY THE SALE OBJECTION DEADLINES SHALL FOREVER BAR SUCH PERSON OR ENTITY FROM ASSERTING ANY OBJECTION TO THE MOTION, THE ORDER APPROVING THE APPLICABLE SALE TRANSACTION, THE PROPOSED SALE TRANSACTION, OR THE DEBTORS' CONSUMMATION OF THE STALKING HORSE AGREEMENT OR ANY OTHER AGREEMENT EXECUTED BY THE DEBTORS AND A SUCCESSFUL BIDDER AT THE AUCTIONS.

[*Remainder of page intentionally left blank.*]

Dated: [_], 2024
Houston, Texas

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Proposed Attorneys for Debtors
and Debtors in Possession

Exhibit 3

Cure Notice

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

In re:	§	**Chapter 11**
STEWARD HEALTH CARE SYSTEM LLC, *et al.*,	§	**Case No. 24-90213 (CML)**
	§	**(Jointly Administered)**
Debtors.[1]	§	

NOTICE OF CURE COSTS AND POTENTIAL ASSUMPTION AND ASSIGNMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES IN CONNECTION WITH SALE

PLEASE TAKE NOTICE OF THE FOLLOWING:

On May 15, 2024, Steward Health Care System LLC and its debtor affiliates in the above-captioned chapter 11 cases, as debtors and debtors in possession (collectively, the "**Debtors**") filed with the United States Bankruptcy Court for the Southern District of Texas (the "**Bankruptcy Court**") a motion (Docket No. 281) (the "**Motion**") seeking, among other things, entry of an order:

a) approving the proposed global bidding procedures (the "**Global Bidding Procedures**") in connection with the sale of substantially all of the Debtors' assets, including Stewardship Health, the Hospitals, and the Debtors' Other Assets (each as defined in the Global Bidding Procedures) and related contracts and other assets through one or more sale transactions (each, a "**Sale Transaction**");

b) authorizing the Debtors to designate stalking horse bidders (each a "**Stalking Horse Bidder**," and such bidder's bid, a "**Stalking Horse Bid**") and offer such bidder certain bid protections identified in the Motion (the "**Stalking Horse Bid Protections**");

c) scheduling Auctions of the Assets (as defined herein) and hearings for the approval of the proposed Sale Transaction(s) (the "**Sale Hearings**");

d) authorizing and approving the form and manner of notice for sale of the Assets, the Auctions, and the Sale Hearings;

e) authorizing and approving the form and manner of notice to each non-Debtor counterparty to an executory contract or unexpired lease of non-residential real property of the Debtors (each, a "**Contract**") regarding the potential assumption

[1] A complete list of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' proposed claims and noticing agent at https://restructuring.ra.kroll.com/Steward. The Debtors' service address for these chapter 11 cases is 1900 N. Pearl Street, Suite 2400, Dallas, Texas 75201.

and assignment of such Contracts and the amount necessary to cure any monetary defaults under such Contracts (the "**Cure Costs**");

f) authorizing and approving procedures for the assumption or assumption and assignment of certain Contracts in connection with the Sale Transactions, as applicable (collectively, the "**Assigned Contracts**") and the determination of Cure Costs with respect thereto;

g) authorizing the Sale Transaction(s) including, but not limited to, the assumption and assignment of the Assigned Contracts; and

h) granting related relief.

On [●], 2024, the Bankruptcy Court entered the *Order (I) Approving (A) Global Bidding Procedures for Sales of the Debtors' Assets, (B) Form and Manner of Notice of Sales, Auctions, and Sale Hearings, and (C) Assumption and Assignment Procedures and Form and Manner of Notice of Assumption and Assignment; (II) Authorizing Designation of Stalking Horse Bidders; (III) Scheduling Auctions and Sale Hearings; and (IV) Granting Related Relief* (Docket No. [●]) (the "**Bidding Procedures Order**").[2]

Cure Costs

In accordance with the Assumption and Assignment Procedures and the Bidding Procedures Order, the Debtors shall, in connection with a Sale Transaction with a Successful Bidder (as defined in the Global Bidding Procedures) at the Auction, assume and assign to the Successful Bidder (or its designated assignee, as applicable) certain contracts and leases of the Debtors.

Each of the contracts and leases that may potentially be assumed and assigned in connection with a Sale Transaction with a Successful Bidder and the Debtors' calculation of the Cure Costs with respect thereto are set forth on **Exhibit A** annexed hereto.

The inclusion of any contract or lease on **Exhibit A** does not constitute an admission that a particular contract or lease is an executory contract or unexpired lease within the meaning of the Bankruptcy Code or require or guarantee that such contract or lease ultimately will be assumed or assigned. All rights of the Debtors and the counterparties with respect thereto are reserved.

Notwithstanding the inclusion of any lease or contract on **Exhibit A**, a Successful Bidder is not bound to accept assignment of such Contract, and may amend the schedule of Assigned Contracts to remove any contract or lease to the extent provided in their purchase agreement with the Debtors.

If: (a) the Debtor identifies (i) additional contracts or leases to be assumed and assigned to a Successful Bidder, or (ii) modifications that need to be made to a proposed Cure Cost previously stated in the Assignment and Cure Notice; or (b) a Successful Bidder designates any additional

[2] Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Global Bidding Procedures or the Bidding Procedures Order, as applicable.

contracts or leases not previously included on this Assignment and Cure Notice for assumption and assignment, the Debtor shall file with the Court and serve by first class mail on the applicable Contract Counterparty a supplemental Assignment and Cure Notice (a "**Supplemental Cure Notice**"). As soon as reasonably practicable after filing a Supplemental Cure Notice, the Debtors shall post a copy of the Supplemental Cure Notice on the Kroll Website.

Adequate Assurance Objections

Objections, if any, to the proposed assumption and assignment of a Contract identified on **Exhibit A** based on the Stalking Horse Bidder or Successful Bidder's (a) ability to provide adequate assurance of future performance or (b) the proposed form of adequate assurance of future performance with respect to such Assigned Contract (each, an "**Adequate Assurance Objection**"), must: (i) be in writing; (ii) state the name and address of the objecting party and the amount and nature of the claim or interest of such party; (iii) state with particularity the basis and nature of any objection, and, to the extent applicable, provide proposed language that, if accepted and incorporated by the Debtors, would obviate such objection; (iv) conform to the Bankruptcy Rules and the Bankruptcy Local Rules; and (v) be filed with the Court by the following deadlines (the "**Adequate Assurance Objection Deadlines**"):[3]

Assets	Adequate Assurance Objection Deadline
Stewardship Assets	July 8, 2024 at 5:00 p.m. (prevailing Central Time)
First Round Hospitals	July 8, 2024 at 5:00 p.m. (prevailing Central Time)
Second Round Hospitals	August 20, 2024 at 5:00 p.m. (prevailing Central Time)
Other Assets	August 20, 2024 at 5:00 p.m. (prevailing Central Time)

Cure Objections

Objections, if any, to any proposed Cure Costs (each, a "**Cure Objection**," and together with the Adequate Assurance Objections, the "**Contract Objections**") with respect to the Contracts identified on **Exhibit A** must: (i) be in writing; (ii) state the name and address of the objecting party and the amount and nature of the claim or interest of such party; (iii) state with particularity the basis and nature of any objection, and, to the extent applicable, provide proposed language that, if accepted and incorporated by the Debtors, would obviate such objection; (iv) conform to the Bankruptcy Rules and the Local Rules; and (v) be filed with the Court (a) with respect to the Stewardship Assets and First Round Hospitals, 10 days after service of the initial Cure Notice or (b) with respect to the Second Round Hospitals and Other Assets, 14 days after service of the Cure Notice (each, a "**Cure Objection Deadline**").[4]

[3] Or such earlier date with consent of the Creditors' Committee, or later date designated by the Debtors after consultation with the Consultation Parties.

[4] Or such earlier date with consent of the Creditors' Committee, or later date designated by the Debtors after consultation with the Consultation Parties.

Any Cure Objection with respect to Cure Costs set forth in a Supplemental Cure Notice must be filed within 14 days after service of the Supplemental Cure Notice.

IF NO TIMELY CONTRACT OBJECTION IS FILED WITH RESPECT TO AN ASSIGNED CONTRACT OR A SUCCESSFUL BIDDER: (I) THE CONTRACT COUNTERPARTY TO SUCH PROPOSED ASSIGNED CONTRACT SHALL BE DEEMED TO HAVE CONSENTED TO THE ASSUMPTION BY THE DEBTOR AND ASSIGNMENT TO THE SUCCESSFUL BIDDER, AS APPLICABLE, OF THE ASSIGNED CONTRACT, AND BE FOREVER BARRED FROM ASSERTING ANY OBJECTION WITH REGARD TO SUCH ASSUMPTION AND ASSIGNMENT (INCLUDING, WITHOUT LIMITATION, WITH RESPECT TO ADEQUATE ASSURANCE OF FUTURE PERFORMANCE BY THE SUCCESSFUL BIDDER OR BIDDERS); (II) ANY AND ALL DEFAULTS UNDER THE ASSIGNED CONTRACT AND ANY AND ALL PECUNIARY LOSSES RELATED THERETO SHALL BE DEEMED CURED AND COMPENSATED PURSUANT TO BANKRUPTCY CODE SECTION 365(B)(1)(A) AND UPON PAYMENT OF THE CURE COSTS SET FORTH IN THE CURE NOTICE FOR SUCH ASSIGNED CONTRACT; (III) THE DEBTOR WILL BE DEEMED TO HAVE PROVIDED ADEQUATE ASSURANCE OF FUTURE PERFORMANCE FOR SUCH ASSIGNED CONTRACT IN ACCORDANCE WITH SECTION 365(F)(2)(B) OF THE BANKRUPTCY CODE AND THE CONTRACT COUNTERPARTY SHALL FOREVER BE BARRED FROM ASSERTING AGAINST THE DEBTOR, ITS ESTATE, AND A SUCCESSFUL BIDDER, ANY ADDITIONAL OBLIGATION TO PROVIDE ADEQUATE ASSURANCE OF FUTURE PERFORMANCE; AND (IV) THE CONTRACT COUNTERPARTY SHALL BE FOREVER BARRED FROM ASSERTING ANY OTHER CLAIMS RELATED TO SUCH ASSIGNED CONTRACT AGAINST THE DEBTOR AND ITS ESTATE OR THE SUCCESSFUL BIDDER, OR ITS PROPERTY, THAT EXISTED PRIOR TO THE ENTRY OF THE ORDER RESOLVING SUCH CONTRACT OBJECTION AND ANY SALE ORDER.

Sale Hearings

The Debtors will seek to assume and assign the Assigned Contracts at the hearings to approve the Sale Transaction(s). Unless the Debtors file and serve a revised notice, the hearings to approve the Sale Transaction(s) (each, a "**Sale Hearing**") shall be held on the following dates (subject to the availability of the Court):[5]

Assets	Sale Hearing
Stewardship Assets	July 11, 2024
First Round Hospitals	July 11, 2024
Second Round Hospitals	August 22, 2024
Other Assets	August 22, 2024

[5] Or such earlier date with consent of the Creditors' Committee, or later date designated by the Debtors after consultation with the Consultation Parties.

Objections, if any, that cannot otherwise be resolved by the parties, will be heard either at a hearing scheduled prior to the Sale Hearing or the Sale Hearing, as determined by the Debtor in accordance with the Bidding Procedures Order.

Additional Information

Copies of the Motion, the Bidding Procedures Order, the Global Bidding Procedures, and the Stalking Horse Agreement(s), if any, may be obtained free of charge at the website dedicated to the Debtor's chapter 11 case maintained by the Debtor's claims and noticing agent, Kroll Restructuring Administration, LLC, located at https://cases.ra.kroll.com/Steward.

Dated: [_], 2024
Houston, Texas

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