

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

In Re:

**SOUTH HILLS OPERATIONS, LLC, *et al.*,¹

Debtors.**

SOUTH HILLS OPERATIONS, LLC, *et al.*,

Movant,

-vs -

**CIBC BANK USA; CUARZO
HEALTHCARE CAPITAL; U.S. FOOD
SERVICES; PENNSYLVANIA
DEPARTMENT OF HUMAN SERVICES;
HARMONY PROPERTY MANAGEMENT,
LLC; IRWIN PROPERTY MANAGEMENT,
LLC; NEW CASTLE PROPERTY
MANAGEMENT, LLC; NEW
WILMINGTON PROPERTY
MANAGEMENT, LLC; LATROBE
PROPERTY MANAGEMENT, LLC;
WASHINGTON PROPERTY
MANAGEMENT, LLC; U.S.
DEPARTMENT OF LABOR; INTERNAL
REVENUE SERVICE; CENTERS FOR
MEDICARE AND MEDICAID SERVICES;**

Case No.: 2:24-21217-CMB

**Chapter 11
*Jointly Administered***

Doc. No.:

Related to Document No. 125

Hearing Date: June 13, 2024

Hearing Time:

Response Deadline:

¹The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's federal tax identification number are: South Hills Operations, LLC (5527); Monroeville Operations, LLC (3280); Mt. Lebanon Operations, LLC (1133); Murrysville Operations, LLC (9149); Cheswick Rehabilitation and Wellness Center, LLC (9561); 3876 Saxonburg Boulevard Propco, LLC (3618); North Strabane Rehabilitation and Wellness Center, LLC (1677); 100 Tandem Village Road Propco, LLC (1918); Maybrook-C Briarcliff Opco, LLC (5187); Maybrook-C Briarcliff Propco, LLC (1823); Maybrook-C Evergreen Opco, LLC (5388); Maybrook-C Evergreen Propco, LLC (2000); Maybrook-C Kade Opco, LLC (4033); Maybrook-C Kade Propco, LLC (2097); Maybrook-C Latrobe Opco, LLC (4148); Maybrook-C Latrobe Propco, LLC (2178); Maybrook-C Overlook Opco, LLC (7081); Maybrook-C Overlook Propco, LLC (6804); Maybrook-C Silver Oaks Opco, LLC (7146); Maybrook-C Silver Oaks Propco, LLC (9654); Maybrook-C Whitecliff Opco, LLC (6211); Maybrook-C Whitecliff Propco, LLC (4835). The Debtors' address is 485 Lexington Avenue, 10th Floor, New York, NY 10017

NEW WILMINGTON BOROUGH TAX COLLECTOR; RICHARD L. RAPONE, LAWRENCE COUNTY TREASURER; UNITY TOWNSHIP TAX COLLECTOR; WESTMORELAND COUNTY TAX CLAIM BUREAU; ROBERT OHR, TAX COLLECTOR, MERCER COUNTY TAX CLAIM BUREAU; WASHINGTON COUNTY TAX CLAIM BUREAU, DONALD J. PROGAR, TAX COLLECTOR, KEYSTONE COLLECTION GROUP; JULIE LEVENTRY, TAX COLLECTOR; and SHELLEY BUCHANAN, TAX COLLECTOR, CITY OF NEW CASTLE

Respondents.

CERTIFICATION OF COUNSEL REGARDING REVISED ORDER (A) APPROVING BID PROCEDURES FOR SALE OF SUBSTANTIALLY ALL OF THE MAYBROOK AND CONSULATE DEBTORS' ASSETS, OTHER THAN ACCOUNTS, FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES, AND INTERESTS, (B) APPROVING STALKING HORSE BID PROTECTION, (C) SCHEDULING AUCTION FOR AND HEARING TO APPROVE SALE OF SUBSTANTIALLY ALL OF THE MAYBROOK AND CONSULATE DEBTORS' ASSETS, (D) APPROVING FORM AND MANNER OF NOTICE OF SALE, AUCTION, AND SALE ORDER HEARING, (E) APPROVING ASSUMPTION AND ASSIGNMENT PROCEDURES, AND (F) GRANTING RELATED RELIEF

I, Daniel R. Schimizzi, Esquire, certify as follows:

1. I am an attorney with the law firm of Whiteford Taylor & Preston LLP and serve as proposed local counsel to the above captioned debtors and debtors in possession (collectively, the "Debtors") in the above captioned chapter 11 cases (the "Chapter 11 Cases").

2. On May 24, 2024, the Debtors filed the *Debtors' Motion for Entry of Orders (A) Approving Sale of Substantially All of the Maybrook and Consulate Debtors' Assets, Other than Accounts, Free and Clear of All Liens, Claims, Encumbrances, and Interests, (B) Approving Bid Procedures for the Sale of Substantially All of the Maybrook And Consulate Debtors' Assets, Other Than Accounts, (C) Approving Stalking Horse Bid Protections, (D) Scheduling Auction for and Hearing to Approve Sale of the Maybrook and Consulate Debtors' Assets, (E) Approving Form*

and Manner of Notice of Sale, Auction, and Sale Order Hearing, (F) Approving Assumption and Assignment Procedures, (G) Authorizing Assumption and Assignment of Executory Contracts and Unexpired Leases, and (H) Granting Related Relief [Doc. No. 125] (the “Sale Motion”).

3. The Court held a hearing on the Sale Motion on June 13, 2024.

4. At the conclusions of the hearing, this Court granted the relief requested in the Sale Motion and directed counsel to submit a revised form of order incorporating the changes discussed on the record at the hearing.

5. A revised proposed Order resolving the United States Trustee’s and Official Committee of Unsecured Creditor’s Objection to the entry of an order related to the Sale Motion is attached as **Exhibit A** (the “Revised Proposed Order”).

6. A blackline of the Revised Proposed Order against the original proposed order filed at Docket No. 125-1 is attached as **Exhibit B**. Deletions are signified by a line in the middle of the original text and additions are signified by underlined text.

7. The Debtors respectfully request that the Court enter the Revised Proposed Order substantially in the form attached as **Exhibit A**.

Dated June 14, 2024
Pittsburgh, Pennsylvania

Respectfully submitted,

WHITEFORD TAYLOR & PRESTON, LLP

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REVIEWED AND AGREED:

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EXHIBIT A

Proposed Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

In Re:	Case No.:
SOUTH HILLS OPERATIONS, LLC, <i>et al.</i>,¹	Chapter 11
Debtors.	<i>Jointly Administered</i>
	Doc. No.:
SOUTH HILLS OPERATIONS, LLC, <i>et al.</i>,	Related to Document No.
Movant,	Hearing Date:
-vs -	Hearing Time:
CIBC BANK USA; CUARZO	Response Deadline:
HEALTHCARE CAPITAL; U.S. FOOD	
SERVICES; PENNSYLVANIA	
DEPARTMENT OF HUMAN SERVICES;	
HARMONY PROPERTY MANAGEMENT,	
LLC; IRWIN PROPERTY MANAGEMENT,	
LLC; NEW CASTLE PROPERTY	
MANAGEMENT, LLC; NEW	
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DEPARTMENT OF LABOR; INTERNAL	
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Respondents.

ORDER (A) APPROVING BID PROCEDURES FOR SALE OF SUBSTANTIALLY ALL OF THE MAYBROOK AND CONSULATE DEBTORS' ASSETS, OTHER THAN ACCOUNTS, FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES, AND INTERESTS, (B) APPROVING STALKING HORSE BID PROTECTION, (C) SCHEDULING AUCTION FOR AND HEARING TO APPROVE SALE OF SUBSTANTIALLY ALL OF THE MAYBROOK AND CONSULATE DEBTORS' ASSETS, (D) APPROVING FORM AND MANNER OF NOTICE OF SALE, AUCTION, AND SALE ORDER HEARING, (E) APPROVING ASSUMPTION AND ASSIGNMENT PROCEDURES, AND (F) GRANTING RELATED RELIEF

Upon consideration of *Debtors' Motion for Entry of Orders (A) Approving Sale of Substantially All of the Maybrook and Consulate Debtors' Assets, Other than Accounts, Free and Clear of All Liens, Claims, Encumbrances, and Interests, (B) Approving Bid Procedures for the Sale of Substantially All of the Maybrook And Consulate Debtors' Assets, Other Than Accounts, (C) Approving Stalking Horse Bid Protections, (D) Scheduling Auction for and Hearing to Approve Sale of the Maybrook and Consulate Debtors' Assets, (E) Approving Form and Manner of Notice of Sale, Auction, and Sale Order Hearing, (F) Approving Assumption and Assignment Procedures, (G) Authorizing Assumption and Assignment of Executory Contracts and Unexpired*

Leases, and (H) Granting Related Relief[Docket. No. 125] (the “Motion”)² scheduled for a hearing (the “Bid Procedures Hearing”) seeking approval of, among other things, the Bid Procedures attached hereto as **Exhibit 1**, and upon consideration of the Official Committee of Unsecured Creditors’ Objection and Reservation of Rights to Debtors’ Sale and Bidding Procedures Motions (the Committee’s Objection”); and the Court, having found that it has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and the Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having considered the Motion and the Committee’s Objection, the arguments of counsel and the evidence presented at the Bid Procedures Hearing and the entire record; and the Court having found that the Debtors provided due and sufficient notice of the Motion and Bid Procedures Hearing and the relief sought in the Motion under the particular circumstances, and it appearing no other or further notice need be provided; and the Court having reviewed the Motion, the filings in support of the Motion, and the Committee’s Objection and the objection of the United States Trustee to the relief sought in the Motion (the “Objections”); and the Court having found that the relief requested in the Motion, as modified herein, is in the best interest of the Debtors, their estates, their creditors, and other parties in interest; and after due deliberation and good and sufficient cause appearing for the relief sought in the Motion, it is hereby, **FOUND AND DETERMINED** that:

A. The findings of facts and conclusions of law set forth in this Order constitute the Court’s findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this case pursuant to Bankruptcy Rule 9014. To the extent any of the following findings of fact

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms as set forth in the Motion.

constitute conclusions of law, they are hereby adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are hereby adopted as such. Any findings of fact or conclusions of law stated by the Court on the record at the Bid Procedures Hearing are hereby incorporated, to the extent they are not inconsistent with this Order.

B. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue in this Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

C. The statutory and legal bases for the relief requested in the Motion are sections 105, 363(b), 363, 364, 365, 503, and 507 of title 11 of the United States Code (the “Bankruptcy Code”), and Rules 2002, 4001, 6004, 6006, 9007, and 9014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”).

D. A reasonable opportunity to object or be heard regarding the relief requested in the Motion (including, without limitation, with respect to the Bid Procedures) has been afforded to all interested persons and entities, including, but not limited to, the Sale Notice Parties.

E. Notice of the Motion and the Bid Procedures Hearing was adequate and sufficient under the circumstances of the Chapter 11 Cases, and such notice complied with sections 102(1), 105(a), 363, and 365 of the Bankruptcy Code, Rules 2002, 6004, 6006, and 9014 of the Bankruptcy Rules.

F. The legal and factual bases set forth in the Motion and the Objections establish just cause for the relief granted herein. Entry of this Order is in the best interests of the Maybrook and Consulate Debtors and their respective estates, creditors, and all other parties-in-interest.

G. The Debtors have demonstrated a compelling and sound business justification for the Court to enter this Order approving a sale process for sale of the Purchased Assets on terms

similar to those in the Stalking Horse Agreements attached to the Motion as **Exhibit B**, including the Bid Protections for the Stalking Horse Bidders that include (a) a Termination Fee of \$1,325,000, and (b) Expense Reimbursement in the aggregate amount of up to \$300,000.

H. The Bid Protections are fair and reasonable and provide a benefit to the Maybrook and Consulate Debtors' estates and stakeholders.

I. The Debtors have demonstrated a compelling and sound business justification for the Court to grant the relief requested in the Motion, as modified herein, including, without limitation, to (a) approve the Stalking Horse Bidders and the Bid Procedures (including the Bid Protections); (b) establish the Assumption and Assignment Procedures; (c) approve the form and manner of the Notices and the Notice Procedures; (d) schedule a date for the (i) Auction, and (ii) Sale Order Hearing; and (e) grant related relief as set forth herein. Such compelling and sound business justification, which was set forth in the Motion and on the record at the Bid Procedures Hearing, among other things, form the basis for the findings of fact and conclusions of law set forth herein.

J. All objections to the relief requested in the Motion that have not been withdrawn, waived, or settled as announced to the Court at the Bid Procedures Hearing or by stipulation filed with the Court are overruled except as otherwise set forth herein.

K. The Bid Procedures, as modified herein, substantially in the form attached as **Exhibit 1** hereto, are fair, reasonable, and appropriate and represent the best method for maximizing the value of the Maybrook and Consulate Debtors' estates.

L. The Auction and Sale Notice, substantially in the form attached as **Exhibit 2** hereto, is appropriate and reasonably calculated to provide notice of the sale of the Purchased Assets free and clear of all liens, claims, encumbrances, or interests, including, without limitation: (i) the date,

time, and place of the Auction, if any; (ii) a summary of the Bid Procedures; (iii) the deadline for filing objections to the sale of the Purchased Assets; (iv) the date, time, and place of the hearing to consider the sale of the Purchased Assets; (v) that the sale of the Purchased Assets is free and clear of all liens, interests, Claims and Encumbrances (as defined in the Stalking Horse Agreements) to the fullest extent allowable under section 363(f) of the Bankruptcy Code, with all liens, interests, Claims and Encumbrances attaching with the same validity and priority to the Sale Transaction proceeds; and (vi) the proposed assumption and assignment of the Assumed Contracts to any Successful Bidder arising from the Auction (if any), and no other or further notice of the Sale Transaction shall be required.

M. The Resident Notice, substantially in the form attached as **Exhibit 3** hereto, is appropriate and reasonably calculated to provide notice to certain residents and patients of the Facilities regarding the proposed Sale Transaction and their right to raise any objections thereto.

N. The Contract Assumption and Assignment Notice, substantially in the form attached as **Exhibit 4** hereto, is reasonably calculated to provide all interested parties with timely and proper notice of the potential assumption and assignment of Executory Contracts in connection with the Sale Transaction and the related Cure Amounts, and no other or further notice is required.

O. The Post-Auction Notice, substantially in the form attached as **Exhibit 5** hereto, is appropriate and reasonably calculated to provide all interested parties with timely and proper notice of the Successful Bidder(s) and Backup Bidder(s), and no other or further notice is required.

IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED that:

1. The relief requested in the Motion is **GRANTED AND APPROVED** as modified herein and as set forth in this Order.

2. All Objections or the relief requested in the Motion that have not been withdrawn, waived or settled as announced to the Court at the Bid Procedures Hearing or by stipulation filed with the Court, and all reservations of rights included therein, are hereby overruled on the merits or have been otherwise satisfied or adequately provided for pursuant to this Order.

(i) Timeline of the Sale.

3. The Debtors are authorized to proceed with the sale of the Purchased Assets in accordance with the Bid Procedures and are authorized to take any and all actions reasonably necessary or appropriate to implement the Bid Procedures in accordance with the following timeline:

Milestone	Proposed Date
Deadline to Serve Contract Assumption and Assignment Notice	5:00 p.m. (prevailing Eastern Time) on July 21, 2024
Sale Objection Deadline and Contract Objection Deadline ³	5:00 p.m. (prevailing Eastern Time) on July 12, 2024
Bid Deadline	5:00 p.m. (prevailing Eastern Time) on July 12, 2024
Auction (if necessary)	10:00 a.m. (prevailing Eastern Time) on July 17, 2024
Deadline to file Post-Auction Notice	5:00 p.m. (prevailing Eastern Time) on July 18, 2024
Successful Bidder Objections Deadline	5:00 p.m. (prevailing Eastern Time) on July 22, 2024

³ The Sale Objection Deadline and Contract Objection Deadline apply to all objections to the sale of the Purchased Assets and the assumption and assignment of the Assumed Contracts (including adequate assurance of future performance by the Stalking Horse Bidders), with the exception of objections related to adequate assurance of future performance by a Successful Bidder other than the Stalking Horse Bidder.

Milestone	Proposed Date
Debtors' Deadline to Reply to Initial Sale and Contract Objections	5:00 p.m. (prevailing Eastern Time) on July 29, 2024
Debtors' Deadline to Reply to Supplemental Sale Objections	5:00 p.m. (prevailing Eastern Time) on August 2, 2024
Sale Order Hearing	10:00 a.m. (prevailing Eastern Time) on August 5, 2024

4. Notwithstanding the foregoing, for the Committee only, the initial Sale Objection Deadline and Contract Assumption Deadline shall be July 24, 2024, and the Committee shall have until July 31, 2024 to file any supplemental objection to the Sale.

5. The failure to timely file an objection in accordance with this Order shall forever bar the assertion of any objection to the Motion or Sale Order and/or consummation of a Sale Transaction, including the assumption and assignment of Assumed Contracts to a Successful Bidder pursuant to a purchase agreement, and shall be deemed to constitute any such party's consent to entry of an order approving the Sale Transaction and consummation of the Sale Transaction and all other transactions related thereto.

6. The Debtors are authorized to modify the above timeline and Bid Procedures in accordance with the Bid Procedures, subject to the approval of the Consultation Parties and the Stalking Horse Bidders and any rights that the Stalking Horse Bidders may have under the Stalking Horse Agreements on account of such modification.

7. CIBC shall be entitled to credit bid all or a portion of its claim for the Purchased Assets that constitute its collateral, in accordance with section 363(k) of the Bankruptcy Code, provided that CIBC pays sufficient cash at Closing to pay the Termination Fee and the maximum amount of the Expense Reimbursement owing to the Stalking Horse Bidders should CIBC be the

Successful Bidder. Any dispute between CIBC and the Committee regarding the amount of CIBC's credit bid shall be brought before the Court in advance of the Auction.

(ii) The Bid Procedures.

8. The Bid Procedures as modified herein are **APPROVED** in their entirety. The Debtors are authorized to take any and all actions reasonably necessary or appropriate to implement the Bid Procedures, in accordance therewith. The failure to specifically include or reference a particular provision of the Bid Procedures in this Order shall not diminish or impair the effectiveness of such actions.

9. The process and requirements associated with submitting a bid and the designation of a bid as a Qualified Bid are approved as fair, reasonable, appropriate, and designed to maximize recoveries for the benefit of the Maybrook and Consulate Debtors' estates, creditors, and other parties in interest. As further described in the Bid Procedures, the Bid Deadline shall be 5:00 p.m. (prevailing Eastern Time) on July 12, 2024 and such Bid Deadline may not be extended without the consent of the Stalking Horse Bidders. Any disputes or objections to the selection of any Qualified Bid, the Successful Bid, or the Backup Bid (each as defined in the Bid Procedures) shall be resolved by the Court at the Sale Order Hearing as set forth herein.

10. The Debtors are authorized to conduct and preside over the Auction in accordance with the Bid Procedures. The Auction, to the extent that an Auction is necessary under the Bid Procedures, shall take place at 10:00 a.m. (prevailing Eastern Time) on July 17, 2024, at the offices of: (a) Whiteford, Taylor & Preston, LLC, 11 Stanwix St., Suite 1400, Pittsburgh, Pennsylvania 15222, (b) via in person or a virtual platform, such as Zoom or GoToMeeting, or (c) such other location, in each case as the Debtors designate (or at any other time and location as the Debtors may hereafter designate on proper notice). The Auction will be conducted openly and all Qualified Bidders, the Consultation Parties, and the United States Trustee will be permitted to attend.

(iii) Stalking Horse Bidder, Bid Protections.

11. The Stalking Horse Bidders and the Bid Protections are approved, except as modified by this paragraph. The Termination Fee shall be no greater than \$1,325,000 and any Expense Reimbursement shall not exceed \$300,000 in the aggregate, consisting of the Stalking Horse Bidders' reasonable and actual pre-petition and post-petition legal and diligence expenses incurred by the Stalking Horse Bidders. The Bid Protections, if due and payable pursuant to this Order and the Stalking Horse Agreements, shall be payable at the Closing of an Alternative Transaction and solely from the proceeds of such Alternative Transaction, as defined in the Stalking Horse Agreements, provided that the Expense Reimbursement shall be due and payable by the Debtors to the Stalking Horse Bidders under such other circumstances as provided for in the Stalking Horse Agreements, including, without limitation, Section 9.2(d) and 9.2(e) of the Stalking Horse PSA. The Stalking Horse Bidders shall provide the Debtors, the U.S. Trustee, CIBC and the Committee with a notice (the "Expense Reimbursement Notice") of their intent to seek payment of any Expense Reimbursement, which notice shall include the amount sought and reasonable supporting documentation. Unless either the U.S. Trustee, CIBC or the Committee files an objection as to the reasonableness of the Expense Reimbursement with the Court within five (5) business days of the date of the Expense Reimbursement Notice (the "Expense Reimbursement Objection Deadline"), the Debtors shall pay the Expense Reimbursement to the Stalking Horse Bidders within three (3) business days of the Expense Reimbursement Objection Deadline. If any of the U.S. Trustee, CIBC, the Debtors or the Committee files an objection as to the reasonableness of the Expense Reimbursement within the Expense Reimbursement Objection Deadline, the parties shall schedule a hearing before the Court to resolve the objection. The Termination Fee and the Expense Reimbursement shall be a separate carve out from the Maybrook DIP Facility (as defined in the Maybrook DIP Order) solely for the benefit of the Stalking Horse

Bidders and shall be paid to the Stalking Horse Bidders simultaneously with the Closing of any Alternative Transaction or, if only the Expense Reimbursement shall be paid under such other circumstances as provided for in the Stalking Horse Agreements, within three (3) business days after it becomes due. Any payments to the Stalking Horse Bidders of the Bid Protections as approved herein shall be irrevocable, received free and clear of any claim, charge, assessment or other liability, unavoidable and, without limiting the foregoing, not subject to avoidance by any parties in interest including but not limited to the Debtors, the Debtors' estates and any successors thereto, CIBC, the Committee, any trustee appointed in the Chapter 11 Cases, or in any case under Chapter 7 of the Bankruptcy Code upon the conversion of any of the Chapter 11 Cases, or in any other proceedings superseding or related to any of the foregoing. Additionally, if the Bid Protections have not been paid to the Stalking Horse Bidders (and even if the right to payment of such Bid Protections is contingent or unliquidated) and a Carve Out Trigger Notice is delivered pursuant to the Final Order (I) Authorizing the Maybrook and Consulate Debtors to Obtain Postpetition Financing, (II) Authorizing the Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Status, (IV) Granting Adequate Protection, (V) Modifying the Automatic Stay, and (VI) Granting Related Relief (the "Maybrook DIP Order"), the Debtors shall fund a segregated account in the maximum total amount of the Bid Protections to be held in trust exclusively for the benefit of the Stalking Horse Bidders to satisfy all unpaid Bid Protections as provided herein and upon further order of the Court (the "Bid Protections Escrow"), which Bid Protections Escrow shall terminate upon the earliest of (i) closing of the Transaction, (ii) payment of all Bid Protections due to the Stalking Horse Bidders due and payable pursuant to the Stalking Horse Agreements and this Order, or (iii) five (5) business days following written notice of termination of the Stalking Horse Agreements for a reason that does not result in the payment of

the Bid Protections to the Stalking Horse Bidders under the terms of the Stalking Horse Agreements and this Order.

(iv) Notice Procedures.

12. The Auction and Sale Notice, substantially in the form attached as **Exhibit 2** is **APPROVED**.

13. As soon as practicable after entry of the Sale Procedures Order, the Debtors shall serve the Auction and Sale Notice and this Order by first-class mail, postage prepaid on the following parties, *provided, however*, that to the extent email addresses are available for counsel for any of the following parties that have appeared in the Debtors' bankruptcy cases, such counsel may be served by email (collectively, the "Sale Notice Parties"): (a) all of the Debtors' creditors; (b) all entities that have, to the best knowledge of the Debtors' management and advisors, expressed written interest in purchasing any of the Facilities or Purchased Assets within the past one (1) year; (c) all entities known to have asserted any lien, claim, interest, or encumbrance in or upon any of the Facilities and/or Purchased Assets; (d) counsel to CIBC; (e) DOH; (f) counsel to the DOL in the DOL Action; (g) DHS; (h) counsel to the Committee; (i) the U.S. Trustee; (j) all parties that have requested notice pursuant to Bankruptcy Rule 2002; (k) all federal, state, and local regulatory or taxing authorities or recording offices which have a reasonably known interest in the relief granted herein; (l) the Internal Revenue Service; (m) any other governmental authority known or reasonably believed by the Debtors to have or assert a claim against any of the Debtors in the Chapter 11 Cases, including CMS and the United States Attorney for the Western District of Pennsylvania; (n) the Office of the Attorney General and Office of the Secretary of State for the Commonwealth of Pennsylvania; (o) the counterparties to the Executory Contracts; (p) all patients and residents at the Facilities at any point in time dating back to two (2) years prior to the Petition Date and any of such persons' present legal representatives to the extent known by the Debtors,

(q) all persons or entities that have asserted, or threatened to assert, any tort claims against any of the Maybrook and Consulate Debtors at any point in time dating back to two (2) years prior to the Petition Date, and (r) all of the Debtors' employees at any point in time dating back to two (2) years prior to the Petition Date.

14. The Debtors shall also (i) upload the Notice of Sale to the Court's Electronic Access to Sales Information (EASI) system, and (ii) advertise notice of the sale by publication and Legal Journal as required by Local Rule 6004-1.

15. The Resident Notice, substantially in the form attached as **Exhibit 3** is **APPROVED**. In addition to the Auction and Sale Notice, the Debtors shall serve the Resident Notice on all patients and residents at the Facilities at any point in time dating back to two (2) years prior to the Petition Date and any of such persons' present legal representatives to the extent known by the Debtors.

16. Service of the Auction and Sale Notice and Resident Notice as described above shall be good and sufficient notice of the Sale Transaction and the Assumption and Assignment Procedures with respect to known interested parties.

17. The Debtors are directed to post the Auction and Sale Notice on their case information website at <https://omniagentsolutions.com/SouthHills> [omniagentsolutions.com].

18. The form of the Post-Auction Notice substantially in the form attached hereto as **Exhibit 5** is **APPROVED**. The Debtors shall file on the docket and serve the Post-Auction Notice on the counterparties to the Assumed Contracts, the Sale Notice Parties, and all parties entitled to notice pursuant to Bankruptcy Rule 2002 and Local Rule 2002-1 via ECF, by email, fax, or overnight delivery, by 5:00 p.m. (prevailing Eastern Time) on July 18, 2024.

(v) **Assumption and Assignment Procedures.**

19. The Assumption and Assignment Procedures, as detailed in the Motion and incorporated herein, are hereby **APPROVED**.

20. The Contract Assumption and Assignment Notice, substantially in the form attached hereto as **Exhibit 4** is hereby **APPROVED**.

21. The Debtors shall file with the Court, post on their case information website at <https://omniagentsolutions.com/SouthHills>, and serve on each Counterparty to an Executory Contract, the Contract Assumption and Assignment Notice no later than twenty-one (21) days before the Sale Order Hearing date. If no Cure Amount is listed for a particular Assumed Contract, the Debtors' asserted Cure Amount for such Executory Contract shall be deemed to be \$0.00. The Debtors shall serve, via email to counsel for any party that has appeared in the Debtors' bankruptcy cases, if available, or first-class mail, the (a) Contract Assumption and Assignment Notice that contains the list of Executory Contracts, (b) information necessary and appropriate to provide notice of the relevant proposed assumption and assignment of Executory Contracts that may be Assumed Contracts and rights thereunder, (c) Cure Amount, if any, and (d) the procedures for objecting thereto, on all counterparties to the Executory Contracts and all parties on the Rule 2002 Notice List. Service of such Contract Assumption and Assignment Notice as set forth herein shall be deemed good and sufficient notice of, among other things, the potential assumption and assignment of the Executory Contracts, the applicable Cure Amounts related thereto, and the procedures for objecting thereto, and no other or further notice is necessary.

22. Any objection with respect to the Debtors' proposed Assumption and Assignment of any Executory Contract included in the Contract Assumption and Assignment Notice, including without limitation any objection to the Cure Amount, shall be filed by 5:00 p.m. (prevailing Eastern Time) on July 12, 2024, for any Counterparties to a Executory Contracts provided that, with respect

to any Contract Objection for any Executory Contract included on a subsequent Contract Assumption and Assignment Notice filed by the Debtors, such Contract Objections shall be filed on or prior to fourteen (14) days following service of such Contract Assumption and Assignment Notice. Any Contract Objection must (a) be in writing; (b) comply with the applicable provisions of the Bankruptcy Rules and Bankruptcy Local Rules; (c) be filed with the Court by the Contract Objection Deadline; and (d) state with specificity the grounds for such objection, including, without limitation, the fully liquidated cure amount and the legal and factual bases for any unliquidated cure amount that the Counterparty believes is required to be paid under Bankruptcy Code sections 365(b)(1)(A) and (B) for the applicable Assumed Contract, along with the specific nature and dates of any alleged defaults, the pecuniary losses, if any, resulting therefrom, and the conditions giving rise thereto.

23. If, after the Contract Assumption and Assignment Notice Deadline, additional executory contracts or unexpired leases of the Maybrook and Consulate Debtors are determined to be potential Assumed Contracts in connection with an Sale Transaction, or the Debtors seek to modify the previously stated Cure Amount associated with any Executory Contract, as soon as practicable thereafter, the Debtors shall file with the Court and serve, by overnight delivery, on the applicable Counterparties, a supplemental or amended Contract Assumption and Assignment Notice, and such Counterparties shall file any objection to Cure Amount not later than fourteen (14) days following service of such Contract Assumption and Assignment Notice.

24. The inclusion of an Executory Contract on the Contract Assumption and Assignment Notice will not (a) obligate the Debtors to assume any Executory Contract listed thereon nor the Successful Bidder to take assignment of such Executory Contract or (b) constitute any admission or agreement of the Debtors that such Executory Contract is an executory contract.

25. Any objection to the Stalking Horse Bidders' adequate assurance of future performance must be filed no later than the Sale Objection Deadline and all such objections must specify what the objecting party believes is required to provide such adequate assurance.

26. If no Contract Objection is timely received with respect to an Assumed Contract: (a) the Counterparty to such Assumed Contract shall be deemed to have consented to the assumption by the Debtors and assignment to the Successful Bidder of the Assumed 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 applicable Successful Bidder); (b) any and all defaults under the Assumed 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 (B) upon payment of the Cure Amount set forth in the Contract Assumption and Assignment Notice; and (c) the Counterparty shall be forever barred from asserting any other claims related to such Assumed 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 the Contract Assumption Objections and the Sale Order.

27. To the extent that the parties are unable to consensually resolve any Contract Objection prior to the commencement of the Sale Order Hearing, the Debtors may, after consultation with the Consultation Parties and the Stalking Horse Bidders' or other Successful Bidder's (as applicable) approval, as well as CIBC's approval (which will not be unreasonably withheld), (i) assume the applicable Assumed Contract prior to the resolution of the Cure Dispute; provided that the Successful Bidder (or the Debtors, as may be applicable under the applicable purchase agreement) shall (a) pay to the applicable Counterparty the undisputed portion of the Cure Amount within five (5) business days after the Closing of the Sale Transaction and (b) reserve

cash in an amount sufficient to pay the disputed portion of the Cure Amount reasonably asserted by the applicable Counterparty (or such lesser amount as may be fixed or estimated by the Court or otherwise agreed to by the Counterparty and the Maybrook and Consulate Debtors), or (ii) adjourn their request to assume the contract or lease pending resolution of the Cure Dispute; provided further that, to the extent the Adjourned Cure Dispute is resolved or determined unfavorably to the Debtors, the Debtors (with the consent of the Successful Bidder(s)) may withdraw the proposed assumption of the applicable contract or lease after such determination by filing a notice of withdrawal, which, in the case of a lease, shall be prior to the expiration of the applicable deadline to assume or reject unexpired leases under section 365(d)(4) of the Bankruptcy Code. The Debtors shall file notice of their intention to reserve for a Cure Amount or to adjourn their request for assumption. An Adjourned Cure Dispute may be resolved after the Closing Date of the Sale Transaction in the Debtors' discretion with the consent of the Successful Bidder(s).

(vi) Sale Order Hearing.

28. A Sale Order Hearing to (a) approve a sale of the Debtors' assets to a Successful Bidder, approve designation of a Backup Bids and Backup Bidders, if applicable, in accordance with the Bid Procedures, and (c) authorize the assumption and assignment of the Assumed Contracts shall be held at 10:00 a.m. (prevailing Eastern Time) on August 5, 2024, and may be adjourned or rescheduled on notice by the Debtors and, if the Stalking Horse Bidders are the Successful Bidders, only upon consent of the Stalking Horse Bidders. At the Sale Order Hearing, the Debtors will seek Court approval of the Successful Bid(s) and Backup Bid(s), if applicable. Unless the Bankruptcy Court orders otherwise, any Sale Order Hearing shall be an evidentiary hearing on matters relating to the Sale Transaction and there will be no further bidding at such hearing. In the event that a Successful Bidder cannot or refuses to consummate the Sale Transaction because of the breach or failure on the part of such Successful Bidder, the Debtors,

may, in accordance with the Bid Procedures, designate the applicable Backup Bid to be the new Successful Bid and the Backup Bidder to be the new Successful Bidder, and the Maybrook and Consulate Debtors shall be authorized, but not required, to consummate the Sale Transaction with the Backup Bidder without further order of the Bankruptcy Court.

29. Any and all objections, if any, to any proposed Sale Transaction and proposed adequate assurance must be filed no later than 5:00 p.m. (prevailing Eastern Time) on July 12, 2024. For avoidance of doubt, any objections to a Successful Bidder's proposed form of adequate assurance of future performance assignment of any Assumed Contract will be resolved at the Sale Order Hearing. Notwithstanding the foregoing, for the Committee only, the initial Sale Objection Deadline and Contract Assumption Deadline shall be July 22, 2024, and the Committee shall have until July 31, 2024 to file any supplemental objection to the Sale.

(vii) Miscellaneous.

30. Except as otherwise provided herein, any objection provided pursuant to any of the provisions set forth in the Motion must: (a) be in writing, (b) comply with the applicable provisions of the Bankruptcy Rules and Bankruptcy Local Rules, (c) state with particularity the legal and factual basis for the objection and the specific grounds therefor, and (d) be filed with this Court via ECF.

31. Any substantial contribution claims by any Potential Bidder are deemed waived, to the extent based on such Potential Bidder's submission of a bid in accordance with the Bid Procedures.

32. The Debtors are authorized and empowered to take such action as may be necessary to implement and effect the terms and requirements established under this Order.

33. This Order shall constitute the findings of fact and conclusions of law and shall take immediate effect upon execution hereof.

34. Notwithstanding Bankruptcy Rules 6004(h), 6006(d), 9014, or otherwise, this Court, for good cause shown, orders that the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

35. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation or interpretation of this Order, including, but not limited to, any matter, claim, or dispute arising from or relating to the Bid Procedures, the Stalking Horse Agreements, and the implementation of this Order.

Prepared by:

/s/ Daniel R. Schimizzi

Daniel R. Schimizzi

Proposed Local Counsel to the Debtors

BY THE COURT:

Date: _____, 2024
Pittsburgh, PA

Carlota M. Böhm, Judge
United States Bankruptcy Court

EXHIBIT 1

Bid Procedures

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

In Re:

**SOUTH HILLS OPERATIONS, LLC, *et al.*,¹

Debtors.**

Case No.: 2:24-21217-CMB

**Chapter 11
*Jointly Administered***

**BID PROCEDURES FOR THE SALE
OF SUBSTANTIALLY ALL OF THE MAYBROOK AND CONSULATE DEBTORS'
ASSETS**

Due Diligence Participation Requirements

Any person desiring to conduct due diligence that may lead to a bid for one or more of the Maybrook and Consulate Debtors' Facilities or all or substantially all of the Purchased Assets will be required to deliver to the Debtors an executed confidentiality agreement in form and substance satisfactory to the Debtors.² The Debtors and their professionals will afford any parties that execute a confidentiality agreement (a "Potential Bidder") such due diligence access or additional

¹The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's federal tax identification number are: South Hills Operations, LLC (5527); Monroeville Operations, LLC (3280); Mt. Lebanon Operations, LLC (1133); Murrysville Operations, LLC (9149); Cheswick Rehabilitation and Wellness Center, LLC (9561); 3876 Saxonburg Boulevard Propco, LLC (3618); North Strabane Rehabilitation and Wellness Center, LLC (1677); 100 Tandem Village Road Propco, LLC (1918); Maybrook-C Briarcliff Opco, LLC (5187); Maybrook-C Briarcliff Propco, LLC (1823); Maybrook-C Evergreen Opco, LLC (5388); Maybrook-C Evergreen Propco, LLC (2000); Maybrook-C Kade Opco, LLC (4033); Maybrook-C Kade Propco, LLC (2097); Maybrook-C Latrobe Opco, LLC (4148); Maybrook-C Latrobe Propco, LLC (2178); Maybrook-C Overlook Opco, LLC (7081); Maybrook-C Overlook Propco, LLC (6804); Maybrook-C Silver Oaks Opco, LLC (7146); Maybrook-C Silver Oaks Propco, LLC (9654); Maybrook-C Whitecliff Opco, LLC (6211); Maybrook-C Whitecliff Propco, LLC (4835). The Debtors' address is 485 Lexington Avenue, 10th Floor, New York, NY 10017

² Unless otherwise defined, all capitalized terms used herein shall have the meanings provided in the *Debtors' Motion for Entry of Orders (A) Approving Sale of Substantially All of the Maybrook and Consulate Debtors' Assets, Other than Accounts, Free and Clear of All Liens, Claims, Encumbrances, and Interests, (B) Approving Bid Procedures for the Sale of Substantially All of the Maybrook And Consulate Debtors' Assets, Other Than Accounts, (C) Approving Stalking Horse Bid Protections, (D) Scheduling Auction for and Hearing to Approve Sale of the Maybrook and Consulate Debtors' Assets, (E) Approving Form and Manner of Notice of Sale, Auction, and Sale Order Hearing, (F) Approving Assumption and Assignment Procedures, (G) Authorizing Assumption and Assignment of Executory Contracts and Unexpired Leases, and (H) Granting Related Relief* [Docket. No. 125] (the "Motion").

information as the Debtors, in their business judgment, determine to be reasonable and appropriate. Notwithstanding the foregoing, the Debtors shall have the right, after consulting with the Consultation Parties, to require satisfactory evidence of any Potential Bidder's available funds for or firm commitment for sufficient financing to consummate an acquisition, prior to granting said Potential Bidder access to conduct due diligence, and the Debtors, after consulting with the Consultation Parties, may withhold or limit access by any Potential Bidder to the due diligence if the Potential Bidder does not become or, the Debtors determine that the Potential Bidder is not likely to become, a Qualified Bidder. Additional due diligence will not be provided after the Bid Deadline (as defined below).

Each Potential Bidder agrees to use, and to instruct its advisors and representatives to use, any of the Debtors' confidential information only in connection with the formulation of a bid(s) during the bidding process or in accordance with the terms of any applicable confidentiality agreement.

Bid Deadline

The deadline for Potential Bidders to submit bids intending to compete with the Stalking Horse Agreements (attached as Exhibit B to the Motion), is **July 12, 2024 at 5:00 p.m. (prevailing Eastern Time)** (the "Bid Deadline"). Such bids must be received on or before the Bid Deadline by the following parties (collectively, the "Notice Parties"):

1. Debtors' counsel (a) Bass, Berry & Sims, PLC, 150 Third Ave. South, Suite 2800, Nashville, Tennessee 37201, Attn: Glenn B. Rose (grose@bassberry.com); (b) Whiteford, Taylor & Preston, L.L.P., 11 Stanwix St., Suite 1400, Pittsburgh, PA 1522, Attn: Daniel R. Schimizzi (dschimizzi@wtplaw.com);
2. Ankura Consulting Group, 2021 McKinney Avenue, Suite 340, Dallas, TX 75201, Attn: Louis E. Robichaux, IV (louis.robichaux@ankura.com); and
3. Blueprint Healthcare Real Estate Advisors, LLC, 191 N. Wacker Drive, Suite 1680, Chicago, IL, 60606, Attn: Michael Segal (msegal@blueprinthere.com)

The Debtors will promptly deliver a copy of each bid received by the Bid Deadline to counsel for CIBC Bank USA and counsel for the Official Committee of Unsecured Creditors (the "Committee", and collectively with CIBC, the "Consultation Parties").

The Bid Deadline cannot be extended unless the Stalking Horse Bidders consent.

Participation Requirements

To be eligible to participate in the Auction (as such term is defined below), each bid and each Potential Bidder submitting such a bid must conform to the following requirements (collectively, the "Participation Requirements"):

1. Except in the case of a bid for less than all of the Maybrook and Consulate Debtors' facilities, which piecemeal bids shall be considered in the aggregate as compared to the Stalking Horse Bid, offer to consummate the Sale Transaction on terms no

less favorable to the Maybrook and Consulate Debtors than those set forth in the Stalking Horse Agreements, taking into account the Bid Protections, including the Minimum Overbid Amount;

2. Include a (a) redlined copy of each of the Stalking Horse PSA and the Stalking Horse OTA to show any proposed amendments thereto (the “Modified PSA” and “Modified OTA”, respectively, and, collectively, the “Modified Agreements”) and (b) clean, executed copies of the Modified Agreements;
3. Include a statement that there are no conditions precedent to the Potential Bidder’s entry into definitive Modified Agreements, including that (a) there are no financing contingencies to the bid, (b) there are no due diligence contingencies to the bid, and (c) all necessary internal and shareholder approvals have been obtained prior to submitting the bid;
4. State that such offer is binding and irrevocable until the approval of the Successful Bid by the Court unless designated as the Back-Up Bid (as defined below);
5. Disclose the identity of each entity that will be bidding or otherwise participating in connection with such bid, and the complete terms of any such participation;
6. Include the names and contact information of members of the Potential Bidder who will be available to answer questions regarding the offer, including any advisors and related parties;
7. Include a good-faith deposit in immediately available funds in an amount equal to \$1,350,000 (“Earnest Money Deposit”);
8. Not be conditioned on the receipt of any third party approvals or consents (excluding required Court approval and required governmental, licensing or regulatory approval or consent, if any), including without limitation board of director approval. With respect to any governmental, licensing or regulatory approvals or consents, each bid must include a description of all such approvals or consents that are required to consummate the proposed transaction, together with evidence satisfactory to the Debtors, in consultation with the Consultation Parties and CIBC’s approval, which will not be unreasonably withheld, of the ability of the bidder to obtain such approvals or consents in a timely manner, as well as a description of any material contingencies or other conditions that will be imposed upon, or that will otherwise apply to, the obtainment or effectiveness of any such approvals or consents;
9. Accompanied by an executed letter stating that the Potential Bidder’s offer, if selected as either the Successful Bid or Back-Up Bid, is irrevocable until consummation of a transaction involving the assets identified in such bid and that such bidder agrees to serve as a Backup Bidder (as defined herein) in accordance with these Bid Procedures;

10. Include sufficient financial or other information (the “Adequate Assurance Information”) to establish adequate assurance of future performance with respect to any lease or contract to be assigned to the Potential Bidder in connection with the proposed Sale Transaction. The bid shall also identify a contact person (with relevant contact information) that counterparties to any lease or contract can contact to obtain additional Adequate Assurance Information;
11. Provide satisfactory written evidence of available funds or a firm commitment for financing sufficient to consummate the Sale Transaction;
12. Provide information on the Potential Bidder’s ability to continue to operate the Maybrook and Consulate Facilities;
13. Represent and warrant that the Potential Bidder has had an opportunity to conduct any and all due diligence regarding the Maybrook and Consulate Debtors’ business and the Purchased Assets prior to submitting its bid and a statement that the Potential Bidder has relied solely upon its own independent review, investigation, and / or inspection of any relevant documents and the Purchased 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 Maybrook and Consulate Debtors’ business or the Purchased 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 Modified Agreements, if ultimately accepted and executed by the Debtors; and
14. Acknowledge that the Potential Bidder is not entitled to any of the Bid Protections.

The Debtors, following consultation with the Consultation Parties and CIBC’s approval, which will not be unreasonably withheld, shall determine whether bids submitted by the Bid Deadline by Potential Bidders meet the Participation Requirements.

The Debtors reserve the right to request additional information from a Potential Bidder in connection with its bid.

For the avoidance of doubt, bids are not required to adopt the business structure set forth in the Stalking Horse Agreements, may provide for either a for-profit or not-for-profit entity as the purchaser(s) and/or operator(s) of the Facilities, and may be for one, some, or all of the Maybrook and Consulate Debtors’ Facilities.

Qualified Bidders and Bids

Potential Bidders who have satisfied the Participation Requirements in the Debtors’ judgment, in consultation with the Consultation Parties, will be deemed “Qualified Bidders.” Bids that satisfy all bid requirements, as determined by the Debtors, in consultation with the Consultation Parties and with CIBC’s approval, which will not be unreasonably withheld, will be deemed “Qualified Bids.” The Debtors will advise each Potential Bidder whether it is deemed to be a Qualified Bidder and whether its bid is a Qualified Bid before the Auction.

As provided in the Sale Procedures Order, the Stalking Horse Bidders are deemed Qualified Bidders and the Stalking Horse Bid is a Qualified Bid in all respects. The Stalking Horse Bidders shall be entitled to credit bid the amount of their Termination Fee and Expense Reimbursement (as defined in the Stalking Horse Agreements) towards any subsequent bid at the Auction, if any. In the event that a Potential Bidder submits a bid that is not deemed to be a Qualified Bid (a “Rejected Bid”), the Debtors shall provide a reasonable opportunity for such Potential Bidder to cure the Rejected Bid for the purposes of allowing it to become a Qualified Bid, provided that such cure occurs prior to the Bid Deadline. The Consultation Parties may review and facilitate the process of curing Rejected Bids.

All Qualified Bidders shall be deemed to have waived the right to pursue a substantial contribution claim under section 503 of the Bankruptcy Code related in any way to due diligence, the submission of its bid, the Bid Procedures, the Auction and the Sale, provided that the Stalking Horse Bidders are entitled to the Bid Protections.

Auction Participation

Unless otherwise agreed to by the Debtors, only the Debtors, Qualified Bidders, members of the Committee, the Trustee, and each of the foregoing’s legal and financial professionals are eligible to attend or participate at the Auction. Subject to the other provisions of these Bid Procedures, if the Debtors do not receive any Qualified Bids other than Stalking Horse Bid or if no Qualified Bidder other than the Stalking Horse has indicated its intent to participate in the Auction, the Debtors will not hold an Auction and the Stalking Horse Bidders will be named the Successful Bidders (as defined below).

Prior to the start of the Auction, the Debtors, in consultation with the Consultation Parties and with CIBC’s approval, which will not be unreasonably withheld, may hold discussions with any Qualified Bidders for less than all of the Maybrook and Consulate Debtors’ Facilities to discuss proposals to combine their Qualified Bids for purposes of bidding on the Purchased Assets at the Auction.

Auction

If more than one Qualified Bid is received, the Debtors will conduct an auction (the “Auction”) for the sale of substantially all the Purchased Assets. Each Qualified Bidder participating at the Auction will be required to confirm on the record that it has not engaged in any collusion with respect to the bidding or the Sale Transaction. Prior to the start of the Auction, the Debtors, in consultation with the Consultation Parties and with CIBC’s approval (which will not be unreasonably withheld), will select a Qualified Bid to be the opening bid at the Auction (each such Qualified Bid, the “Opening Bid” and each such Qualified Bidder, the “Opening Bidder”), and inform each of the Qualified Bidders participating in the Auction of the same.

The Auction shall take place at 10:00 a.m. (prevailing Eastern Time) on July 17, 2024 (the “Auction Date”) at the offices of: (a) Whiteford, Taylor & Preston, LLP, 11 Stanwix St., Suite 1400, Pittsburgh, Pennsylvania 15222, (b) via in person or a virtual platform, such as Zoom or GoToMeeting, or (c) such other location, in each case as the Debtors designate. No later than forty-eight (48) hours prior to the Auction Date, the Debtors shall provide notice of the Auction location

and, if via a virtual platform, the credentials required to access such platform, to all Qualified Bidders, the Trustee and the Committee. At the Auction, only the Stalking Horse Bidders (taking into account their right to credit bid the Bid Protections) and other Qualified Bidders will be permitted to increase their bids by the Minimum Bid Amount, and to make any incremental bids thereafter. The Debtors may conduct the Auction in the manner they reasonably determine, in their business judgment, after consultation with the Consultation Parties and with CIBC's approval (which will not be unreasonably withheld), will achieve the maximum value for the Purchased Assets.

Closing the Auction

The Auction shall continue until there is one offer or a combination of offers that the Debtors determine, following consultation with the Consultation Parties and with CIBC's approval (which will not be unreasonably withheld), and subject to Bankruptcy Court approval, is the highest and best offer(s) from among the Qualified Bidders (including the Stalking Horse Bidders) submitted at the Auction (the "Successful Bid(s)"). The Qualified Bidder(s) submitting such Successful Bid(s) shall become the "Successful Bidder" and shall have such rights and responsibilities of a purchaser, as set forth in the Stalking Horse Agreements or Modified Agreement, as applicable. Immediately prior to the conclusion of the Auction, the Debtors shall notify all Qualified Bidders at the Auction of the name or names of the Successful Bidder(s) and the amount and other material terms of the Successful Bid(s).

The Debtors shall also, following consultation with the Consultation Parties and CIBC's approval (which will not be unreasonably withheld), select an offer or a combination of offers to serve as a back-up bid (the "Back-Up Bid" and, such Qualified Bidder submitting the Back-Up Bid, the "Back-Up Bidder"), which Back-Up Bid shall remain open and irrevocable until the Closing of the Sale with the Successful Bidder(s). In the event that the Successful Bidder fails to close the transaction contemplated by the Successful Bidder, for any reason, the Debtors may, following consultation with the Consultation Parties, elect to regard the Back-Up Bid as the highest and best bid for the Purchased Assets, and the Debtors will be authorized to consummate the transaction contemplated by the Back-Up Bid without further order of the Bankruptcy Court.

The Successful Bidder(s) and the Back-Up Bidder(s) shall be deemed to have waived the right to pursue a substantial contribution claim under section 503 of the Bankruptcy Code related in any way to due diligence, the submission of its bid, the Bid Procedures, the Auction and the Sale, provided that the Stalking Horse Bidders are entitled to the Bid Protections.

The Debtors may require the Stalking Horse Bidders to serve as the Back-Up Bidder upon the Debtors' selection of another party or parties as the Successful Bidder(s).

Assumption of Executory Contracts and Unexpired Leases

The Stalking Horse Agreements and Modified Agreements must designate which executory contracts and unexpired leases are to be assumed and assigned as part of the Purchased Assets (the "Assumed Contracts"). Except as otherwise provided in the Successful Bidder's purchase agreements or in the Sale Order, the Successful Bidder(s) shall be responsible for all cure amounts relating to the Assumed Contracts under section 365 of the Bankruptcy Code.

No Collusion; Good-Faith Bona Fide Offer

Each Qualified Bidder participating at the Auction will be required to confirm on the record at the Auction that (a) it has not engaged in any collusion with respect to the Sale or Bidding Process (including that it has no agreement with any other Bidder or Qualified Bidder to control the price) and (b) its Qualified Bid is a good faith bona fide offer and it intends to consummate the Sale Transaction if selected as the Successful Bidder or the Back-Up Bidder.

Return of Deposits

No later than the earlier of (a) three (3) business days following the entry of a Sale Order, or (b) ten (10) business days following the end of the Auction, unless otherwise provided in an escrow agreement or a Qualified Bid, the Debtors shall return by check or wire the full amount of each Earnest Money Deposit submitted by a party that is not a party who is a Successful Bidder(s) or a Back-up Bidder(s). A defaulting Successful Bidder's Earnest Money Deposit shall be forfeited to the Debtors, subject to the terms set forth in the Successful Bidder's purchase agreement.

Communications among Qualified Bidders

Notwithstanding anything to the contrary in these Bid Procedures, all direct communications between and amongst Qualified Bidders shall involve the Debtors and the Debtors' advisors. No Qualified Bidder shall communicate with any other Qualified Bidder absent prior written consent from the Debtors.

Free and Clear of Any and All Claims and Interests

Subject to entry of the Sale Order and except as otherwise provided in the Stalking Horse Agreements or other Successful Bidder's purchase agreements, all of the Debtors' right, title, and interest in and to the Purchased Assets subject thereto shall be sold free and clear of all liens, claims, and interests (collectively, the "Encumbrances") to the maximum extent permitted by section 363 of the Bankruptcy Code (other than permitted liens and assumed liabilities as provided in a Successful Bidder's purchase agreement), with such Encumbrances to attach to the proceeds of the sale of the Purchased Assets with the same validity and priority as such Encumbrances applied against the Purchased Assets.

Reservation of Rights by the Debtors

Nothing in these Bid Procedures shall require the Debtors to take any action, or to refrain from taking any action, with respect to these Bid Procedures, to the extent that the Debtors determine, or based on the advice of counsel, that taking such action, or refraining from taking such action, as applicable, is required to comply with applicable law or their fiduciary duties under applicable law. The Stalking Horse Bidders reserve all rights under the Stalking Horse Agreements with respect to any action taken by the Debtors with respect to these Bid Procedures, or otherwise.

EXHIBIT 2

Auction and Sale Order Hearing Notice

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

In Re:

**SOUTH HILLS OPERATIONS, LLC, *et al.*,¹
Debtors.**

Case No.: 2:24-21217-CMB

**Chapter 11
*Jointly Administered***

**NOTICE OF PROPOSED SALE OF SUBSTANTIALLY ALL OF THE MAYBROOK
AND CONSULATE DEBTORS' ASSETS, BID PROCEDURES, AUCTION, AND
SALE ORDER HEARING**

PLEASE TAKE NOTICE that the Debtors, by and through their undersigned counsel, sought approval from the United States Bankruptcy Court for the Western District of Pennsylvania (the "Court") to effectuate the sale of substantially all of the Maybrook and Consulate Debtors' assets, other than Accounts in *Debtors' Motion for Entry of Orders (A) Approving Sale of Substantially All of the Maybrook and Consulate Debtors' Assets, Other than Accounts, Free and Clear of All Liens, Claims, Encumbrances, and Interests, (B) Approving Bid Procedures for the Sale of Substantially All of the Maybrook And Consulate Debtors' Assets, Other Than Accounts, (C) Approving Stalking Horse Bid Protections, (D) Scheduling Auction for and Hearing to Approve Sale of the Maybrook and Consulate Debtors' Assets, (E) Approving Form and Manner of Notice of Sale, Auction, and Sale Order Hearing, (F) Approving Assumption and Assignment Procedures, (G) Authorizing Assumption and Assignment of Executory Contracts and Unexpired Leases, and (H) Granting Related Relief* [Docket. No. 125] (the "Motion").

PLEASE TAKE FURTHER NOTICE that on June ___, the Court entered the *Order (A) Approving Bid Procedures for Sale of Substantially All of the Maybrook and Consulate Debtors' Assets, other than Accounts, Free and Clear of All Liens, Claims, Encumbrances, and Interests, (B) Approving Stalking Horse Bid Protections, (C) Scheduling Auction for and Hearing to Approve Sale of Substantially All of the Maybrook and Consulate Debtors' Assets, (D) Approving Form*

¹The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's federal tax identification number are: South Hills Operations, LLC (5527); Monroeville Operations, LLC (3280); Mt. Lebanon Operations, LLC (1133); Murrysburg Operations, LLC (9149); Cheswick Rehabilitation and Wellness Center, LLC (9561); 3876 Saxonburg Boulevard Propco, LLC (3618); North Strabane Rehabilitation and Wellness Center, LLC (1677); 100 Tandem Village Road Propco, LLC (1918); Maybrook-C Briarcliff Opco, LLC (5187); Maybrook-C Briarcliff Propco, LLC (1823); Maybrook-C Evergreen Opco, LLC (5388); Maybrook-C Evergreen Propco, LLC (2000); Maybrook-C Kade Opco, LLC (4033); Maybrook-C Kade Propco, LLC (2097); Maybrook-C Latrobe Opco, LLC (4148); Maybrook-C Latrobe Propco, LLC (2178); Maybrook-C Overlook Opco, LLC (7081); Maybrook-C Overlook Propco, LLC (6804); Maybrook-C Silver Oaks Opco, LLC (7146); Maybrook-C Silver Oaks Propco, LLC (9654); Maybrook-C Whitecliff Opco, LLC (6211); Maybrook-C Whitecliff Propco, LLC (4835). The Debtors' address is 485 Lexington Avenue, 10th Floor, New York, NY 10017.

and Manner of Notice of Sale, Auction, and Sale Order Hearing, (E) Approving Assumption and Assignment Procedures, and (F) Granting Related Relief (the “Sale Procedures Order”).² The Sale Procedures Order approved the bid procedures (the “Bid Procedures”) attached as **Exhibit 1** to the Sale Procedures Order. The Bid Procedures set the key dates and times related to the sale of the Purchased Assets and assumption and assignment of the executory contracts and unexpired leases.

PLEASE TAKE FURTHER NOTICE that copies of the Sale Procedures Order, all related exhibits, including the Bid Procedures, and any other filings related to the foregoing are available for free on the website of Debtors’ notice agent, Omni Claim Solutions, Inc., at <https://omniagentsolutions.com/SouthHills>.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Motion, the Maybrook and Consulate Debtors seek to sell substantially all of their assets (the “Purchased Assets”) to the Stalking Horse Bidders or any other Successful Bidder free and clear of all liens, claims, encumbrances, and other interests to the fullest extent permitted under 11 U.S.C. § 363(f) and other applicable law. For ease of reference, the Maybrook and Consulate Debtors are identified in **Exhibit A** by reference to the nursing facilities they respectively own and operate

PLEASE TAKE FURTHER NOTICE that the deadline by which all Qualified Bids for the Purchased Assets must be actually received by the parties specified in the Bid Procedures is July 12, 2024, at 5:00 p.m. (prevailing Eastern Time).

PLEASE TAKE FURTHER NOTICE that, pursuant to the terms of the Sale Procedures Order, if one or more Qualified Bids (in addition to the Stalking Horse Bid) are received by the Bid Deadline, an auction (“Auction”) to sell the Purchased Assets will take place at 9:00 a.m. (prevailing Eastern Time) on July 17, 2024 at the offices of: (a) Whiteford, Taylor & Preston, LLP, 11 Stanwix St., Suite 1400, Pittsburgh, Pennsylvania 15222, (b) via in person or a virtual platform, such as Zoom or GoToMeeting, or (c) such other location, in each case as the Debtors designate and shall be timely communicated to all persons entitled to attend the Auction. The Debtors may cancel the Auction pursuant to the Bid Procedures.

PLEASE TAKE FURTHER NOTICE that, if the Debtors do not timely receive more than one Qualified Bid, the Debtors will not conduct the Auction and, instead, will (a) file a notice with the Court identifying the Stalking Horse Agreements as the Successful Bid for the Purchased Assets and (b) promptly seek the Court’s approval of the sale of the Purchased Assets to the Stalking Horse Bidders all liens, claims, encumbrances, and other interests to the fullest extent permitted under 11 U.S.C. § 363(f) and other applicable law.

PLEASE TAKE FURTHER NOTICE that a hearing will be held to approve the sale of the Purchased Assets to the Successful Bidder (the “Sale Order Hearing”) before the Honorable Carlota M. Böhm, Judge the United States Bankruptcy Court for the Western District of Pennsylvania, Pittsburgh, Pennsylvania on August 5, 2024, at 10:00 a.m. (prevailing Eastern Time), or at such time thereafter as counsel may be heard or at such other time as the Court may determine The Sale Order Hearing may be adjourned from time to time without further notice to

² All capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Motion or Sale Procedures Order, as applicable.

creditors or parties in interest other than by filing a notice on the Court's docket for the Chapter 11 Cases or the making of an announcement at the Sale Order Hearing.

PLEASE TAKE FURTHER NOTICE that objections to the Sale, if any, (i) must be in writing, (ii) conform to the applicable provisions of the Bankruptcy Code, Bankruptcy Rules, and Local Rules, (iii) state with particularity the legal and factual basis for the objection, and (iv) be filed with the Court no later than July 12, 2024, at 5:00 p.m. (prevailing Eastern Time) by the Court.

FAILURE TO ABIDE BY THE BID PROCEDURES, THE SALE PROCEDURES ORDER, OR ANY OTHER ORDER OF THE BANKRUPTCY COURT IN THE CHAPTER 11 CASES MAY RESULT IN THE REJECTION OF YOUR BID FOR THE PURCHASED ASSETS.

PLEASE TAKE FURTHER NOTICE THAT ANY PARTY OR ENTITY WHO FAILS TO TIMELY FILE AND SERVE AN OBJECTION TO THE SALE BEFORE THE OBJECTION DEADLINE IN ACCORDANCE WITH THE SALE PROCEDURES ORDER SHALL BE DEEMED TO HAVE CONSENTED TO THE SALE(S) AND FOREVER BARRED FROM ASSERTING ANY OBJECTION TO THE SALE(S), INCLUDING WITH RESPECT TO THE TRANSFER OF THE PURCHASED ASSETS TO THE SUCCESSFUL BIDDER FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES, AND OTHER INTERESTS THAT SUCH PARTY OR ENTITY MAY HAVE AGAINST THE DEBTORS OR THE PURCHASED ASSETS.

Dated _____, 2024
Pittsburgh, Pennsylvania

Respectfully submitted,
WHITEFORD TAYLOR & PRESTON, LLP

Daniel R. Schimizzi (PA ID No. 311869)
Michael J. Roeschenthaler (PA ID No. 87647)
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*Proposed Counsel to the Debtors and
Debtors in Possession*

EXHIBIT A

Facility Name	Type of Facility	Common Address	Owner of Facility	Operator of Facility
The Grove at Greenville	Duly licensed 154 bed skilled nursing facility	110 Fredonia Road, Greenville, PA 16125	Maybrook-C Whitecliff Propco, LLC	Maybrook-C Whitecliff Opco, LLC
The Grove at New Wilmington	Duly licensed 115 bed skilled nursing facility	520 New Castle Street, New Wilmington, PA 16142	Maybrook-C Overlook Propco, LLC	Maybrook-C Overlook Opco, LLC
The Grove at North Huntingdon	Duly licensed 120 bed skilled nursing facility	249 Maus Drive, North Huntingdon, PA 15642	Maybrook-C Briarcliff Propco, LLC	Maybrook-C Briarcliff Opco, LLC
The Grove at New Castle	Duly licensed 62 bed skilled nursing facility	715 Harbor Street, New Castle, PA 16101	Maybrook-C Silver Oaks Propco, LLC	Maybrook-C Silver Oaks Opco, LLC
The Grove at Washington	Duly licensed 74 bed skilled nursing facility	1198 W. Wylie Avenue, Washington, PA 15301	Maybrook-C Kade Propco, LLC	Maybrook-C Kade Opco, LLC
The Grove at Harmony	Duly licensed 115 bed skilled nursing facility	191 Evergreen Mill Road, Harmony, PA 16037	Maybrook-C Evergreen Propco, LLC	Maybrook-C Evergreen Opco, LLC
The Grove at Latrobe	Duly licensed 107 bed skilled nursing facility	576 Rogers Drive, Latrobe, PA 15650	Maybrook-C Latrobe Propco, LLC	Maybrook-C Latrobe Opco, LLC

Facility Name	Type of Facility	Common Address	Owner of Facility	Operator of Facility
Cheswick Rehab & Wellness	Duly licensed 121 bed skilled nursing facility	3876 Saxonburg Blvd., Cheswick, PA 15024	3876 Saxonburg Boulevard Propco, LLC	Cheswick Rehabilitation and Wellness Center, LLC
North Strabane Rehab & Wellness	Duly licensed 62 bed skilled nursing facility	100 Tandem Village Road, Canonsburg, PA 15317	100 Tandem Village Road Propco, LLC	North Strabane Rehabilitation and Wellness Center, LLC

EXHIBIT 3

Resident Notice

[INSERT LETTERHEAD]

[ADDRESS]

TO WHOM IT MAY CONCERN:

You are receiving this letter and enclosed legal notice because you, a loved one, or someone you represent, was or is a resident or patient at one of the following facilities (the “Facilities”):

- The Grove at Greenville - 10 Fredonia Road, Greenville, PA 16125
- The Grove at New Wilmington - 520 New Castle Street, New Wilmington, PA 16142
- The Grove at North Huntingdon - 249 Maus Drive, North Huntingdon, PA 15642
- The Grove at New Castle - 715 Harbor Street, New Castle, PA 16101
- The Grove at Washington - 1198 W. Wylie Avenue, Washington, PA 15301
- The Grove at Harmony - 191 Evergreen Mill Road, Harmony, PA 16037
- The Grove at Latrobe - 576 Rogers Drive, Latrobe, PA 15650
- Cheswick Rehab & Wellness - 3876 Saxonburg Blvd., Cheswick, PA 15024
- North Strabane Rehab & Wellness - 100 Tandem Village Road, Canonsburg, PA 15317

As discussed in the attached legal notice, the owners and operators of the Facilities have filed voluntary bankruptcy petitions to preserve their assets and pursue going concern sales of the Facilities. The Facilities are staying open and continuing operations through this process. Anyone who is a current resident or patient at one of the Facilities will continue to receive the same care and services they did before the bankruptcies.

The proposed sales of the Facilities to an approved buyer(s) will be free and clear of all liens, claims, encumbrances, or interests that you or someone you represent may have against the Facilities, the owners, or operators of the Facilities. Furthermore, the owners and operators of the Facilities propose to assign to the approved buyer(s) all of their contracts with current residents or patients subject to the terms of the attached notice. The approved buyer(s) will continue to provide services after the closing of an approved sale to current residents and patients at the Facilities under any contract assumed by such buyer(s).

It is important for you to read the attached legal notice in its entirety, as this letter provides only a summary of the information contained in that notice. If you have any objection to the proposed sale of the Facilities, or the assumption and assignment of your contract to a new owner and operator, you must raise such objections pursuant to the procedures set forth in the attached legal notice by July 12, 2024 or you will be deemed to have consented to the sale of the Facilities free and clear of all liens, claims, encumbrances, or interests that you or someone you represent

may have. If you have no objection, then you do not need to take any action. You may wish to consult with an attorney regarding these matters.

Again, the purpose of the bankruptcy cases and the proposed sale transaction(s) is to ensure that the Facilities continue to provide quality care and services to all residents and patients. If you have any questions regarding these matters you may send an email to southhillsinquiries@omniagent.com or call (866) 989-6144 (US & Canada toll free).

Chief Restructuring Officer

EXHIBIT 4

Contract Assumption and Assignment Notice

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

In Re:

**SOUTH HILLS OPERATIONS, LLC, *et al.*,¹

Debtors.**

Case No.: 2:24-21217-CMB

**Chapter 11
*Jointly Administered***

**NOTICE OF EXECUTORY CONTRACTS THAT MAY BE
ASSUMED AND ASSIGNED IN CONNECTION WITH THE SALE TRANSACTION**

PLEASE TAKE NOTICE that on May 24, 2024, the above-captioned debtors and debtors in possession (collectively, the “Debtors”), by and through their undersigned counsel filed *Debtors’ Motion for Entry of Orders (A) Approving Sale of Substantially All of the Maybrook and Consulate Debtors’ Assets, Other than Accounts, Free and Clear of All Liens, Claims, Encumbrances, and Interests, (B) Approving Bid Procedures for the Sale of Substantially All of the Maybrook And Consulate Debtors’ Assets, Other Than Accounts, (C) Approving Stalking Horse Bid Protections, (D) Scheduling Auction for and Hearing to Approve Sale of the Maybrook and Consulate Debtors’ Assets, (E) Approving Form and Manner of Notice of Sale, Auction, and Sale Order Hearing, (F) Approving Assumption and Assignment Procedures, (G) Authorizing Assumption and Assignment of Executory Contracts and Unexpired Leases, and (H) Granting Related Relief* (the “Motion”).²

PLEASE TAKE FURTHER NOTICE that under the Motion, the Debtors seek authority to, among other things, assume and assign certain executory contracts and unexpired leases under section 365 of the Bankruptcy Code. If you are a counterparty to any contract or lease with the

¹The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor’s federal tax identification number are: South Hills Operations, LLC (5527); Monroeville Operations, LLC (3280); Mt. Lebanon Operations, LLC (1133); Murrysburg Operations, LLC (9149); Cheswick Rehabilitation and Wellness Center, LLC (9561); 3876 Saxonburg Boulevard Propco, LLC (3618); North Strabane Rehabilitation and Wellness Center, LLC (1677); 100 Tandem Village Road Propco, LLC (1918); Maybrook-C Briarcliff Opco, LLC (5187); Maybrook-C Briarcliff Propco, LLC (1823); Maybrook-C Evergreen Opco, LLC (5388); Maybrook-C Evergreen Propco, LLC (2000); Maybrook-C Kade Opco, LLC (4033); Maybrook-C Kade Propco, LLC (2097); Maybrook-C Latrobe Opco, LLC (4148); Maybrook-C Latrobe Propco, LLC (2178); Maybrook-C Overlook Opco, LLC (7081); Maybrook-C Overlook Propco, LLC (6804); Maybrook-C Silver Oaks Opco, LLC (7146); Maybrook-C Silver Oaks Propco, LLC (9654); Maybrook-C Whitecliff Opco, LLC (6211); Maybrook-C Whitecliff Propco, LLC (4835). The Debtors’ address is 485 Lexington Avenue, 10th Floor, New York, NY 10017

²Capitalized terms used but not otherwise defined herein shall the meanings ascribed to such terms as set forth in the Motion.

Maybrook or Consulate Debtors, you should check **Schedule 1** to determine if your contract or lease is listed.

PLEASE TAKE FURTHER NOTICE that on June __, 2024, the United States Bankruptcy Court for the Western District of Pennsylvania (the “**Court**”) entered its *Order (A) Approving Bid Procedures for Sale of Substantially All of the Maybrook and Consulate Debtors’ Assets, other than Accounts, Free and Clear of All Liens, Claims, Encumbrances, and Interests, (B) Scheduling Auction for and Hearing to Approve Sale of Substantially All of the Maybrook and Consulate Debtors’ Assets, (C) Approving Form and Manner of Notice of Sale, Auction, and Sale Order Hearing, (D) Approving Assumption and Assignment Procedures, and (E) Granting Related Relief* [Docket. No. __ 1 (the “**Sale Procedures Order**”).

PLEASE TAKE FURTHER NOTICE that this Contract Assumption and Assignment Notice is being provided pursuant to the Sale Procedures Order. Attached hereto as **Schedule 1** is a list of the Executory Contracts that the Debtors may assume and assign to the Successful Bidder along with (a) the name of each non-Debtor counterparty to such Executory Contract (the “**Executory Contract Counterparty**”); and (b) the proposed amount necessary, if any, to cure all monetary defaults, if any, under the such Executory Contract (the “**Cure Amounts**”). You are receiving this Notice because you are identified as an Executory Contract Counterparty to one or more of the Executory Contracts. If you agree with the Cure Amounts and do not otherwise object to the assumption and assignment of your Executory Contract listed on **Schedule 1**, you do not need to take any further action.

PLEASE TAKE FURTHER NOTICE that any party seeking to object to the assumption and assignment of an Executory Contract for any reason, including without limitation lack of assurance of adequate performance or the validity of the Cure Amounts (a “**Contract Objection**”) on **Schedule 1**, or otherwise assert that any other amounts, defaults, conditions or pecuniary losses must be cured or satisfied under any of the Executory Contracts in order to be assigned to the Successful Bidder, must file an objection, which must: (a) be in writing; (b) state with specificity the basis for the objection as well as any Cure Amounts that the objector asserts to be due, including each and every asserted default in the applicable contract or lease (in all cases with appropriate documentation in support thereof); (c) comply with the Federal Rules of Bankruptcy Procedure and the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the Western District of Pennsylvania; and (d) be filed and served on the following parties by no later than **5:00 p.m. (prevailing Eastern Time) on July 12, 2024** (the “**Contract Objection Deadline**”): (i) counsel for the Debtors; (ii) counsel for the Official Committee of Unsecured Creditors appointed in the Chapter 11 Cases, Bernstein-Burkley, P.C.; and (iii) the Office of the United States Trustee for the Western District of Pennsylvania (collectively, the “**Objection Recipients**”).

PLEASE TAKE FURTHER NOTICE that any non-Debtor counterparty to any Executory Contract who does not file a Contract Objection by the Contract Objection Deadline shall be forever barred from objecting to the Cure Amounts set forth on **Schedule 1** or asserting or claiming any cure amount (other than the Cure Amounts) against the Debtors or the Successful Bidder.

PLEASE TAKE FURTHER NOTICE that, the inclusion of any contract or lease on **Schedule 1** shall not constitute or be deemed a determination or admission by the Debtors that such contract or other document is, in fact, an executory contract or unexpired lease within the meaning of the Bankruptcy Code (all rights with respect thereto being expressly reserved). Notwithstanding the inclusion of any lease or contract on **Schedule 1**, the Debtors are not bound to assume, and a Successful Bidder is not bound to accept assignment of, any executory contracts or unexpired leases. The Successful Bidder has until the closing of the Sale Transaction to designate which executory contracts and unexpired leases, if any, shall be assumed by the Debtors and assigned to the Successful Bidder.

PLEASE TAKE FURTHER NOTICE that, if the Stalking Horse Bidders are not the Successful Bidders, any party seeking to object to a Successful Bidder's proposed adequate assurance of future performance (a "**Adequate Assurance Objection**") must do so: (i) in writing, (ii) comply with the applicable provisions of the Bankruptcy Rules and Local Rules, (iii) specify what the objecting party believes is required to provide such adequate assurance, by **5:00 p.m. (prevailing Eastern Time) on July 12, 2024** (the "**Adequate Assurance Objection Deadline**").

PLEASE TAKE FURTHER NOTICE that the hearing with respect to any Contract Objection or Adequate Assurance Objection may be held (i) at the Sale Order Hearing or (ii) on such other date as the Court may designate. To the extent the Debtors and non-Debtor counterparty to an Executory Contract are able to consensually resolve a Contract Objection or an Adequate Assurance Objection prior to the Sale Order Hearing, the Debtors shall promptly provide notice to the other Objection Recipients of such resolution.

PLEASE TAKE FURTHER NOTICE that this Contract Assumption and Assignment Notice is subject to the full terms and conditions of the Motion, the Sale Procedures Order, and Bid Procedures, which shall control in the event of any conflict. The Debtors encourage parties in interest to review such documents in their entirety. Copies of the Motion, the Sale Procedures Order, and the Bid Procedures, and all other documents filed with the Court may be obtained on the website of the Debtors' notice agent, Omni, website: <https://omniagentsolutions.com/SouthHills>.

IF AN EXECUTORY CONTRACT COUNTERPARTY FAILS TO FILE WITH THE BANKRUPTCY COURT AND SERVE ON THE OBJECTION RECIPIENTS A TIMELY CONTRACT OBJECTION, THE EXECUTORY CONTRACT COUNTERPARTY SHALL BE FOREVER BARRED FROM ASSERTING ANY OBJECTION WITH REGARD TO THE AMOUNT TO CURE ANY DEFAULT UNDER THE APPLICABLE EXECUTORY CONTRACT. THE CURE AMOUNTS SET FORTH ON SCHEDULE 1 HERETO SHALL BE CONTROLLING AND WILL BE THE ONLY AMOUNT NECESSARY TO CURE OUTSTANDING DEFAULTS UNDER THE APPLICABLE EXECUTORY CONTRACT UNDER BANKRUPTCY CODE SECTION 365(B), NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE EXECUTORY CONTRACT, OR ANY OTHER DOCUMENT, AND THE APPLICABLE EXECUTORY CONTRACT COUNTERPARTY SHALL BE FOREVER BARRED FROM ASSERTING ANY ADDITIONAL CURE OR OTHER AMOUNTS WITH RESPECT TO SUCH EXECUTORY CONTRACT AGAINST THE DEBTORS, ANY SUCCESSFUL BIDDER, OR THE PROPERTY OF ANY OF THEM.

IF NO ADEQUATE ASSURANCE OBJECTION IS TIMELY RECEIVED WITH RESPECT TO ASSUMPTION AND ASSIGNMENT OF AN ASSUMED CONTRACT: (I) THE COUNTERPARTY TO SUCH ASSUMED CONTRACT SHALL BE DEEMED TO HAVE CONSENTED TO THE ASSUMPTION BY THE DEBTORS AND ASSIGNMENT TO SUCCESSFUL BIDDER OF THE ASSUMED CONTRACT, AND BE FOREVER BARRED FROM ASSERTING ANY OBJECTION WITH REGARD TO SUCH ASSUMPTION AND ASSIGNMENT (INCLUDING, WITHOUT LIMITATION, WITH RESPECT TO THE CURE AMOUNT AND ADEQUATE ASSURANCE OF FUTURE PERFORMANCE BY THE SUCCESSFUL BIDDER); (II) ANY AND ALL DEFAULTS UNDER THE ASSUMED 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 (B) UPON PAYMENT OF THE CURE AMOUNT SET FORTH IN THE NOTICE OF ASSUMED CONTRACTS FOR SUCH ASSUMED CONTRACT; AND (III) THE CURE AMOUNT SET FORTH IN THE NOTICE OF ASSUMED CONTRACTS FOR SUCH ASSUMED CONTRACT SHALL BE CONTROLLING, NOTWITHSTANDING ANYTHING TO THE CONTRARY IN SUCH ASSUMED CONTRACT, OR ANY OTHER RELATED DOCUMENT, AND THE COUNTERPARTY SHALL BE FOREVER BARRED FROM ASSERTING ANY OTHER CLAIMS RELATED TO SUCH ASSUMED CONTRACT AGAINST THE DEBTORS AND THEIR ESTATES OR THE SUCCESSFUL BIDDER, OR THE PROPERTY OF ANY OF THEM, FOR ANY BREACHES, CLAIMS, OR OTHER LIABILITIES OR OBLIGATIONS THAT EXISTED PRIOR TO THE CLOSING OF THE SALE TRANSACTION WITH THE SUCCESSFUL BIDDER.

Dated _____, 2024
Pittsburgh, Pennsylvania

Respectfully submitted,

WHITEFORD TAYLOR & PRESTON, LLP

Daniel R. Schimizzi (PA ID No. 311869)
Michael J. Roeschenthaler (PA ID No. 87647)
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*Proposed Counsel to the Debtors and
Debtors in Possession*

SCHEDULE 1

Potential Assumed Contracts

EXHIBIT 5

Post-Auction Notice

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

In Re:

**SOUTH HILLS OPERATIONS, LLC, *et al.*,¹

Debtors.**

Case No.: 2:24-21217-CMB

**Chapter 11
Jointly Administered**

NOTICE OF SUCCESSFUL BID AND BACKUP BID

PLEASE TAKE NOTICE that, pursuant to the *Order (A) Approving Bid Procedures for Sale of Substantially All of the Debtors' Assets, (B) Approving Stalking Horse Bid Protections, (C) Scheduling Auction for and Hearing to Approve Sale of Substantially All of the Maybrook and Consulate Debtors' Assets, other than Accounts, Free and Clear of All Liens, Claims, Encumbrances, and Interests, (D) Approving Form and Manner of Notice of Sale, Auction, and Sale Order Hearing, (E) Approving Assumption and Assignment Procedures, and (F) Granting Related Relief* [Docket. No. ___] (the "Sale Procedures Order") the United States Bankruptcy Court for the Western District of Pennsylvania approved, among other things, the implementation of the Bid Procedures attached to the Sale Procedures Order as **Exhibit 1** in connection with the disposition of the Purchased Assets.²

PLEASE TAKE FURTHER NOTICE that, pursuant to the Sale Procedures Order, the deadline for submitting a Qualified Bid for the Purchased Assets was July 12, 2024 at 5:00 p.m. (prevailing Eastern time) (the "Bid Deadline") and in the event that the Debtors timely received one or more Qualified Bids, in addition to the Qualified Bid submitted by the Stalking Horse Bidder, the Debtors would conduct the Auction on August 17, 2024 at 10:00 a.m. (prevailing Eastern Time).

¹The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's federal tax identification number are: South Hills Operations, LLC (5527); Monroeville Operations, LLC (3280); Mt. Lebanon Operations, LLC (1133); Murrysburg Operations, LLC (9149); Cheswick Rehabilitation and Wellness Center, LLC (9561); 3876 Saxonburg Boulevard Propco, LLC (3618); North Strabane Rehabilitation and Wellness Center, LLC (1677); 100 Tandem Village Road Propco, LLC (1918); Maybrook-C Briarcliff Opco, LLC (5187); Maybrook-C Briarcliff Propco, LLC (1823); Maybrook-C Evergreen Opco, LLC (5388); Maybrook-C Evergreen Propco, LLC (2000); Maybrook-C Kade Opco, LLC (4033); Maybrook-C Kade Propco, LLC (2097); Maybrook-C Latrobe Opco, LLC (4148); Maybrook-C Latrobe Propco, LLC (2178); Maybrook-C Overlook Opco, LLC (7081); Maybrook-C Overlook Propco, LLC (6804); Maybrook-C Silver Oaks Opco, LLC (7146); Maybrook-C Silver Oaks Propco, LLC (9654); Maybrook-C Whitecliff Opco, LLC (6211); Maybrook-C Whitecliff Propco, LLC (4835). The Debtors' address is 485 Lexington Avenue, 10th Floor, New York, NY 10017

²Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms as set forth in the Bidding Procedures Order.

PLEASE TAKE FURTHER NOTICE that on _____, 2024 at 10:00 a.m. (prevailing Eastern Time), the Debtors conducted the Auction in accordance with the Bid Procedures and certain rules distributed to Auction attendees prior to and at the Auction. At the Auction, the Debtors determined that the highest and/or best offer was submitted by [_____] (the “Successful Bidder” and the Successful Bidder’s winning bid, the “Successful Bid”) and the second highest and/or best offer was submitted by [_____] (the “Backup Bidder,” and the Backup Bidder’s bid, the “Backup Bid”). **Exhibit A** attached hereto is a copy of the final, fully-executed contract for sale and operations transfer agreement (collectively, the “Transaction Documents,” and the transaction contemplated thereby the “Sale Transaction”) between the Maybrook and Consulate Debtors and the Successful Bidder, containing the terms of the Successful Bid.

PLEASE TAKE FURTHER NOTICE that, as contemplated by the Sale Procedures Order, the Debtors will seek final approval of the Sale Transaction to the Successful Bidder pursuant to the Transaction Documents, during the **Sale Order Hearing on August 5, 2024 at 10:00 a.m. (prevailing Eastern time)** before the United States Bankruptcy Court for the Western District of Pennsylvania, 5414 U.S. Steel Tower, 600 Grant Street, Pittsburgh, PA 15219. The Successful Bidder(s) shall appear at the Sale Order Hearing and be prepared to testify in support of the Successful Bid(s) and the Successful Bidder(s)’ ability to close in a timely manner, including with respect to demonstrating adequate assurance of future performance that may be required in connection with the assumption and assignment of any Assumed Contracts. The Sale Order Hearing may be adjourned or rescheduled as ordered by the Bankruptcy Court, or by the Debtors in consultation with the Successful Bidder and the Consultation Parties and with CIBC’s approval (which will not be unreasonably withheld), but without further notice to creditors and parties in interest other than by announcement by Debtors of the adjourned date at the Sale Order Hearing. The Debtors’ presentation to the Bankruptcy Court for approval of a Successful Bid does not constitute the Debtors’ acceptance of the Successful Bid. The Debtors shall be deemed to have accepted a Successful Bid only when the Successful Bid has been approved by order of the Court in a form acceptable to the Debtors and Successful Bidders.

PLEASE TAKE FURTHER NOTICE that if the Sale Transaction is not consummated with the Successful Bidder pursuant to the Successful Bid, the Debtors may designate the Backup Bidder as the new Successful Bidder and such Backup Bidder’s Backup Bid as the new Successful Bid, and the Debtors, after consultation with the Consultation Parties and with CIBC’s approval (which will not be unreasonably withheld), will be authorized to consummate the Sale Transaction with the Backup Bidder without further order of the Court.

PLEASE TAKE FURTHER NOTICE that the final deadline to object to the approval of the Sale Transaction because of alleged irregularities in the Auction or to the designation of the Successful Bidder is **July 22, 2024 at 5:00 p.m. (prevailing Eastern time)**, and any objection must comply with the Sale Procedures Order.

PLEASE TAKE FURTHER NOTICE that copies of the Motion, the Sale Procedures Order, the Bid Procedures, the Transaction Documents, , and all other documents filed with the Court may be obtained on the website of the Debtors’ notice agent, Omni Claims Solutions, Inc. website: <https://omniagentsolutions.com/SouthHills>.

PLEASE TAKE FURTHER NOTICE THAT ANY PARTY OR ENTITY WHO FAILS TO TIMELY FILE AND SERVE AN OBJECTION TO THE SALE BEFORE THE OBJECTION DEADLINE IN ACCORDANCE WITH THE SALE PROCEDURES ORDER SHALL BE DEEMED TO HAVE CONSENTED TO THE SALE(S) AND FOREVER BARRED FROM ASSERTING ANY OBJECTION TO THE SALE(S), INCLUDING WITH RESPECT TO THE TRANSFER OF THE PURCHASED ASSETS TO THE SUCCESSFUL BIDDER FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES, AND OTHER INTERESTS THAT SUCH PARTY OR ENTITY MAY HAVE AGAINST THE DEBTORS OR THE PURCHASED ASSETS.

Dated _____, 2024
Pittsburgh, Pennsylvania

Respectfully submitted,

WHITEFORD TAYLOR & PRESTON, LLP

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EXHIBIT B

Redline Comparison

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

In Re: SOUTH HILLS OPERATIONS, LLC, <i>et al.</i>,¹ Debtors.	Case No.: Chapter 11 <i>Jointly Administered</i> Doc. No.:
SOUTH HILLS OPERATIONS, LLC, <i>et al.</i>, Movant, -vs - CIBC BANK USA; CUARZO HEALTHCARE CAPITAL; U.S. FOOD SERVICES; PENNSYLVANIA DEPARTMENT OF HUMAN SERVICES; HARMONY PROPERTY MANAGEMENT, LLC; IRWIN PROPERTY MANAGEMENT, LLC; NEW CASTLE PROPERTY MANAGEMENT, LLC; NEW WILMINGTON PROPERTY MANAGEMENT, LLC; LATROBE PROPERTY MANAGEMENT, LLC; WASHINGTON PROPERTY MANAGEMENT, LLC; U.S. DEPARTMENT OF LABOR; INTERNAL REVENUE SERVICE; CENTERS FOR MEDICARE AND MEDICAID SERVICES;	Related to Document No. Hearing Date: Hearing Time: Response Deadline:

¹The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's federal tax identification number are: South Hills Operations, LLC (5527); Monroeville Operations, LLC (3280); Mt. Lebanon Operations, LLC (1133); Murrysburg Operations, LLC (9149); Cheswick Rehabilitation and Wellness Center, LLC (9561); 3876 Saxonburg Boulevard Propco, LLC (3618); North Strabane Rehabilitation and Wellness Center, LLC (1677); 100 Tandem Village Road Propco, LLC (1918); Maybrook-C Briarcliff Opco, LLC (5187); Maybrook-C Briarcliff Propco, LLC (1823); Maybrook-C Evergreen Opco, LLC (5388); Maybrook-C Evergreen Propco, LLC (2000); Maybrook-C Kade Opco, LLC (4033); Maybrook-C Kade Propco, LLC (2097); Maybrook-C Latrobe Opco, LLC (4148); Maybrook-C Latrobe Propco, LLC (2178); Maybrook-C Overlook Opco, LLC (7081); Maybrook-C Overlook Propco, LLC (6804); Maybrook-C Silver Oaks Opco, LLC (7146); Maybrook-C Silver Oaks Propco, LLC (9654); Maybrook-C Whitecliff Opco, LLC (6211); Maybrook-C Whitecliff Propco, LLC (4835). The Debtors' address is 485 Lexington Avenue, 10th Floor, New York, NY 10017

NEW WILMINGTON BOROUGH TAX COLLECTOR; RICHARD L. RAPONE, LAWRENCE COUNTY TREASURER; UNITY TOWNSHIP TAX COLLECTOR; WESTMORELAND COUNTY TAX CLAIM BUREAU; ROBERT OHR, TAX COLLECTOR, MERCER COUNTY TAX CLAIM BUREAU; WASHINGTON COUNTY TAX CLAIM BUREAU, DONALD J. PROGAR, TAX COLLECTOR, KEYSTONE COLLECTION GROUP; JULIE LEVENTRY, TAX COLLECTOR; and SHELLEY BUCHANAN, TAX COLLECTOR, CITY OF NEW CASTLE

Respondents.

ORDER (A) APPROVING BID PROCEDURES FOR SALE OF SUBSTANTIALLY ALL OF THE MAYBROOK AND CONSULATE DEBTORS' ASSETS, OTHER THAN ACCOUNTS, FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES, AND INTERESTS, (B) APPROVING STALKING HORSE BID PROTECTION, (C) SCHEDULING AUCTION FOR AND HEARING TO APPROVE SALE OF SUBSTANTIALLY ALL OF THE MAYBROOK AND CONSULATE DEBTORS' ASSETS, (D) APPROVING FORM AND MANNER OF NOTICE OF SALE, AUCTION, AND SALE ORDER HEARING, (E) APPROVING ASSUMPTION AND ASSIGNMENT PROCEDURES, AND (F) GRANTING RELATED RELIEF

Upon consideration of *Debtors' Motion for Entry of Orders (A) Approving Sale of Substantially All of the Maybrook and Consulate Debtors' Assets, Other than Accounts, Free and Clear of All Liens, Claims, Encumbrances, and Interests, (B) Approving Bid Procedures for the Sale of Substantially All of the Maybrook And Consulate Debtors' Assets, Other Than Accounts, (C) Approving Stalking Horse Bid Protections, (D) Scheduling Auction for and Hearing to Approve Sale of the Maybrook and Consulate Debtors' Assets, (E) Approving Form and Manner of Notice of Sale, Auction, and Sale Order Hearing, (F) Approving Assumption and Assignment Procedures, (G) Authorizing Assumption and Assignment of Executory Contracts and Unexpired*

Leases, and (H) Granting Related Relief [Docket. No. ~~—~~125] (the “Motion”)² scheduled for a hearing (the “Bid Procedures Hearing”) seeking approval of, among other things, the Bid Procedures attached hereto as Exhibit 1, and upon consideration of the Official Committee of Unsecured Creditors’ Objection and Reservation of Rights to Debtors’ Sale and Bidding Procedures Motions (the Committee’s Objection); and the Court, having found that it has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and the Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having considered the Motion and the Committee’s Objection, the arguments of counsel and the evidence presented at the Bid Procedures Hearing and the entire record; and the Court having found that the Debtors provided due and sufficient notice of the Motion and Bid Procedures Hearing and the relief sought in the Motion under the particular circumstances, and it appearing no other or further notice need be provided; and the Court having reviewed the Motion, the filings in support of the Motion, and ~~all~~the Committee’s Objection and the objections of the United States Trustee to the relief sought in the Motion (the “Objections”); and the Court having found that the relief requested in the Motion, as modified herein, is in the best interest of the Debtors, their estates, their creditors, and other parties in interest; and after due deliberation and good and sufficient cause appearing for the relief sought in the Motion, it is hereby, **FOUND AND DETERMINED** that:

A. A. The findings of facts and conclusions of law set forth in this Order constitute the Court’s findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms as set forth in the Motion.

applicable to this case pursuant to Bankruptcy Rule 9014. To the extent any of the following findings of fact constitute conclusions of law, they are hereby adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are hereby adopted as such. Any findings of fact or conclusions of law stated by the Court on the record at the Bid Procedures Hearing are hereby incorporated, to the extent they are not inconsistent with this Order.

B. B. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue in this Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

C. C. The statutory and legal bases for the relief requested in the Motion are sections 105, 363(b), 363, 364, 365, 503, and 507 of title 11 of the United States Code (the “Bankruptcy Code”), and Rules 2002, 4001, 6004, 6006, 9007, and 9014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”).

D. D. A reasonable opportunity to object or be heard regarding the relief requested in the Motion (including, without limitation, with respect to the Bid Procedures) has been afforded to all interested persons and entities, including, but not limited to, the Sale Notice Parties.

E. E. Notice of the Motion and the Bid Procedures Hearing was adequate and sufficient under the circumstances of the Chapter 11 Cases, and such notice complied with sections 102(1), 105(a), 363, and 365 of the Bankruptcy Code, Rules 2002, 6004, 6006, and 9014 of the Bankruptcy Rules.

F. F. The legal and factual bases set forth in the Motion [and the Objections](#) establish just cause for the relief granted herein. Entry of this Order is in the best interests of the Maybrook and Consulate Debtors and their respective estates, creditors, and all other parties-in-interest.

G. G. The Debtors have demonstrated a compelling and sound business justification for the Court to enter this Order approving a sale process for sale of the Purchased Assets on terms similar to those in the Stalking Horse Agreements attached to the Motion as **Exhibit B**, including the Bid Protections for the Stalking Horse Bidders that include (a) a Termination Fee of \$1,325,000, and (b) Expense Reimbursement in the aggregate amount of up to \$300,000.

H. H. The Bid Protections are fair and reasonable and provide a benefit to the Maybrook and Consulate Debtors' estates and stakeholders.

I. I. The Debtors have demonstrated a compelling and sound business justification for the Court to grant the relief requested in the Motion, [as modified herein](#), including, without limitation, to (a) approve the Stalking Horse Bidders and the Bid Procedures (including the Bid Protections); (b) establish the Assumption and Assignment Procedures; (c) approve the form and manner of the Notices and the Notice Procedures; (d) schedule a date for the (i) Auction, and (ii) Sale Order Hearing; and (e) grant related relief as set forth herein. Such compelling and sound business justification, which was set forth in the Motion and on the record at the Bid Procedures Hearing, among other things, form the basis for the findings of fact and conclusions of law set forth herein.

J. J. All objections to the relief requested in the Motion that have not been withdrawn, waived, or settled as announced to the Court at the Bid Procedures Hearing or by stipulation filed with the Court are overruled except as otherwise set forth herein.

K. K. The Bid Procedures, [as modified herein](#), substantially in the form attached as **Exhibit 1** hereto, are fair, reasonable, and appropriate and represent the best method for maximizing the value of the Maybrook and Consulate Debtors' estates.

L. L. The Auction and Sale Notice, substantially in the form attached as **Exhibit 2** hereto, is appropriate and reasonably calculated to provide notice of the sale of the Purchased Assets free and clear of all liens, claims, encumbrances, or interests, including, without limitation: (i) the date, time, and place of the Auction, if any; (ii) a summary of the Bid Procedures; (iii) the deadline for filing objections to the sale of the Purchased Assets; (iv) the date, time, and place of the hearing to consider the sale of the Purchased Assets; (v) that the sale of the Purchased Assets is free and clear of all liens, interests, Claims and Encumbrances (as defined in the Stalking Horse Agreements) to the fullest extent allowable under section 363(f) of the Bankruptcy Code, with all liens, interests, Claims and Encumbrances attaching with the same validity and priority to the Sale Transaction proceeds; and (vi) the proposed assumption and assignment of the Assumed Contracts to any Successful Bidder arising from the Auction (if any), and no other or further notice of the Sale Transaction shall be required.

M. M. The Resident Notice, substantially in the form attached as **Exhibit 3** hereto, is appropriate and reasonably calculated to provide notice to certain residents and patients of the Facilities regarding the proposed Sale Transaction and their right to raise any objections thereto.

N. N. The Contract Assumption and Assignment Notice, substantially in the form attached as **Exhibit 4** hereto, is reasonably calculated to provide all interested parties with timely and proper notice of the potential assumption and assignment of Executory Contracts in connection with the Sale Transaction and the related Cure Amounts, and no other or further notice is required.

O. O. The Post-Auction Notice, substantially in the form attached as **Exhibit 5** hereto, is appropriate and reasonably calculated to provide all interested parties with timely and proper notice of the Successful Bidder(s) and Backup Bidder(s), and no other or further notice is required.

IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED that:

1. 1. The relief requested in the Motion is **GRANTED AND APPROVED** as [modified herein and as](#) set forth in this Order.

2. 2. All Objections or the relief requested in the Motion that have not been withdrawn, waived or settled as announced to the Court at the Bid Procedures Hearing or by stipulation filed with the Court, and all reservations of rights included therein, are hereby overruled on the merits or have been otherwise satisfied or adequately provided for pursuant to this Order.

(i) Timeline of the Sale.

3. 3. The Debtors are authorized to proceed with the sale of the Purchased Assets in accordance with the Bid Procedures and are authorized to take any and all actions reasonably necessary or appropriate to implement the Bid Procedures in accordance with the following timeline:

Milestone	Proposed Date
Deadline to Serve Contract Assumption and Assignment Notice	5:00 p.m. (prevailing Eastern Time) on ~~July 11, 2024~~ July 21, 2024
Sale Objection Deadline and Contract Objection Deadline ³	5:00 p.m. (prevailing Eastern Time) on ~~July 11, 2024~~ July 12, 2024
Bid Deadline	5:00 p.m. (prevailing Eastern Time) on ~~July 11, 2024~~ July 12, 2024
Auction (if necessary)	10:00 a.m. (prevailing Eastern Time) on ~~July 11, 2024~~ July 17, 2024

³ The Sale Objection Deadline and Contract Objection Deadline apply to all objections to the sale of the Purchased Assets and the assumption and assignment of the Assumed Contracts (including adequate assurance of future performance by the Stalking Horse Bidders), with the exception of objections related to adequate assurance of future performance by a Successful Bidder other than the Stalking Horse Bidder.

Milestone	Proposed Date
Deadline to file Post-Auction Notice	5:00 p.m. (prevailing Eastern Time) on ~~July 18,~~ <u>July 18,</u> 2024
Successful Bidder Objections Deadline	5:00 p.m. (prevailing Eastern Time) on ~~July 22,~~ <u>July 22,</u> 2024
Debtors' Deadline to Reply to ~~Successful Bidder~~ <u>Initial Sale and Contract</u> Objections	5:00 p.m. (prevailing Eastern Time) on ~~July 29,~~ <u>July 29,</u> 2024
~~Sale Order Hearing (subject to the availability of the Court)~~ <u>Debtors' Deadline to Reply to Supplemental Sale Objections</u>	~~10:00 a~~ <u>5:00 a</u> .m. (prevailing Eastern Time) on ~~August 2,~~ <u>August 2,</u> 2024
Sale ~~Closing~~ <u>Order Hearing</u>	~~5:00 p~~ <u>10:00 a</u> .m. (prevailing Eastern Time) on ~~August 5,~~ <u>August 5,</u> 2024

4. 4. Notwithstanding the foregoing, for the Committee only, the initial Sale Objection Deadline and Contract Assumption Deadline shall be July 24, 2024, and the Committee shall have until July 31, 2024 to file any supplemental objection to the Sale.

5. 45. The failure to timely file an objection in accordance with this Order shall forever bar the assertion of any objection to the Motion or Sale Order and/or consummation of a Sale Transaction, including the assumption and assignment of Assumed Contracts to a Successful Bidder pursuant to a purchase agreement, and shall be deemed to constitute any such party's consent to entry of an order approving the Sale Transaction and consummation of the Sale Transaction and all other transactions related thereto.

6. 56. The Debtors are authorized to modify the above timeline and Bid Procedures in accordance with the Bid Procedures, subject to the approval of the Consultation Parties and the Stalking Horse Bidders and any rights that the

Stalking Horse Bidders may have under the Stalking Horse Agreements on account of such modification.

7. ~~67.~~ CIBC shall be entitled to credit bid all or a portion of its claim for the Purchased Assets that constitute its collateral, in accordance with section 363(k) of the Bankruptcy Code, provided that CIBC pays sufficient cash at Closing to pay the Termination Fee and the maximum amount of the Expense Reimbursement owing to the Stalking Horse Bidders should CIBC be the Successful Bidder. Any dispute between CIBC and the Committee regarding the amount of CIBC's credit bid shall be brought before the Court in advance of the Auction.

(ii) The Bid Procedures.

8. ~~78.~~ The Bid Procedures as modified herein are **APPROVED** in their entirety. The Debtors are authorized to take any and all actions reasonably necessary or appropriate to implement the Bid Procedures, in accordance therewith. The failure to specifically include or reference a particular provision of the Bid Procedures in this Order shall not diminish or impair the effectiveness of such actions.

9. ~~89.~~ The process and requirements associated with submitting a bid and the designation of a bid as a Qualified Bid are approved as fair, reasonable, appropriate, and designed to maximize recoveries for the benefit of the Maybrook and Consulate Debtors' estates, creditors, and other parties in interest. As further described in the Bid Procedures, the Bid Deadline shall be 5:00 p.m. (prevailing Eastern Time) on July 12, 2024 and such Bid Deadline may not be extended without the consent of the Stalking Horse Bidders. Any disputes or

objections to the selection of any Qualified Bid, the Successful Bid, or the Backup Bid (each as defined in the Bid Procedures) shall be resolved by the Court at the Sale Order Hearing as set forth herein.

10. ~~9~~10. The Debtors are authorized to conduct and preside over the Auction in accordance with the Bid Procedures. The Auction, to the extent that an Auction is necessary under the Bid Procedures, shall take place at 10:00 a.m. (prevailing Eastern Time) on ~~_____~~July 17, 2024, at the offices of: (a) Whiteford, Taylor & Preston, LLC, 11 Stanwix St., Suite 1400, Pittsburgh, Pennsylvania 15222, (b) via in person or a virtual platform, such as Zoom or GoToMeeting, or (c) such other location, in each case as the Debtors designate (or at any other time and location as the Debtors may hereafter designate on proper notice). The Auction will be conducted openly and all Qualified Bidders, the Consultation Parties, and the United States Trustee will be permitted to attend.

(iii) Stalking Horse Bidder, Bid Protections.

11. ~~10~~1. The Stalking Horse Bidders and the Bid Protections are approved, except as modified by this paragraph. The Termination Fee shall be no greater than \$1,325,000 and any Expense Reimbursement shall not exceed \$300,000 in the aggregate, consisting of the Stalking Horse Bidders' reasonable and actual pre-petition and post-petition legal and diligence expenses ~~that have been reasonably substantiated by them.~~incurred by the Stalking Horse Bidders. The Bid Protections, if due and payable pursuant to this Order and the Stalking Horse Agreements, shall be payable at the Closing of an Alternative Transaction and solely from the proceeds of such Alternative Transaction, as defined in the Stalking Horse Agreements, provided that the Expense Reimbursement shall be due and

payable by the Debtors to the Stalking Horse Bidders under such other circumstances as provided for in the Stalking Horse Agreements, including, without limitation, Section 9.2(d) and 9.2(e) of the Stalking Horse PSA. The Stalking Horse Bidders shall provide ~~reasonable detail to the Office of the United States~~the Debtors, the U.S. Trustee, CIBC and the Committee ~~of the amount~~with a notice (the “Expense Reimbursement Notice”) of their intent to seek payment of any Expense Reimbursement ~~sought by it, and either party shall have a period of,~~ which notice shall include the amount sought and reasonable supporting documentation. Unless either the U.S. Trustee, CIBC or the Committee files an objection as to the reasonableness of the Expense Reimbursement with the Court within five (5) business days ~~to object~~of the date of the Expense Reimbursement Notice (the “Expense Reimbursement Objection Deadline”), the Debtors shall pay the Expense Reimbursement to the Stalking Horse Bidders within three (3) business days of the Expense Reimbursement Objection Deadline. If any of the U.S. Trustee, CIBC, the Debtors or the Committee files an objection as to the reasonableness of the ~~requested~~ Expense Reimbursement. ~~In the event of an objection to the reasonableness of the requested~~ within the Expense Reimbursement Objection Deadline, the parties shall schedule a hearing before the Court to resolve the ~~issue. If due, the objection.~~ The Termination Fee and the Expense Reimbursement shall be ~~paid~~a separate carve out from the ~~proceeds of CIBC’s collateral securing the CIBC Maybrook DIP Facility and shall be paid prior to the receipt of proceeds due to CIBC, but shall not be a super priority claim. (as defined in the Maybrook DIP Order)~~ solely for the benefit of the Stalking Horse Bidders and shall be paid to the

Stalking Horse Bidders simultaneously with the Closing of any Alternative Transaction or, if only the Expense Reimbursement shall be paid under such other circumstances as provided for in the Stalking Horse Agreements, within three (3) business days after it becomes due. Any payments to the Stalking Horse Bidders of the Bid Protections as approved herein shall be irrevocable, received free and clear of any claim, charge, assessment or other liability, unavoidable and, without limiting the foregoing, not subject to avoidance by any parties in interest including but not limited to the Debtors, the Debtors' estates and any successors thereto, CIBC, the Committee, any trustee appointed in the Chapter 11 Cases, or in any case under Chapter 7 of the Bankruptcy Code upon the conversion of any of the Chapter 11 Cases, or in any other proceedings superseding or related to any of the foregoing. Additionally, if the Bid Protections have not been paid to the Stalking Horse Bidders (and even if the right to payment of such Bid Protections is contingent or unliquidated) and a Carve Out Trigger Notice is delivered pursuant to the Final Order (I) Authorizing the Maybrook and Consulate Debtors to Obtain Postpetition Financing, (II) Authorizing the Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Status, (IV) Granting Adequate Protection, (V) Modifying the Automatic Stay, and (VI) Granting Related Relief (the "Maybrook DIP Order"), the Debtors shall fund a segregated account in the maximum total amount of the Bid Protections to be held in trust exclusively for the benefit of the Stalking Horse Bidders to satisfy all unpaid Bid Protections as provided herein and upon further order of the Court (the "Bid Protections Escrow"), which Bid Protections Escrow shall terminate upon the earliest of (i) closing of the Transaction, (ii) payment of

all Bid Protections due to the Stalking Horse Bidders due and payable pursuant to the Stalking Horse Agreements and this Order, or (iii) five (5) business days following written notice of termination of the Stalking Horse Agreements for a reason that does not result in the payment of the Bid Protections to the Stalking Horse Bidders under the terms of the Stalking Horse Agreements and this Order.

(iv) Notice Procedures.

12. ~~14~~2. The Auction and Sale Notice, substantially in the form attached as **Exhibit 2** is **APPROVED**.

13. ~~12~~3. As soon as practicable after entry of the Sale Procedures Order, the Debtors shall serve the Auction and Sale Notice and this Order by first-class mail, postage prepaid on the following parties, *provided, however*, that to the extent email addresses are available for counsel for any of the following parties that have appeared in the Debtors' bankruptcy cases, such counsel may be served by email (collectively, the "Sale Notice Parties"): (a) all of the Debtors' creditors; (b) all entities that have, to the best knowledge of the Debtors' management and advisors, expressed written interest in purchasing any of the Facilities or Purchased Assets within the past one (1) year; (c) all entities known to have asserted any lien, claim, interest, or encumbrance in or upon any of the Facilities and/or Purchased Assets; (d) counsel to CIBC; (e) DOH; (f) counsel to the DOL in the DOL Action; (g) DHS; (h) counsel to the Committee, ~~once appointed~~; (i) the U.S. Trustee; (j) all parties that have requested notice pursuant to Bankruptcy Rule 2002; (k) all federal, state, and local regulatory or taxing authorities or recording offices which have a reasonably known interest in the relief granted herein; (l) the Internal Revenue Service; (m) any other governmental authority known or reasonably believed by

the Debtors to have or assert a claim against any of the Debtors in the Chapter 11 Cases, including CMS and the United States Attorney for the Western District of Pennsylvania; (n) the Office of the Attorney General and Office of the Secretary of State for the Commonwealth of Pennsylvania; (o) the counterparties to the Executory Contracts; (p) all patients and residents at the Facilities at any point in time dating back to two (2) years prior to the Petition Date and any of such persons' present legal representatives to the extent known by the Debtors, (q) all persons or entities that have asserted, or threatened to assert, any tort claims against any of the Maybrook and Consulate Debtors at any point in time dating back to two (2) years prior to the Petition Date, and (r) all of the Debtors' employees at any point in time dating back to two (2) years prior to the Petition Date.

14. ~~13~~4. The Debtors shall also (i) upload the Notice of Sale to the Court's Electronic Access to Sales Information (EASI) system, and (ii) advertise notice of the sale by publication and Legal Journal as required by Local Rule 6004-1.

15. ~~14~~5. The Resident Notice, substantially in the form attached as **Exhibit 3** is **APPROVED**. In addition to the Auction and Sale Notice, the Debtors shall serve the Resident Notice on all patients and residents at the Facilities at any point in time dating back to two (2) years prior to the Petition Date and any of such persons' present legal representatives to the extent known by the Debtors.

16. ~~15~~6. Service of the Auction and Sale Notice and Resident Notice as described above shall be good and sufficient notice of the Sale Transaction and

the Assumption and Assignment Procedures with respect to known interested parties.

17. ~~16~~7. The Debtors are directed to post the Auction and Sale Notice on their case information website at <https://omniagentsolutions.com/SouthHills> [omniagentsolutions.com].

18. ~~17~~8. The form of the Post-Auction Notice substantially in the form attached hereto as **Exhibit 5** is **APPROVED**. The Debtors shall file on the docket and serve the Post-Auction Notice on the counterparties to the Assumed Contracts, the Sale Notice Parties, and all parties entitled to notice pursuant to Bankruptcy Rule 2002 and Local Rule 2002-1 via ECF, by email, fax, or overnight delivery, by 5:00 p.m. (prevailing Eastern Time) on ~~_____~~ July 18, 2024.

(v) Assumption and Assignment Procedures.

19. ~~18~~9. The Assumption and Assignment Procedures, as detailed in the Motion and incorporated herein, are hereby **APPROVED**.

20. ~~19~~20. The Contract Assumption and Assignment Notice, substantially in the form attached hereto as **Exhibit 4** is hereby **APPROVED**.

21. ~~20~~1. The Debtors shall file with the Court, post on their case information website at <https://omniagentsolutions.com/SouthHills>, and serve on each Counterparty to an Executory Contract, the Contract Assumption and Assignment Notice no later than twenty-one (21) days before the Sale Order Hearing date. If no Cure Amount is listed for a particular Assumed Contract, the Debtors' asserted Cure Amount for such Executory Contract shall be deemed to be \$0.00. The Debtors shall serve, via email to counsel for any party that has appeared

in the Debtors' bankruptcy cases, if available, or first-class mail, the (a) Contract Assumption and Assignment Notice that contains the list of Executory Contracts, (b) information necessary and appropriate to provide notice of the relevant proposed assumption and assignment of Executory Contracts that may be Assumed Contracts and rights thereunder, (c) Cure Amount, if any, and (d) the procedures for objecting thereto, on all counterparties to the Executory Contracts and all parties on the Rule 2002 Notice List. Service of such Contract Assumption and Assignment Notice as set forth herein shall be deemed good and sufficient notice of, among other things, the potential assumption and assignment of the Executory Contracts, the applicable Cure Amounts related thereto, and the procedures for objecting thereto, and no other or further notice is necessary.

22. ~~21~~2. Any objection with respect to the Debtors' proposed Assumption and Assignment of any Executory Contract included in the Contract Assumption and Assignment Notice, including without limitation any objection to the Cure Amount, shall be filed by 5:00 p.m. (prevailing Eastern Time) on July 12, 2024, for any Counterparties to a Executory Contracts provided that, with respect to any Contract Objection for any Executory Contract included on a subsequent Contract Assumption and Assignment Notice filed by the Debtors, such Contract Objections shall be filed on or prior to fourteen (14) days following service of such Contract Assumption and Assignment Notice. Any Contract Objection must (a) be in writing; (b) comply with the applicable provisions of the Bankruptcy Rules and Bankruptcy Local Rules; (c) be filed with the Court by the Contract Objection Deadline; and (d) state with specificity the

grounds for such objection, including, without limitation, the fully liquidated cure amount and the legal and factual bases for any unliquidated cure amount that the Counterparty believes is required to be paid under Bankruptcy Code sections 365(b)(1)(A) and (B) for the applicable Assumed Contract, along with the specific nature and dates of any alleged defaults, the pecuniary losses, if any, resulting therefrom, and the conditions giving rise thereto.

23. ~~22~~23. If, after the Contract Assumption and Assignment Notice Deadline, additional executory contracts or unexpired leases of the Maybrook and Consulate Debtors are determined to be potential Assumed Contracts in connection with an Sale Transaction, or the Debtors seek to modify the previously stated Cure Amount associated with any Executory Contract, as soon as practicable thereafter, the Debtors shall file with the Court and serve, by overnight delivery, on the applicable Counterparties, a supplemental or amended Contract Assumption and Assignment Notice, and such Counterparties shall file any objection to Cure Amount not later than fourteen (14) days following service of such Contract Assumption and Assignment Notice.

24. ~~23~~24. The inclusion of an Executory Contract on the Contract Assumption and Assignment Notice will not (a) obligate the Debtors to assume any Executory Contract listed thereon nor the Successful Bidder to take assignment of such Executory Contract or (b) constitute any admission or agreement of the Debtors that such Executory Contract is an executory contract.

25. ~~24~~25. Any objection to the Stalking Horse Bidders' adequate assurance of future performance must be filed no later than the Sale Objection

Deadline and all such objections must specify what the objecting party believes is required to provide such adequate assurance.

26. ~~25~~6. If no Contract Objection is timely received with respect to an Assumed Contract: (a) the Counterparty to such Assumed Contract shall be deemed to have consented to the assumption by the Debtors and assignment to the Successful Bidder of the Assumed 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 applicable Successful Bidder); (b) any and all defaults under the Assumed 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 (B) upon payment of the Cure Amount set forth in the Contract Assumption and Assignment Notice; and (c) the Counterparty shall be forever barred from asserting any other claims related to such Assumed 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 the Contract Assumption Objections and the Sale Order.

27. ~~26~~7. To the extent that the parties are unable to consensually resolve any Contract Objection prior to the commencement of the Sale Order Hearing, the Debtors may, after consultation with the Consultation Parties and the Stalking Horse Bidders' or other Successful Bidder's (as applicable) approval, as well as CIBC's approval (which will not be unreasonably withheld), (i) assume the applicable Assumed Contract prior to the resolution of the Cure Dispute; provided that the Successful Bidder (or the Debtors, as may be applicable under the

applicable purchase agreement) shall (a) pay to the applicable Counterparty the undisputed portion of the Cure Amount within five (5) business days after the Closing of the Sale Transaction and (b) reserve cash in an amount sufficient to pay the disputed portion of the Cure Amount reasonably asserted by the applicable Counterparty (or such lesser amount as may be fixed or estimated by the Court or otherwise agreed to by the Counterparty and the Maybrook and Consulate Debtors), or (ii) adjourn their request to assume the contract or lease pending resolution of the Cure Dispute; provided further that, to the extent the Adjourned Cure Dispute is resolved or determined unfavorably to the Debtors, the Debtors (with the consent of the Successful Bidder(s)) may withdraw the proposed assumption of the applicable contract or lease after such determination by filing a notice of withdrawal, which, in the case of a lease, shall be prior to the expiration of the applicable deadline to assume or reject unexpired leases under section 365(d)(4) of the Bankruptcy Code. The Debtors shall file notice of their intention to reserve for a Cure Amount or to adjourn their request for assumption. An Adjourned Cure Dispute may be resolved after the Closing Date of the Sale Transaction in the Debtors' discretion with the consent of the Successful Bidder(s).

(vi) Sale Order Hearing.

28. ~~27~~28. A Sale Order Hearing to (a) approve a sale of the Debtors' assets to a Successful Bidder, approve designation of a Backup Bids and Backup Bidders, if applicable, in accordance with the Bid Procedures, and (c) authorize the assumption and assignment of the Assumed Contracts shall be held at 10:00 a.m. (prevailing Eastern Time) on August 5, 2024, and may be adjourned or rescheduled on notice by the Debtors and, if the Stalking Horse

Bidders are the Successful Bidders, only upon consent of the Stalking Horse Bidders. At the Sale Order Hearing, the Debtors will seek Court approval of the Successful Bid(s) and Backup Bid(s), if applicable. Unless the Bankruptcy Court orders otherwise, any Sale Order Hearing shall be an evidentiary hearing on matters relating to the Sale Transaction and there will be no further bidding at such hearing. In the event that a Successful Bidder cannot or refuses to consummate the Sale Transaction because of the breach or failure on the part of such Successful Bidder, the Debtors, may, in accordance with the Bid Procedures, designate the applicable Backup Bid to be the new Successful Bid and the Backup Bidder to be the new Successful Bidder, and the Maybrook and Consulate Debtors shall be authorized, but not required, to consummate the Sale Transaction with the Backup Bidder without further order of the Bankruptcy Court.

29. ~~28~~29. Any and all objections, if any, to any proposed Sale Transaction and proposed adequate assurance must be filed no later than 5:00 p.m. (prevailing Eastern Time) on ~~_____~~July 12, 2024. For avoidance of doubt, any objections to a Successful Bidder's proposed form of adequate assurance of future performance assignment of any Assumed Contract will be resolved at the Sale Order Hearing. Notwithstanding the foregoing, for the Committee only, the initial Sale Objection Deadline and Contract Assumption Deadline shall be July 22, 2024, and the Committee shall have until July 31, 2024 to file any supplemental objection to the Sale.

(vii) **Miscellaneous.**

30. ~~29~~30. Except as otherwise provided herein, any objection provided pursuant to any of the provisions set forth in the Motion must: (a) be in writing, (b)

comply with the applicable provisions of the Bankruptcy Rules and Bankruptcy Local Rules, (c) state with particularity the legal and factual basis for the objection and the specific grounds therefor, and (d) be filed with this Court via ECF.

31. ~~30~~1. Any substantial contribution claims by any Potential Bidder are deemed waived, to the extent based on such Potential Bidder's submission of a bid in accordance with the Bid Procedures.

32. ~~31~~2. The Debtors are authorized and empowered to take such action as may be necessary to implement and effect the terms and requirements established under this Order.

33. ~~32~~3. This Order shall constitute the findings of fact and conclusions of law and shall take immediate effect upon execution hereof.

34. ~~33~~4. Notwithstanding Bankruptcy Rules 6004(h), 6006(d), 9014, or otherwise, this Court, for good cause shown, orders that the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

35. ~~34~~5. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation or interpretation of this Order, including, but not limited to, any matter, claim, or dispute arising from or relating to the Bid Procedures, the Stalking Horse Agreements, and the implementation of this Order.

Prepared by:

/s/ Daniel R. Schimizzi

Daniel R. Schimizzi

Proposed Local Counsel to the Debtors

BY THE COURT:

Date: _____, 2024
Pittsburgh, PA

~~[INSERT JUDGE]~~ Carlota M. Böhm, Judge
United States Bankruptcy Court

EXHIBIT 1

Bid Procedures

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

In Re:

**SOUTH HILLS OPERATIONS, LLC, *et al.*,¹

Debtors.**

Case No.: 2:24-21217-CMB

**Chapter 11
*Jointly Administered***

**BID PROCEDURES FOR THE SALE
OF SUBSTANTIALLY ALL OF THE MAYBROOK AND CONSULATE DEBTORS'
ASSETS**

Due Diligence Participation Requirements

Any person desiring to conduct due diligence that may lead to a bid for one or more of the Maybrook and Consulate Debtors' Facilities or all or substantially all of the Purchased Assets will be required to deliver to the Debtors an executed confidentiality agreement in form and substance satisfactory to the Debtors.² The Debtors and their professionals will afford any parties that execute a confidentiality agreement (a "Potential Bidder") such due diligence access or additional

¹The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's federal tax identification number are: South Hills Operations, LLC (5527); Monroeville Operations, LLC (3280); Mt. Lebanon Operations, LLC (1133); Murrys ville Operations, LLC (9149); Cheswick Rehabilitation and Wellness Center, LLC (9561); 3876 Saxonburg Boulevard Propco, LLC (3618); North Strabane Rehabilitation and Wellness Center, LLC (1677); 100 Tandem Village Road Propco, LLC (1918); Maybrook-C Briarcliff Opco, LLC (5187); Maybrook-C Briarcliff Propco, LLC (1823); Maybrook-C Evergreen Opco, LLC (5388); Maybrook-C Evergreen Propco, LLC (2000); Maybrook-C Kade Opco, LLC (4033); Maybrook-C Kade Propco, LLC (2097); Maybrook-C Latrobe Opco, LLC (4148); Maybrook-C Latrobe Propco, LLC (2178); Maybrook-C Overlook Opco, LLC (7081); Maybrook-C Overlook Propco, LLC (6804); Maybrook-C Silver Oaks Opco, LLC (7146); Maybrook-C Silver Oaks Propco, LLC (9654); Maybrook-C Whitecliff Opco, LLC (6211); Maybrook-C Whitecliff Propco, LLC (4835). The Debtors' address is 485 Lexington Avenue, 10th Floor, New York, NY 10017

² Unless otherwise defined, all capitalized terms used herein shall have the meanings provided in the *Debtors' Motion for Entry of Orders (A) Approving Sale of Substantially All of the Maybrook and Consulate Debtors' Assets, Other than Accounts, Free and Clear of All Liens, Claims, Encumbrances, and Interests, (B) Approving Bid Procedures for the Sale of Substantially All of the Maybrook And Consulate Debtors' Assets, Other Than Accounts, (C) Approving Stalking Horse Bid Protections, (D) Scheduling Auction for and Hearing to Approve Sale of the Maybrook and Consulate Debtors' Assets, (E) Approving Form and Manner of Notice of Sale, Auction, and Sale Order Hearing, (F) Approving Assumption and Assignment Procedures, (G) Authorizing Assumption and Assignment of Executory Contracts and Unexpired Leases, and (H) Granting Related Relief* [Docket. No. —125] (the "Motion").

information as the Debtors, in their business judgment, determine to be reasonable and appropriate. Notwithstanding the foregoing, the Debtors shall have the right, after consulting with the Consultation Parties, to require satisfactory evidence of any Potential Bidder's available funds for or firm commitment for sufficient financing to consummate an acquisition, prior to granting said Potential Bidder access to conduct due diligence, and the Debtors, after consulting with the Consultation Parties, may withhold or limit access by any Potential Bidder to the due diligence if the Potential Bidder does not become or, the Debtors determine that the Potential Bidder is not likely to become, a Qualified Bidder. Additional due diligence will not be provided after the Bid Deadline (as defined below).

Each Potential Bidder agrees to use, and to instruct its advisors and representatives to use, any of the Debtors' confidential information only in connection with the formulation of a bid(s) during the bidding process or in accordance with the terms of any applicable confidentiality agreement.

Bid Deadline

The deadline for Potential Bidders to submit bids intending to compete with the Stalking Horse Agreements (attached as Exhibit B to the Motion), ~~is~~ is July 12, 2024 at 5:00 p.m. (prevailing Eastern Time) (the "Bid Deadline"). Such bids must be received on or before the Bid Deadline by the following parties (collectively, the "Notice Parties"):

1. Debtors' counsel (a) Bass, Berry & Sims, PLC, 150 Third Ave. South, Suite 2800, Nashville, Tennessee 37201, Attn: Glenn B. Rose (grose@bassberry.com); (b) Whiteford, Taylor & Preston, L.L.P., 11 Stanwix St., Suite 1400, Pittsburgh, PA 1522, Attn: Daniel R. Schimizzi (dschimizzi@wtplaw.com);
2. Ankura Consulting Group, 2021 McKinney Avenue, Suite 340, Dallas, TX 75201, Attn: Louis E. Robichaux, IV (louis.robichaux@ankura.com); and
3. Blueprint Healthcare Real Estate Advisors, LLC, 191 N. Wacker Drive, Suite 1680, Chicago, IL, 60606, Attn: Michael Segal (msegal@blueprinthere.com)

The Debtors will promptly deliver a copy of each bid received by the Bid Deadline to counsel for CIBC Bank USA and ~~any~~ counsel for the Official Committee of Unsecured Creditors (the "Committee", and collectively with CIBC, the "Consultation Parties").

The Bid Deadline cannot be extended unless the Stalking Horse Bidders consent.

Participation Requirements

To be eligible to participate in the Auction (as such term is defined below), each bid and each Potential Bidder submitting such a bid must conform to the following requirements (collectively, the "Participation Requirements"):

1. Except in the case of a bid for less than all of the Maybrook and Consulate Debtors' facilities, which piecemeal bids shall be considered in the aggregate as compared to the Stalking Horse Bid, offer to consummate the Sale Transaction on terms no

less favorable to the Maybrook and Consulate Debtors than those set forth in the Stalking Horse Agreements, taking into account the Bid Protections, including the Minimum Overbid Amount;

2. Include a (a) redlined copy of each of the Stalking Horse PSA and the Stalking Horse OTA to show any proposed amendments thereto (the “Modified PSA” and “Modified OTA”, respectively, and, collectively, the “Modified Agreements”) and (b) clean, executed copies of the Modified Agreements;
3. Include a statement that there are no conditions precedent to the Potential Bidder’s entry into definitive Modified Agreements, including that (a) there are no financing contingencies to the bid, (b) there are no due diligence contingencies to the bid, and (c) all necessary internal and shareholder approvals have been obtained prior to submitting the bid;
4. State that such offer is binding and irrevocable until the approval of the Successful Bid by the Court unless designated as the Back-Up Bid (as defined below);
5. Disclose the identity of each entity that will be bidding or otherwise participating in connection with such bid, and the complete terms of any such participation;
6. Include the names and contact information of members of the Potential Bidder who will be available to answer questions regarding the offer, including any advisors and related parties;
7. Include a good-faith deposit in immediately available funds in an amount equal to \$1,350,000 (“Earnest Money Deposit”);
8. Not be conditioned on the receipt of any third party approvals or consents (excluding required Court approval and required governmental, licensing or regulatory approval or consent, if any), including without limitation board of director approval. With respect to any governmental, licensing or regulatory approvals or consents, each bid must include a description of all such approvals or consents that are required to consummate the proposed transaction, together with evidence satisfactory to the Debtors, in consultation with the Consultation Parties and CIBC’s approval, which will not be unreasonably withheld, of the ability of the bidder to obtain such approvals or consents in a timely manner, as well as a description of any material contingencies or other conditions that will be imposed upon, or that will otherwise apply to, the obtainment or effectiveness of any such approvals or consents;
9. Accompanied by an executed letter stating that the Potential Bidder’s offer, if selected as either the Successful Bid or Back-Up Bid, is irrevocable until consummation of a transaction involving the assets identified in such bid and that such bidder agrees to serve as a Backup Bidder (as defined herein) in accordance with these Bid Procedures;

10. Include sufficient financial or other information (the “Adequate Assurance Information”) to establish adequate assurance of future performance with respect to any lease or contract to be assigned to the Potential Bidder in connection with the proposed Sale Transaction. The bid shall also identify a contact person (with relevant contact information) that counterparties to any lease or contract can contact to obtain additional Adequate Assurance Information;
11. Provide satisfactory written evidence of available funds or a firm commitment for financing sufficient to consummate the Sale Transaction;
12. Provide information on the Potential Bidder’s ability to continue to operate the Maybrook and Consulate Facilities;
13. Represent and warrant that the Potential Bidder has had an opportunity to conduct any and all due diligence regarding the Maybrook and Consulate Debtors’ business and the Purchased Assets prior to submitting its bid and a statement that the Potential Bidder has relied solely upon its own independent review, investigation, and / or inspection of any relevant documents and the Purchased 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 Maybrook and Consulate Debtors’ business or the Purchased 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 Modified Agreements, if ultimately accepted and executed by the Debtors; and
14. Acknowledge that the Potential Bidder is not entitled to any of the Bid Protections.

The Debtors, following consultation with the Consultation Parties and CIBC’s approval, which will not be unreasonably withheld, shall determine whether bids submitted by the Bid Deadline by Potential Bidders meet the Participation Requirements.

The Debtors reserve the right to request additional information from a Potential Bidder in connection with its bid.

For the avoidance of doubt, bids are not required to adopt the business structure set forth in the Stalking Horse Agreements, may provide for either a for-profit or not-for-profit entity as the purchaser(s) and/or operator(s) of the Facilities, and may be for one, some, or all of the Maybrook and Consulate Debtors’ Facilities.

Qualified Bidders and Bids

Potential Bidders who have satisfied the Participation Requirements in the Debtors’ judgment, in consultation with the Consultation Parties, will be deemed “Qualified Bidders.” Bids that satisfy all bid requirements, as determined by the Debtors, in consultation with the Consultation Parties and with CIBC’s approval, which will not be unreasonably withheld, will be deemed “Qualified Bids.” The Debtors will advise each Potential Bidder whether it is deemed to be a Qualified Bidder and whether its bid is a Qualified Bid before the Auction.

As provided in the Sale Procedures Order, the Stalking Horse Bidders are deemed Qualified Bidders and the Stalking Horse Bid is a Qualified Bid in all respects. The Stalking Horse Bidders shall be entitled to credit bid the amount of their Termination Fee and Expense Reimbursement (as defined in the Stalking Horse Agreements) towards any subsequent bid at the Auction, if any. In the event that a Potential Bidder submits a bid that is not deemed to be a Qualified Bid (a "Rejected Bid"), the Debtors shall provide a reasonable opportunity for such Potential Bidder to cure the Rejected Bid for the purposes of allowing it to become a Qualified Bid, provided that such cure occurs prior to the Bid Deadline. The Consultation Parties may review and facilitate the process of curing Rejected Bids.

All Qualified Bidders shall be deemed to have waived the right to pursue a substantial contribution claim under section 503 of the Bankruptcy Code related in any way to due diligence, the submission of its bid, the Bid Procedures, the Auction and the Sale, provided that the Stalking Horse Bidders are entitled to the Bid Protections.

Auction Participation

Unless otherwise agreed to by the Debtors, only the Debtors, Qualified Bidders, members of the Committee, the Trustee, and each of the foregoing's legal and financial professionals are eligible to attend or participate at the Auction. Subject to the other provisions of these Bid Procedures, if the Debtors do not receive any Qualified Bids other than Stalking Horse Bid or if no Qualified Bidder other than the Stalking Horse has indicated its intent to participate in the Auction, the Debtors will not hold an Auction and the Stalking Horse Bidders will be named the Successful Bidders (as defined below).

Prior to the start of the Auction, the Debtors, in consultation with the Consultation Parties and with CIBC's approval, which will not be unreasonably withheld, may hold discussions with any Qualified Bidders for less than all of the Maybrook and Consulate Debtors' Facilities to discuss proposals to combine their Qualified Bids for purposes of bidding on the Purchased Assets at the Auction.

Auction

If more than one Qualified Bid is received, the Debtors will conduct an auction (the "Auction") for the sale of substantially all the Purchased Assets. Each Qualified Bidder participating at the Auction will be required to confirm on the record that it has not engaged in any collusion with respect to the bidding or the Sale Transaction. Prior to the start of the Auction, the Debtors, in consultation with the Consultation Parties and with CIBC's approval (which will not be unreasonably withheld), will select a Qualified Bid to be the opening bid at the Auction (each such Qualified Bid, the "Opening Bid" and each such Qualified Bidder, the "Opening Bidder"), and inform each of the Qualified Bidders participating in the Auction of the same.

The Auction shall take place at 10:00 a.m. (prevailing Eastern Time) on July 17, 2024 (the "Auction Date") at the offices of: (a) Whiteford, Taylor & Preston, LLP, 11 Stanwix St., Suite 1400, Pittsburgh, Pennsylvania 15222, (b) via in person or a virtual platform, such as Zoom or GoToMeeting, or (c) such other location, in each case as the Debtors designate. No later than forty-eight (48) hours prior to the Auction Date, the Debtors shall

provide notice of the Auction location and, if via a virtual platform, the credentials required to access such platform, to all Qualified Bidders, the Trustee and the Committee. At the Auction, only the Stalking Horse Bidders (taking into account their right to credit bid the Bid Protections) and other Qualified Bidders will be permitted to increase their bids by the Minimum Bid Amount, and to make any incremental bids thereafter. The Debtors may conduct the Auction in the manner they reasonably determine, in their business judgment, after consultation with the Consultation Parties and with CIBC's approval (which will not be unreasonably withheld), will achieve the maximum value for the Purchased Assets.

Closing the Auction

The Auction shall continue until there is one offer or a combination of offers that the Debtors determine, following consultation with the Consultation Parties and with CIBC's approval (which will not be unreasonably withheld), and subject to Bankruptcy Court approval, is the highest and best offer(s) from among the Qualified Bidders (including the Stalking Horse Bidders) submitted at the Auction (the "Successful Bid(s)"). The Qualified Bidder(s) submitting such Successful Bid(s) shall become the "Successful Bidder" and shall have such rights and responsibilities of a purchaser, as set forth in the Stalking Horse Agreements or Modified Agreement, as applicable. Immediately prior to the conclusion of the Auction, the Debtors shall notify all Qualified Bidders at the Auction of the name or names of the Successful Bidder(s) and the amount and other material terms of the Successful Bid(s).

The Debtors shall also, following consultation with the Consultation Parties and CIBC's approval (which will not be unreasonably withheld), select an offer or a combination of offers to serve as a back-up bid (the "Back-Up Bid" and, such Qualified Bidder submitting the Back-Up Bid, the "Back-Up Bidder"), which Back-Up Bid shall remain open and irrevocable until the Closing of the Sale with the Successful Bidder(s). In the event that the Successful Bidder fails to close the transaction contemplated by the Successful Bidder, for any reason, the Debtors may, following consultation with the Consultation Parties, elect to regard the Back-Up Bid as the highest and best bid for the Purchased Assets, and the Debtors will be authorized to consummate the transaction contemplated by the Back-Up Bid without further order of the Bankruptcy Court.

The Successful Bidder(s) and the Back-Up Bidder(s) shall be deemed to have waived the right to pursue a substantial contribution claim under section 503 of the Bankruptcy Code related in any way to due diligence, the submission of its bid, the Bid Procedures, the Auction and the Sale, provided that the Stalking Horse Bidders are entitled to the Bid Protections.

The Debtors may require the Stalking Horse Bidders to serve as the Back-Up Bidder upon the Debtors' selection of another party or parties as the Successful Bidder(s).

Assumption of Executory Contracts and Unexpired Leases

The Stalking Horse Agreements and Modified Agreements must designate which executory contracts and unexpired leases are to be assumed and assigned as part of the Purchased Assets (the "Assumed Contracts"). Except as otherwise provided in the Successful Bidder's purchase agreements or in the Sale Order, the Successful Bidder(s) shall be responsible for all cure amounts relating to the Assumed Contracts under section 365 of the Bankruptcy Code.

No Collusion; Good-Faith Bona Fide Offer

Each Qualified Bidder participating at the Auction will be required to confirm on the record at the Auction that (a) it has not engaged in any collusion with respect to the Sale or Bidding Process (including that it has no agreement with any other Bidder or Qualified Bidder to control the price) and (b) its Qualified Bid is a good faith bona fide offer and it intends to consummate the Sale Transaction if selected as the Successful Bidder or the Back-Up Bidder.

Return of Deposits

No later than the earlier of (a) three (3) business days following the entry of a Sale Order, or (b) ten (10) business days following the end of the Auction, unless otherwise provided in an escrow agreement or a Qualified Bid, the Debtors shall return by check or wire the full amount of each Earnest Money Deposit submitted by a party that is not a party who is a Successful Bidder(s) or a Back-up Bidder(s). A defaulting Successful Bidder's Earnest Money Deposit shall be forfeited to the Debtors, subject to the terms set forth in the Successful Bidder's purchase agreement.

Communications among Qualified Bidders

Notwithstanding anything to the contrary in these Bid Procedures, all direct communications between and amongst Qualified Bidders shall involve the Debtors and the Debtors' advisors. No Qualified Bidder shall communicate with any other Qualified Bidder absent prior written consent from the Debtors.

Free and Clear of Any and All Claims and Interests

Subject to entry of the Sale Order and except as otherwise provided in the Stalking Horse Agreements or other Successful Bidder's purchase agreements, all of the Debtors' right, title, and interest in and to the Purchased Assets subject thereto shall be sold free and clear of all liens, claims, and interests (collectively, the "Encumbrances") to the maximum extent permitted by section 363 of the Bankruptcy Code (other than permitted liens and assumed liabilities as provided in a Successful Bidder's purchase agreement), with such Encumbrances to attach to the proceeds of the sale of the Purchased Assets with the same validity and priority as such Encumbrances applied against the Purchased Assets.

Reservation of Rights by the Debtors

Nothing in these Bid Procedures shall require the Debtors to take any action, or to refrain from taking any action, with respect to these Bid Procedures, to the extent that the Debtors determine, or based on the advice of counsel, that taking such action, or refraining from taking such action, as applicable, is required to comply with applicable law or their fiduciary duties under applicable law. The Stalking Horse Bidders reserve all rights under the Stalking Horse Agreements with respect to any action taken by the Debtors with respect to these Bid Procedures, or otherwise.

EXHIBIT 2

Auction and Sale Order Hearing Notice

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

In Re:

SOUTH HILLS OPERATIONS, LLC, *et al.*,¹

Debtors.

Case No.: [2:24-21217-CMB](#)

Chapter 11
Jointly Administered

NOTICE OF PROPOSED SALE OF SUBSTANTIALLY ALL OF THE MAYBROOK
AND CONSULATE ~~DEBTORS' ASSETS~~ [DEBTORS' ASSETS](#), BID PROCEDURES,
AUCTION, AND SALE ORDER HEARING

PLEASE TAKE NOTICE that the Debtors, by and through their undersigned counsel, sought approval from the United States Bankruptcy Court for the Western District of Pennsylvania (the “Court”) to effectuate the sale of substantially all of the Maybrook and Consulate Debtors’ assets, other than Accounts in *Debtors’ Motion for Entry of Orders (A) Approving Sale of Substantially All of the Maybrook and Consulate Debtors’ Assets, Other than Accounts, Free and Clear of All Liens, Claims, Encumbrances, and Interests, (B) Approving Bid Procedures for the Sale of Substantially All of the Maybrook And Consulate Debtors’ Assets, Other Than Accounts, (C) Approving Stalking Horse Bid Protections, (D) Scheduling Auction for and Hearing to Approve Sale of the Maybrook and Consulate Debtors’ Assets, (E) Approving Form and Manner of Notice of Sale, Auction, and Sale Order Hearing, (F) Approving Assumption and Assignment Procedures, (G) Authorizing Assumption and Assignment of Executory Contracts and Unexpired Leases, and (H) Granting Related Relief* [Docket. No. ~~—~~ [125](#)] (the “Motion”).

PLEASE TAKE FURTHER NOTICE that on ~~—~~ [June](#), the Court entered the *Order (A) Approving Bid Procedures for Sale of Substantially All of the Maybrook and Consulate Debtors’ Assets, other than Accounts, Free and Clear of All Liens, Claims, Encumbrances, and Interests, (B) Approving Stalking Horse Bid Protections, (C) Scheduling Auction for and Hearing to Approve Sale of Substantially All of the Maybrook and Consulate*

¹The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor’s federal tax identification number are: South Hills Operations, LLC (5527); Monroeville Operations, LLC (3280); Mt. Lebanon Operations, LLC (1133); Murrysburg Operations, LLC (9149); Cheswick Rehabilitation and Wellness Center, LLC (9561); 3876 Saxonburg Boulevard Propco, LLC (3618); North Strabane Rehabilitation and Wellness Center, LLC (1677); 100 Tandem Village Road Propco, LLC (1918); Maybrook-C Briarcliff Opco, LLC (5187); Maybrook-C Briarcliff Propco, LLC (1823); Maybrook-C Evergreen Opco, LLC (5388); Maybrook-C Evergreen Propco, LLC (2000); Maybrook-C Kade Opco, LLC (4033); Maybrook-C Kade Propco, LLC (2097); Maybrook-C Latrobe Opco, LLC (4148); Maybrook-C Latrobe Propco, LLC (2178); Maybrook-C Overlook Opco, LLC (7081); Maybrook-C Overlook Propco, LLC (6804); Maybrook-C Silver Oaks Opco, LLC (7146); Maybrook-C Silver Oaks Propco, LLC (9654); Maybrook-C Whitecliff Opco, LLC (6211); Maybrook-C Whitecliff Propco, LLC (4835). The Debtors’ address is 485 Lexington Avenue, 10th Floor, New York, NY 10017.

*Debtors' Assets, (D) Approving Form and Manner of Notice of Sale, Auction, and Sale Order Hearing, (E) Approving Assumption and Assignment Procedures, and (F) Granting Related Relief (the "Sale Procedures Order").*² The Sale Procedures Order approved the bid procedures (the "Bid Procedures") attached as **Exhibit 1** to the Sale Procedures Order. The Bid Procedures set the key dates and times related to the sale of the Purchased Assets and assumption and assignment of the executory contracts and unexpired leases.

PLEASE TAKE FURTHER NOTICE that copies of the Sale Procedures Order, all related exhibits, including the Bid Procedures, and any other filings related to the foregoing are available for free on the website of Debtors' notice agent, Omni Claim Solutions, Inc., at <https://omniagentsolutions.com/SouthHills>.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Motion, the Maybrook and Consulate Debtors seek to sell substantially all of their assets (the "Purchased Assets") to the Stalking Horse Bidders or any other Successful Bidder free and clear of all liens, claims, encumbrances, and other interests to the fullest extent permitted under 11 U.S.C. § 363(f) and other applicable law. For ease of reference, the Maybrook and Consulate Debtors are identified in **Exhibit A** by reference to the nursing facilities they respectively own and operate

PLEASE TAKE FURTHER NOTICE that the deadline by which all Qualified Bids for the Purchased Assets must be actually received by the parties specified in the Bid Procedures is July 12, 2024, at 5:00 p.m. (prevailing Eastern Time).

PLEASE TAKE FURTHER NOTICE that, pursuant to the terms of the Sale Procedures Order, if one or more Qualified Bids (in addition to the Stalking Horse Bid) are received by the Bid Deadline, an auction ("Auction") to sell the Purchased Assets will take place at 9:00 a.m. (prevailing Eastern Time) on July 17, 2024 at the offices of: (a) Whiteford, Taylor & Preston, LLP, 11 Stanwix St., Suite 1400, Pittsburgh, Pennsylvania 15222, (b) via in person or a virtual platform, such as Zoom or GoToMeeting, or (c) such other location, in each case as the Debtors designate and shall be timely communicated to all persons entitled to attend the Auction. The Debtors may cancel the Auction pursuant to the Bid Procedures.

PLEASE TAKE FURTHER NOTICE that, if the Debtors do not timely receive more than one Qualified Bid, the Debtors will not conduct the Auction and, instead, will (a) file a notice with the Court identifying the Stalking Horse Agreements as the Successful Bid for the Purchased Assets and (b) promptly seek the Court's approval of the sale of the Purchased Assets to the Stalking Horse Bidders all liens, claims, encumbrances, and other interests to the fullest extent permitted under 11 U.S.C. § 363(f) and other applicable law.

PLEASE TAKE FURTHER NOTICE that a hearing will be held to approve the sale of the Purchased Assets to the Successful Bidder (the "Sale Order Hearing") before the Honorable Carlot M. Böhm, Judge the United States Bankruptcy Court for the Western District of Pennsylvania, Pittsburgh, Pennsylvania on August 5, 2024, at 10:00 a.m. (prevailing Eastern Time), or at such time thereafter as counsel may be heard

² All capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Motion or Sale Procedures Order, as applicable.

or at such other time as the Court may determine The Sale Order Hearing may be adjourned from time to time without further notice to creditors or parties in interest other than by filing a notice on the Court's docket for the Chapter 11 Cases or the making of an announcement at the Sale Order Hearing.

PLEASE TAKE FURTHER NOTICE that objections to the Sale, if any, (i) must be in writing, (ii) conform to the applicable provisions of the Bankruptcy Code, Bankruptcy Rules, and Local Rules, (iii) state with particularity the legal and factual basis for the objection, and (iv) be filed with the Court no later than July 12, 2024, at 5:00 p.m. (prevailing Eastern Time) by the Court.

FAILURE TO ABIDE BY THE BID PROCEDURES, THE SALE PROCEDURES ORDER, OR ANY OTHER ORDER OF THE BANKRUPTCY COURT IN THE CHAPTER 11 CASES MAY RESULT IN THE REJECTION OF YOUR BID FOR THE PURCHASED ASSETS.

PLEASE TAKE FURTHER NOTICE THAT ANY PARTY OR ENTITY WHO FAILS TO TIMELY FILE AND SERVE AN OBJECTION TO THE SALE BEFORE THE OBJECTION DEADLINE IN ACCORDANCE WITH THE SALE PROCEDURES ORDER SHALL BE DEEMED TO HAVE CONSENTED TO THE SALE(S) AND FOREVER BARRED FROM ASSERTING ANY OBJECTION TO THE SALE(S), INCLUDING WITH RESPECT TO THE TRANSFER OF THE PURCHASED ASSETS TO THE SUCCESSFUL BIDDER FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES, AND OTHER INTERESTS THAT SUCH PARTY OR ENTITY MAY HAVE AGAINST THE DEBTORS OR THE PURCHASED ASSETS.

Dated , 2024
Pittsburgh, Pennsylvania

Respectfully submitted,
WHITEFORD TAYLOR & PRESTON, LLP

Daniel R. Schimizzi (PA ID No. 311869)
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*Proposed Local Counsel to the Debtors and
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*Proposed Counsel to the Debtors and
Debtors in Possession*

EXHIBIT A

Facility Name	Type of Facility	Common Address	Owner of Facility	Operator of Facility
The Grove at Greenville	Duly licensed 154 bed skilled nursing facility	110 Fredonia Road, Greenville, PA 16125	Maybrook-C Whitecliff Propco, LLC	Maybrook-C Whitecliff Opco, LLC
The Grove at New Wilmington	Duly licensed 115 bed skilled nursing facility	520 New Castle Street, New Wilmington, PA 16142	Maybrook-C Overlook Propco, LLC	Maybrook-C Overlook Opco, LLC
The Grove at North Huntingdon	Duly licensed 120 bed skilled nursing facility	249 Maus Drive, North Huntingdon, PA 15642	Maybrook-C Briarcliff Propco, LLC	Maybrook-C Briarcliff Opco, LLC
The Grove at New Castle	Duly licensed 62 bed skilled nursing facility	715 Harbor Street, New Castle, PA 16101	Maybrook-C Silver Oaks Propco, LLC	Maybrook-C Silver Oaks Opco, LLC
The Grove at Washington	Duly licensed 74 bed skilled nursing facility	1198 W. Wylie Avenue, Washington, PA 15301	Maybrook-C Kade Propco, LLC	Maybrook-C Kade Opco, LLC
The Grove at Harmony	Duly licensed 115 bed skilled nursing facility	191 Evergreen Mill Road, Harmony, PA 16037	Maybrook-C Evergreen Propco, LLC	Maybrook-C Evergreen Opco, LLC
The Grove at Latrobe	Duly licensed 107 bed skilled nursing facility	576 Rogers Drive, Latrobe, PA 15650	Maybrook-C Latrobe Propco, LLC	Maybrook-C Latrobe Opco, LLC

Facility Name	Type of Facility	Common Address	Owner of Facility	Operator of Facility
Cheswick Rehab & Wellness	Duly licensed 121 bed skilled nursing facility	3876 Saxonburg Blvd., Cheswick, PA 15024	3876 Saxonburg Boulevard Propco, LLC	Cheswick Rehabilitation and Wellness Center, LLC
North Strabane Rehab & Wellness	Duly licensed 62 bed skilled nursing facility	100 Tandem Village Road, Canonsburg, PA 15317	100 Tandem Village Road Propco, LLC	North Strabane Rehabilitation and Wellness Center, LLC

EXHIBIT 3

Resident Notice

[INSERT LETTERHEAD]

[ADDRESS]

TO WHOM IT MAY CONCERN:

You are receiving this letter and enclosed legal notice because you, a loved one, or someone you represent, was or is a resident or patient at one of the following facilities (the “Facilities”):

- The Grove at Greenville - 10 Fredonia Road, Greenville, PA 16125
- The Grove at New Wilmington - 520 New Castle Street, New Wilmington, PA 16142
- The Grove at North Huntingdon - 249 Maus Drive, North Huntingdon, PA 15642
- The Grove at New Castle - 715 Harbor Street, New Castle, PA 16101
- The Grove at Washington - 1198 W. Wylie Avenue, Washington, PA 15301
- The Grove at Harmony - 191 Evergreen Mill Road, Harmony, PA 16037
- The Grove at Latrobe - 576 Rogers Drive, Latrobe, PA 15650
- Cheswick Rehab & Wellness - 3876 Saxonburg Blvd., Cheswick, PA 15024
- North Strabane Rehab & Wellness - 100 Tandem Village Road, Canonsburg, PA 15317

As discussed in the attached legal notice, the owners and operators of the Facilities have filed voluntary bankruptcy petitions to preserve their assets and pursue going concern sales of the Facilities. The Facilities are staying open and continuing operations through this process. Anyone who is a current resident or patient at one of the Facilities will continue to receive the same care and services they did before the bankruptcies.

The proposed sales of the Facilities to an approved buyer(s) will be free and clear of all liens, claims, encumbrances, or interests that you or someone you represent may have against the Facilities, the owners, or operators of the Facilities. Furthermore, ~~any contract that current residents or patients have with~~ the owners ~~or~~ and operators of the Facilities ~~will be assumed and propose to~~ assigned to the approved buyer(s) all of their contracts with current residents or patients subject to the terms of the attached notice. The approved buyer(s) will ~~assume no liabilities of the current owners or operators under such contracts, but will~~ continue to provide services after the closing of an approved sale to current residents and patients at the Facilities under any contract ~~after the closing of an approved sale~~ assumed by such buyer(s).

It is important for you to read the attached legal notice in its entirety, as this letter provides only a summary of the information contained in that notice. If you have any objection to the proposed sale of the Facilities, or the assumption and assignment of your contract to a new owner

and operator, you must raise such objections pursuant to the procedures set forth in the attached legal notice by July 12, 2024 or you will be deemed to have consented to the sale of the Facilities free and clear of all liens, claims, encumbrances, or interests that you or someone you represent may have. If you have no objection, then you do not need to take any action. You may wish to consult with an attorney regarding these matters.

Again, the purpose of the bankruptcy cases and the proposed sale transaction(s) is to ensure that the Facilities continue to provide quality care and services to all residents and patients. If you have any questions regarding these matters you may send an email to ~~southhillsinquiries@omniagent.com~~southhillsinquiries@omniagent.com or call (866) 989-6144 (US & Canada toll free).

Chief Restructuring Officer

EXHIBIT 4

Contract Assumption and Assignment Notice

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

In Re:

SOUTH HILLS OPERATIONS, LLC, *et al.*,¹

Debtors.

Case No.: [2:24-21217-CMB](#)

Chapter 11
Jointly Administered

**NOTICE OF EXECUTORY CONTRACTS THAT MAY BE
ASSUMED AND ASSIGNED IN CONNECTION WITH THE SALE TRANSACTION**

PLEASE TAKE NOTICE that on May 24, 2024, the above-captioned debtors and debtors in possession (collectively, the “Debtors”), by and through their undersigned counsel filed *Debtors’ Motion for Entry of Orders (A) Approving Sale of Substantially All of the Maybrook and Consulate Debtors’ Assets, Other than Accounts, Free and Clear of All Liens, Claims, Encumbrances, and Interests, (B) Approving Bid Procedures for the Sale of Substantially All of the Maybrook And Consulate Debtors’ Assets, Other Than Accounts, (C) Approving Stalking Horse Bid Protections, (D) Scheduling Auction for and Hearing to Approve Sale of the Maybrook and Consulate Debtors’ Assets, (E) Approving Form and Manner of Notice of Sale, Auction, and Sale Order Hearing, (F) Approving Assumption and Assignment Procedures, (G) Authorizing Assumption and Assignment of Executory Contracts and Unexpired Leases, and (H) Granting Related Relief* (the “Motion”).²

PLEASE TAKE FURTHER NOTICE that under the Motion, the Debtors seek authority to, among other things, assume and assign certain executory contracts and unexpired leases under section 365 of the Bankruptcy Code. If you are a counterparty to any contract or lease with the

¹The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor’s federal tax identification number are: South Hills Operations, LLC (5527); Monroeville Operations, LLC (3280); Mt. Lebanon Operations, LLC (1133); Murrysburg Operations, LLC (9149); Cheswick Rehabilitation and Wellness Center, LLC (9561); 3876 Saxonburg Boulevard Propco, LLC (3618); North Strabane Rehabilitation and Wellness Center, LLC (1677); 100 Tandem Village Road Propco, LLC (1918); Maybrook-C Briarcliff Opco, LLC (5187); Maybrook-C Briarcliff Propco, LLC (1823); Maybrook-C Evergreen Opco, LLC (5388); Maybrook-C Evergreen Propco, LLC (2000); Maybrook-C Kade Opco, LLC (4033); Maybrook-C Kade Propco, LLC (2097); Maybrook-C Latrobe Opco, LLC (4148); Maybrook-C Latrobe Propco, LLC (2178); Maybrook-C Overlook Opco, LLC (7081); Maybrook-C Overlook Propco, LLC (6804); Maybrook-C Silver Oaks Opco, LLC (7146); Maybrook-C Silver Oaks Propco, LLC (9654); Maybrook-C Whitecliff Opco, LLC (6211); Maybrook-C Whitecliff Propco, LLC (4835). The Debtors’ address is 485 Lexington Avenue, 10th Floor, New York, NY 10017

²Capitalized terms used but not otherwise defined herein shall the meanings ascribed to such terms as set forth in the Motion.

Maybrook or Consulate Debtors, you should check **Schedule 1** to determine if your contract or lease is listed.

PLEASE TAKE FURTHER NOTICE that on June, 2024, the United States Bankruptcy Court for the Western District of Pennsylvania (the “Court”) entered its *Order (A) Approving Bid Procedures for Sale of Substantially All of the Maybrook and Consulate Debtors’ Assets, other than Accounts, Free and Clear of All Liens, Claims, Encumbrances, and Interests, (B) Scheduling Auction for and Hearing to Approve Sale of Substantially All of the Maybrook and Consulate Debtors’ Assets, (C) Approving Form and Manner of Notice of Sale, Auction, and Sale Order Hearing, (D) Approving Assumption and Assignment Procedures, and (E) Granting Related Relief* [Docket. No. 1 (the “Sale Procedures Order”).

PLEASE TAKE FURTHER NOTICE that this Contract Assumption and Assignment Notice is being provided pursuant to the Sale Procedures Order. Attached hereto as **Schedule 1** is a list of the Executory Contracts that the Debtors may assume and assign to the Successful Bidder along with (a) the name of each non-Debtor counterparty to such Executory Contract (the “Executory Contract Counterparty”); and (b) the proposed amount necessary, if any, to cure all monetary defaults, if any, under the such Executory Contract (the “Cure Amounts”). You are receiving this Notice because you are identified as an Executory Contract Counterparty to one or more of the Executory Contracts. If you agree with the Cure Amounts and do not otherwise object to the assumption and assignment of your Executory Contract listed on **Schedule 1**, you do not need to take any further action.

PLEASE TAKE FURTHER NOTICE that any party seeking to object to the assumption and assignment of an Executory Contract for any reason, including without limitation lack of assurance of adequate performance or the validity of the Cure Amounts (a “Contract Objection”) on **Schedule 1**, or otherwise assert that any other amounts, defaults, conditions or pecuniary losses must be cured or satisfied under any of the Executory Contracts in order to be assigned to the Successful Bidder, must file an objection, which must: (a) be in writing; (b) state with specificity the basis for the objection as well as any Cure Amounts that the objector asserts to be due, including each and every asserted default in the applicable contract or lease (in all cases with appropriate documentation in support thereof); (c) comply with the Federal Rules of Bankruptcy Procedure and the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the Western District of Pennsylvania; and (d) be filed and served on the following parties by no later than **5:00 p.m. (prevailing Eastern Time)** on July 12, 2024 (the “Contract Objection Deadline”): (i) counsel for the Debtors,; (ii) counsel for the Official Committee of Unsecured Creditors appointed in the Chapter 11 Cases, † Bernstein-Burkley, P.C.; and (iii) the Office of the United States Trustee for the Western District of Pennsylvania (collectively, the “Objection Recipients”).

PLEASE TAKE FURTHER NOTICE that any non-Debtor counterparty to any Executory Contract who does not file a Contract Objection by the Contract Objection Deadline shall be forever barred from objecting to the Cure Amounts set forth on **Schedule 1** or asserting or claiming any cure amount (other than the Cure Amounts) against the Debtors or the Successful Bidder.

PLEASE TAKE FURTHER NOTICE that, the inclusion of any contract or lease on **Schedule 1** shall not constitute or be deemed a determination or admission by the Debtors that such contract or other document is, in fact, an executory contract or unexpired lease within the meaning of the Bankruptcy Code (all rights with respect thereto being expressly reserved). Notwithstanding the inclusion of any lease or contract on **Schedule 1**, the Debtors are not bound to assume, and a Successful Bidder is not bound to accept assignment of, any executory contracts or unexpired leases. The Successful Bidder has until the closing of the Sale Transaction to designate which executory contracts and unexpired leases, if any, shall be assumed by the Debtors and assigned to the Successful Bidder.

PLEASE TAKE FURTHER NOTICE that, if the Stalking Horse Bidders are not the Successful Bidders, any party seeking to object to a Successful Bidder's proposed adequate assurance of future performance (a "**Adequate Assurance Objection**") must do so: (i) in writing, (ii) comply with the applicable provisions of the Bankruptcy Rules and Local Rules, (iii) specify what the objecting party believes is required to provide such adequate assurance, by **5:00 p.m. (prevailing Eastern Time) on July 12, 2024** (the "**Adequate Assurance Objection Deadline**").

PLEASE TAKE FURTHER NOTICE that the hearing with respect to any Contract Objection or Adequate Assurance Objection may be held (i) at the Sale Order Hearing or (ii) on such other date as the Court may designate. To the extent the Debtors and non-Debtor counterparty to an Executory Contract are able to consensually resolve a Contract Objection or an Adequate Assurance Objection prior to the Sale Order Hearing, the Debtors shall promptly provide notice to the other Objection Recipients of such resolution.

PLEASE TAKE FURTHER NOTICE that this Contract Assumption and Assignment Notice is subject to the full terms and conditions of the Motion, the Sale Procedures Order, and Bid Procedures, which shall control in the event of any conflict. The Debtors encourage parties in interest to review such documents in their entirety. Copies of the Motion, the Sale Procedures Order, and the Bid Procedures, and all other documents filed with the Court may be obtained on the website of the Debtors' notice agent, Omni, website: <https://omniagentsolutions.com/SouthHills>.

IF AN EXECUTORY CONTRACT COUNTERPARTY FAILS TO FILE WITH THE BANKRUPTCY COURT AND SERVE ON THE OBJECTION RECIPIENTS A TIMELY CONTRACT OBJECTION, THE EXECUTORY CONTRACT COUNTERPARTY SHALL BE FOREVER BARRED FROM ASSERTING ANY OBJECTION WITH REGARD TO THE AMOUNT TO CURE ANY DEFAULT UNDER THE APPLICABLE EXECUTORY CONTRACT. THE CURE AMOUNTS SET FORTH ON SCHEDULE 1 HERETO SHALL BE CONTROLLING AND WILL BE THE ONLY AMOUNT NECESSARY TO CURE OUTSTANDING DEFAULTS UNDER THE APPLICABLE EXECUTORY CONTRACT UNDER BANKRUPTCY CODE SECTION 365(B), NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE EXECUTORY CONTRACT, OR ANY OTHER DOCUMENT, AND THE APPLICABLE EXECUTORY CONTRACT COUNTERPARTY SHALL BE FOREVER BARRED FROM ASSERTING ANY ADDITIONAL CURE OR OTHER AMOUNTS WITH RESPECT TO

SUCH EXECUTORY CONTRACT AGAINST THE DEBTORS, ANY SUCCESSFUL BIDDER, OR THE PROPERTY OF ANY OF THEM.

IF NO ADEQUATE ASSURANCE OBJECTION IS TIMELY RECEIVED WITH RESPECT TO ASSUMPTION AND ASSIGNMENT OF AN ASSUMED CONTRACT: (I) THE COUNTERPARTY TO SUCH ASSUMED CONTRACT SHALL BE DEEMED TO HAVE CONSENTED TO THE ASSUMPTION BY THE DEBTORS AND ASSIGNMENT TO SUCCESSFUL BIDDER OF THE ASSUMED CONTRACT, AND BE FOREVER BARRED FROM ASSERTING ANY OBJECTION WITH REGARD TO SUCH ASSUMPTION AND ASSIGNMENT (INCLUDING, WITHOUT LIMITATION, WITH RESPECT TO THE CURE AMOUNT AND ADEQUATE ASSURANCE OF FUTURE PERFORMANCE BY THE SUCCESSFUL BIDDER); (II) ANY AND ALL DEFAULTS UNDER THE ASSUMED 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 (B) UPON PAYMENT OF THE CURE AMOUNT SET FORTH IN THE NOTICE OF ASSUMED CONTRACTS FOR SUCH ASSUMED CONTRACT; AND (III) THE CURE AMOUNT SET FORTH IN THE NOTICE OF ASSUMED CONTRACTS FOR SUCH ASSUMED CONTRACT SHALL BE CONTROLLING, NOTWITHSTANDING ANYTHING TO THE CONTRARY IN SUCH ASSUMED CONTRACT, OR ANY OTHER RELATED DOCUMENT, AND THE COUNTERPARTY SHALL BE FOREVER BARRED FROM ASSERTING ANY OTHER CLAIMS RELATED TO SUCH ASSUMED CONTRACT AGAINST THE DEBTORS AND THEIR ESTATES OR THE SUCCESSFUL BIDDER, OR THE PROPERTY OF ANY OF THEM, FOR ANY BREACHES, CLAIMS, OR OTHER LIABILITIES OR OBLIGATIONS THAT EXISTED PRIOR TO THE CLOSING OF THE SALE TRANSACTION WITH THE SUCCESSFUL BIDDER.

Dated _____, 2024
Pittsburgh, Pennsylvania

Respectfully submitted,

WHITEFORD TAYLOR & PRESTON, LLP

Daniel R. Schimizzi (PA ID No. 311869)
Michael J. Roeschenthaler (PA ID No. 87647)
Mark A. Lindsay (PA ID No. 89487)
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*Proposed Local Counsel to the Debtors and
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*Proposed Counsel to the Debtors and
Debtors in Possession*

SCHEDULE 1

Potential Assumed Contracts

EXHIBIT 5

Post-Auction Notice

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

In Re:

SOUTH HILLS OPERATIONS, LLC, *et al.*,¹

Debtors.

Case No.: [2:24-21217-CMB](#)

Chapter 11
Jointly Administered

NOTICE OF SUCCESSFUL BID AND BACKUP BID

PLEASE TAKE NOTICE that, pursuant to the Order (A) Approving Bid Procedures for Sale of Substantially All of the Debtors' Assets, (B) Approving Stalking Horse Bid Protections, (C) Scheduling Auction for and Hearing to Approve Sale of Substantially All of the Maybrook and Consulate Debtors' Assets, other than Accounts, Free and Clear of All Liens, Claims, Encumbrances, and Interests, (D) Approving Form and Manner of Notice of Sale, Auction, and Sale Order Hearing, (E) Approving Assumption and Assignment Procedures, and (F) Granting Related Relief [Docket. No. ___] (the "Sale Procedures Order") the United States Bankruptcy Court for the Western District of Pennsylvania approved, among other things, the implementation of the Bid Procedures attached to the Sale Procedures Order as **Exhibit 1** in connection with the disposition of the Purchased Assets.²

PLEASE TAKE FURTHER NOTICE that, pursuant to the Sale Procedures Order, the deadline for submitting a Qualified Bid for the Purchased Assets was July 12, 2024 at 5:00 p.m. (prevailing Eastern time) (the "Bid Deadline") and in the event that the Debtors timely received one or more Qualified Bids, in addition to the Qualified Bid submitted by the Stalking Horse Bidder, the Debtors would conduct the Auction on August 17, 2024 at 10:00 a.m. (prevailing Eastern Time).

¹The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's federal tax identification number are: South Hills Operations, LLC (5527); Monroeville Operations, LLC (3280); Mt. Lebanon Operations, LLC (1133); Murrysburg Operations, LLC (9149); Cheswick Rehabilitation and Wellness Center, LLC (9561); 3876 Saxonburg Boulevard Propco, LLC (3618); North Strabane Rehabilitation and Wellness Center, LLC (1677); 100 Tandem Village Road Propco, LLC (1918); Maybrook-C Briarcliff Opco, LLC (5187); Maybrook-C Briarcliff Propco, LLC (1823); Maybrook-C Evergreen Opco, LLC (5388); Maybrook-C Evergreen Propco, LLC (2000); Maybrook-C Kade Opco, LLC (4033); Maybrook-C Kade Propco, LLC (2097); Maybrook-C Latrobe Opco, LLC (4148); Maybrook-C Latrobe Propco, LLC (2178); Maybrook-C Overlook Opco, LLC (7081); Maybrook-C Overlook Propco, LLC (6804); Maybrook-C Silver Oaks Opco, LLC (7146); Maybrook-C Silver Oaks Propco, LLC (9654); Maybrook-C Whitecliff Opco, LLC (6211); Maybrook-C Whitecliff Propco, LLC (4835). The Debtors' address is 485 Lexington Avenue, 10th Floor, New York, NY 10017

²Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms as set forth in the Bidding Procedures Order.

PLEASE TAKE FURTHER NOTICE that on _____, 2024 at 10:00 a.m. (prevailing Eastern Time), the Debtors conducted the Auction in accordance with the Bid Procedures and certain rules distributed to Auction attendees prior to and at the Auction. At the Auction, the Debtors determined that the highest and/or best offer was submitted by [_____] (the “Successful Bidder” and the Successful Bidder’s winning bid, the “Successful Bid”) and the second highest and/or best offer was submitted by [_____] (the “Backup Bidder,” and the Backup Bidder’s bid, the “Backup Bid”). **Exhibit A** attached hereto is a copy of the final, fully-executed contract for sale and operations transfer agreement (collectively, the “Transaction Documents,” and the transaction contemplated thereby the “Sale Transaction”) between the Maybrook and Consulate Debtors and the Successful Bidder, containing the terms of the Successful Bid.

PLEASE TAKE FURTHER NOTICE that, as contemplated by the Sale Procedures Order, the Debtors will seek final approval of the Sale Transaction to the Successful Bidder pursuant to the Transaction Documents, during the **Sale Order Hearing on August 5, 2024 at 10:00 a.m. (prevailing Eastern time)** before the United States Bankruptcy Court for the Western District of Pennsylvania, 5414 U.S. Steel Tower, 600 Grant Street, Pittsburgh, PA 15219. The Successful Bidder(s) shall appear at the Sale Order Hearing and be prepared to testify in support of the Successful Bid(s) and the Successful Bidder(s)’ ability to close in a timely manner, including with respect to demonstrating adequate assurance of future performance that may be required in connection with the assumption and assignment of any Assumed Contracts. The Sale Order Hearing may be adjourned or rescheduled as ordered by the Bankruptcy Court, or by the Debtors in consultation with the Successful Bidder and the Consultation Parties and with CIBC’s approval (which will not be unreasonably withheld), but without further notice to creditors and parties in interest other than by announcement by Debtors of the adjourned date at the Sale Order Hearing. The Debtors’ presentation to the Bankruptcy Court for approval of a Successful Bid does not constitute the Debtors’ acceptance of the Successful Bid. The Debtors shall be deemed to have accepted a Successful Bid only when the Successful Bid has been approved by order of the Court in a form acceptable to the Debtors and Successful Bidders.

PLEASE TAKE FURTHER NOTICE that if the Sale Transaction is not consummated with the Successful Bidder pursuant to the Successful Bid, the Debtors may designate the Backup Bidder as the new Successful Bidder and such Backup Bidder’s Backup Bid as the new Successful Bid, and the Debtors, after consultation with the Consultation Parties and with CIBC’s approval (which will not be unreasonably withheld), will be authorized to consummate the Sale Transaction with the Backup Bidder without further order of the Court.

PLEASE TAKE FURTHER NOTICE that the final deadline to object to the approval of the Sale Transaction ~~and the sale of the Purchase Assets to the~~ because of alleged irregularities in the Auction or to the designation of the Successful Bidder ~~free and clear is~~ is **July 22, 2024 at 5:00 p.m. (prevailing Eastern time)**, and any objection must comply with the Sale Procedures Order.

PLEASE TAKE FURTHER NOTICE that copies of the Motion, the Sale Procedures Order, the Bid Procedures, the Transaction Documents, , and all other documents filed with the Court may be obtained on the website of the Debtors’ notice agent, Omni Claims Solutions, Inc. website: <https://omniagentsolutions.com/SouthHills>.

PLEASE TAKE FURTHER NOTICE THAT ANY PARTY OR ENTITY WHO FAILS TO TIMELY FILE AND SERVE AN OBJECTION TO THE SALE BEFORE THE OBJECTION DEADLINE IN ACCORDANCE WITH THE SALE PROCEDURES ORDER SHALL BE DEEMED TO HAVE CONSENTED TO THE SALE(S) AND FOREVER BARRED FROM ASSERTING ANY OBJECTION TO THE SALE(S), INCLUDING WITH RESPECT TO THE TRANSFER OF THE PURCHASED ASSETS TO THE SUCCESSFUL BIDDER FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES, AND OTHER INTERESTS THAT SUCH PARTY OR ENTITY MAY HAVE AGAINST THE DEBTORS OR THE PURCHASED ASSETS.

Dated _____, 2024
Pittsburgh, Pennsylvania

Respectfully submitted,

WHITEFORD TAYLOR & PRESTON, LLP

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Summary report: Litera Compare for Word 11.7.0.54 Document comparison done on 6/14/2024 4:32:03 PM	
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Original filename: final Sale Procedures Order - Maybrook and Consulate(45034664.1).docx	
Modified filename: Final Sale Procedures Order - Maybrook and Consulate(45034664.2).docx	
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~~Table moves from~~	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	220