

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION**

In Re:

**WESTLAKE SURGICAL, L.P. D/B/A
THE HOSPITAL AT WESTLAKE
MEDICAL CENTER,**

Debtor.

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**Case No. 23-10747
Chapter 11**

**WESTLAKE SURGICAL, L.P. DBA THE HOSPITAL AT WESTLAKE MEDICAL
CENTER'S AMENDED DISCLOSURE STATEMENT UNDER 11 U.S.C. § 1125 AS
MODIFIED**

DATED: January 8, 2025

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IMPORTANT NOTICE AND DISCLAIMER

THIS DISCLOSURE STATEMENT (“DISCLOSURE STATEMENT”) HAS BEEN PREPARED IN ACCORDANCE WITH SECTION 1125 OF THE BANKRUPTCY CODE AND RULE 3016 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE, AND NOT NECESSARILY IN ACCORDANCE WITH FEDERAL OR STATE SECURITIES LAWS OR OTHER NON-BANKRUPTCY LAW. THIS DISCLOSURE STATEMENT WAS PREPARED TO PROVIDE HOLDERS OF CLAIMS AGAINST THE DEBTOR WITH “ADEQUATE INFORMATION” (AS DEFINED IN THE BANKRUPTCY CODE) SO THAT THEY CAN MAKE AN INFORMED JUDGMENT ABOUT THE PLAN. THIS DISCLOSURE STATEMENT AND ALL EXHIBITS HERETO, INCLUDING THE PLAN, SHOULD BE READ. PLAN SUMMARIES AND STATEMENTS MADE IN THIS DISCLOSURE STATEMENT ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE PLAN AND THE EXHIBITS ANNEXED TO THE DISCLOSURE STATEMENT AND THE PLAN.

THERE HAS BEEN NO INDEPENDENT AUDIT OF THE FINANCIAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT EXCEPT AS EXPRESSLY INDICATED HEREIN. THIS DISCLOSURE STATEMENT WAS COMPILED FROM INFORMATION OBTAINED FROM NUMEROUS SOURCES BELIEVED TO BE ACCURATE TO THE BEST OF THE DEBTOR’S KNOWLEDGE, INFORMATION AND BELIEF. NO GOVERNMENTAL AUTHORITY HAS PASSED ON, CONFIRMED OR DETERMINED THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED HEREIN.

NOTHING STATED HEREIN WILL BE DEEMED OR CONSTRUED AS AN ADMISSION OF ANY FACT OR LIABILITY BY ANY PARTY, OR BE ADMISSIBLE IN ANY PROCEEDING INVOLVING THE DEBTOR OR ANY OTHER PARTY, OR BE DEEMED CONCLUSIVE EVIDENCE OF THE TAX OR OTHER LEGAL EFFECTS OF THE PLAN ON THE DEBTOR OR HOLDERS OF CLAIMS OR EQUITY INTERESTS. CERTAIN STATEMENTS CONTAINED HEREIN, BY NATURE, ARE FORWARD-LOOKING AND CONTAIN ESTIMATES AND ASSUMPTIONS. THERE CAN BE NO ASSURANCE THAT SUCH STATEMENTS WILL REFLECT ACTUAL OUTCOMES.

THE STATEMENTS CONTAINED HEREIN ARE MADE AS OF THE DATE HEREOF, UNLESS ANOTHER TIME IS SPECIFIED. THE DELIVERY OF THIS DISCLOSURE STATEMENT WILL NOT BE DEEMED OR CONSTRUED TO CREATE ANY IMPLICATION THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AT ANY TIME AFTER THE DATE HEREOF.

HOLDERS OF CLAIMS AND EQUITY INTERESTS SHOULD NOT CONSTRUE THE CONTENTS OF THIS DISCLOSURE STATEMENT OR THE PLAN AS PROVIDING ANY LEGAL, BUSINESS, FINANCIAL OR TAX ADVICE. THEREFORE, EACH SUCH HOLDER SHOULD CONSULT WITH ITS OWN LEGAL, BUSINESS, FINANCIAL AND TAX ADVISORS AS TO ANY SUCH MATTERS CONCERNING THIS DISCLOSURE STATEMENT OR THE PLAN AND THE TRANSACTIONS CONTEMPLATED THEREBY.

NO SOLICITATION OF VOTES HAS BEEN OR MAY BE MADE EXCEPT PURSUANT TO THIS DISCLOSURE STATEMENT AND 11 U.S.C. § 1125 AND NO PERSON HAS BEEN AUTHORIZED TO USE ANY INFORMATION CONCERNING THE DEBTOR TO SOLICIT ACCEPTANCES OR REJECTIONS OF THE PLAN OTHER THAN THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT. CREDITORS SHOULD NOT RELY ON ANY INFORMATION RELATING TO THE DEBTOR OTHER THAN THAT CONTAINED IN THIS DISCLOSURE STATEMENT AND THE EXHIBITS ATTACHED HERETO OR SUBMITTED HERewith.

EXCEPT AS SET FORTH IN THIS DISCLOSURE STATEMENT AND THE EXHIBITS, NO REPRESENTATION CONCERNING THE DEBTOR, ITS ASSETS, PAST OR FUTURE OPERATIONS, OR CONCERNING THE PLAN IS AUTHORIZED, NOR ARE ANY SUCH REPRESENTATIONS TO BE RELIED UPON IN ARRIVING AT A DECISION WITH RESPECT TO THE PLAN. ANY REPRESENTATIONS MADE TO SECURE ACCEPTANCE OR REJECTION OF THE PLAN OTHER THAN AS CONTAINED IN THIS DISCLOSURE STATEMENT SHOULD BE REPORTED TO COUNSEL FOR THE DEBTOR.

NEITHER DELIVERY OF THE DISCLOSURE STATEMENT NOR ANY EXCHANGE OF RIGHTS MADE IN CONNECTION WITH THE DISCLOSURE STATEMENT AND THE PLAN SHALL UNDER ANY CIRCUMSTANCES IMPLY THAT THERE HAS BEEN NO CHANGE IN THE FACTS SET FORTH HEREIN SINCE THE DATE THE DISCLOSURE STATEMENT AND THE MATERIALS RELIED UPON IN PREPARATION OF THE DISCLOSURE STATEMENT WERE COMPILED.

THE APPROVAL BY THE BANKRUPTCY COURT OF THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE AN ENDORSEMENT BY THE BANKRUPTCY COURT OF THE PLAN OR A GUARANTEE OF THE ACCURACY OR THE COMPLETENESS OF THE INFORMATION CONTAINED HEREIN.

THIS DISCLOSURE STATEMENT AND THE PLAN ATTACHED HERETO SHOULD BE READ IN THEIR ENTIRETY PRIOR TO VOTING ON THE PLAN. FOR THE CONVENIENCE OF HOLDERS OF CLAIMS, THE TERMS OF THE PLAN ARE SUMMARIZED IN THIS DISCLOSURE STATEMENT, BUT ALL SUMMARIES ARE QUALIFIED IN THEIR ENTIRETY BY THE PLAN, WHICH CONTROLS IN THE EVENT OF ANY INCONSISTENCY WITH THIS DISCLOSURE STATEMENT.

I. INTRODUCTION

1.1 Identity of the Debtor

Westlake Surgical, L.P. d/b/a The Hospital at Westlake Medical Center (“**Westlake**” or the “**Debtor**”), a Texas limited partnership, filed a voluntary petition for reorganization under chapter 11 of the United States Bankruptcy Code, 11 U.S.C. § 101, et seq. (“**Code**”) on September 8, 2023 in the United States Bankruptcy Court for the Western District of Texas, Austin Division (“**Bankruptcy Court**”). The Debtor has been operating as debtor-in-possession pursuant to 11 U.S.C. §§ 1107 and 1108 since the bankruptcy filing.

Capitalized terms used herein are defined herein and in the Definitions section included in the Plan. If not defined, capitalized terms have the meanings assigned to in the Bankruptcy Code and Bankruptcy Rules.

1.2 General Information Concerning This Disclosure Statement

The Debtor submits this Disclosure Statement pursuant to 11 U.S.C. § 1125 and Rules 3016 and 3017 of the Federal Rules of Bankruptcy Procedure (“**Bankruptcy Rules**”) to all Creditors of the Debtor for the purpose of disclosing that information which the Court has determined is material, important, and necessary for Creditors of the Debtor in order to arrive at an intelligent, reasonably informed decision in exercising the right to vote for acceptance or rejection of the Debtor’s Amended Plan of Reorganization (“**Plan**”), including as it may later be amended. A copy of the Plan is attached hereto as **Exhibit 1** and incorporated herein by reference.

This Disclosure Statement describes the reorganization of the Debtor including the specific treatment you, as a Creditor, will receive under the Plan. The disclosure of information contained here is submitted as an aid and supplement to your review of the Plan in an effort to explain the terms and implications of the Plan. If any questions arise, the Debtor urges you to consult with your own counsel.

1.3 General Information Concerning the Plan

The purpose of the Plan is to reorganize the Debtor and provide distributions to its Creditors. In broad overview, the Plan proposes to extinguish current Equity Interests in the Debtor; issue new equity to Westlake Principal Partners, LLC (“**WPP**”), an affiliate of some of the Debtor’s current owners, in exchange for a new money contribution from WPP and the conversion of the debtor-in-possession financing facility funded by WPP into reorganized equity; and make distributions to general unsecured creditors in the amount of the \$1,500,000 GUC Cash Pool.

The Debtor’s funding for the Plan comes from two sources. First, eCapital will convert its current facility into the Superpriority Exit Facility, as set forth above, which will provide working capital to the Reorganized Debtor. Second, WPP will provide the WPP Effective Date Contribution in the amount of \$3,500,000 in cash, less the total amount actually advanced to the Debtor by WPP under WPP’s \$1,000,000 debtor-in-possession financing facility (referred to in the Plan as the WPP DIP). Accounting for the projected balance of the WPP DIP on the Effective Date, the Debtor anticipates that the actual amount of the WPP Effective Date Contribution will be between \$2,500,000 and \$3,050,000.

1.4 Answers to Commonly Asked Questions

As part of the Debtor’s effort to inform Creditors regarding the Debtor’s Plan and the Plan confirmation process, the following summary provides answers to various questions which are often asked by a party receiving a disclosure statement.

THE FOLLOWING SUMMARIES ARE QUALIFIED IN THEIR ENTIRETY BY THE PLAN, WHICH CONTROLS IN THE EVENT OF ANY INCONSISTENCY.

1. **WHO IS THE DEBTOR?**

Westlake Surgical, L.P. d/b/a The Hospital at Westlake Medical Center.

2. **HOW LONG HAS THE DEBTOR BEEN IN CHAPTER 11?**

The Debtor filed its bankruptcy on September 8, 2023.

3. **WHAT IS CHAPTER 11?**

Chapter 11 is the business reorganization provision of the Bankruptcy Code. It permits a Debtor to submit a Plan of Reorganization providing for the sale, distribution, or retention of its assets to be used for the repayment of its debts on terms it believes to be manageable.

4. **WHAT IS THE DEBTOR ATTEMPTING TO DO IN CHAPTER 11?**

The principal objective of a Chapter 11 case is confirmation (approval) of a plan of reorganization that enables a financially distressed debtor to restructure its debts and its assets. A plan of reorganization sets forth the means for treating impaired and unimpaired claims against a debtor. A claim is impaired under a plan of reorganization if the plan provides that such claim will not be repaid in full or that the legal, equitable, or contractual rights of the holder of such claim will be altered. A claim is unimpaired if it will be paid in full or the legal, equitable, or contractual rights of the holder of such claim are not altered by the plan of reorganization. A holder of an impaired claim generally is entitled to vote on a plan of reorganization if such claim has been allowed under Section 502 of the Bankruptcy Code.

5. **HOW DOES THE PLAN TREAT CLAIMS AND EQUITY INTERESTS?**

Article V of the Plan classifies Claims against and Equity Interests in the Debtor and sets forth the treatment for each class. The following chart provides a summary of the anticipated recovery to Holders of Allowed Claims and Allowed Equity Interests under the Plan. Your ability to receive distributions under the Plan depends upon the ability of the Debtor to consummate the Plan.

Class	Claim or Equity Interest	Treatment of Claim or Equity Interest	Projected Amount of Claims (in millions)	Projected Recovery Under the Plan	Entitled to Vote?
1	Priority Tax Claims	Except to the extent that a holder of an Allowed Priority Tax Claim agrees to less favorable treatment of such Claim, in full and final satisfaction of such Allowed Priority Tax Claim, each such holder shall receive deferred cash payments of a value, as of the Effective Date of the Plan, equal to the Allowed amount of such Claim. Such payments shall be made in equal	\$0.1	100%	No, presumed to accept.

Class	Claim or Equity Interest	Treatment of Claim or Equity Interest	Projected Amount of Claims (in millions)	Projected Recovery Under the Plan	Entitled to Vote?
		monthly payments commencing on the latter of: (i) the first Business Day following 60 days after the Effective Date; and (ii) the first Business Day following 60 days after such Priority Tax Claim becomes an Allowed Priority Tax Claim, and ending on September 1, 2028. The Debtor reserves the right to prepay all or a portion of any such amounts at any time without penalty or premium.			
2	Other Secured Claims	Except to the extent that a holder of an Allowed Other Secured Claim agrees to less favorable treatment of such Claim, in full and final satisfaction of such Allowed Other Secured Claim, each holder of an Allowed Other Secured Claim will receive, at the sole option of Reorganized Debtor: (i) Cash in an amount equal to the Allowed amount of such Claim, including the payment of any interest required to be paid under section 506(b) of the Bankruptcy Code, payable on or as soon as reasonably practicable after the last to occur of (x) the Effective Date, (y) the date on which such Other Secured Claim becomes an Allowed Other Secured Claim, and (z) the date on which the holder of such Allowed Other Secured Claim and the Debtor or Reorganized Debtor, as applicable, shall otherwise agree in writing; (ii) satisfaction of such Other Secured Claim in any other manner that renders the Allowed Other Secured Claim Unimpaired, including Reinstatement; or (iii) return of the applicable collateral on the Effective Date or as soon as reasonably practicable thereafter in satisfaction of the Allowed amount of such Other Secured Claim.	\$.6	100%	No, presumed to accept.
3	eCapital Claims	On the Effective Date: 1) eCapital's Claim pursuant to the eCapital Debt Documents (except attorneys' fees paid in accordance with clause 2 of this paragraph) shall be converted into the Superpriority Exit Facility as memorialized by the Superpriority Exit Facility Documents and Westlake's indebtedness to eCapital shall thereafter be treated in accordance with the Superpriority Exit Facility Documents; and 2) Westlake shall indefeasibly pay eCapital's reasonable and documented attorney's fees incurred prior to the Effective Date in accordance with the eCapital Debt Documents in full in Cash.	\$4.6	100%	Yes, entitled to vote.

Class	Claim or Equity Interest	Treatment of Claim or Equity Interest	Projected Amount of Claims (in millions)	Projected Recovery Under the Plan	Entitled to Vote?
4	WestRise Claims	In full and final satisfaction, settlement, release, and discharge of, and in exchange for an Allowed WestRise Claim, WPP shall cause holders of Allowed WestRise Claims to collectively receive Class II Units in WPP reflecting 14% of the total authorized units of WPP. Any accrued interest on Allowed WestRise Claims shall be discharged on the Effective Date.	\$16.3	7%	Yes, entitled to vote.
5	General Unsecured Claims	Except to the extent that a holder of an Allowed General Unsecured Claim agrees to less favorable treatment of such Claim, in exchange for full and final satisfaction, settlement, release, and discharge of, and in exchange for, such Allowed General Unsecured Claim, each holder of an Allowed General Unsecured Claim shall receive its Pro Rata share of the GUC Cash Pool up to the full amount of such Allowed General Unsecured Claim; provided that the Reorganized Debtor shall not be required to make Distributions to any holder of an Allowed General Unsecured Claim if such Distribution is less than \$50.00.	\$31	5%	Yes, entitled to vote.
6	Equity Interests	On the Effective Date, Equity Interests in the Debtor shall be cancelled, and no holder of an Equity Interest shall be entitled to any recovery under the Plan in the holder's capacity as such.	N/A	0%	No, presumed to reject.

6. IF THE PLAN OF REORGANIZATION GOVERNS HOW MY CLAIM IS TREATED, WHY AM I RECEIVING THIS DISCLOSURE STATEMENT?

The Bankruptcy Code requires that a debtor solicit acceptances and rejections of its proposed Plan before the Plan can be confirmed (approved) by the Bankruptcy Court. Before a debtor can solicit acceptances of its Plan, the Bankruptcy Court must approve the Disclosure Statement and determine that the Disclosure Statement contains information adequate to allow creditors to make informed judgments about the Plan. After Bankruptcy Court approval of the Disclosure Statement, then the Disclosure Statement, the proposed Plan and a ballot are sent to the holders of Claims entitled to vote on the Plan. Those creditors then have the opportunity to vote on the Plan. In this Chapter 11 Case, the only Creditors entitled to vote are those holding eCapital Claims, WestRise Claims, or General Unsecured Claims.

7. HAS THIS DISCLOSURE STATEMENT BEEN APPROVED BY THE COURT?

The Court has conditionally approved this Disclosure Statement. Before a Plan of Reorganization can be confirmed, the Bankruptcy Court must find that a debtor's Disclosure Statement contains information of a kind, and in sufficient detail, as far as is reasonably practicable in light of the nature and history of the debtor and the condition for the debtor's books and records to enable a hypothetical, reasonable investor typical of holders of claims of the relevant classes to make an informed judgment whether to vote to accept or reject the Plan. The Bankruptcy Court's approval of the Disclosure Statement in this case does not constitute an endorsement of any of the information contained in either the Disclosure Statement or the Plan.

Likewise, although the Debtor has utilized information believed to be accurate in preparing this Disclosure Statement, neither the Debtor nor its counsel warrant the accuracy of the information contained in or relied upon in preparing this Disclosure Statement nor should the Disclosure Statement be construed to be any representation or warranty whatsoever, express, implied or otherwise, that the Plan is free from risk, that acceptance or confirmation of the Plan will result in a risk-free or assured restructuring of the debts of the Debtor, or that the projections or plans of the Debtor for payment will be realized.

8. WHY IS CONFIRMATION OF THE PLAN OF REORGANIZATION IMPORTANT?

Confirmation (approval) of the Plan by the Bankruptcy Court is necessary for the Debtor to provide the proposed payment to Creditors under the Plan. Unless the Plan is confirmed by the Bankruptcy Court, the Debtor is legally prohibited from paying you what has been proposed in the Plan.

9. WHAT IS NECESSARY TO CONFIRM THE PLAN OF REORGANIZATION?

The Bankruptcy Court will hold a confirmation hearing before the Honorable Shad M. Robinson, United States Bankruptcy Judge in person at Austin Courtroom #1, Homer J. Thornberry Federal Judicial Building, 903 San Jacinto Blvd., 3rd Floor, Austin, Texas 78701. The hearing is scheduled on February 24, 2025 at 10:00 a.m. (prevailing Central Time). Prior court approval is required to appear remotely for this hearing. The Bankruptcy Court will consider whether the Plan of Reorganization should be confirmed. Section 1129 of the Bankruptcy Code contains the requirements for confirmation of a Plan of Reorganization.

YOUR VOTE IS IMPORTANT.

In order for the Plan to be accepted by creditors, at least two-thirds in amount and more than one-half in number of the voting creditors in each class must affirmatively vote for the Plan. Even if all classes of claims accept the Plan, the Bankruptcy Court may refuse to confirm the Plan. The Bankruptcy Court must also find that the Plan complies with the applicable provisions of the Bankruptcy Code and that the proponent of the Plan has also

complied with the Bankruptcy Code. The Bankruptcy Court must also find that the Plan has been proposed in good faith and not by any means forbidden by law. The Bankruptcy Court must find that the proponent of the Plan (here, the Debtor) has disclosed the identity and affiliation of the persons who will manage the Debtor after confirmation, that the appointment of such persons is consistent with the interest of creditors and equity security holders and with public policy, and that the identity and compensation of any insiders that will be employed or retained by the reorganized Debtor has been disclosed. The Bankruptcy Court must additionally find that each class of claims has either accepted the Plan or will receive at least as much as it would under a Chapter 7 liquidation. The Bankruptcy Code also provides for the treatment of certain priority claims. If any classes of claims are impaired under the Plan, the Court must find that at least one class of claims that is impaired has accepted the Plan without counting any votes by insiders. The Court must also find that confirmation of the Plan is not likely to be followed by the liquidation or the need for further reorganization of the Debtor. Additionally, the Plan must provide for payment of fees to the United States Trustee.

If the Plan is not accepted by all classes of claims or interests, the Debtor may attempt to obtain confirmation under what is known as “cramdown.” To obtain confirmation by cramdown, in general, the Bankruptcy Court must find that the Plan does not discriminate unfairly and is fair and equitable with respect to each class of claims or interests that is impaired by the Plan and has not accepted the Plan. The Code provides several options for a Plan to be “fair and equitable” to a secured creditor, which includes the secured creditor retaining its lien and receiving deferred cash payments at a market interest rate totaling either the value of the property securing the claim or the amount of the allowed claim as found by the Bankruptcy Court, whichever is less. With respect to a class of unsecured claims, the requirement that a Plan be “fair and equitable” requires that the holder of an unsecured claim be paid the allowed amount of its claim or that no junior interest receive or retain any property on account of its prior claim. If the Plan is not accepted by all classes, notice is hereby given that the Debtor will seek to obtain confirmation of the Plan through “cramdown.”

10. ARE CREDITORS ENTITLED TO VOTE ON THE PLAN?

Impaired Creditors are entitled to vote on the Plan. If you are a Creditor holding a eCapital Claim, WestRise Claim, or General Unsecured Claim, a ballot to be used for voting on the Plan has been distributed to you with this Disclosure Statement. If you lose your Ballot, you may request another one from the Notice and Claims Agent at:

Donlin, Recano & Company, Inc.
Re: Westlake Surgical, L.P.
P.O. Box 2053
New York, NY 10272-2042
Toll Free Tel: 1-866-745-0270
Fax: 212-481-1416
Email: wlsinfo@drc.equiniti.com

Instructions for completing and returning the Ballot are set forth on the Ballot and should be reviewed carefully.

11. HOW WILL THE PLAN TREAT MY CLAIM?

People who are owed money by the Debtor hold what is known as a “claim.” The Plan organizes claims into classes based upon the type of claim and the treatment which it will receive under the Plan. To determine how the Plan treats your claim, you must first determine which class covers your claim. To find the treatment of your claim, please review Article V of the Plan and the table included in section 1.4.5 of this Disclosure Statement.

12. DOES THE PLAN CONTAIN ANY SETTLEMENTS?

The Plan incorporates the terms of two settlements, which have unlocked value for holders of General Unsecured Claims and facilitated the Debtor’s successful reorganization.

First, the Plan implements the Committee Settlement, negotiated among the Debtor, WPP, the Committee, eCapital, and WestRise. As set forth more fully in section 6.03(a) of the Plan, the Committee Settlement provides that General Unsecured Claims will receive pro rata distributions from the \$1,500,000 GUC Cash Pool; WPP will remit \$300,000 to the GUC Distribution Reserve on the Effective Date to fund the GUC Cash Pool; and WPP and the Reorganized Debtor will make Post-Emergence Monthly Payments to the GUC Distribution Reserve after the Effective Date to fund the remaining \$1,200,000 owed to the GUC Cash Pool. If WPP and the Reorganized Debtor do not make the Post-Emergence Monthly Payments to the GUC Distribution Reserve when due under the Plan, the holder of any unsatisfied General Unsecured Claim can serve written notice of default on WPP and the Reorganized Debtor. If WPP or the Reorganized Debtor does not cure such default, or if the Bankruptcy Court determines that a default has occurred (as set forth in section 6.02 of the Plan), such holder may pursue any and all remedies available under applicable state or federal law and assert a default interest rate of 18% accruing as of the date of the default. Absent the Committee Settlement, distributions to holders of Allowed General Unsecured Claims under the Plan may have been less.

Second, the Plan implements the Professional Fee Settlement, again negotiated among the Debtor, WPP, the Committee, eCapital, and WestRise. As a default rule, Professional’s claims for professional fees must be paid as administrative expenses on the Effective Date or as soon as practicable after they are Allowed by the Bankruptcy Court. Here, the Debtor lacks sufficient liquidity to make such payments on such timeline. Accordingly, as set forth more fully in section 6.03(b) of the Plan, the parties have agreed that the Bankruptcy Court shall determine the Allowed amount of all Professional Fee Claims; WPP shall remit \$1,383,000 (and any other reserves to the extent unused funds remain thereafter) to the Professional Fee Reserve on the Effective Date to fund pro rata distributions on account of Professional Fee Claims; the Reorganized Debtor and WPP shall make the Post-Emergence Monthly Payments to the Professional Fee Reserve when due under the Plan. If WPP and the Reorganized Debtor do not make the Post-Emergence

Monthly Payments to the Professional Fee Reserve when due under the Plan, holders of unsatisfied Professional Fee Claims may serve a notice of default and pursue remedies as set forth in section 6.02 of the Plan.

13. ARE THERE ANY RELEASES IN THE PLAN?

Yes, there are releases contained in the Plan, including third-party releases, which are described in more detail in Section 4.13(2) below. You should review Section 8.03 of the Plan in its entirety, which sets out the Plan's releases.

Section 8.03 of the Plan includes a third-party release. The third-party release provides that holders of Claims entitled to vote on the Plan may "opt-in" to the third-party release and release claims related to the Debtor that may otherwise be asserted against the "Released Parties," which include the Debtors' prepetition owners, management, and lenders—e.g., Attila LLC; Attila GP Investor LLC; Westlake Surgical GP, LLC; Attila LP Investor LLC; Arise; WestRise; Collin Scully; Michael Welch; Welch Living Trust; WPP; eCapital; and their affiliates, among others. To be clear, the Plan's third-party release will only be binding upon you if you opt-in to the release by checking the applicable box on your ballot. It will not bind you if you do not do so.

14. DOES THE COMMITTEE SUPPORT THE PLAN?

The Committee supports confirmation of the Plan for the reasons outlined in the letter from the Committee enclosed with this Disclosure Statement and your ballot. During the Chapter 11 Case, the Committee investigated certain potential Causes of Action that could be asserted by the Debtor or the Committee on behalf of the Estate and, in turn, generate value for the benefit of holders of General Unsecured Claims. Considering the financial resources that would be required for the Committee to pursue those potential Causes of Action and the Debtor's limited liquidity, the Committee determined that the interests of holders of General Unsecured Claims would be best served by entering into the Committee Settlement. The principal components of the Committee Settlement are as follows:

- a. General Unsecured Claims shall be Allowed or Disallowed as set forth in Article III and receive the treatment afforded to such Claims in Section 5.05 of the Plan.
- b. WPP shall remit \$300,000 to the GUC Distribution Reserve on the Effective Date for Pro Rata Distribution to holders of Allowed General Unsecured Claims.
- c. WPP and the Debtor (on behalf of itself and the Reorganized Debtor) agree to make the Post-Emergence Monthly Payments to the GUC Distribution Reserve in the aggregate amount of \$1,200,000 as provided for in Section

6.02 of the Plan, for total distributions to holders of Allowed General Unsecured Claims of \$1,500,000.

- d. The Debtor (on behalf of itself and the Reorganized Debtor) and its Estate, and any and all other entities who may purport to assert any Claims or Causes of Action, directly or derivatively, by, through, for, or because of the Debtor or its Estate, shall forever release each holder of an Allowed General Unsecured Claim from any Avoidance Action.

The Committee encourages all holders of General Unsecured Claims to vote to accept the Plan. Holders of General Unsecured Claims are advised to carefully review the Plan's release provisions and the definitions of Released Parties and Releasing Parties, which are included verbatim on each holder's ballot, before determining whether to affirmatively opt-in to the Plan's third-party release provision by checking the applicable box on the ballot. Your distribution under the Plan will not increase or decrease based on whether you choose to opt-into the Plan's third-party release; however, if you opt-in to the third-party release, you will also be deemed to be a Released Party under the Plan and receive the releases provided under the Plan by the Plan's Releasing Parties.

15. **WHEN IS THE DEADLINE FOR RETURNING MY BALLOT?**

The Bankruptcy Court has directed that, in order to be counted for voting purposes, the Debtor must receive your ballot by **no later than 5:00 p.m.** (prevailing central time), on February 10, 2025 ("**Voting Deadline**") via mail service, fax, or email, unless otherwise agreed by the Debtor or by order of the Court. If mailed, the ballot must be delivered timely to the following address:

If by Regular Mail:

Donlin, Recano & Company, Inc.
Re: WESTLAKE SURGICAL, L.P.
Attn: Voting Department
P.O. Box 2053
New York, NY 10272-2042

If by Messenger or Overnight Delivery:

Donlin, Recano & Company, Inc.
c/o Equiniti
Re: WESTLAKE SURGICAL, L.P.
48 Wall Street 22nd Floor
New York, NY 10005

If via email:

DRCVote@drc.equiniti.com

IT IS IMPORTANT THAT ALL CREDITORS ENTITLED TO VOTE ON THE PLAN RETURN THEIR BALLOTS AND VOTE ON THE PLAN. THE DEBTOR BELIEVES THAT THE PLAN PROVIDES THE BEST POSSIBLE RECOVERY TO CREDITORS UNDER THE CIRCUMSTANCES AND IN LIGHT OF THE DEBTOR'S AVAILABLE ASSETS. FOR THIS REASON, THE DEBTOR BELIEVES THAT ACCEPTANCE OF THE PLAN IS IN THE BEST INTERESTS OF THE CREDITORS AND RECOMMENDS THAT ALL IMPAIRED CREDITORS VOTE TO ACCEPT THE PLAN.

II. INFORMATION CONCERNING THE DEBTOR

2.1 Overview of the Debtor

The Debtor is a Texas limited partnership that operates a full-service hospital with an emergency department, in-patient units, and outpatient radiology departments. The Debtor has 23 licensed beds, an average daily census of 3-5 patients, and conducts 8-12 operations each day.

2.2 Post-Confirmation Management of the Debtor

Chief Administrative Officer - Jerry Jasper

Chief Transition Officer – Mark Shen

Chief Financial Officer – Farah Walters

The Debtor may, after confirmation of the Plan, enter into incentive compensation agreements with the above officers and/or other employees, but no such agreements have been made as of the time this Disclosure Statement is filed.

Further, on October 25, 2024, Westlake Surgical GP, LLC filed a certificate of Amendment with the Texas Secretary of State adding Westlake Surgical GP, L.P. as its general partner and removing Attila GP Investor LLC as the general partner.

2.3 Significant Transactions Prior to Bankruptcy

Other than the events leading to filing stated below, the Debtor is not aware of significant transactions to be disclosed.

2.4 Events Leading to Filing

The acute cause of the instant bankruptcy filing was a liquidity crisis caused by three primary factors:

- a. Significant debt load and high repayment obligations, particularly with critical vendors that supply the necessary equipment for daily surgeries that drive the majority of the Debtor's revenue;

- b. A slowdown in expected payments from Blue Cross Blue Shield, primarily through increased denials, which led to decreased daily available cash, and
- c. An increase in cash outlays, primarily salary and wages, due to new growth initiatives that had not yet matured to the point of bringing back significant revenue.

2.5 Significant Events Since Filing Bankruptcy

- a. In General. Since filing for bankruptcy protection, the Debtor has continued to operate its facility and has been focused on streamlining and improving revenue cycle management, reducing costs where possible, renegotiating certain agreements with insurers, conducting an inventory, and improving visibility into collections.
- b. Legal Proceedings. A creditors' meeting under §341 of the Bankruptcy Code was held on October 10, 2023, at which the Debtor appeared and testified. The meeting was continued and ultimately concluded on October 23, 2023.

On September 29, 2023, the Office of the United States Trustee for Region 7 appointed an Unsecured Creditors Committee (the "**Committee**"), pursuant to section 1102(a)(1) and 1102(b)(1) of the Bankruptcy Code.

Ultimately, White & Case LLP was selected to serve as counsel to the Committee.

The Bar Date for government agencies' Claims was March 6, 2024 and the Bar Date for all other Claims was January 8, 2024.

- c. Post-petition Financing. Since filing the petition, the Debtor has had three applications to obtain postpetition financing approved. They are:
 - Debtor's Motion for Entry of Interim and Final Orders (I) Authorizing the Debtor to Obtain Postpetition Financing on a Secured, Superpriority Basis; (II) Authorizing the Debtor to Use Cash Collateral; (III) Scheduling a Final Hearing; (IV) Modifying the Automatic Stay; and (V) Granting Related Relief (*see* Docket Nos. 5 and 413) with eCapital Healthcare Corp. as lender.
 - Motion for Entry of Interim and Final Orders (I) Authorizing Debtor to Obtain Unsecured Postpetition Financing, (II) Scheduling a Final Hearing, (III) Modifying the Automatic Stay, and (IV) Granting Related Relief (*see* Docket Nos. 497 and 558) with Westlake Principal Partners, LLC ("**WPP**") as the lender.
 - Application for Order Authorizing and Approving Debtor-in-Possession Entering Into Insurance Premium Finance Agreement (*see* Docket Nos. 254 and 270).

- Second Application for Order Authorizing and Approving Debtor-in-Possession Entering into Insurance Premium Finance Agreement (*see* Docket Nos. 584 and 587).

d. Employment of Professionals.

The Debtor has employed the following professionals:

- Donlin, Recano & Company, Inc. as claims, noticing, and solicitation agent [Docket No. 79 and 202].
- Hayward, PLLC as lead bankruptcy counsel [Docket Nos. 80 and 188].
- Paladin Management Group, LLC as financial advisor for the Debtor [Docket Nos. 91 and 189].
- Stout Capital, LLC as investment banker [Docket Nos. 276, 316, and 373].

The Committee has employed the following professionals:

- White & Case LLP as counsel to the Committee [Docket Nos. 181 and 257].
- Dundon Advisers LLC as financial advisor to the Committee [Docket Nos. 182 and 242].

e. Operations. Since the bankruptcy filings, the Debtor has continued to own and operate its property.

f. Assumption and Rejection of Leases and Executory Contracts. As part of its Plan of Reorganization, the Debtor has assumed and rejected certain leases and executory contracts.

- **The Debtor has rejected:**

A certain Statement of Work titled as “Revenue Cycle Professional Services” existing between the Debtor and Medhost Business Services, Inc. pursuant to which Medhost provided: 1) insurance billing services of Westlake’s final billed hospital claims; 2) insurance account follow-up; 3) cash posting services; 4) contract management; and 5) ARM Reporting. Docket Nos. 141, 298, 348, and 408.

That certain Sublease Agreement entered into between Sara Smiley, D.O. and Hospitalist Concepts Consulting, PLLC and the Debtor with a term commencing December 1, 2022. Docket Nos. 192 and 451.

That certain Master Service Agreement dated November 14, 2022 existing between the Debtor and AGS Health LLC and any related Statement of Work and related agreements. Docket Nos. 377 and 444.

- **The Debtor has assumed or moved to assume:**

(Motion pending)-The First Amended and Restated Commercial Agreement, dated effective January 31, 2018 with Westlake Medical of Austin, LTD. – Phase II d/b/a Westlake Medical (the “**Landlord**”) and that certain Commercial Lease Agreement, dated effective July 16, 2021 with the Landlord. Docket No. 559. A separate motion to assume this agreement is pending and will be heard at the confirmation hearing.

- g. Marketing Process. On January 12, 2024, the Debtor engaged Stout Capital, LLC (“**Stout**”) as its investment banker. Stout ran a vigorous marketing process that lasted several months in order to find a buyer and/or plan sponsor for the Debtor. The plan proposal by WPP was determined to be the best proposal at the conclusion of the Stout process.
- h. Identity of Plan Sponsor. WPP is the Debtor’s plan sponsor. As indicated above, WPP is also one of the Debtor’s postpetition lenders. Colin Scully, Michael Welch, and Jeff Hopkins are the Debtor’s board members and are also participants/members of WPP. WPP, Colin Scully, Michael Welch, and Jeff Hopkins are not intending to be employed or retained by the Debtor on the Effective Date. However, the Debtor or WPP may agree in the future to retain, employ, or compensate WPP, Colin Scully, Michael Welch, Jeff Hopkins, or others involved with WPP.

III. ANALYSIS AND VALUATION OF ESTATE ASSETS

3.1 Liquidation Value/Analysis

The Debtor’s liquidation analysis is attached as **Exhibit A** to the Plan and all parties in interest are encouraged to review such liquidation analysis for more details regarding the Debtor’s liquidation analysis. In summary, the liquidation analysis sets forth that the Debtor believes the liquidation of all assets would generate no net recovery to general unsecured creditors.

There are two possible consequences if the Plan is rejected, or the Bankruptcy Court denies confirmation of the Plan: (a) the Bankruptcy Court could dismiss the Debtor’s Chapter 11 Bankruptcy Case or (b) the Debtor’s Chapter 11 Bankruptcy Case could be converted to a Chapter 7 liquidation case under the Bankruptcy Code.

Dismissal. If the Debtor’s bankruptcy case were to be dismissed, the Debtor would no longer have the protection of the Bankruptcy Court and the applicable provisions of the Bankruptcy Code. The Debtor’s secured creditor(s) would then be able to exercise their rights as a secured creditor, which may cause the Debtor to cease operations. Dismissal would negatively impact the Debtor’s ability to continue operating and would force a race among other creditors to take over and dispose of assets. In such event, even the most diligent unsecured creditors would likely fail to realize any recovery on their claims.

Chapter 7 Liquidation. If the Plan is not confirmed, it is possible that the Debtor’s Chapter 11 case will be converted to a case under Chapter 7 of the Bankruptcy Code, in which a trustee

would be elected or appointed to liquidate the assets of the Debtor for distribution to creditors in accordance with the priorities established by the Bankruptcy Code. Whether a bankruptcy case is one under Chapter 7 or Chapter 11, secured creditors, Administrative Claims, and Priority Claims are entitled to be paid in cash and in full before unsecured creditors receive any funds.

If the Debtor's Chapter 11 case were converted to Chapter 7, the present Priority Claims and Administrative Claims may have priority lower than priority claims generated by the Chapter 7 case, such as the Chapter 7 trustee's fees or the fees of attorneys, accountants, and other professionals engaged by the trustee.

Further, Debtor's true value is as a going concern business. As such, the Debtor believes that liquidation under Chapter 7 would result in significantly lower distributions to the Debtor's secured and unsecured creditors and to Administrative and Priority Claimants. The Debtor's secured creditors may have the right to exercise their rights as a secured creditor to repossess and foreclose upon the Debtor's assets, and such creditors would potentially hold significant deficiency claims upon any such repossession or foreclosure. With respect to any remaining assets, and if a receiver or trustee were appointed to supervise the liquidation of the Debtor's assets, there would be significant costs associated with such liquidation, and such costs would increase due to fees and charges for such persons. It is unlikely that such property would be sufficient to enable the Debtor or a Trustee to make any significant distribution to unsecured creditors or deficiency claims of secured creditors because Administrative and Priority Claims, Secured Tax Claims, and the Secured Claims of the Debtor's equipment lenders would consume a significant portion, if not all, of such proceeds. Therefore, in a Chapter 7 liquidation, it is likely that the Debtor's general unsecured creditors would receive little to no distribution on their claims, and the timing of any such distribution is uncertain and would be conditioned upon the ability to liquidate the Debtor's assets.

IV. SUMMARY OF PLAN OF REORGANIZATION

This section of the Disclosure Statement is intended only to provide a summary of the key terms, structure, classification, treatment, and implementation of the Plan, and is qualified in its entirety by reference to the entire plan. To the extent there are any inconsistencies between this summary and the Plan, the Plan shall govern.

4.1 Analysis and Treatment of Claims.

The following chart depicts the classification of Claims and Interests for the Debtor pursuant to the Plan. Administrative Expense Claims are unclassified.

Class	Claim or Interest	Status	Voting Rights	Estimated Recovery through Dec. 2027
1	Priority Tax Claims	Unimpaired	Not entitled to Vote	81%

2	Other Secured Claims	Unimpaired	Not entitled to vote	100%
3	eCapital Claims	Impaired	Entitled to vote	100%
4	WestRise Claims	Impaired	Entitled to vote	7%
5	General Unsecured Claims	Impaired	Entitled to vote	5%
6	Equity Interests	Impaired	Deemed to Reject	N/A

4.2 Unclassified Claims.

1. **U.S. Trustee Fees** - The Reorganized Debtor shall continue to pay all fees incurred under 28 U.S.C. § 1930 until the Chapter 11 Case is closed. All outstanding U.S. Trustee fees shall be paid on the Effective Date.
2. **Administrative Expense Claims** (including Professional Fee Claims)

Each holder of an Allowed Administrative Expense Claim (other than Professional Fee Claims and Quarterly Fees) shall receive, on account of and in full and complete settlement, release and discharge of, and in exchange for, such Claim, payment of Cash in an amount equal to the unpaid portion of such Allowed Administrative Expense Claim, or such amounts and on other such terms as may be agreed to by the holders of such Claims, on or as soon as reasonably practicable after the later of: (a) the Effective Date; (b) the first Business Day after the date that is thirty (30) calendar days after the date such Administrative Expense Claim becomes an Allowed Administrative Expense Claim; (c) such other date(s) as such holder and the Debtor or Reorganized Debtor shall have agreed; or (d) such other date ordered by the Bankruptcy Court; provided, however, that Allowed Administrative Expense Claims arising from the Debtor's operations during the Chapter 11 Case may be paid by the Debtor or Reorganized Debtor in the ordinary course of operations and in accordance with the terms and conditions of the particular agreements governing such obligations, course of dealing, course of operations, or customary practice between the Debtor and the holder of the Administrative Expense Claim, including any payment plan or arrangement agreed to between the Debtor or Reorganized Debtor, as applicable, on the one hand, and the holder of an Administrative Expense Claim and/or Cure Amount, on the other hand (each such payment plan or arrangement, an ("**Administrative Expense Payment Arrangement**"). A list and brief description of the operative terms of each Administrative Expense Payment Arrangement is appended to the Plan as **Exhibit F**, which shall be included in the Plan Supplement. The Debtor shall also file a then-current version of **Exhibit F** no later than the date that is two (2) calendar days prior to the deadline to vote to accept or reject the Plan.¹

¹ Pursuant to the Solicitation Procedures, to the extent the amount required to be paid pursuant to Exhibit F increases by more than 10% following the Voting Deadline, holders of eCapital Claims may amend their vote prior to confirmation.

Notwithstanding anything to the contrary herein or in the Final eCapital DIP Order, no Claim on account of any diminution in the value of eCapital's interests in the Pre-Petition Collateral (including Cash Collateral) (as each such capitalized term is defined in the Final eCapital DIP Order) from and after the Petition Date shall be Allowed unless such Claim is Allowed by a Final Order of the Bankruptcy Court. For purposes of the Plan, Administrative Expense Claims do not include any Claim arising from the WPP DIP, which shall be converted to equity of the Debtor as provided in Article VI of the Plan.

All Quarterly Fees due and payable prior to the Effective Date shall be paid on or before the Effective Date. The Reorganized Debtor shall pay all such fees that arise after the Effective Date, but before the closing of the Chapter 11 Case, and shall comply with all applicable statutory reporting requirements.

a. Professional Fee Claims.

1. Final Fee Applications.

All requests for payment of Professional Fee Claims for services rendered and reimbursement of expenses incurred prior to the Confirmation Date must be filed with the Bankruptcy Court no later than forty-five (45) days after the Effective Date. The Bankruptcy Court shall determine the Allowed amounts of such Professional Fee Claims after notice and a hearing in accordance with the procedures established by the Bankruptcy Court. The Reorganized Debtor shall make Pro Rata Distributions in Cash from the Professional Fee Reserve on account of Professional Fee Claims Allowed by the Bankruptcy Court, until such time as all Allowed Professional Fee Claims are satisfied in full in accordance with Section 6.02(b) of the Plan provided, however, all Allowed Professional Fee Claims shall be satisfied in full by no later than the Professional Fee Payment Outside Date (as defined in Section 6.02(b)).

2. Professional Fee Reserve.

The Debtor, Reorganized Debtor, and WPP, as applicable, shall fund the Professional Fee Reserve with Cash in accordance with Section 6.02 of the Plan. The Reorganized Debtor shall maintain the Professional Fee Reserve in trust solely for the Professionals. Such funds shall not be considered Property of the Estate or property of the Reorganized Debtor, and no Liens, Claims, Interests, charges, or other encumbrances or liabilities of any kind shall encumber the Professional Fee Reserve in any way. The Reorganized Debtor's obligations with respect to Allowed Professional Fee Claims shall not be limited by or deemed limited to the balance of funds held in the Professional Fee Reserve. As of the Professional Fee Payment Outside Date (as such may be extended as set forth in Section 6.02(b) of the Plan), to the extent that the funds held in, and previously paid out of, the Professional Fee Reserve are insufficient to satisfy all Allowed Professional Fee Claims in full, each holder of an Allowed Professional Fee Claim shall have an Allowed Administrative Expense Claim for any deficiency. When all Allowed Professional Fee Claims have been paid in full, any remaining amount in the Professional Fee Reserve shall promptly be remitted to the GUC Distribution Reserve without any further action or order of the Bankruptcy Court.

3. Professional Fee Claims Estimates.

Professionals shall reasonably estimate their unpaid Professional Fee Claims incurred in rendering services to the Debtor or the Estate before and as of the Effective Date, and shall deliver such estimate to the Debtor, WPP, and the Committee no later than five (5) Business Days before the Effective Date; *provided, however*, such estimate shall not be deemed to limit the amount of the fees and expenses that are the subject of the Professional's final application for payment of Professional Fee Claims. If a Professional does not provide an estimate, the Debtor or Reorganized Debtor shall estimate the unpaid and unbilled fees and expenses of such Professional.

4. Post-Effective Date Fees and Expenses.

Upon the Effective Date, any requirement that Professionals comply with sections 327 through 331, 363, and 1103 of the Bankruptcy Code in seeking retention or compensation for services rendered after such date shall terminate, and the Debtor may, in its discretion, employ and pay any Professional in the ordinary course of business without any further notice to or action, order, or approval of the Bankruptcy Court.

b. Other Priority Claims.

Except to the extent that a holder of an Allowed Other Priority Claim agrees to less favorable treatment, each holder of an Allowed Other Priority Claim shall receive on account of and in full and complete settlement, release and discharge of, and in exchange for, such Allowed Other Priority Claim, at the sole option of the Debtor or Reorganized Debtor, as applicable: (1) Cash in an amount equal to such Allowed Other Priority Claim on or as soon as reasonably practicable after the later of (a) the Effective Date, to the extent such Claim is an Allowed Other Priority Claim on the Effective Date; (b) the first Business Day after the date that is thirty (30) calendar days after the date such Other Priority Claim becomes an Allowed Other Priority Claim; and (c) the date such Allowed Other Priority Claim is due and payable in the ordinary course as such obligation becomes due; provided, however, that the Debtor reserves the right to prepay all or a portion of any such amounts at any time without penalty or premium.

4.3 Class 1 – Priority Tax Claims.

Classification: Class 1 consists of Priority Tax Claims.

Treatment: Except to the extent that a holder of an Allowed Priority Tax Claim agrees to less favorable treatment of such Claim, in full and final satisfaction of such Allowed Priority Tax Claim, each such holder shall receive deferred cash payments of a value, as of the Effective Date of the Plan, equal to the Allowed amount of such Claim. Such payments shall be made in equal monthly payments commencing on the latter of: (i) the first Business Day following 60 days after the Effective Date; and (ii) the first Business Day following 60 days after such Priority Tax Claim becomes an Allowed Priority Tax Claim, and ending on September 1, 2028. The Debtor reserves the right to prepay all or a portion of any such amounts at any time without penalty or premium.

Voting: Class 1 is Unimpaired, and each holder of a Priority Tax Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code.

Therefore, holders of Priority Tax Claims are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect Priority Tax Claims.

4.4 Class 2 – Other Secured Claims.

Classification: Class 2 consists of Other Secured Claims. To the extent that Other Secured Claims are Secured by different collateral or different interests in the same collateral, such Claims shall be treated as separate subclasses of Class 2 for purposes of voting to accept or reject the Plan and receiving Distributions under the Plan.

Treatment: Except to the extent that a holder of an Allowed Other Secured Claim agrees to less favorable treatment of such Claim, in full and final satisfaction of such Allowed Other Secured Claim, each holder of an Allowed Other Secured Claim will receive, at the sole option of Reorganized Debtor: (i) Cash in an amount equal to the Allowed amount of such Claim, including the payment of any interest required to be paid under section 506(b) of the Bankruptcy Code, payable on or as soon as reasonably practicable after the last to occur of (x) the Effective Date, (y) the date on which such Other Secured Claim becomes an Allowed Other Secured Claim, and (z) the date on which the holder of such Allowed Other Secured Claim and the Debtor or Reorganized Debtor, as applicable, shall otherwise agree in writing; (ii) satisfaction of such Other Secured Claim in any other manner that renders the Allowed Other Secured Claim Unimpaired, including Reinstatement; or (iii) return of the applicable collateral on the Effective Date or as soon as reasonably practicable thereafter in satisfaction of the Allowed amount of such Other Secured Claim.

Voting: Class 2 is Unimpaired, and each holder of an Other Secured Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, holders of Other Secured Claims are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to Other Secured Claims.

4.5 Class 3 – eCapital Claims.

Classification: Class 3 consists of all eCapital Claims.

Allowance: On the Effective Date, all eCapital Claims shall be deemed fully Secured and Allowed pursuant to section 506(a) of the Bankruptcy Code, and not subject to any counterclaim, defense, offset, or reduction of any kind, in the amount of the DIP Obligations (as defined in the Final eCapital DIP Order, and including reasonable and documented attorneys' fees and expenses payable under the eCapital Final DIP Order) plus accrued but unpaid interest and fees (other than attorneys' fees) due under the eCapital Debt Documents, if any, as of the Effective Date. Because all eCapital Claims are deemed fully Secured, there are no unsecured eCapital Claims, and the holder(s) of such Claims do not have or hold any Class 5 Claims against the Debtor on account of any eCapital Claims.

Treatment: On the Effective Date: 1) eCapital's Claim pursuant to the eCapital Debt Documents (except attorneys' fees paid in accordance with clause 2 of this paragraph) shall be converted into the Superpriority Exit Facility as memorialized by the Superpriority Exit Facility Documents and Westlake's indebtedness to eCapital shall thereafter be treated in accordance with

the Superpriority Exit Facility Documents; and 2) Westlake shall indefeasibly pay eCapital's reasonable and documented attorney's fees incurred prior to the Effective Date in accordance with the eCapital Debt Documents in full in Cash.

Voting: Class 3 is Impaired, and each holder of an Allowed eCapital Claim is entitled to vote to accept or reject the Plan.

4.6 Class 4 – WestRise Claims.

Classification: Class 4 consists of all WestRise Claims.

Allowance: On the Effective Date, all WestRise Claims shall be deemed fully Secured (as subordinated in the manner and to the extent set forth in that certain subordination agreement between WestRise and the Debtor for the benefit of eCapital dated as of August 27, 2020, as such agreement may have been amended or modified from time to time) and Allowed pursuant to section 506(a) of the Bankruptcy Code, and not subject to any counterclaim, defense, offset, or reduction of any kind. However, such Allowed WestRise Claim shall not include any accrued post-petition interest.

Treatment: In full and final satisfaction, settlement, release, and discharge of, and in exchange for an Allowed WestRise Claim, WPP shall cause holders of Allowed WestRise Claims to collectively receive Class II Units in WPP reflecting 14% of the total authorized units of WPP. Any accrued interest on Allowed WestRise Claims shall be discharged on the Effective Date.

Voting: Class 4 is Impaired, and each holder of an Allowed WestRise Claim is entitled to vote to accept or reject the Plan.

4.7 Class 5 – General Unsecured Claims.

Classification: Class 5 consists of all General Unsecured Claims.

Treatment: Except to the extent that a holder of an Allowed General Unsecured Claim agrees to less favorable treatment of such Claim, in exchange for full and final satisfaction, settlement, release, and discharge of, and in exchange for, such Allowed General Unsecured Claim, each holder of an Allowed General Unsecured Claim shall receive its Pro Rata share of the GUC Cash Pool up to the full amount of such Allowed General Unsecured Claim; provided that the Reorganized Debtor shall not be required to make Distributions to any holder of an Allowed General Unsecured Claim if such Distribution is less than \$50.00.

Voting: Class 5 is Impaired, and each holder of a General Unsecured Claim is entitled to vote to accept or reject the Plan.

4.8 Class 6 – Allowed Equity Interests in the Debtor.

Classification: Class 6 consists of all Equity Interests in the Debtor.

Treatment: On the Effective Date, Equity Interests in the Debtor shall be cancelled, and no holder of an Equity Interest shall be entitled to any recovery under the Plan in the holder's capacity as such.

Voting: Class 6 is Impaired, and each holder of an Equity Interest is conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, holders of Equity Interests are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to Equity Interests.

4.9 Feasibility of the Plan and Risk to Creditors

The Plan is low risk to the creditors in comparison to alternatives. However, there are substantial risks to the ability of the Debtor to perform on the Plan as proposed.

First, a substantial portion of the Debtor's revenue, and therefore projected earnings, derive from its contracts with Blue Cross Blue Shield ("BCBS"). Any substantial disruption to payments from BCBS or substantial deviation in expected reimbursement rates from BCBS could result in a significant decrease in the Debtor's projected earnings.

Second, the Debtor uses a lending facility with eCapital Healthcare Corp. ("eCapital") to provide operating capital, which it expects to continue after emerging from bankruptcy. Availability under that lending facility is governed by numerous factors, some of which are in eCapital's reasonable discretion. If eCapital chooses to substantially restrict availability under the lending facility, the Debtor will experience substantial capital constraints. If such issue were to persist, the Debtor's anticipated earnings would likely be negatively impacted.

Third, the Debtor is a regulated entity. Any regulated entity, including the Debtor, has some measure of regulatory risk including potential notices of violation, adverse actions, changes in regulations or laws impacting profitability. The Debtor is not currently aware of any regulatory concerns.

4.10 Default by Debtor, Reorganized Debtor, or WPP.

In the event of a default by the Debtor, the Reorganized Debtor, or WPP under the Plan, Creditors may exercise any rights granted to them under documents executed to implement the Plan or any rights available to such Creditors under applicable non-bankruptcy law. The Plan may be enforced as a contract. Unless notice and an opportunity to cure was provided pursuant to another provision of the Plan, any Claimant that alleges a default shall give the Reorganized Debtor and WPP thirty (30) days' written notice and an opportunity to cure before exercising any rights available upon default against the Debtor, the Reorganized Debtor or WPP.

Conversion of the Chapter 11 Case to a case under Chapter 7 of the Bankruptcy Code is an additional remedy for default. In the event of a conversion to Chapter 7, all property of the estate vested in the Reorganized Debtor pursuant to the Plan shall automatically revert in the Chapter 7 Estate upon conversion without need of a separate order.

4.11 Non-Administrative Claims Allowance Procedure

The Debtor has set forth a claims allowance procedure in its Plan.

4.12 Assumption and Rejection of Leases and Contracts

Debtor has listed its executory contracts and leases and their proposed treatment in its Plan and **Exhibit D** thereto.

4.13 Effect of Confirmation of Plan

1. Discharge

Pursuant to the Plan and the Confirmation Order, and except as expressly provided for in the Plan, the rights afforded in the Plan and the treatment of all Claims shall be in exchange for and in complete satisfaction, discharge, and release of all claims of any nature whatsoever against the Debtor and any of the Debtor's property; and, except as otherwise expressly provided in the Plan or the Confirmation Order, upon the Effective Date, the Debtor shall be deemed discharged and released from any and all Claims, including but not limited to demands and liabilities that arose before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, whether or not (a) a proof of claim or interest based upon such debt is filed or deemed filed under section 501 of the Bankruptcy Code; (b) a Claim based upon such debt is allowed under section 502 of the Bankruptcy Code; or (c) the holder of a Claim based upon such debt or interest has accepted the Plan. Except as expressly provided in the Plan, the Confirmation Order shall be a judicial determination of discharge of all liabilities of the Debtor. As provided in section 524 of the Bankruptcy Code, such discharge shall void any judgment against the Debtor at any time obtained to the extent it relates to a Claim discharged and shall operate as an injunction against the prosecution of any action against the Debtor, or their property, to the extent it relates to a Claim discharged.

Confirmation of the Plan shall discharge the Debtor of all its pre-Confirmation debts.

2. Releases, Exculpations, and Injunctions

The Plan provides for releases by the Debtor, releases by the Plan's Releasing Parties (which may include Creditors if they opt-into the Plan's third-party release when voting on the Plan), exculpations, and injunctions in Sections 8.03 and 9.05.

Section 8.03 of the Plan provides:

Notwithstanding anything in this Article or elsewhere in the Plan to the contrary, the following provisions shall apply to release and/or limit Causes of Action.

(a) Debtor Releases.

Except as otherwise expressly provided in the Plan, including the rights that remain in effect from and after the Effective Date to enforce the Plan and the Confirmation Order, as of the Effective Date, pursuant to section 1123(b) of the Bankruptcy Code, for good and valuable

consideration, the adequacy of which is hereby confirmed, including the service of the Released Parties to facilitate and implement the reorganization of the Debtor and the settlements embodied in the Plan, including the Committee Settlement and the Professional Fee Settlement, as an integral component of the Plan, each Released Party is, and is deemed to be, hereby conclusively, absolutely, unconditionally, irrevocably, and forever released by the Debtor (on behalf of itself and the Reorganized Debtor) and its Estate, and any and all other entities who may purport to assert any Claims or Causes of Action, directly or derivatively, by, through, for, or because of the Debtor or its Estate, of and from any and all claims, interests, obligations, rights, suits, damages, causes of action, remedies, and liabilities whatsoever, including any derivative claims, asserted or assertable on behalf of the Debtor or its Estate, as applicable, whether known or unknown, foreseen or unforeseen, matured or unmatured, existing or hereafter arising, contingent or noncontingent, in law, equity, contract, tort or otherwise, that the Debtor or its Estate or the Reorganized Debtor would have been legally entitled to assert in its own right (whether individually or collectively) or on behalf of the holder of any Claim against, or Equity Interest in, the Debtor, the Estate, or other entity, based on or relating to, or in any manner arising from, in whole or in part, from any act or omission in connection with, or transaction with the Debtor (including management, ownership, or operation thereof), the Debtor's in- or out-of-court restructuring efforts, intercompany transactions, the Chapter 11 Case, the formulation, preparation, dissemination, negotiation, filing, pursuit, performance, or consummation of the Chapter 11 Case (including any payments, distributions or transfers in connection therewith), the Plan and related documents, including the Plan Supplement, the Committee Settlement, the Professional Fee Settlement, the Disclosure Statement, or any contract, instrument, release, or other Plan document, agreement, or document created or entered into in connection with the Plan or the Disclosure Statement, the Chapter 11 Case, confirmation, or consummation, the administration and implementation of the Plan, including the distribution of property under the Plan or any other related agreement, any payments, distributions or transfers made by the Debtor during the Chapter 11 Case, any settlement or agreement in the Chapter 11 Case or upon the negotiations regarding or concerning any of the foregoing or any other act or omission, transaction, agreement, event, or other occurrence relating to the foregoing taking place on or before the Effective Date (including before the Petition Date). Notwithstanding anything to the contrary in the foregoing, this provision does not release any post-Effective Date obligations of any party or Entity under the Plan or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan.

Moreover, pursuant to section 1123(b) of the Bankruptcy Code, for good and valuable consideration, the adequacy of which is hereby confirmed, each holder of an Allowed General Unsecured Claim is, and is deemed to be, hereby conclusively, absolutely, unconditionally, irrevocably, and forever released by the Debtor (on behalf of itself and the Reorganized Debtor) and its Estate, and any and all other entities who may purport to assert any Claims or Causes of Action, directly or derivatively, by, through, for, or because of the Debtor or its Estate, from any Avoidance Action; *provided, however*, the foregoing Debtor Releases shall not release any Causes of Action, including Avoidance Actions, related to any payments or other transfers made to WestRise or any lender, creditor or investor of WestRise, to the extent such recipient is not a Released Party.

(b) Consideration for Debtor Releases.

In partial consideration of the Debtor Releases provided for under the Plan, as of the Effective Date, (i) all Proofs of Claim and Causes of Action asserted against the Debtor by the Released Parties (other than the WestRise Claims, which are entitled to the treatment set forth in Section 5.04, and the eCapital Claims, which are entitled to the treatment set forth in Section 5.03) shall be irrevocably deemed withdrawn, expunged and released, shall not receive any Distributions under the Plan and shall be discharged pursuant to the Plan; and (ii) the Debtor and Arise (which did not file a Proof of Claim) have entered into a mutual, general release of all Claims and Causes of Action between them to the extent such Claims or Causes of Action arose or are alleged to have arisen on or before the Effective Date, as appended as **Exhibit E** to the Plan and effective as of the Effective Date.

(c) Third-Party Releases.

Section 8.03(c) of the Plan contains third-party releases pursuant to which each “Releasing Party” as that term is defined in the Plan is deemed to release the Released Parties from any and all causes of action related in any way to the Debtor. The Plan utilizes an “opt-in” process to become a “Releasing Party.” In other words, you will not be a Releasing Party and grant the third-party releases unless you affirmatively elect to be a Releasing Party by checking the applicable box on your Ballot when voting on the Plan.

If you elect to opt-in to the releases set forth in Section 8.03(c) of the Plan, you will be deemed to accept the third-party releases. If you elect to opt-in to the releases set forth in the section 8.03(c) of the Plan, you will also receive the benefit of the third-party releases and be a “Released Party”.

You may elect to opt-in to the third-party releases only if you (a) check the applicable box on your ballot and (b) submit the ballot as provided in the ballot.

Section 8.03(c) of the Plan provides:

As of the Effective Date, except for the rights that remain in effect from and after the Effective Date to enforce the Plan and the Confirmation Order, for good and valuable consideration, the adequacy of which is hereby confirmed, including the service of the Released Parties to facilitate and implement the reorganization of the Debtor and the settlements embodied in the Plan, including the Committee Settlement and the Professional Fee Settlement, as an integral component of the Plan, to the maximum extent permitted under applicable law, as such law may be extended subsequent to the Effective Date, each Releasing Party is deemed to have released and discharged each Released Party of and from any and all Claims and Causes of Action, whether known or unknown, including any derivative claims, asserted on behalf of the Debtor, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, from any act or omission in connection with, or transaction with, the Debtor (including the management, ownership, or operation thereof), the Debtor’s in- or out-of-court restructuring efforts, intercompany transactions, commencement and prosecution of the Chapter 11 Case, the formulation, preparation, dissemination, negotiation, or filing of the Disclosure Statement, the Plan (including, for the avoidance of doubt, the Plan Supplement and related documents), the Committee Settlement,

the Professional Fee Settlement, and any contract, instrument, release, or other agreement or document created or entered into in connection with the Disclosure Statement or the Plan, the filing of the Chapter 11 Case, the pursuit of confirmation, the pursuit of consummation, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon any other related act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date. Notwithstanding anything contained herein to the contrary, the foregoing release does not release (i) any Lien or security interest granted to eCapital pursuant to, or in connection with, the Superpriority Exit Facility Documents or any Final Order; (ii) any obligations of any party under the Plan, or any document, instrument, or agreement that is executed to implement the Plan or that shall remain in effect after the Effective Date pursuant to the Plan; or (iii) any claims related to or arising from any act or omission that is determined by Final Order to have constituted actual fraud, willful misconduct, or gross negligence.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the releases described in this section, which includes by reference each of the related provisions and definitions contained in this Plan, and further, shall constitute its finding that each release described in this section is: (1) in exchange for the good and valuable consideration provided by the Released Parties, a good faith settlement and compromise of such Claims; (2) in the best interests of the Debtor and Creditors; (3) fair, equitable, and reasonable; (4) given and made after due notice and opportunity for hearing; and (5) a bar to any of the Releasing Parties asserting any Claim, Cause of Action, or liability released pursuant to this section against any of the Released Parties or their property.

The Plan also defines the "Released Parties" to mean individually or collectively, (a) Attila LLC; (b) Attila GP Investor LLC; (c) Westlake Surgical GP, LLC; (d) Attila LP Investor LLC; (e) Arise; (f) WestRise; (g) Collin Scully; (h) Michael Welch; (i) Welch Living Trust; (j) WPP; (k) eCapital; (l) all affiliates of the foregoing, and each of its and their respective directors, officers, representatives, agents, employees, attorneys and professionals; and (m) each Claimant that elects to opt-in to the Third-Party Releases in Section 8.03(c) of this Plan by checking the applicable box to opt-in on their ballot. Notwithstanding anything to the contrary herein, the term "Released Parties" shall not include (i) any of WestRise's affiliates, lenders, investors, directors, officers, representatives, agents, employees, attorneys, or professionals, each in their respective capacity as such that (y) contest the Plan or otherwise fail to accept the Plan, including their or WestRise's treatment under the Plan, or (z) are not otherwise a Releasing Party; or (ii) Claimants who (w) are not entitled to vote on the Plan, (x) do not vote on the Plan, (y) vote to reject the Plan, or (z) vote to accept the Plan but do not affirmatively opt-in to Third-Party Releases in Section 8.03(c) of this Plan by checking the applicable box to opt-in on their ballot.

(d) Exculpations.

To the fullest extent permissible under applicable law, no Exculpated Party shall have or incur, and each Exculpated Party is exculpated from any Claim or Cause of Action related to any act or omission in connection with, relating to, or arising out of, in whole or in part, the Chapter 11 Case, the Debtor, the Debtor's in- or out-of-court restructuring efforts, intercompany

transactions, the formulation, preparation, dissemination, negotiation, filing, pursuit, performance, or consummation of the Chapter 11 Case (including any payments, distributions or transfers in connection therewith), the Plan, including the Committee Settlement and the Professional Fee Settlement, and Disclosure Statement, or any contract, instrument, release or other Plan document, agreement, or document created or entered into in connection with the Plan and Disclosure Statement, the Chapter 11 Case, confirmation, or consummation, the administration and implementation of the Plan, including the distribution of property under the Plan or any other related agreement, any payments, distributions or transfers made by the Debtor during the Chapter 11 Case, any settlement or agreement in the Chapter 11 Case or upon the negotiations regarding or concerning any of the foregoing or any other act or omission, transaction, agreement, event, or other occurrence relating to the foregoing taking place from the Petition Date through the Effective Date, except for Claims related to any act or omission that is determined in a Final Order to have constituted actual fraud, willful misconduct, or gross negligence, but in all respects such entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan. The Exculpated Parties have, and upon completion of the Plan shall be deemed to have, participated in good faith and in compliance with the applicable laws with regard to the solicitation of votes and Distribution of consideration pursuant to the Plan and, therefore, are not, and on account of such Distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such Distributions made pursuant to the Plan.

Notwithstanding anything to the contrary in the Plan, to the fullest extent permitted by section 1125(e) of the Bankruptcy Code, neither the Debtor nor WPP shall have any liability on account of any solicitation of any acceptance or rejection of the Plan for any violation of any applicable law, rule, or regulation governing solicitation of acceptance or rejection of a plan.

(e) Injunction.

No party may assert a Cause of Action against the Debtor, the Committee, any member of the Committee, eCapital, or their respective financial advisors, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, for any claim related to any act or omission in connection with, relating to, or arising out of, in whole or in part, the Chapter 11 Case, the Debtor, the Debtor's in- or out-of-court restructuring efforts, intercompany transactions, the formulation, preparation, dissemination, negotiation, filing, pursuit, performance, or consummation of the Chapter 11 Case (including any payments, distributions or transfers in connection therewith), the Plan (including, for the avoidance of doubt, the Plan Supplement and related documents), the Committee Settlement, the Professional Fee Settlement, and Disclosure Statement, or any contract, instrument, release or other Plan document, agreement, or document created or entered into in connection with the Plan and Disclosure Statement, the Chapter 11 Case, confirmation, or consummation, the administration and implementation of the Plan, including the distribution of property under the Plan or any other related agreement, any payments, distributions or transfers made by the Debtor during the Chapter 11 Case, any settlement or agreement in the Chapter 11 Case or upon the negotiations regarding or concerning any of the foregoing or any other act or omission, transaction, agreement, event, or other occurrence relating to the foregoing taking place from the Petition Date through the Effective Date (except for claims related to any act or omission that is determined in a Final

Order to have constituted actual fraud, willful misconduct, or gross negligence) without first seeking authority from the Bankruptcy Court. Any such request shall be made in writing with notice to all affected parties and shall include a proposed complaint setting forth any alleged claims and the detailed factual basis in support of such claims. Further, any such request shall include a proposed attorney fee reserve, subject to modification by the Bankruptcy Court, that will be deposited to the Bankruptcy Court's registry to indemnify the financial advisors, attorneys, accountants, investment bankers, consultants, representatives, or other professionals of both the Debtor and the Committee against costs associated with the successful defense of any Claim that is allowed to proceed. The Bankruptcy Court reserves jurisdiction to adjudicate any such Claims to the maximum extent provided by applicable law.

Section 9.05 provides:

Confirmation of the Plan shall result in the issuance of a permanent injunction against the commencement or continuation of any judicial, administrative, or other action or proceeding on account of any Claims against the Reorganized Debtor. From and after Confirmation, all holders of Claims against the Debtor are permanently restrained and enjoined (a) from commencing or continuing in any manner, any action or other proceeding of any kind with respect to any such Claim against the Debtor, the Reorganized Debtor, or their assets; (b) from enforcing, attaching, collecting, or recovering by any manner or means, any judgment, award, decree, or order against the Debtor, the Reorganized Debtor, or their assets with respect to any Claim; (c) from creating, perfecting, or enforcing any encumbrance or any kind against the Debtor, the Reorganized Debtor, or their assets with respect to any Claim; (d) from asserting any setoff, right of subrogation, or recoupment of any kind against any obligation due to the Debtor or the Reorganized Debtor except as may be allowed under the Bankruptcy Code or the Plan with respect to any Claim; and (e) from performing any act, in any manner, in any place whatsoever, that does not conform to or comply with the provisions of the Plan; *provided, however*, that each holder of a Contested Claim may continue to prosecute its proof of claim in the Bankruptcy Court and all holders of Claims shall be entitled to enforce their rights under the Plan and any agreements executed or delivered pursuant to or in connection with the Plan.

4.14 Retention of Jurisdiction

Until the Chapter 11 Case is closed, the Bankruptcy Court shall retain jurisdiction to hear and determine all Claims against the Debtor arising prior to the Confirmation Date, to hear and determine all causes of action that exist in favor of the Debtor that arise prior to the Confirmation Date (subject to applicable case law limiting such jurisdiction), to hear and determine all matters relating the administration of what was the Debtor's Estate, to modify the Plan in accordance with the Bankruptcy Code, and to make such other orders as are necessary or appropriate to effectuate the provisions of the Plan in accordance with § 1142 of the Bankruptcy Code, including interpretation and implementation of the Plan and entry of a final decree.

4.15 Plan Supplement

Prior to the hearing to confirm the Plan, the Debtor will file the Plan Supplement which will include the Superpriority Exit Facility Credit Agreement, the Schedule of Assumed Executory Contracts and Unexpired Leases, and any other documents the Debtor may choose to include.

V. ALTERNATIVES TO THE DEBTOR'S PLAN

The alternatives to the Debtor's Plan are: 1) proposing a different plan; 2) a liquidation auction or sale whereby the sole secured creditor would receive the bulk of the sale proceeds and unsecured creditors would, in all likelihood, receive nothing; and 3) conversion to Chapter 7.

VI. TAX CONSEQUENCES

An analysis of federal income tax consequence of the Plan to creditors, interest holder, and the Debtor requires a review of the Internal Revenue Code ("IRS Code"), the Treasury regulations promulgated thereunder, judicial authority and current administrative rulings and practice. The Plan and its related tax consequences are complex. The Debtor has not requested a ruling from the Internal Revenue Service with respect to these matters. Accordingly, no assurance can be given as to the IRS's interpretation of the Plan.

The federal income tax consequences of the implementation of the Plan to a creditor will depend in part on whether, for federal income tax purposes, the obligation from which a creditor's claim arose constitutes a "security." The determination as to whether an obligation for which a creditor's claim arose constitutes a "security" for federal income tax purposes is complex. It depends on the facts and circumstances surrounding the origin and nature of the obligation. Generally, corporate debt obligations evidenced by written instruments with maturities, when issued five (5) years or less, or arising out of the extension of trade credit, do not constitute "securities," whereas corporate debt obligations evidenced by written instruments with original maturities over (10) years or more constitute "securities." Although it appears that most of the creditors' claims do not constitute "securities," the Debtor and their professionals express no view with respect to whether the obligation for which a particular creditor's claim arose constitutes a "security" for federal income tax purposes. Creditors are urged to consult their own tax advisor in this regard.

Generally, creditors whose claims arise from obligations that do not constitute "securities" or whose claims are for wages or services, will be fully taxable exchanges for federal income tax purposes. Such creditors who receive solely cash in discharge of their claims will recognize gain or loss, as the case may be, equal to the difference between (i) the amount realized by the creditor in respect of its claim (other than any claim for accrued interest) and (ii) the creditor's tax basis in its claim (other than any claim for accrued interest). For federal income tax purposes, the "amount realized" by a creditor who receives solely cash in discharge of its claim will be the amount of cash received by such creditor. Where gain or loss is recognized by a creditor, the character of such gain or loss as a long-term or short-term capital gain or loss or as ordinary income or loss will be determined by a number of factors, including the tax status of the creditor, whether the obligation from which a claim arose has been held for more than six (6) months, and whether and to what extent the creditor has previously claimed a bad debt deduction. The capital gains

deduction for individuals and the alternate tax for corporate net capital gains have been repealed and capital gain is currently taxed to individuals and corporations at their respective maximum tax rates. However, the definitions of long-term and short-term capital gain or loss have to be repealed.

Generally, to the extent any amount received (where cash or other property) by a creditor is received in discharge of interest accrued on its claim during its holding period, such amount will be taxable to the creditor as interest income (if not previously included in the creditor's gross income). Conversely, a creditor will recognize a deductible loss (or, possible, a write-off against a reserve for bad debts) to the extent any interest accrued on its claim was previously included in the creditor's gross income and is not paid in full.

THE TRANSACTION CONTEMPLATED BY THE CONFIRMATION OF THE PLAN MAY HAVE AN IMPACT ON THE TAX TREATMENT OF ANY CREDITOR OR EQUITY INTEREST HOLDER. THAT IMPACT MAY BE ADVERSE TO THE CREDITOR OR EQUITY INTEREST HOLDER. NOTHING HEREIN IS INTENDED TO BE ADVICE OR OPINION AS TO THE TAX IMPACT OF THE PLAN ON ANY INDIVIDUAL CREDITOR OR EQUITY INTEREST HOLDER. EACH CREDITOR AND EQUITY INTEREST HOLDER IS CAUTIONED TO OBTAIN INDEPENDENT AND COMPETENT TAX ADVICE PRIOR TO VOTING ON THE PLAN.

VII. PENDING AND POTENTIAL LITIGATION

7.1 Pending Litigation

Prior to the Petition Date, as listed in the Debtor's Statement of Financial Affairs (Docket No. 115) the Debtor was involved in numerous lawsuits. The plaintiff in each suit has been notified of the Debtor's Bankruptcy Case by notice via the mailing matrix or filing on the state court docket.

Additionally, the Debtor appears to be a class participant in certain antitrust litigation styled: *In re Blue Cross Blue Shield Antitrust Litigation (MDL No.: 2406)*, which is currently pending in the United States District Court for the Northern District of Alabama – Southern Division (Case No. 2:13-CV-20000) (the “**Antitrust Litigation**”). On December 4, 2024, the Alabama District Court entered its *Memorandum Opinion and Order Preliminarily Approving Provider Plaintiffs' Settlement and plan for Notice and Appointment of Settlement Notice Administrator and Settlement Administrator* (the “**Order**”) which sets forth that the “Settling Defendants,” as that term is used in the Order, have agreed to settle the claims asserted against them for \$2.8 billion.

The Debtor's claim in the Antitrust Litigation arises from alleged underpayments by Blue Cross Blue Shield (“**BCBS**”). At this time, the Debtor lacks information to determine the dollar amount of the alleged underpayment by BCBS, the value of its claim against BCBS, or when any recovery would be obtained.

7.2 Avoidance Actions

There are several types of “avoidance actions” established by the Bankruptcy Code for the benefit of Debtor, including: actions to recover avoidable preferences under §547 of the

Bankruptcy Code; actions to recover fraudulent conveyances under §§ 544 and 548 of the Bankruptcy Code, actions to recover unauthorized post-petition transfers under §549 of the Bankruptcy Code, and actions to invalidate and avoid liens under §§ 544 and 545 of the Bankruptcy Code.

Included in the Statement of Financial Affairs on file with the Bankruptcy Court and available for review by interested parties is a disclosure of payments and transfers made to creditors by the Debtor within 90 days of the bankruptcy filing as well as other required disclosures, if any. At the present time, the Debtor does not intend to pursue any preference or fraudulent conveyance actions. However, the Debtor (prior to the Effective Date) and Reorganized Debtor (after the Effective Date) reserve the right to pursue any and all causes of action arising under the Bankruptcy Code and applicable law against any persons, and the Plan preserves such rights.

As set forth in more detail in the Plan, the Debtor specifically preserves all Causes of Action, including Avoidance Actions, related to any payments or other transfers to WestRise or any lender, creditor or investor of WestRise, to the extent such recipient is not a Released Party.

7.3 Other Litigation

The net proceeds, if any, from potential claims of the Debtor are speculative and uncertain and therefore no value has been assigned to any recoveries. Furthermore, it should not be assumed that because any existing or potential litigation claim has not yet been pursued or may not fall within the list above that any such claim has been waived. While the Debtor has attempted to identify claims which may be pursued, its investigation is ongoing and the failure to list any potential or existing claim generally or specifically is not intended to limit the rights of the Debtor or Reorganized Debtor to pursue any such action.

Unless a Cause of Action is expressly waived, relinquished, released, or compromised in the Plan, including through Section 8.03 of the Plan, or an order of the Bankruptcy Court, the Debtor or Reorganized Debtor, as applicable, expressly reserves such Cause of Action for later adjudication and, accordingly, no doctrine of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), laches, or other preclusion doctrine will apply to such Cause of Action as a consequence of the confirmation, the Plan, the vesting of such Cause of Action in the Reorganized Debtor, any order of the Bankruptcy Court or this Chapter 11 Case. No Entity may rely on the absence of a specific reference in the Disclosure Statement and Plan to any Cause of Action against them as an indication that the Debtor or Reorganized Debtor, as applicable, will not pursue such Cause of Action against them. The Debtor or Reorganized Debtor, as applicable, instead expressly reserve all rights to prosecute any and all Causes of Action against any Entity, in accordance with the Plan.

Except as otherwise provided by the Plan, upon the Effective Date, the Causes of Action shall be deemed transferred to the Reorganized Debtor free and clear of all Claims and Equity Interests, in accordance with section 1141 of the Bankruptcy Code.

To the extent not already achieved by the preceding recitations, and without limitations to other Causes of Action, the Debtor specifically preserves the following:

All Causes of Action, including Avoidance Actions, related to any payments or other transfers to WestRise or any lender, creditor or investor or WestRise, to the extent such recipient is not a Released Party.

VIII. SOLICITATION OF VOTES

The Debtor has devoted substantial effort to preparation of its Disclosure Statement and its Plan of Reorganization. The Debtor believes that the Plan represents a fair adjustment of its relationship with creditors. The Debtor believes that the Plan is superior to a liquidation of or foreclosure on its assets, which likely reduce the recovery for creditors. Therefore, the Debtor requests that all creditors vote in favor of its Plan of Reorganization.

Dated: January 8, 2025

WESTLAKE SURGICAL, L.P. D/B/A THE
HOSPITAL AT WESTLAKE MEDICAL CENTER

By: /s/ Jerry Jasper
Jerry Jasper
Chief Administrative Officer
Representative for Debtor

WESTLAKE PRINCIPAL PARTNERS, LLC

By: /s/ Michael Welch
Michael Welch
Manager

DRAFTED and APPROVED:

HAYWARD PLLC

/s/ Charlie Shelton
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***Counsel for Westlake Surgical, L.P. d/b/a
The Hospital at Westlake Medical Center***

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

Exhibit

1

exhibitstick.com

In Re:	§	
	§	
WESTLAKE SURGICAL, L.P. D/B/A	§	Case No. 23-10747
THE HOSPITAL AT WESTLAKE	§	Chapter 11
MEDICAL CENTER,	§	
	§	
Debtor.	§	

WESTLAKE SURGICAL, L.P. DBA THE HOSPITAL AT WESTLAKE MEDICAL
CENTER'S AMENDED PLAN OF REORGANIZATION

Date: January 3, 2025

By: /s/ Charlie Shelton
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*Attorney for Westlake Surgical, L.P. d/b/a The
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WESTLAKE SURGICAL, L.P. D/B/A THE HOSPITAL AT WESTLAKE MEDICAL
CENTER'S PLAN OF REORGANIZATION

Westlake Surgical, L.P. dba The Hospital at Westlake Medical Center (the “**Debtor**”), as debtor in possession in the above-referenced bankruptcy case, and Westlake Principal Partners, LLC (“**WPP**”), as plan sponsor, pursuant to Chapter 11, Title 11, United States Code, propose the following Plan of Reorganization dated January 3, 2025, including as it may later be amended, filed contemporaneously with the *Westlake Surgical, L.P. dba The Hospital at Westlake Medical Center's Amended Disclosure Statement Under 11 U.S.C. § 1125* (the “**Disclosure Statement**”) which contains important disclosure information regarding the Plan. The Official Committee of Unsecured Creditors also supports the Plan.

ARTICLE I: DEFINITIONS AND USE OF TERMS

1.01 Defined Terms. Unless the context otherwise requires, capitalized terms shall have the meanings set forth in this Section 1.01.

- (a) **Administrative Expense Claim** means any right to payment from the Debtor that constitutes a cost or expense of administration incurred during the Chapter 11 Case of the kind specified under 503(b) of the Bankruptcy Code and entitled to priority under sections 507(a)(2), 507(b), or 1114(e)(2) of the Bankruptcy Code, including: (a) the actual and necessary costs and expenses of preserving the Estate or continuing the operations of the Debtor incurred during the period from the Petition Date to the Effective Date; (b) Professional Fee Claims; (c) Quarterly Fees; or (d) administrative claims of eCapital under the Final eCapital DIP Order.
- (b) **Administrative Expense Payment Arrangement** has the meaning ascribed to such term in Section 4.01.
- (c) **Affiliate** means, with respect to any Entity, all Entities that would fall within the definition assigned to such term in section 101(2) of the Bankruptcy Code if such Entity was a debtor in a case under the Bankruptcy Code.
- (d) **Allowed** means
 - a. with respect to any Claim that is asserted to constitute an Administrative Expense Claim: (i) a Claim that represents an actual and necessary cost or expense of preserving the Estate or continuing the operations of the Debtor incurred during the period from the Petition Date to the Effective Date for which a request for payment is filed, (A) to the extent such Claim is determined by the Debtor to constitute an Administrative Expense Claim or allowed by a Final Order of the Bankruptcy Court or (B) as to which no objection to allowance has been interposed and not withdrawn within the applicable period fixed by the Plan or applicable law; (ii) other than with respect to a Professional Fee Claim, a Claim that arises during the period from the Petition Date to the Effective Date for which a request for payment is filed that is Disputed by the Debtor, which Claim is allowed in whole or in part by a Final Order of the Bankruptcy

Court to the extent that such allowed portion is determined by a Final Order to constitute a cost or expense of administration under sections 503(b) and 507(a)(1) of the Bankruptcy Code; (iii) a Claim that arises during the period from the Petition Date to the Effective Date in the ordinary course of the Debtor's operations that is determined by the Debtor to constitute an Administrative Expense Claim; (iv) a Professional Fee Claim, to the extent allowed by a Final Order of the Bankruptcy Court; or (v) any Claim that is expressly allowed under the Plan.

- b. with respect to any eCapital Claim, any such Claim that is expressly allowed under the Plan.
 - c. with respect to any WestRise Claim, any such Claim that is expressly allowed under the Plan.
 - d. with respect to any Priority Tax Claim, Other Priority Claim, Other Secured Claim, General Unsecured Claim, or any portion of any of the foregoing, a Claim that is: (i) listed in the Schedules as not being disputed, contingent or unliquidated and with respect to which no contrary or superseding Proof of Claim has been filed, and that has not been paid pursuant to an order of this Court prior to the Effective Date; (ii) evidenced by a Proof of Claim filed on or before the applicable Bar Date, not listed in the Schedules as disputed, contingent or unliquidated, and as to which no objection has been filed on or before the Claims Objection Deadline; (iii) not the subject of an objection, (A) which objection was filed on or before the Claims Objection Deadline and (B) which Claim has not been settled, waived, withdrawn or Disallowed pursuant to a Final Order; or (iv) expressly Allowed (x) pursuant to a Final Order, (y) pursuant to an agreement between the holder of such Claim and the Debtor or Reorganized Debtor, as applicable, or (z) pursuant to the terms of the Plan. For the avoidance of doubt, the holder of a Claim evidenced by a Proof of Claim filed after the applicable Bar Date shall not be treated as a creditor with respect to such Claim for the purposes of voting and distribution.
- (e) **Arise** means Arise Healthcare System, LLC.
 - (f) **Average Daily Availability** means, for any date of determination, the average gross availability under the Borrowing Base (as defined in the Superpriority Exit Facility) for the immediately preceding thirty calendar days, as evidenced by the Borrowing Base certificates in effect for such period.
 - (g) **Average Daily Cash Balance** means, for any date of determination, the average aggregate balance (determined as of the end of each day) of Unrestricted Cash (as such term is defined under the Superpriority Exit Facility) of the Borrower for the immediately preceding thirty calendar days.
 - (h) **Average Daily Revolver Balance** means, for any date of determination, (a) the average aggregate amount of outstanding Loans under the Superpriority Exit

Facility, plus (b) the average aggregate stated amount of outstanding Letters of Credit (as such term is defined under the Superpriority Exit Facility) for the immediately preceding thirty calendar days.

- (i) **Avoidance Action** means any and all actual or potential avoidance, recovery, subordination, or other similar Claims, causes of action, or remedies that may be brought by or on behalf of the Debtor or its Estate or other authorized parties in interest under the Bankruptcy Code or applicable non-bankruptcy law, including Claims, causes of action, or remedies arising under chapter 5 of the Bankruptcy Code, including claims brought pursuant to sections 506, 510, 541, 542, 544, 545, 547, 548, 549, 550, 553(b) and 724(a) of the Bankruptcy Code, or any analogous state, federal, or foreign statutes, common law, or other applicable law.
- (j) **Bankruptcy Code** means the United States Bankruptcy Code, 11 U.S.C. §§ 101 *et seq.*
- (k) **Bankruptcy Court** means the United States Bankruptcy Court for the Western District of Texas, Austin Division, or such other Court that may have jurisdiction with respect to Debtor's Chapter 11 Case.
- (l) **Bankruptcy Rules** means the Federal Rules of Bankruptcy Procedure, as amended, promulgated under 28 U.S.C. § 2075, and the Local Rules of the Bankruptcy Court, as applicable from time to time to the Chapter 11 Case.
- (m) **Bar Date** means (a) January 8, 2024 for any Claim (other than an Administrative Expense Claim or a Claim of a Governmental Unit), or (b) March 6, 2024 for any Claim of a Governmental Unit, in each case as established by the Bar Date Order.
- (n) **Bar Date Order** means the *Order (I) Establishing Complex Case Service List and Notice Procedures; (II) Approving the Form and Manner of Notice of the Commencement of the Chapter 11 Case, and (III) Setting Bar Dates for Filing Proofs of Claim* [Docket No. 87], entered by the Bankruptcy Court on October 6, 2023.
- (o) **Borrower** has the meaning ascribed to such term in the Superpriority Exit Facility.
- (p) **Business Day** means a day that the office of the Clerk of the Bankruptcy Court is open for business as usual.
- (q) **Cash** means legal tender of the United States of America.
- (r) **Cause of Action** means any action, claim, right, litigation, proceeding, cause of action, controversy, demand, right, action, Lien, indemnity, guaranty, suit, obligation, liability, damage, judgment, account, defense, offset, recoupment, counterclaim, cross-claim, power, privilege, license, or franchise of any kind or character whatsoever, known, unknown, contingent or non-contingent, matured or unmatured, suspected or unsuspected, liquidated or unliquidated, disputed or undisputed, Secured or unsecured, assertable directly or derivatively, whether

arising before, on, or after the Petition Date, whether scheduled in the Schedules or not scheduled in the Schedules, whether arising under the Bankruptcy Code or other applicable law, in contract or in tort, in law or in equity or under any other theory of law. Causes of Action also include: (a) any right of setoff, counterclaim, or recoupment; or any Claim on contracts or for breaches of duties imposed by law or in equity; (b) the right to object to Claims or Equity Interests; (c) any Claim under section 362 of the Bankruptcy Code; (d) any Avoidance Action; (e) any claim or defense, including fraud, mistake, duress, or usury, or any other defenses set forth in section 558 of the Bankruptcy Code; (f) any claim or right to the turnover of assets or relating to the unauthorized use of assets; or (g) any claim based on non-bankruptcy law, including any state-law fraudulent transfer or creditors' rights claim, breach of contract, all rights to enforce any contract, any form of estoppel, fraud, constructive fraud, abuse of process, malicious prosecution, defamation, libel, slander, conversion, trespass, intentional infliction of emotional distress or other harm, negligence, gross negligence, negligent misrepresentation, fraudulent misrepresentation, vicarious liability, respondent superior, breach of any duty owed under either applicable law or any contract, breach of any fiduciary duty or duty of loyalty or due care, aiding and/or abetting breach of fiduciary duty, aiding and/or abetting breach of duty of loyalty or due care, alter ego, veil piercing, self-dealing, usurpation of corporate opportunity, ultra vires, quantum merit, tortious interference, duress, unconscionability, undue influence, and unjust enrichment, as well as any cause of action for conspiracy to commit any unlawful act, aiding and/or abetting any such unlawful act, or assisting, encouraging, and/or participating in any such unlawful act.

- (s) **Chapter 11 Case** means the case filed by the Debtor under chapter 11 of the Bankruptcy Code pending as Case No. 23-10747 (SMR) in the Bankruptcy Court.
- (t) **Claim** has the meaning ascribed to such term in section 101(5) of the Bankruptcy Code.
- (u) **Claimant** means any Person or Entity having or asserting a Claim in the Chapter 11 Case.
- (v) **Claims Objection Deadline** means the deadline for filing an objection to any Administrative Expense Claim (other than a Professional Fee Claim), Priority Tax Claim, Other Priority Claim, Other Secured Claim, General Unsecured Claim, or Equity Interest, which deadline shall be ninety (90) days after the Effective Date, subject to any extensions approved by an order of the Bankruptcy Court; provided, however, that the Debtor shall not be bound by the Claims Objection Deadline with respect to any Claim filed after the Bar Date.
- (w) **Class or Classes** mean all of the holders of Claims or Equity Interests that the Debtor has designated pursuant to 11 U.S.C. § 1123(a)(1) as having substantially similar characteristics as described in Article V of this Plan.

- (x) **Committee** means the official committee of unsecured creditors appointed pursuant to section 1103 on September 29, 2023 [Docket No. 62].
- (y) **Committee Professionals** means the Professionals retained by the Committee, White & Case LLP [Docket No. 257] and Dundon Advisors, LLC [Docket No. 242].
- (z) **Committee Settlement** has the meaning ascribed to such term in Section 6.03(a).
- (aa) **Confirmation** means the entry by the Bankruptcy Court of the Confirmation Order.
- (bb) **Confirmation Date** means the date on which the Confirmation Order is entered.
- (cc) **Confirmation Order** means the order of the Bankruptcy Court confirming the Plan pursuant to 11 U.S.C. § 1129, in form and substance acceptable to WPP and the Committee.
- (dd) **Contested Claim** means a Claim against the Debtor or its property that is Disputed.
- (ee) **Creditor** has the meaning ascribed to such term in section 101(10) of the Bankruptcy Code.
- (ff) **Cure Amount** means, with respect to any Executory Contract or Unexpired Lease sought to be assumed or assumed by the Debtor, the monetary amount, if any, required to cure the Debtor's defaults under any such Executory Contract or Unexpired Lease (or such lesser amount as may be agreed upon by the non-Debtor party to an Executory Contract or Unexpired Lease) at the time such Executory Contract or Unexpired Lease is assumed by the Debtor pursuant to sections 365 or 1123 of the Bankruptcy Code.
- (gg) **Debtor** means Westlake Surgical, L.P. dba The Hospital at Westlake Medical Center, a Texas Limited Partnership, which is the debtor in possession in the Chapter 11 Case.
- (hh) **Disallowed** means, as to any Administrative Expense Claim, Priority Tax Claim, Other Priority Claim, Other Secured Claim, General Unsecured Claim, or Equity Interest, any such Claim, Equity Interest or portion thereof that: (a) has been disallowed, denied, dismissed, expunged, or overruled pursuant to the terms of the Plan or a Final Order of the Bankruptcy Court or any other court of competent jurisdiction or by a settlement; (b) has been listed on the Schedules at an amount of \$0.00 or as contingent, disputed, or unliquidated and as to which a Bar Date has been established but no Proof of Claim has been timely filed or deemed timely filed with the Bankruptcy Court pursuant to either the Bankruptcy Code or any Final Order of the Bankruptcy Court, including the Bar Date Order, or otherwise deemed timely filed under applicable law; or (c) has not been scheduled and as to which a Bar Date has been established but no Proof of Claim has been timely filed, such that the creditor holding such Claim shall not be treated as a creditor with respect

to such claim for the purposes of voting and distribution. With respect to any eCapital Claim or WestRise Claim, the term “Disallowed” shall not apply.

- (ii) **Disclosure Statement** means the disclosure statement for the Plan, including any exhibits and schedules thereto, as the same may be amended, supplemented or otherwise modified from time to time, as approved by the Bankruptcy Court pursuant to section 1125 of the Bankruptcy Code.
- (jj) **Disputed** means, as to any Administrative Expense Claim, Priority Tax Claim, Other Priority Claim, Other Secured Claim, General Unsecured Claim, or Equity Interest, any such Claim or Equity Interest (or portion thereof) (a) that is neither Allowed nor Disallowed, (b) that is listed on the Schedules as “disputed,” “contingent,” or “unliquidated,” (c) for which a Proof of Claim has been filed or a written request for payment has been made to the extent that any party in interest has interposed a timely objection to such Claim prior to the Claims Objection Deadline, which objection has not been withdrawn or adjudicated pursuant to a Final Order, or (d) is subject to a pending objection or request for estimation filed by the Debtor or by any other party in interest in accordance with the Bankruptcy Code and the Bankruptcy Rules. With respect to any eCapital Claim or WestRise Claim, the term “Disputed” shall not apply.
- (kk) **Distribution** means the payment or delivery of Cash, property, or interests in property, as applicable, to holders of Allowed Claims under the terms of the Plan.
- (ll) **eCapital** means eCapital Healthcare Corp.
- (mm) **eCapital Claim** means any Claim (including any Administrative Expense Claim) against the Debtor arising under, derived from, or based upon the eCapital Debt Documents, including any Claim for obligations, indebtedness, and liabilities of the Debtor arising pursuant to any of the eCapital Debt Documents, whether now existing or hereafter arising, whether direct, indirect, related, unrelated, fixed, contingent, liquidated, unliquidated, joint, several, or joint and several, including the obligation of the Debtor to pay principal and interest, and all fees, costs, expenses and other obligations of any kind or character due or recoverable under the eCapital Debt Documents.
- (nn) **eCapital Debt Documents** mean (a) the Final eCapital DIP Order, (b) the *Superpriority Debtor-In-Possession Credit and Security Agreement* between the Debtor and eCapital, and (c) any other related documentation.
- (oo) **Effective Date** means the first Business Day after the date on which (a) all of the conditions precedent to the occurrence of the Effective Date set forth in the Plan and Confirmation Order (including WPP’s contribution of the WPP Effective Date Contribution to the Debtor or Reorganized Debtor, as applicable, and the funding of the GUC Distribution Reserve and Professional Fee Reserve on the Effective Date, as set forth herein in accordance with the Committee Settlement and

Professional Fee Settlement) shall have been satisfied or waived (if applicable) pursuant to the terms thereof; and (b) no stay of the Confirmation Order is in effect.

- (pp) **Entity** has the meaning ascribed to such term in section 101(15) of the Bankruptcy Code.
- (qq) **Equity Interest** means any “equity security” as defined in section 101(16) of the Bankruptcy Code, including any partnership interest constituting an ownership interest in the Debtor.
- (rr) **Estate** means the estate created for the Debtor in its Chapter 11 Case under sections 301 and 541 of the Bankruptcy Code upon the commencement of the Chapter 11 Case.
- (ss) **Excess Average Liquidity** means, for any date, an amount in U.S. dollars equal to the Average Daily Availability, *plus* (a) the Average Daily Cash Balance, *plus* (b) the cumulative amounts of any transfers that the Reorganized Debtor made during the immediately preceding thirty calendar days to or for the benefit of any Affiliate of the Reorganized Debtor, Insider of the Reorganized Debtor, or any employee, officer, director, or other control person of the Reorganized Debtor or of any Affiliate or Insider of the Reorganized Debtor (except for reasonable ordinary-course payments to any employee, officer, or director of the Reorganized Debtor (solely in their capacities as such)) for services performed for the Reorganized Debtor, *plus* (c) any Post-Emergence Monthly Payments the Reorganized Debtor made during the immediately preceding thirty days, *plus* (d) any prepayment(s) by the Reorganized Debtor of any indebtedness (including any Cure Amount) to the extent the Reorganized Debtor is not required to make such prepayment(s) under the terms of the Superpriority Exit Facility Documents, *minus* (e) the Average Daily Revolver Balance, *minus* (f) one million dollars (\$1,000,000). For purposes of this definition, Affiliates or Insiders of the Reorganized Debtor include: (x) WPP and its Affiliates and each of its or their successors or successors in interest; (y) Arise Healthcare, LLC and its Affiliates and each of its or their successors or successors in interest; and (z) Michael Welch, Colin Scully, Jeff Hopkins, Vinh Nguyen, David Tschopp, Jr., James Patrick Feller, ANMC Management Group, LLC, and any other member, manager, partner, participant, or owner of, or investor in, WPP.
- (tt) **Exculpated Party** shall mean each of, and in each case, in its capacity as such, (a) the Debtor, (b) the Committee and each of its members, (c) eCapital, and (d) with respect to each of the foregoing, each such Entity’s financial advisors, attorneys, accountants, investment bankers, consultants, representatives, and other professionals.
- (uu) **Executory Contract** means any executory contract to which the Debtor is a party that is subject to assumption or rejection under sections 365 or 1123 of the Bankruptcy Code.

- (vv) **Final eCapital DIP Order** means the *Final Order (I) Authorizing the Debtor to Obtain Postpetition Financing on a Secured, Superpriority Basis; (II) Authorizing the Debtor to Use Cash Collateral; (III) Modifying the Automatic Stay, and (IV) Granting Final Relief* [Docket No. 413], entered by the Bankruptcy Court on January 30, 2024.
- (ww) **Final Order** means an order or judgment of the Bankruptcy Court (or other court of competent jurisdiction) that has not been reversed, vacated, stayed, modified or amended, and as to which (a) the time to appeal, petition for certiorari or move for a new trial, reargument or rehearing has expired and as to which no appeal, petition for certiorari or other proceedings for a new trial, reargument or rehearing shall then be pending, or (b) if an appeal, writ of certiorari, new trial, reargument or rehearing thereof has been sought, such order or judgment of the Bankruptcy Court (or other court of competent jurisdiction) shall have been affirmed by the highest court to which such order was appealed, or certiorari shall have been denied or a new trial, reargument or rehearing shall have been denied with prejudice or resulted in no modification of such order, and the time to take any further appeal, petition for certiorari or move for a new trial, reargument or rehearing shall have expired; provided, however, that the possibility that a motion pursuant to section 502(j) or 1144 of the Bankruptcy Code or under Rule 59 or Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules, may be filed with respect to such order shall not cause such order to not be a Final Order.
- (xx) **Final WPP DIP Order** means the *Amended Final Order Granting Debtor's Motion for Entry of Interim and Final Orders (I) Authorizing the Debtor to Obtain Unsecured Postpetition Financing, (II) Scheduling a Final Hearing, (III) Modifying the Automatic Stay, and (IV) Granting Final Relief* [Docket No. 558], entered by the Bankruptcy Court on October 28, 2024.
- (yy) **General Unsecured Claim** means any Claim against the Debtor that is not an Administrative Expense Claim, a Priority Tax Claim, an Other Priority Claim, an Other Secured Claim, an eCapital Claim, or a WestRise Claim.
- (zz) **Governmental Unit** has the meaning ascribed to such term in section 101(27) of the Bankruptcy Code.
- (aaa) **GUC Cash Pool** means Cash in an amount equal to \$1,500,000, which shall be deposited into the GUC Distribution Reserve as follows, in each case for Pro Rata Distribution to holders of Allowed General Unsecured Claims: (a) \$300,000 on the Effective Date from the WPP Effective Date Contribution; plus (b) \$1,200,000 from the Post-Emergence Monthly Payments at the times specified herein.
- (bbb) **GUC Distribution Reserve** means a segregated account funded from the WPP Effective Date Contribution and the Post-Emergence Monthly Payments, which shall be held by the Reorganized Debtor in trust for the benefit of holders of General Unsecured Claims. The Reorganized Debtor will use its best efforts to hold the GUC Distribution Reserve in an interest-bearing account.

- (ccc) **GUC Distribution Trigger Date** has the meaning ascribed to such term in Section 6.02.
- (ddd) **Impaired** means “impaired” within the meaning of section 1124 of the Bankruptcy Code.
- (eee) **Insider** means an insider of the Debtor as defined in section 101(31) of the Bankruptcy Code or a non-statutory insider of the Debtor.
- (fff) **Interim WPP DIP Order** means the *Interim Order Granting Debtor’s Motion for Entry of Interim and Final Orders (I) Authorizing Debtor to Obtain Unsecured Post-Petition Financing, (II) Scheduling a Final Hearing, (III) Modifying the Automatic Stay, and (IV) Granting Related Relief* [Docket No. 515], entered by the Bankruptcy Court on September 23, 2024.
- (ggg) **Landlord** means Westlake Medical of Austin, LTD.-Phase II DBA Westlake Medical.
- (hhh) **Landlord Leases** means (a) the First Amended and Restated Commercial Lease Agreement, dated effective January 31, 2018, between the Debtor and the Landlord and (b) the Commercial Lease Agreement, dated effective July 16, 2021, between the Debtor and the Landlord.
- (iii) **Lien** has the meaning ascribed to such term in section 101(37) of the Bankruptcy Code.
- (jjj) **Minimum Excess Average Liquidity Evidence** has the meaning ascribed to such term in Section 6.02
- (kkk) **Notice and Claims Agent** means Donlin Recano, in its capacity as “claims and noticing agent” for the Debtor, and any successor thereto.
- (lll) **Other Priority Claim** means any Claim against the Debtor that is entitled to priority in right of payment under section 507(a) of the Bankruptcy Code, other than an Administrative Expense Claim or a Priority Tax Claim. Other Priority Claims do not include eCapital Claims or WestRise Claims.
- (mmm) **Other Secured Claim** means any Secured Claim against the Debtor other than any eCapital Claim or WestRise Claim.
- (nnn) **Payors** means the Debtor and WPP, as specified in Section 6.02.
- (ooo) **Person** has the meaning ascribed to such term in section 101(41) of the Bankruptcy Code.
- (ppp) **Petition Date** means September 8, 2023.

- (qqq) **Plan** means this Plan of Reorganization dated January 3, 2025, including all exhibits, schedules, or appendices hereto and all documents and information contained in the Plan Supplement.
- (rrr) **Plan Supplement** means the compilation of documents and form of documents, agreements, schedules, and exhibits to the Plan, which shall be filed no later than seven (7) calendar days prior to the deadline to object to confirmation of the Plan, and which shall include (i) the Superpriority Exit Facility Documents, (ii) **Exhibit E** to the Plan, and (iii) any amended documents or forms of amended documents appended to the Plan, in each case as such documents may be altered, amended, modified, or supplemented from time to time in accordance with the terms hereof and in accordance with the Bankruptcy Code.
- (sss) **Post-Emergence Monthly Payments** has the meaning ascribed to such term in Section 6.02.
- (ttt) **Post-Emergence Professional Fee Reserve Payments** has the meaning ascribed to such term in Section 6.02.
- (uuu) **Priority Tax Claim** means any Claim of a Governmental Unit against the Debtor that is entitled to priority in payment under section 507(a)(8) of the Bankruptcy Code, including such claims that are alleged to the Secured Claims.
- (vvv) **Pro Rata** means, at any time, with respect to any Claim, the proportion that the amount of such Claim in a particular Class (or in a group of Administrative Expense Claims, including Professional Fee Claims) bears to the aggregate amount of all Claims (including Contested Claims) in such Class (or in a group of Administrative Expense Claims, including Professional Fee Claims), unless in each case the Plan provides otherwise.
- (www) **Professional** means any person retained by the Debtor or Committee, pursuant to a Final Order of the Bankruptcy Court entered under sections 327, 328, 363, or 1103 of the Bankruptcy Code.
- (xxx) **Professional Fee Claim** means any claim of a Professional for allowance by the Bankruptcy Court and payment by the Debtor of compensation for services rendered and/or reimbursement of costs or expenses incurred in the Chapter 11 Case for the period from the Petition Date to and including the Effective Date under sections 328, 330, 331, or 503(b) of the Bankruptcy Code.
- (yyy) **Professional Fee Reserve** means a segregated interest-bearing account funded from the WPP Effective Date Contribution and the Post-Emergence Monthly Payments solely for the purpose of paying all Allowed Professional Fee Claims, which shall be held by the Reorganized Debtor in trust for the benefit of holders of Allowed Professional Fee Claims.
- (zzz) **Professional Fee Settlement** has the meaning ascribed to such term in Section 6.03(b).

- (aaaa) **Proof of Claim** means any proof of claim filed with the Bankruptcy Court or the Notice and Claims Agent pursuant to section 501 of the Bankruptcy Code and Bankruptcy Rules 3001 or 3002 that asserts a Claim against the Debtor.
- (bbbb) **Property of the Estate** means all property of the Debtor and the Estate pursuant to section 541 of the Bankruptcy Code.
- (cccc) **Quarterly Fees** means all fees due and payable pursuant to section 1930(a)(6) of title 28 of the United States Code.
- (dddd) **Reinstatement or Reinstated** means (a) leaving unaltered the legal, equitable and contractual rights to which a Claim entitles the holder of such Claim or (b) notwithstanding any contractual provision or applicable law that entitles the holder of such Claim to demand or receive accelerated payment of such Claim after the occurrence of a default, (i) curing any such default that occurred before or after the Petition Date, other than a default of a kind specified in section 365(b)(2) of the Bankruptcy Code; (ii) reinstating the maturity of such Claim as such maturity existed before such default; (iii) compensating the holder of such Claim for any damages incurred as a result of any reasonable reliance by such holder on such contractual provision or such applicable law; (iv) if such Claim arises from any failure to perform a nonmonetary obligation, compensating the holder of such Claim (other than the Debtor or an “insider” of the Debtor within the meaning of section 101(31) of the Bankruptcy Code) for any actual pecuniary loss incurred by such holder as the result of such failure; and (v) not otherwise altering the legal, equitable or contractual rights to which such Claim entitles the holder thereof.
- (eeee) **Releasing Party** means each party identified in clauses (a) through (m) of the definition of Released Parties. Notwithstanding anything to the contrary herein, the term “Releasing Party” shall not include Claimants who (w) are not entitled to vote on the Plan, (x) do not vote on the Plan, (y) vote to reject the Plan, or (z) vote to accept the Plan but do not affirmatively opt in to Third-Party Releases in Section 8.03(c) of this Plan by checking the applicable box to opt in on their ballot.
- (ffff) **Released Parties** means individually or collectively, (a) Attila LLC; (b) Attila GP Investor LLC; (c) Westlake Surgical GP, LLC; (d) Attila LP Investor LLC; (e) Arise; (f) WestRise; (g) Collin Scully; (h) Michael Welch; (i) Welch Living Trust; (j) WPP; (k) eCapital; (l) all affiliates of the foregoing, and each of its and their respective directors, officers, representatives, agents, employees, attorneys and professionals; and (m) each Claimant that elects to opt in to the Third-Party Releases in Section 8.03(c) of this Plan by checking the applicable box to opt in on their ballot. Notwithstanding anything to the contrary herein, the term “Released Parties” shall not include (i) any of WestRise’s affiliates, lenders, investors, directors, officers, representatives, agents, employees, attorneys, or professionals, each in their respective capacity as such that (y) contest the Plan or otherwise fail to accept the Plan, including their or WestRise’s treatment under the Plan, or (z) are not otherwise a Releasing Party; or (ii) Claimants who (w) are not entitled to vote on the Plan, (x) do not vote on the Plan, (y) vote to reject the Plan, or (z) vote to

accept the Plan but do not affirmatively opt in to Third-Party Releases in Section 8.03(c) of this Plan by checking the applicable box to opt in on their ballot.

- (gggg) **Reorganized Debtor** means the Debtor as reorganized pursuant to and under the Plan on and after the Effective Date, or the successor in interest thereto.
- (hhhh) **Schedule of Assumed Executory Contracts and Unexpired Leases** has the meaning ascribed to such term in Section 7.01.
- (iiii) **Schedules** means the schedules of assets and liabilities and the statement of financial affairs filed by the Debtor with the Bankruptcy Court pursuant to sections 521 and 1106(a)(2) of the Bankruptcy Code and Bankruptcy Rule 1007, as such schedules and statements may be amended or supplemented from time to time prior to the Effective Date.
- (jjjj) **Secured** means, with respect to any Claim, the extent to which the Claim is: (a) secured by a Lien on property of a Debtor's Estate (i) as set forth in the Plan, (ii) as agreed to by the holder of such Claim and the Debtor, or (iii) as determined by a Final Order in accordance with section 506(a) of the Bankruptcy Code; or (b) subject to any setoff right of the holder of such Claim under section 553 of the Bankruptcy Code, but, with respect to both of the foregoing clauses (a) and (b), only to the extent of the value of the interest of such holder in the Estate's interest in the property securing such Claim or the amount subject to setoff, as applicable.
- (kkkk) **Superpriority Exit Facility** means the superpriority, exit, asset-based revolving loan facility provided for under the Superpriority Exit Facility Documents as of the Effective Date in the principal amount of \$6,500,000.
- (llll) **Superpriority Exit Facility Credit Agreement** means that certain credit agreement (as amended, restated, supplemented or otherwise modified in accordance with its terms), a form of which shall be included in the Plan Supplement, governing the Superpriority Exit Facility, by and among the Reorganized Debtor and the Superpriority Exit Facility Lender.
- (mmmm) **Superpriority Exit Facility Documents** means, in connection with the Superpriority Exit Facility, the Superpriority Exit Facility Credit Agreement, the other Loan Documents (as defined in the Superpriority Exit Facility Credit Agreement), all other collateral documents, Uniform Commercial Code filings, and other documents executed and delivered in connection with the Superpriority Exit Facility, to be dated as of the Effective Date governing the Superpriority Exit Facility and each in form and substance acceptable to the Prepetition Secured Parties
- (nnnn) **Superpriority Exit Facility Lender** means the lender under the Superpriority Exit Facility Documents.
- (oooo) **Triggering Creditor** has the meaning ascribed to such term in Section 6.02

- (pppp) **Unexpired Lease** means a lease to which the Debtor is a party, including any and all pre- and post-petition amendments thereto, that is subject to assumption or rejection under section 365 of the Bankruptcy Code. Each of the Landlord Leases is an Unexpired Lease.
- (qqqq) **Unimpaired** means any Claim that is not Impaired, including any Claim that is Reinstated.
- (rrrr) **Unsecured Claim** means a Claim that is not a Secured Claim.
- (ssss) **WestRise** means WestRise, LLC.
- (tttt) **WestRise Claim** means any Claim against the Debtor arising under, derived from, or based upon the WestRise Debt Documents, including any Claim for obligations, indebtedness, and liabilities of the Debtor arising pursuant to any of the WestRise Debt Documents, whether now existing or hereafter arising, whether direct, indirect, related, unrelated, fixed, contingent, liquidated, unliquidated, joint, several, or joint and several, including the obligation of the Debtor to repay the obligations owed under the WestRise Note, interest thereon, and all fees, costs, expenses and obligations of any kind or character due or recoverable from the Debtor under the WestRise Note. All Claims asserted against the Debtor in Proof of Claim No. 182 are WestRise Claims, including any and all amounts loaned by Colin Scully to the Debtor that WestRise asserts in such Proof of Claim were “intended to be treated as advances under the [WestRise] Note.”
- (uuuu) **WestRise Debt Documents** means the WestRise Note and WestRise Security Agreement.
- (vvvv) **WestRise Note** means the Line of Credit Note issued by the Debtor to WestRise dated August 28, 2020.
- (www) **WestRise Security Agreement** means the Security Agreement by and between the Debtor and WestRise dated August 28, 2020.
- (xxxx) **WPP DIP** means the unsecured debtor-in-possession loan made by WPP to the Debtor on the terms set forth in the Interim WPP DIP Order or the Final WPP DIP Order, as applicable.
- (yyyy) **WPP Effective Date Contribution** means Cash in an amount equal to \$3,500,000 less the total amount actually advanced to the Debtor by WPP under the WPP DIP.

1.02 Interpretation; Application of Definitions and Rules of Construction. For purposes of the Plan, unless otherwise provided herein: (1) whenever from the context it is appropriate, each term, whether stated in the singular or the plural, will include both the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and the neuter gender; (2) unless otherwise provided in the Plan, any reference in the Plan to a contract, instrument, release, or other agreement or document being in a particular form or on particular terms and conditions means that such document will be substantially in such form or

substantially on such terms and conditions; (3) any reference in the Plan to an existing document, schedule or exhibit filed or to be filed means such document, schedule or exhibit, as it may have been or may be amended, modified, or supplemented pursuant to the Plan; (4) any reference to a Entity as a holder of a Claim or Equity Interest includes that Entity's successors and assigns; (5) unless otherwise stated, all references in the Plan to Articles or Sections are references to Articles or Sections of the Plan, as the same may be amended or modified from time to time in accordance with the terms hereof; (6) the words "herein," "hereof," "hereto," "hereunder" and other words of similar import refer to the Plan as a whole and not to any particular Article or clause contained in the Plan; (7) subject to the provisions of any contract, certificate of incorporation, by-law, instrument, release, or other agreement or document entered into in connection with the Plan, the rights and obligations arising pursuant to the Plan shall be governed by, and construed and enforced in accordance with the applicable federal law, including the Bankruptcy Code and Bankruptcy Rules; (8) any term used in capitalized form herein that is not otherwise defined but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be; (9) [reserved]; (10) captions and headings to Articles or Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan; (11) the rules of construction set forth in section 102 of the Bankruptcy Code shall apply; (12) any reference to an Entity's "subsidiaries" means its direct and indirect subsidiaries; and (13) in computing any period of time prescribed or allowed by the Plan, unless otherwise expressly provided herein, the provisions of Bankruptcy Rule 9006(a) shall apply.

1.03 Controlling Document. In the event of any conflict between the terms and provisions in the Plan (without reference to the Plan Supplement), on the one hand, and the terms and provisions in the Disclosure Statement, the Plan Supplement, any other instrument or document created or executed pursuant to the Plan, or any order (other than the Confirmation Order) referenced in the Plan (or any exhibits, schedules, appendices, supplements, or amendments to any of the foregoing), on the other hand, the Plan (without reference to the Plan Supplement) shall govern and control; provided, however, that in the event of a conflict between Confirmation Order and the Plan (including the Plan Supplement), the Confirmation Order shall govern and control in all respects.

ARTICLE II: OVERVIEW OF PLAN

2.01 Generally.

The Plan proposes to extinguish current Equity Interests and issue new equity to WPP. WPP's consideration for such equity comes in the form of the WPP Effective Date Contribution and the conversion to equity of the balance of the WPP DIP, discussed below.

The Plan additionally proposes that WestRise's Allowed Claim against the Debtor will be satisfied by the issuance to WestRise of Class II Units in WPP representing 14% of the total authorized units of WPP in exchange for the full and final satisfaction, settlement, release, and discharge of the Allowed WestRise Claim.

The Debtor's funding for the Plan comes from the sources described in Section 6.02.

2.02 Exhibits.

The Debtor's liquidation analysis is attached as **Exhibit A** to the Plan. The Debtor's financial projections are attached as **Exhibit B** to the Plan, and the Debtor's previous monthly operating reports are summarized for reference as **Exhibit C**. The Schedule of Assumed Executory Contracts and Unexpired Leases is attached as **Exhibit D** to the Plan, and discloses which Executory Contracts and Unexpired Leases will be assumed as of the Effective Date and any applicable Cure Amounts payable in connection with such assumption. **Exhibit E** to the Plan is a mutual, general release of all claims and causes of action arising before the Effective Date between the Debtor and Arise, effective as of the Effective Date. **Exhibit F** to the Plan contains a list and brief description of the operative terms of each Administrative Expense Payment Arrangement (as defined in Section 4.01).

2.03 Modifications.

The Debtor reserves the right to modify, supplement or amend this Plan and the Exhibits to this Plan prior to the Confirmation Date, in accordance with Article X of this Plan, the Bankruptcy Code, and the Bankruptcy Rules.

ARTICLE III: PROVISIONS APPLICABLE TO ALL CLAIMS

3.01 Treatment of Claims.

This Plan resolves all Claims against the Debtor and its property of whatever character, whether contingent or liquidated, or whether or not Allowed. The Plan is designed to ensure that, consistent with section 1129(a)(7) of the Bankruptcy Code, each Creditor will receive or retain under the Plan on account of its Claim no less than the amount such Creditor would so receive or retain in a liquidation of the Debtor pursuant to Chapter 7 of the Bankruptcy Code, as set forth in the Debtor's Liquidation Analysis attached as **Exhibit A** to this Plan.

3.02 Allowed Claims.

To receive a Distribution under the Plan, a Creditor must have an Allowed Claim.

3.03 Amount of Claims.

If the Debtor has listed a Claim in the Schedules and has not listed such Claim as disputed, contingent, or unliquidated, then the amount listed in the Schedules shall control, unless the Creditor filed a Proof of Claim in a different amount or a party in interest files a timely objection to the Claim listed in the Schedules. If a Creditor filed a Proof of Claim, then the amount stated in the Proof of Claim shall control, unless a party in interest files a timely objection to the Claim. If a party in interest files a timely objection to a Claim for which a Proof of Claim is filed, or to a Claim listed in the Schedules, then the amount determined by the Bankruptcy Court in a Final Order shall control. If a Claim has been listed in the Schedules as disputed, contingent, or unliquidated and the Creditor did not file a Proof of Claim by the applicable Bar Date, the Claim shall be deemed to be disallowed unless this Plan specifically provides otherwise.

3.04 Allowance of Post-Petition Interest, Fees, and Costs.

Unless otherwise provided in the Plan, a Claim shall not be entitled to post-petition interest, fees, or costs.

3.05 Filing of Administrative Claims.

Any requests for Allowance of Administrative Expense Claims shall be filed within forty-five (45) days after the Effective Date or shall be barred.

3.06 Filing of Requests for Post-Petition Fees or Costs.

Any requests for Allowance of post-petition fees or costs pursuant to 11 U.S.C. § 506(b) shall be filed within forty-five (45) days after the Effective Date or shall be barred.

3.07 Objections to Claims.

The Reorganized Debtor may object to any Administrative Expense Claim (other than a Professional Fee Claim, which is governed by Section 4.02), Priority Tax Claim, Other Priority Claim, Other Secured Claim, General Unsecured Claim, or Equity Interest any time prior to the Claims Objection Deadline. All Contested Claims shall be litigated to Final Order; provided, however, that the Reorganized Debtor may compromise and settle any Contested Claim, subject to the approval of the Bankruptcy Court.

3.08 Distributions Generally.

Distributions under this Plan shall be made by the Reorganized Debtor from the GUC Distribution Reserve or the Professional Fee Reserve, as applicable. The Reorganized Debtor shall maintain each such reserve in a segregated account held by the Reorganized Debtor in trust for the benefit of holders of General Unsecured Claims or Professional Fee Claims, as applicable. The Reorganized Debtor will use its best efforts to hold the GUC Distribution Reserve in an interest-bearing account.

3.09 Distributions on Contested Claims.

No Distributions under this Plan shall be made on account of a Contested Claim, unless and until such Claim becomes an Allowed Claim. When and if a Contested Claim becomes an Allowed Claim, the Reorganized Debtor shall, at the next scheduled Distribution under the Plan to the Class of Creditors into which the Claim is classified, pay the newly Allowed Claim a sum sufficient to bring that Claimant current as if it had been paid according to the Plan since the Effective Date. If a Claim is Disputed in whole or in part because the Debtor asserts either a right of offset against such Claim or recoupment against the holder of such Claim, then, if and to the extent the Claim giving rise to the offset or recoupment is Allowed by Final Order and the Debtor's right of offset or recoupment is also granted by Final Order, the Claim shall be reduced or eliminated and, if applicable, the holder of such Claim shall be required to pay any amount

outstanding to the Reorganized Debtor following such offset or recoupment, less the amount of the Allowed Claim. In addition, any party authorized by the Bankruptcy Code may request that the Bankruptcy Court estimate any contingent, Disputed, or unliquidated Claim pursuant to 11 U.S.C. § 502(c) prior to the Claims Objection Deadline.

3.10 Undeliverable Distributions. If any Distribution to a holder of an Allowed Claim is returned to the Reorganized Debtor as undeliverable, no further Distributions shall be made to such holder unless and until the Reorganized Debtor is notified in writing of such holder's then-current address or other necessary information for delivery, at which time such previously undeliverable Distribution shall be made to such holder within ninety (90) days of receipt of such holder's then-current address or other necessary information; provided, however, that any such undeliverable Distribution shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code at the expiration of 180 days after the date of the initial attempted Distribution. After such date, all unclaimed property or interests in property shall revert to the Reorganized Debtor automatically and without the need for any notice to or further order of the Bankruptcy Court (notwithstanding any applicable non-bankruptcy escheatment, abandoned, or unclaimed property laws to the contrary), and the right, title, and interest of any holder to such property or interest in property shall be discharged and forever barred; provided that Distributions made from the Professional Fee Reserve or GUC Distribution Reserve and returned as undeliverable shall revert to the Professional Fee Reserve or GUC Distribution Reserve, as applicable.

3.11 Non-Negotiated Distributions. If any Distribution to a holder of an Allowed Claim is not negotiated for a period of 180 days after the Distribution, then such Distribution shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code and re-vest in the Reorganized Debtor or re-vest in the Professional Fee Reserve or GUC Distribution Reserve if such Distribution was made from the Professional Fee Reserve or GUC Distribution Reserve. After such date, all non-negotiated property or interests in property shall revert to the Reorganized Debtor or the Professional Fee Reserve or GUC Distribution Reserve automatically and without the need for any notice to or further order of the Bankruptcy Court (notwithstanding any applicable non-bankruptcy escheatment, abandoned, or unclaimed property laws to the contrary), and the right, title, and interest of any holder to such property or interest in property shall be discharged and forever barred.

3.12 Satisfaction of Claims. Except as otherwise specifically provided in the Plan, the total Distributions to be made on account of an Allowed Claim under the Plan shall be in complete and final satisfaction, settlement, and discharge of and exchange for such Allowed Claim.

ARTICLE IV: UNCLASSIFIED CLAIMS

4.01 Administrative Expense Claims.

Each holder of an Allowed Administrative Expense Claim (other than Professional Fee Claims and Quarterly Fees) shall receive, on account of and in full and complete settlement, release and discharge of, and in exchange for, such Claim, payment of Cash in an amount equal to the unpaid portion of such Allowed Administrative Expense Claim, or such amounts and on other such terms as may be agreed to by the holders of such Claims, on or as soon as reasonably practicable after the later of: (a) the Effective Date; (b) the first Business Day after the date that is thirty (30)

calendar days after the date such Administrative Expense Claim becomes an Allowed Administrative Expense Claim; (c) such other date(s) as such holder and the Debtor or Reorganized Debtor shall have agreed; or (d) such other date ordered by the Bankruptcy Court; provided, however, that Allowed Administrative Expense Claims arising from the Debtor's operations during the Chapter 11 Case may be paid by the Debtor or Reorganized Debtor in the ordinary course of operations and in accordance with the terms and conditions of the particular agreements governing such obligations, course of dealing, course of operations, or customary practice between the Debtor and the holder of the Administrative Expense Claim, including any payment plan or arrangement agreed to between the Debtor or Reorganized Debtor, as applicable, on the one hand, and the holder of an Administrative Expense Claim and/or Cure Amount, on the other hand (each such payment plan or arrangement, an "**Administrative Expense Payment Arrangement**"). A list and brief description of the operative terms of each Administrative Expense Payment Arrangement is appended to the Plan as **Exhibit F**, which shall be included in the Plan Supplement. The Debtor shall also file a then-current version of **Exhibit F** no later than the date that is two (2) calendar days prior to the deadline to vote to accept or reject the Plan.¹ Notwithstanding anything to the contrary herein or in the Final eCapital DIP Order, no Claim on account of any diminution in the value of eCapital's interests in the Pre-Petition Collateral (including Cash Collateral) (as each such capitalized term is defined in the Final eCapital DIP Order) from and after the Petition Date shall be Allowed unless such Claim is Allowed by a Final Order of the Bankruptcy Court. For purposes of this Plan, Administrative Expense Claims do not include any Claim arising from the WPP DIP, which shall be converted to equity of the Debtor as provided in Article VI of the Plan.

All Quarterly Fees due and payable prior to the Effective Date shall be paid on or before the Effective Date. The Reorganized Debtor shall pay all such fees that arise after the Effective Date, but before the closing of the Chapter 11 Case, and shall comply with all applicable statutory reporting requirements.

4.02 Professional Fee Claims.

(a) Final Fee Applications.

All requests for payment of Professional Fee Claims for services rendered and reimbursement of expenses incurred prior to the Confirmation Date must be filed with the Bankruptcy Court no later than forty-five (45) days after the Effective Date. The Bankruptcy Court shall determine the Allowed amounts of such Professional Fee Claims after notice and a hearing in accordance with the procedures established by the Bankruptcy Court. The Reorganized Debtor shall make Pro Rata Distributions in Cash from the Professional Fee Reserve on account of Professional Fee Claims Allowed by the Bankruptcy Court, until such time as all Allowed Professional Fee Claims are satisfied in full in accordance with Section 6.02(b) below; provided, however, all Allowed Professional Fee Claims shall be satisfied in full by no later than the Professional Fee Payment Outside Date (as defined in Section 6.02(b)).

(b) Professional Fee Reserve.

¹ Pursuant to the Solicitation Procedures, to the extent the amount required to be paid pursuant to Exhibit F increases by more than 10% following the Voting Deadline, holders of eCapital Claims may amend their vote prior to confirmation.

The Debtor, Reorganized Debtor, and WPP, as applicable, shall fund the Professional Fee Reserve with Cash in accordance with Section 6.02 of this Plan. The Reorganized Debtor shall maintain the Professional Fee Reserve in trust solely for the Professionals. Such funds shall not be considered Property of the Estate or property of the Reorganized Debtor, and no Liens, Claims, Interests, charges, or other encumbrances or liabilities of any kind shall encumber the Professional Fee Reserve in any way. The Reorganized Debtor's obligations with respect to Allowed Professional Fee Claims shall not be limited by or deemed limited to the balance of funds held in the Professional Fee Reserve. As of the Professional Fee Payment Outside Date (as such may be extended as set forth in Section 6.02(b)), to the extent that the funds held in, and previously paid out of, the Professional Fee Reserve are insufficient to satisfy all Allowed Professional Fee Claims in full, each holder of an Allowed Professional Fee Claim shall have an Allowed Administrative Expense Claim for any deficiency. When all Allowed Professional Fee Claims have been paid in full, any remaining amount in the Professional Fee Reserve shall promptly be remitted to the GUC Distribution Reserve without any further action or order of the Bankruptcy Court.

(c) Professional Fee Claims Estimates.

Professionals shall reasonably estimate their unpaid Professional Fee Claims incurred in rendering services to the Debtor or the Estate before and as of the Effective Date, and shall deliver such estimate to the Debtor, WPP, and the Committee no later than five (5) Business Days before the Effective Date; provided, however, such estimate shall not be deemed to limit the amount of the fees and expenses that are the subject of the Professional's final application for payment of Professional Fee Claims. If a Professional does not provide an estimate, the Debtor or Reorganized Debtor shall estimate the unpaid and unbilled fees and expenses of such Professional.

(d) Post-Effective Date Fees and Expenses.

Upon the Effective Date, any requirement that Professionals comply with sections 327 through 331, 363, and 1103 of the Bankruptcy Code in seeking retention or compensation for services rendered after such date shall terminate, and the Debtor may, in its discretion, employ and pay any Professional in the ordinary course of business without any further notice to or action, order, or approval of the Bankruptcy Court.

4.03 Other Priority Claims.

Except to the extent that a holder of an Allowed Other Priority Claim agrees to less favorable treatment, each holder of an Allowed Other Priority Claim shall receive on account of and in full and complete settlement, release and discharge of, and in exchange for, such Allowed Other Priority Claim, at the sole option of the Debtor or Reorganized Debtor, as applicable: (1) Cash in an amount equal to such Allowed Other Priority Claim on or as soon as reasonably practicable after the later of (a) the Effective Date, to the extent such Claim is an Allowed Other Priority Claim on the Effective Date; (b) the first Business Day after the date that is thirty (30) calendar days after the date such Other Priority Claim becomes an Allowed Other Priority Claim; and (c) the date such Allowed Other Priority Claim is due and payable in the ordinary course as such obligation becomes due; provided, however, that the Debtor reserves the right to prepay all or a portion of any such amounts at any time without penalty or premium.

ARTICLE V: CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS

5.01 Class 1 – Priority Tax Claims.

Classification: Class 1 consists of Priority Tax Claims.

Treatment: Except to the extent that a holder of an Allowed Priority Tax Claim agrees to less favorable treatment of such Claim, in full and final satisfaction of such Allowed Priority Tax Claim, each such holder shall receive deferred cash payments of a value, as of the Effective Date of the Plan, equal to the Allowed amount of such Claim. Such payments shall be made in equal monthly payments commencing on the latter of: (i) the first Business Day following 60 days after the Effective Date; and (ii) the first Business Day following 60 days after such Priority Tax Claim becomes an Allowed Priority Tax Claim, and ending on September 1, 2028. The Debtor reserves the right to prepay all or a portion of any such amounts at any time without penalty or premium.

Voting: Class 1 is Unimpaired, and each holder of a Priority Tax Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, holders of Priority Tax Claims are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect Priority Tax Claims.

5.02 Class 2 – Other Secured Claims.

Classification: Class 2 consists of Other Secured Claims. To the extent that Other Secured Claims are Secured by different collateral or different interests in the same collateral, such Claims shall be treated as separate subclasses of Class 2 for purposes of voting to accept or reject the Plan and receiving Distributions under the Plan.

Treatment: Except to the extent that a holder of an Allowed Other Secured Claim agrees to less favorable treatment of such Claim, in full and final satisfaction of such Allowed Other Secured Claim, each holder of an Allowed Other Secured Claim will receive, at the sole option of Reorganized Debtor: (i) Cash in an amount equal to the Allowed amount of such Claim, including the payment of any interest required to be paid under section 506(b) of the Bankruptcy Code, payable on or as soon as reasonably practicable after the last to occur of (x) the Effective Date, (y) the date on which such Other Secured Claim becomes an Allowed Other Secured Claim, and (z) the date on which the holder of such Allowed Other Secured Claim and the Debtor or Reorganized Debtor, as applicable, shall otherwise agree in writing; (ii) satisfaction of such Other Secured Claim in any other manner that renders the Allowed Other Secured Claim Unimpaired, including Reinstatement; or (iii) return of the applicable collateral on the Effective Date or as soon as reasonably practicable thereafter in satisfaction of the Allowed amount of such Other Secured Claim.

Voting: Class 2 is Unimpaired, and each holder of an Other Secured Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, holders of Other Secured Claims are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to Other Secured Claims.

5.03 Class 3 – eCapital Claims.

Classification: Class 3 consists of all eCapital Claims.

Allowance: On the Effective Date, all eCapital Claims shall be deemed fully Secured and Allowed pursuant to section 506(a) of the Bankruptcy Code, and not subject to any counterclaim, defense, offset, or reduction of any kind, in the amount of the DIP Obligations (as defined in the Final eCapital DIP Order, and including reasonable and documented attorneys' fees and expenses payable under the eCapital Final DIP Order) plus accrued but unpaid interest and fees (other than attorneys' fees) due under the eCapital Debt Documents, if any, as of the Effective Date. Because all eCapital Claims are deemed fully Secured, there are no unsecured eCapital Claims, and the holder(s) of such Claims do not have or hold any Class 5 Claims against the Debtor on account of any eCapital Claims.

Treatment: On the Effective Date: 1) eCapital's Claim pursuant to the eCapital Debt Documents (except attorneys' fees paid in accordance with clause 2 of this paragraph) shall be converted into the Superpriority Exit Facility as memorialized by the Superpriority Exit Facility Documents and Westlake's indebtedness to eCapital shall thereafter be treated in accordance with the Superpriority Exit Facility Documents; and 2) Westlake shall indefeasibly pay eCapital's reasonable and documented attorney's fees incurred prior to the Effective Date in accordance with the eCapital Debt Documents in full in Cash.

Voting: Class 3 is Impaired, and each holder of an Allowed eCapital Claim is entitled to vote to accept or reject the Plan.

5.04 Class 4 – WestRise Claims.

Classification: Class 4 consists of all WestRise Claims.

Allowance: On the Effective Date, all WestRise Claims shall be deemed fully Secured (as subordinated in the manner and to the extent set forth in that certain subordination agreement between WestRise and the Debtor for the benefit of eCapital dated as of August 27, 2020, as such agreement may have been amended or modified from time to time) and Allowed pursuant to section 506(a) of the Bankruptcy Code, and not subject to any counterclaim, defense, offset, or reduction of any kind. However, such Allowed WestRise Claim shall not include any accrued post-petition interest.

Treatment: In full and final satisfaction, settlement, release, and discharge of, and in exchange for an Allowed WestRise Claim, WPP shall cause holders of Allowed WestRise Claims to collectively receive Class II Units in WPP reflecting 14% of the total authorized units of WPP. Any accrued interest on Allowed WestRise Claims shall be discharged on the Effective Date.

Voting: Class 4 is Impaired, and each holder of an Allowed WestRise Claim is entitled to vote to accept or reject the Plan.

5.05 Class 5 – General Unsecured Claims.

Classification: Class 5 consists of all General Unsecured Claims.

Treatment: Except to the extent that a holder of an Allowed General Unsecured Claim agrees to less favorable treatment of such Claim, in exchange for full and final satisfaction, settlement, release, and discharge of, and in exchange for, such Allowed General Unsecured Claim, each holder of an Allowed General Unsecured Claim shall receive its Pro Rata share of the GUC Cash Pool up to the full amount of such Allowed General Unsecured Claim; provided that the Reorganized Debtor shall not be required to make Distributions to any holder of an Allowed General Unsecured Claim if such Distribution is less than \$50.00.

Voting: Class 5 is Impaired, and each holder of a General Unsecured Claim is entitled to vote to accept or reject the Plan.

5.06 Class 6 – Equity Interests.

Classification: Class 6 consists of all Equity Interests in the Debtor.

Treatment: On the Effective Date, Equity Interests in the Debtor shall be cancelled, and no holder of an Equity Interest shall be entitled to any recovery under the Plan in the holder's capacity as such.

Voting: Class 6 is Impaired, and each holder of an Equity Interest is conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, holders of Equity Interests are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to Equity Interests.

ARTICLE VI: IMPLEMENTATION OF THE PLAN

6.01 In General.

If the Plan is approved by the Bankruptcy Court, a Confirmation Order will be entered. The Debtor will continue to operate as a debtor-in-possession and discharge its duties under Chapter 11 until the Effective Date of the Plan.

6.02 Implementation of the Plan and Sources of Funds for the Plan.

The Debtor shall be converted to a Texas limited liability company pursuant to, and in connection with, the Plan. All parties are authorized, empowered and required to execute and accept all filings related to such conversion.

The Debtor's funding for the Plan comes from two sources.

First, the Debtor's prepetition and postpetition lender, eCapital, has agreed to provide post-emergence funding via the Superpriority Exit Facility, which will roll forward the current indebtedness into a similar instrument that provides the Debtor with working capital requirements post-emergence for up to \$6,500,000.

Second, WPP will provide the WPP Effective Date Contribution and the Post-Emergence Monthly Payments as set forth in this Section.

(a) WPP Effective Date Contribution.

As a condition precedent to the occurrence of the Effective Date (the satisfaction of which may not be waived by any party), WPP shall contribute to the Debtor or Reorganized Debtor, as applicable, the WPP Effective Date Contribution. In exchange for the WPP Effective Date Contribution and on account of the conversion of the WPP DIP into equity of the Reorganized Debtor, WPP will receive 100% of the equity of the Reorganized Debtor issued in connection with the Plan, subject to dilution pursuant to any post-emergence employee/physician equity compensation plans and/or physician equity purchase programs.

Notwithstanding any provision of the Plan to the contrary, on the Effective Date, the Debtor or Reorganized Debtor, as applicable, shall apply the WPP Effective Date Contribution as follows:

- (i) first, to the Allowed eCapital Claim in the amount of reasonable and documented attorneys' fees and expenses payable under the eCapital Final DIP Order as described under Section 5.03;
- (ii) second, \$1,883,000 shall be reserved to satisfy Allowed Administrative Expense Claims as follows:
 - A. \$500,000 shall be reserved to satisfy Allowed Administrative Expense Claims (including Cure Amounts but excluding (1) the Allowed eCapital Claim and (2) Allowed Professional Fee Claims) that are not the subject of an Administrative Expense Payment Arrangement; and
 - B. \$1,383,000 shall be remitted to the Professional Fee Reserve on the Effective Date for Pro Rata Distribution to holders of Allowed Professional Fee Claims;
- (iii) third, \$217,000 shall be reserved to satisfy Allowed Other Priority Claims; and
- (iv) fourth, \$300,000 shall be remitted to the GUC Distribution Reserve for Pro Rata Distribution to holders of Allowed General Unsecured Claims.

The Reorganized Debtor shall remit to the Professional Fee Reserve amounts reserved under clauses (ii)(A) and/or (iii) above, if any, that remain undistributed after all such Allowed Administrative Expense Claims and all such Allowed Other Priority Claims and have been satisfied in full.

The Debtor, WPP, the Committee, and eCapital have formulated the foregoing application of the WPP Effective Date Contribution in a manner that they anticipate will: (x) fully satisfy the Allowed eCapital Claim under clause (i), fully satisfy all Allowed Administrative Expense Claims

that are not the subject of the Administrative Expense Payment Arrangement under clause (ii)(A), and fully satisfy all Allowed Other Priority Claims under clause (iii); and (y) fully fund the amounts to be remitted to the Professional Fee Reserve and the GUC Distribution Reserve under clauses (ii)(B) and (iv), respectively.

(b) The Post-Emergence Monthly Payments.

1. Monthly Payments to Professional Fee Reserve.

Beginning on the first Business Day of the third calendar month after the Effective Date and continuing on the first Business Day of each calendar month thereafter, the Reorganized Debtor or WPP (together, the “**Payors**”) shall transfer to the Professional Fee Reserve Cash in an amount equal to the lesser of two hundred fifty thousand dollars and zero cents (\$250,000) and the Excess Average Liquidity (such monthly payments to the Professional Fee Reserve, the “**Post-Emergence Professional Fee Reserve Payments**” and, together with the monthly payments to the GUC Distribution Reserve described below, the “**Post-Emergence Monthly Payments**”). The Payors’ obligation to remit the Post-Emergence Professional Fee Reserve Payments to the Professional Fee Reserve shall be discharged upon the Payors’ having paid into such Professional Fee Reserve and distributed from the Professional Fee Reserve to each holder of an Allowed Professional Fee Claim an amount equal to such Allowed Claim (the “**GUC Distribution Trigger Date**”). If, at any time before the GUC Distribution Trigger Date, the Superpriority Exit Facility is repaid in full or replaced with one or more financing facilities secured by a first-priority security interest in all or substantially all of the Reorganized Debtor’s assets under which the maximum aggregate lending value is not calculated by reference to a borrowing base, the reference to “Excess Average Liquidity” in the definition of Post-Emergence Monthly Payments shall be stricken and the amount of each Post-Emergence Monthly Payment shall be \$250,000. To avoid doubt, the obligations the Reorganized Debtor and WPP to make payments to the Post-Emergence Professional Fee Reserve shall be unsecured and subject to the default and remedy provisions set forth in this section 6.02.

2. Monthly Payments to GUC Distribution Reserve.

Beginning on the first Business Day that is at least thirty (30) calendar days after the GUC Distribution Trigger Date and continuing on the same date of each month thereafter (or the next Business Day, if such date is not a Business Day), the Payors shall transfer Cash to the GUC Distribution Reserve in an amount equal to the lesser of two hundred thousand dollars and zero cents (\$200,000) and the Excess Average Liquidity. At any time the amount in the GUC Distribution Reserve exceeds \$100,000, the Reorganized Debtor shall make a Pro Rata Distribution to the holders to Allowed General Unsecured Claims of all amounts in the reserve (less any minimum amount required to be maintained in the account by the applicable depository institution); provided that the Reorganized Debtor shall not be required to make Distributions to any holder of an Allowed General Unsecured Claim if such Distribution is less than \$50.00. The Payors’ obligation to remit the Post-Emergence Monthly Payments to the GUC Distribution Reserve shall be discharged upon their having transferred to the GUC Distribution Reserve a total of \$1,200,000 and distributed such amounts, together with accrued interest, if any, Pro Rata to holders of Allowed General Unsecured Claims. If, at any time after the GUC Distribution Trigger Date but before the Payors have transferred \$1,200,000 to the GUC Distribution Reserve, the

Superpriority Exit Facility is repaid in full or replaced with one or more financing facilities secured by a first-priority security interest in all or substantially all of the Reorganized Debtor's assets under which the maximum aggregate lending value is not calculated by reference to a borrowing base, the reference to "Excess Average Liquidity" in the definition of Post-Emergence Monthly Payments shall be stricken, and the amount of each Post-Emergence Monthly Payment shall be \$200,000. To avoid doubt, the obligations of the Reorganized Debtor and WPP to make payments to the GUC Distribution Reserve shall be unsecured and subject to the default and remedy provisions set forth in this section 6.02.

3. Default; Remedies.

In the event the Payors fail to pay when due either \$250,000 to the Professional Fee Reserve or \$200,000 to the GUC Distribution Reserve, as applicable, then any holder of an unsatisfied Allowed Professional Fee Claim or unsatisfied Allowed General Unsecured Claim (such creditor, the "**Triggering Creditor**") may provide the Payors with written notice of a potential default and the Payors shall have five (5) business days after receipt of such notice to either: (a) cure such default; or (b) provide satisfactory written evidence to the Triggering Creditor that the payment remitted to the Professional Fee Reserve or the GUC Distribution Reserve, as applicable, was for a value equal to at least the Excess Average Liquidity for the applicable period of default. Satisfactory evidence of Excess Average Liquidity shall consist of at least: (i) copies of all Payor bank statements for the applicable default period; (ii) an accounting of all transfers that the Reorganized Debtor made in the applicable default period to any "affiliate" or "insider" (except for reasonable, regular payroll payments and reasonable expense reimbursements) as those terms are used in the Bankruptcy Code; (iii) copies of all Borrowing Base certificates submitted to eCapital (or successor lender) for the applicable default period; and (iv) a ledger indicating the Average Daily Revolver Balance (together, the "**Minimum Excess Average Liquidity Evidence**").

If the Payors elect to provide Minimum Excess Average Liquidity Evidence, then, upon receipt, such Triggering Creditor may file a motion requesting a hearing before the Bankruptcy Court to determine whether an event of default has occurred. In such event, Payors consent to such hearing being held on shortened notice.

Further, if the Payors elect to provide Minimum Excess Average Liquidity Evidence, then the Payors shall thereafter continue to provide Minimum Excess Average Liquidity Evidence on an ongoing monthly basis by the fifth (5th) calendar day of each subsequent month with such Minimum Excess Average Liquidity Evidence updated to reflect the Excess Average Liquidity for the calendar month preceding the month in which such evidence is required.

If the Payors elect to provide Minimum Excess Average Liquidity Evidence, then the difference between the applicable Post-Emergence Monthly Payment and the amount paid under the Excess Average Liquidity calculation shall accrue interest at a rate of eleven percent (11%) per annum until such difference is satisfied and such interest shall be payable to the Professional Fee Reserve or the GUC Distribution Reserve, as applicable.

Once triggered, the obligation to provide Minimum Excess Average Liquidity Evidence shall continue month-to-month until the earliest to occur of the following: (1) the Triggering

Creditor is paid in full; (2) the Triggering Creditor requesting such documentation notifies the Payors that such obligation is rescinded; or (3) six months of Minimum Excess Average Liquidity Evidence has been provided and the Triggering Creditor has not requested in writing that it continue.

Notwithstanding anything herein to the contrary, all Allowed Professional Fee Claims shall be satisfied in full by no later than December 31, 2026 (the “Professional Fee Payment Outside Date”); provided, however, that the Professional Fee Payment Outside Date shall automatically be extended to December 31, 2027 if: (a) as of December 31, 2026, Post-Emergence Professional Fee Reserve Payments totaling no less than 85% of all Allowed Professional Fee Claims shall have been remitted to the Professional Fee Reserve; or (b) during the period from January 1, 2026 to and including December 31, 2026, Post-Emergence Professional Fee Reserve Payments totaling no less than 45% of all Allowed Professional Fee Claims shall have been remitted to the Professional Fee Reserve.

In the event a court of competent jurisdiction, including the Bankruptcy Court, determines that an event of default has occurred on account of Payors’ failure to make the Minimum Excess Average Liquidity payment, the Payors shall have a further five business days after such determination to pay the full amount of the Minimum Excess Average Liquidity payment. If Payors fail to pay such amount, each holder of an unsatisfied Allowed Professional Fee Claim or Allowed General Unsecured Claim may: (1) pursue any and all remedies available under applicable state or federal law (provided, however, that Texas law shall govern, and venue shall be proper only in either the District Court for Travis County, Texas or the Bankruptcy Court); and (2) assert a default interest rate of eighteen percent (18%) with such interest rate accruing as of the date of the default.

4. Obligations Joint and Several.

The obligations of the Payors to make the Post-Emergence Monthly Payments are joint and several.

(c) Superpriority Exit Facility

On the Effective Date, the Reorganized Debtor shall execute and deliver the Superpriority Exit Facility Credit Agreement and the other Superpriority Exit Facility Documents. Confirmation shall be deemed approval of the Superpriority Exit Facility (including transactions contemplated thereby, and all actions to be taken, undertakings to be made, and obligations to be incurred and fees paid by the Debtor or Reorganized Debtor in connection therewith). The Reorganized Debtor shall execute and deliver those documents necessary or appropriate to obtain the Superpriority Exit Facility, including the Superpriority Exit Facility Documents.

On the Effective Date, as applicable, all Liens and security interests granted pursuant to, or in connection with, the Superpriority Exit Facility Credit Agreement shall be deemed granted by the Reorganized Debtor pursuant to the Superpriority Exit Facility Credit Agreement, and all Liens and security interests granted pursuant to, or in connection with the Superpriority Exit Facility Credit Agreement (including any Liens and security interests granted on the Reorganized Debtors’ assets) shall (i) be valid, binding, perfected, enforceable liens and security interests in the

property described in the Superpriority Exit Facility Credit Agreement and the other “Loan Documents” (as defined therein or any similar defined term), and (ii) not be enjoined or subject to discharge, impairment, release, avoidance, recharacterization, or subordination under any applicable law, the Plan or the Confirmation Order.

The Reorganized Debtor shall also execute, deliver, file, record and issue any other related notes, guarantees, deeds of trust, security documents or instruments (including UCC financing statements), amendments to the foregoing, or agreements in connection therewith, in each case, without (A) further notice to or action, order, or approval of the Bankruptcy Court or (B) further act or action under applicable law, regulation, order or rule or the vote, consent, authorization or approval of any Entity (it being understood that perfection shall occur automatically by virtue of the entry of the Confirmation Order without the need for any filings or recordings) and will thereafter cooperate to make all other filings and recordings that otherwise would be necessary under applicable Law to give notice of such liens and security interests to third parties.

6.03 Compromise and Settlement of Claims, Interests and Controversies.

Pursuant to section 1123(b)(3)(A) of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the distributions and other benefits provided under the Plan, as of the Effective Date, the provisions of the Plan, including the Committee Settlement and the Professional Fee Settlement set forth in Section 6.03(a) and 6.03(b), respectively, shall constitute good-faith compromises and settlements of Claims, Equity Interests, and controversies among the parties thereto relating to the contractual, legal, equitable and subordination rights that holders of Claims or Equity Interests may have with respect to any Claim or Equity Interest under the Plan or any Distribution to be made on account of an Allowed Claim. The Plan shall be deemed a motion, proposed by the Debtor and WPP (and joined by the parties to the Committee Settlement and the Professional Fee Settlement in respect thereof), and entry of the Confirmation Order shall constitute the Bankruptcy Court’s approval of the compromise and settlement of all such Claims, Equity Interests, and controversies among the parties thereto, as well as a finding by the Bankruptcy Court that such compromises and settlements are in the best interests of the Debtor, its Estate, and holders of Claims and Equity Interests, and is fair, equitable and reasonable under the circumstances. As a condition precedent to the occurrence of the Effective Date (the satisfaction of which may not be waived by any party), pursuant to the terms of the Committee Settlement and the Professional Fee Settlement, the GUC Distribution Reserve and the Professional Fee Reserve shall have been funded in the amounts specified in Sections 6.03(a)(ii) and Section 6.03(b)(ii), respectively.

(a) Committee Settlement.

The treatment provided for under the Plan for Allowed General Unsecured Claims reflects a proposed compromise and settlement by and among the Debtor, WPP, the Committee, eCapital and WestRise. The following constitute the principal provisions and conditions of the “**Committee Settlement**”:

(i) General Unsecured Claims shall be Allowed or Disallowed as set forth in Article III and receive the treatment afforded to such Claims in Section 5.05.

(ii) WPP shall remit \$300,000 to the GUC Distribution Reserve on the Effective Date for Pro Rata Distribution to holders of Allowed General Unsecured Claims.

(iii) WPP and the Debtor (on behalf of itself and the Reorganized Debtor) shall make the Post-Emergence Monthly Payments to the GUC Distribution Reserve as provided for in Section 6.02.

(iv) As of the Effective Date, the Debtor (on behalf of itself and the Reorganized Debtor) and its Estate, and any and all other entities who may purport to assert any Claims or Causes of Action, directly or derivatively, by, through, for, or because of the Debtor or its Estate, forever releases each holder of an Allowed General Unsecured Claim from any Avoidance Action.

(b) Professional Fee Settlement.

The treatment provided for under the Plan for Allowed Professional Fee Claims reflects a proposed compromise and settlement by and among the Debtor, WPP, the Committee, eCapital and WestRise. The following constitute the principal provisions and conditions of the “**Professional Fee Settlement**”:

(i) The Professionals shall comply with the requirements of Section 4.02, and the Bankruptcy Court shall determine the Allowed amount of all Professional Fee Claims, which Allowed Claims shall be satisfied from the Professional Fee Reserve.

(ii) WPP agrees to remit \$1,383,000 to the Professional Fee Reserve on the Effective Date (and any other reserves to the extent unused funds remain thereafter) for Pro Rata Distribution to holders of Allowed Professional Fee Claims.

(iii) To satisfy any and all Allowed Professional Fee Claims that exceed \$1,383,000 in the aggregate, WPP and the Debtor (on behalf of itself and the Reorganized Debtor) agree to make the Post-Emergence Professional Fee Reserve Payments as provided for in Section 6.02.

6.04 Authorization. The Reorganized Debtor shall be responsible for complying with the terms and provisions of the Plan as it may be modified as allowed by the Bankruptcy Code and Bankruptcy Rules. The Reorganized Debtor and each of its officers are authorized, empowered and directed to execute all documents necessary or appropriate to effectuate the terms of the Plan to the fullest extent allowed under the Bankruptcy Code, including Section 1142(b).

ARTICLE VII: EXECUTORY CONTRACTS AND UNEXPIRED LEASES

7.01 Assumption or Rejection of Executory Contracts and Unexpired Leases.

Exhibit D to this Plan lists the Debtor’s Assumed Executory Contracts and Unexpired Leases, and discloses which Executory Contracts and Unexpired Leases will be assumed and any applicable Cure Amounts (the “**Schedule of Assumed Executory Contracts and Unexpired Leases**”). The Schedule of Assumed Executory Contracts and Unexpired Leases may be amended or supplemented as provided herein.

On the Effective Date, except as otherwise provided herein, all Executory Contracts or Unexpired Leases will be deemed rejected by the applicable Reorganized Debtor in accordance with the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code, other than those that: (1) are identified on the Schedule of Assumed Executory Contracts and Unexpired Leases; (2) have been previously assumed or rejected by the Debtor pursuant to a Final Order; or (3) are, as of the Effective Date, the subject of (a) a motion to assume or reject that is pending or (b) an order of assumption or rejection by the Bankruptcy Court that is not yet a Final Order.

Entry of the Confirmation Order shall constitute an order of the Bankruptcy Court approving the assumptions, assumptions and assignments, or rejections of the Executory Contracts or Unexpired Leases (in each case, including any agreed modifications between the Debtor and the counterparty to such Executory Contract or Unexpired Lease, as applicable) as set forth in this Plan, or the Schedule of Assumed Executory Contracts and Unexpired Leases, pursuant to sections 365(a) and 1123 of the Bankruptcy Code. Except as otherwise specifically set forth herein, in the Schedule of Assumed Executory Contracts and Unexpired Leases (as applicable), assumptions, assumptions and assignments, or rejections of Executory Contracts and Unexpired Leases pursuant to this Plan are effective as of the Effective Date (unless otherwise set forth herein). Each Executory Contract or Unexpired Lease assumed pursuant to this Plan or by Bankruptcy Court order but not assigned to a third-party before the Effective Date shall revert in and be fully enforceable by the Reorganized Debtor in accordance with its terms, including in accordance with any amendments executed by the Debtor and the counterparties to the applicable Executory Contract or Unexpired Lease during the Chapter 11 Case and effective upon assumption by the Debtor; *provided that*, prior to the Effective Date and in connection with such assumption, any such terms that are rendered unenforceable by the provisions of this Plan or the Bankruptcy Code shall remain unenforceable solely in connection therewith. Any motions to assume or reject, or any objections to Cure Amounts for any Executory Contracts or Unexpired Leases pending on the Confirmation Date shall be subject to approval by a Final Order on or after the Confirmation Date in accordance with any applicable terms herein unless otherwise settled by the Debtor and counterparties.

Unless otherwise agreed upon in writing by the parties to the applicable Executory Contract or Unexpired Lease, all objections to the assumption or rejection of any Executory Contract or Unexpired Lease, and any requests for payment of Cure Amounts that differ from the Cure Amounts paid or proposed to be paid by the Debtor or the Reorganized Debtor to a counterparty as set forth in the Schedule of Assumed Executory Contracts and Unexpired Leases, must be filed with the Bankruptcy Court on or before the date set by the Bankruptcy Court as the deadline to object to the Plan. Any such objections or requests that are not timely filed shall be disallowed and forever barred, estopped, and enjoined from assertion, and shall not be enforceable against the Reorganized Debtor, without the need for any objection by the Reorganized Debtor or any other party in interest or any further notice to or action, order, or approval of the Bankruptcy Court. Any counterparty to an Executory Contract or Unexpired Lease that fails to timely object to the proposed assumption or rejection of any Executory Contract or Unexpired Lease, or to the Debtor's proposed Cure Amount, will be deemed to have consented to such assumption, rejection, and/or Cure Amount, as applicable.

Notwithstanding anything to the contrary in this Plan, the Debtor or the Reorganized Debtor, as applicable, reserve the right to alter, amend, modify, or supplement the Schedule of Assumed Executory Contracts and Unexpired Leases at any time up to and including the Confirmation Date or any date the Bankruptcy Court rules on a disputed Cure Amount, and such assumption or rejection shall be effective as if it was made on the Effective Date, provided, the counterparty to any Executory Contracts or Unexpired Leases affected by such alteration, amendment, modification, or supplement will have 21 days from the service of such amended Schedule of Assumed Executory Contracts and Unexpired Leases to object to such alteration, amendment, modification, or supplement, and request an emergency hearing on the same. Any counterparty to an Executory Contract or Unexpired Lease that fails to timely object to such amended Schedule of Assumed Executory Contracts and Unexpired Leases, file such objection, and request an emergency hearing on the same will be deemed to have consented to such amendment.

Except as otherwise provided herein or agreed to by the Debtor and the applicable counterparty, each assumed Executory Contract or Unexpired Lease shall include all modifications, amendments, supplements, restatements, or other agreements related thereto, and all rights related thereto, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, extensions, or escalators.

The transactions contemplated by this Plan shall not constitute a “change of control” or “assignment” (or terms with similar effect) under any Executory Contract or Unexpired Lease assumed or assumed and assigned pursuant to this Plan, or any other transaction, event, or matter that would (a) result in a violation, breach or default under such Executory Contract or Unexpired Lease, (b) increase, accelerate or otherwise alter any obligations, rights or liabilities of the Debtor or the Reorganized Debtor under such Executory Contract or Unexpired Lease, or (c) result in the creation or imposition of a Lien upon any property or asset of the Debtor or the Reorganized Debtor pursuant to the applicable Executory Contract or Unexpired Lease. Any consent or advance notice required under such Executory Contract or Unexpired Lease in connection with assumption or assumption and assignment thereof shall be deemed satisfied by Confirmation. To the extent that any provision in any Executory Contract or Unexpired Lease assumed or assumed and assigned pursuant to this Plan restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the assumption or assumption and assignment of such Executory Contract or Unexpired Lease (including any “change of control” provision), then such provision shall be deemed modified such that the transactions contemplated by this Plan shall not entitle the non-Debtor party or parties to such Executory Contract or Unexpired Lease to terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights with respect thereto.

Unless otherwise agreed upon in writing by the parties to the applicable Executory Contract or Unexpired Lease (including those listed on **Exhibit F**), on the Effective Date, the Debtor or the Reorganized Debtor, as applicable, shall, in accordance with the Schedule of Assumed Executory Contracts and Unexpired Leases and the Final Orders otherwise assuming Executory Contracts and Unexpired Leases, satisfy all Cure Amounts relating to Executory Contracts and Unexpired Leases that are being assumed under this Plan from the WPP Effective Date Contribution; *provided* that, (1) if the effective date of such assumption occurs prior to the Effective Date, such payment shall be made from the Debtor’s own assets on the effective date of such assumption or as soon as reasonably practicable thereafter and (2) to the extent the WPP Effective Date Contribution is not

sufficient to satisfy in full all Allowed Administrative Expense Claims, including Cure Amounts, that are not the subject of an agreement listed on **Exhibit F**, the Reorganized Debtor or WPP shall satisfy such deficiency from their other assets (*i.e.*, their assets other than the WPP Effective Date Contribution).

Nothing contained in this Plan or the Plan Supplement shall constitute an admission by the Debtor or any other party that any contract or lease is in fact an Executory Contract or Unexpired Lease or that the Reorganized Debtor has any liability thereunder.

7.02 Claims for Rejected Executory Contracts and Unexpired Leases.

Counterparties to rejected Executory Contracts and Unexpired Leases shall have 45 days from the Effective Date of the Plan to file a Proof of Claim arising out of such rejection. **Any Claims arising from the rejection of an Executory Contract or Unexpired Lease not filed with the Notice and Claims Agent within such time will be automatically disallowed, forever barred from assertion, and shall not be enforceable against the Debtor or the Reorganized Debtor, the Estate, or their property without the need for any objection by the Reorganized Debtor or further notice to, or action, order, or approval of the Bankruptcy Court or any other entity, and any Claim arising out of the rejection of the Executory Contract or Unexpired Lease shall be deemed fully satisfied, released, and discharged, notwithstanding anything in the Proof of Claim to the contrary.**

7.03 Landlord Leases.

On the Effective Date, the Debtor shall assume the Landlord Leases, to the extent not already assumed by a Final Order of the Bankruptcy Court. The Debtor and Landlord agree that the Cure Amount payable in connection with the Debtor's assumption of the Landlord Leases is \$1,361,197.06. The Reorganized Debtor and the Landlord agree that the Reorganized Debtor shall pay this Cure Amount as follows: (1) fourteen (14) days after the Effective Date, the Reorganized Debtor shall pay the Landlord \$50,000; and (2) every fourteen (14) days thereafter, the Reorganized Debtor shall pay the Landlord \$50,000 (or such lesser amount, if less than \$50,000 remains payable to the Landlord to satisfy the Cure Amount in full) until the Cure Amount and applicable accrued interest are paid in full. The unpaid balance of the Cure Amount shall accrue interest at 6% per annum until paid in full. All rent due after the Effective Date shall be paid when due under the terms of the Landlord Leases. To avoid doubt, the obligations of the Debtor or Reorganized Debtor to make payments to the Landlord in accordance with this Section 7.03 shall be unsecured.

ARTICLE VIII: CAUSES OF ACTION

8.01 Potential Litigation.

Subject to Section 8.03 of this Plan, the Debtor or Reorganized Debtor, as applicable, explicitly preserves all Claims and Causes of Action and may pursue such Claims and Causes of Action after the Effective Date or may be enforced by way of setoff against Claims filed against the Estate. The Reorganized Debtor has sole discretion to prosecute any such litigation and to object to any Claims as it sees fit, subject to the terms of this Plan.

8.02 Preserved Litigation.

Unless a Cause of Action is expressly waived, relinquished, released, or compromised in the Plan, including through Section 8.03 of this Plan, or an order of the Bankruptcy Court, the Debtor or Reorganized Debtor, as applicable, expressly reserves such Cause of Action for later adjudication and, accordingly, no doctrine of *res judicata*, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), laches, or other preclusion doctrine will apply to such Cause of Action as a consequence of the confirmation, the Plan, the vesting of such Cause of Action in the Reorganized Debtor, any order of the Bankruptcy Court or this Chapter 11 Case. No Entity may rely on the absence of a specific reference in the Disclosure Statement and Plan to any Cause of Action against them as an indication that the Debtor or Reorganized Debtor, as applicable, will not pursue such Cause of Action against them. The Debtor or Reorganized Debtor, as applicable, instead expressly reserve all rights to prosecute any and all Causes of Action against any Entity, in accordance with the Plan.

Except as otherwise provided by this Plan, upon the Effective Date, the Causes of Action shall be deemed transferred to the Reorganized Debtor free and clear of all Claims and Equity Interests, in accordance with section 1141 of the Bankruptcy Code.

To the extent not already achieved by the preceding recitations, and without limitations to other Causes of Action, the Debtor specifically preserves the following:

All Causes of Action, including Avoidance Actions, related to any payments or other transfers to WestRise or any lender, creditor or investor or WestRise, to the extent such recipient is not a Released Party.

8.03 Releases, Exculpations and Injunction.

Notwithstanding anything in this Article or elsewhere in the Plan to the contrary, the following provisions shall apply to release and/or limit Causes of Action.

(a) Debtor Releases.

Except as otherwise expressly provided in the Plan, including the rights that remain in effect from and after the Effective Date to enforce the Plan and the Confirmation Order, as of the Effective Date, pursuant to section 1123(b) of the Bankruptcy Code, for good and valuable consideration, the adequacy of which is hereby confirmed, including the service of the Released Parties to facilitate and implement the reorganization of the Debtor and the settlements embodied in the Plan, including the Committee Settlement and the Professional Fee Settlement, as an integral component of the Plan, each Released Party is, and is deemed to be, hereby conclusively, absolutely, unconditionally, irrevocably, and forever released by the Debtor (on behalf of itself and the Reorganized Debtor) and its Estate, and any and all other entities who may purport to assert any Claims or Causes of Action, directly or derivatively, by, through, for, or because of the Debtor or its Estate, of and from any and all claims, interests, obligations, rights, suits, damages, causes of action, remedies, and liabilities whatsoever, including any derivative claims, asserted or assertable on behalf of the Debtor or its Estate, as applicable, whether known or unknown, foreseen

or unforeseen, matured or unmatured, existing or hereafter arising, contingent or noncontingent, in law, equity, contract, tort or otherwise, that the Debtor or its Estate or the Reorganized Debtor would have been legally entitled to assert in its own right (whether individually or collectively) or on behalf of the holder of any Claim against, or Equity Interest in, the Debtor, the Estate, or other entity, based on or relating to, or in any manner arising from, in whole or in part, from any act or omission in connection with, or transaction with the Debtor (including management, ownership, or operation thereof), the Debtor's in- or out-of-court restructuring efforts, intercompany transactions, the Chapter 11 Case, the formulation, preparation, dissemination, negotiation, filing, pursuit, performance, or consummation of the Chapter 11 Case (including any payments, distributions or transfers in connection therewith), the Plan and related documents, including the Plan Supplement, the Committee Settlement, the Professional Fee Settlement, the Disclosure Statement, or any contract, instrument, release, or other Plan document, agreement, or document created or entered into in connection with the Plan or the Disclosure Statement, the Chapter 11 Case, confirmation, or consummation, the administration and implementation of the Plan, including the distribution of property under the Plan or any other related agreement, any payments, distributions or transfers made by the Debtor during the Chapter 11 Case, any settlement or agreement in the Chapter 11 Case or upon the negotiations regarding or concerning any of the foregoing or any other act or omission, transaction, agreement, event, or other occurrence relating to the foregoing taking place on or before the Effective Date (including before the Petition Date). Notwithstanding anything to the contrary in the foregoing, this provision does not release any post-Effective Date obligations of any party or Entity under the Plan or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan.

Moreover, pursuant to section 1123(b) of the Bankruptcy Code, for good and valuable consideration, the adequacy of which is hereby confirmed, each holder of an Allowed General Unsecured Claim is, and is deemed to be, hereby conclusively, absolutely, unconditionally, irrevocably, and forever released by the Debtor (on behalf of itself and the Reorganized Debtor) and its Estate, and any and all other entities who may purport to assert any Claims or Causes of Action, directly or derivatively, by, through, for, or because of the Debtor or its Estate, from any Avoidance Action; *provided, however*, the foregoing Debtor Releases shall not release any Causes of Action, including Avoidance Actions, related to any payments or other transfers made to WestRise or any lender, creditor or investor of WestRise, to the extent such recipient is not a Released Party.

(b) Consideration for Debtor Releases.

In partial consideration of the Debtor Releases provided for under the Plan, as of the Effective Date, (i) all Proofs of Claim and Causes of Action asserted against the Debtor by the Released Parties (other than the WestRise Claims, which are entitled to the treatment set forth in Section 5.04, and the eCapital Claims, which are entitled to the treatment set forth in Section 5.03) shall be irrevocably deemed withdrawn, expunged and released, shall not receive any Distributions under the Plan and shall be discharged pursuant to the Plan; and (ii) the Debtor and Arise (which did not file a Proof of Claim) have entered into a mutual, general release of all Claims and Causes of Action between them to the extent such Claims or Causes of Action arose or are alleged to have arisen on or before the Effective Date, as appended as **Exhibit E** to this Plan and effective as of the Effective Date.

(c) Third-Party Releases.

As of the Effective Date, except for the rights that remain in effect from and after the Effective Date to enforce the Plan and the Confirmation Order, for good and valuable consideration, the adequacy of which is hereby confirmed, including the service of the Released Parties to facilitate and implement the reorganization of the Debtor and the settlements embodied in the Plan, including the Committee Settlement and the Professional Fee Settlement, as an integral component of the Plan, to the maximum extent permitted under applicable law, as such law may be extended subsequent to the Effective Date, each Releasing Party is deemed to have released and discharged each Released Party of and from any and all Claims and Causes of Action, whether known or unknown, including any derivative claims, asserted on behalf of the Debtor, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, from any act or omission in connection with, or transaction with, the Debtor (including the management, ownership, or operation thereof), the Debtor's in- or out-of-court restructuring efforts, intercompany transactions, commencement and prosecution of the Chapter 11 Case, the formulation, preparation, dissemination, negotiation, or filing of the Disclosure Statement, the Plan (including, for the avoidance of doubt, the Plan Supplement and related documents), the Committee Settlement, the Professional Fee Settlement, and any contract, instrument, release, or other agreement or document created or entered into in connection with the Disclosure Statement or the Plan, the filing of the Chapter 11 Case, the pursuit of confirmation, the pursuit of consummation, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon any other related act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date. Notwithstanding anything contained herein to the contrary, the foregoing release does not release (i) any Lien or security interest granted to eCapital pursuant to, or in connection with, the Superpriority Exit Facility Documents or any Final Order; (ii) any obligations of any party under the Plan, or any document, instrument, or agreement that is executed to implement the Plan or that shall remain in effect after the Effective Date pursuant to the Plan; or (iii) any claims related to or arising from any act or omission that is determined by Final Order to have constituted actual fraud, willful misconduct, or gross negligence.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the releases described in this section, which includes by reference each of the related provisions and definitions contained in this Plan, and further, shall constitute its finding that each release described in this section is: (1) in exchange for the good and valuable consideration provided by the Released Parties, a good faith settlement and compromise of such Claims; (2) in the best interests of the Debtor and Creditors; (3) fair, equitable, and reasonable; (4) given and made after due notice and opportunity for hearing; and (5) a bar to any of the Releasing Parties asserting any Claim, Cause of Action, or liability released pursuant to this section against any of the Released Parties or their property.

(d) Exculpations.

To the fullest extent permissible under applicable law, no Exculpated Party shall have or incur, and each Exculpated Party is exculpated from any Claim or Cause of Action related to any act or omission in connection with, relating to, or arising out of, in whole or in part, the Chapter 11 Case, the Debtor, the Debtor's in- or out-of-court restructuring efforts, intercompany transactions, the formulation, preparation, dissemination, negotiation, filing, pursuit, performance, or consummation of the Chapter 11 Case (including any payments, distributions or transfers in connection therewith), the Plan, including the Committee Settlement and the Professional Fee Settlement, and Disclosure Statement, or any contract, instrument, release or other Plan document, agreement, or document created or entered into in connection with the Plan and Disclosure Statement, the Chapter 11 Case, confirmation, or consummation, the administration and implementation of the Plan, including the distribution of property under the Plan or any other related agreement, any payments, distributions or transfers made by the Debtor during the Chapter 11 Case, any settlement or agreement in the Chapter 11 Case or upon the negotiations regarding or concerning any of the foregoing or any other act or omission, transaction, agreement, event, or other occurrence relating to the foregoing taking place from the Petition Date through the Effective Date, except for Claims related to any act or omission that is determined in a Final Order to have constituted actual fraud, willful misconduct, or gross negligence, but in all respects such entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan. The Exculpated Parties have, and upon completion of the Plan shall be deemed to have, participated in good faith and in compliance with the applicable laws with regard to the solicitation of votes and Distribution of consideration pursuant to the Plan and, therefore, are not, and on account of such Distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such Distributions made pursuant to the Plan.

Notwithstanding anything to the contrary in the Plan, to the fullest extent permitted by section 1125(e) of the Bankruptcy Code, neither the Debtor nor WPP shall have any liability on account of any solicitation of any acceptance or rejection of the Plan for any violation of any applicable law, rule, or regulation governing solicitation of acceptance or rejection of a plan.

(e) Injunction.

No party may assert a Cause of Action against the Debtor, the Committee, any member of the Committee, eCapital, or their respective financial advisors, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, for any claim related to any act or omission in connection with, relating to, or arising out of, in whole or in part, the Chapter 11 Case, the Debtor, the Debtor's in- or out-of-court restructuring efforts, intercompany transactions, the formulation, preparation, dissemination, negotiation, filing, pursuit, performance, or consummation of the Chapter 11 Case (including any payments, distributions or transfers in connection therewith), the Plan (including, for the avoidance of doubt, the Plan Supplement and related documents), the Committee Settlement, the Professional Fee Settlement, and Disclosure Statement, or any contract, instrument, release or other Plan document, agreement, or document created or entered into in connection with the Plan and Disclosure Statement, the Chapter 11 Case, confirmation, or consummation, the administration and implementation of the Plan, including the distribution of property under the Plan or any other related agreement, any payments, distributions or transfers made by the Debtor during the Chapter 11 Case, any

settlement or agreement in the Chapter 11 Case or upon the negotiations regarding or concerning any of the foregoing or any other act or omission, transaction, agreement, event, or other occurrence relating to the foregoing taking place from the Petition Date through the Effective Date (except for claims related to any act or omission that is determined in a Final Order to have constituted actual fraud, willful misconduct, or gross negligence) without first seeking authority from the Bankruptcy Court. Any such request shall be made in writing with notice to all affected parties and shall include a proposed complaint setting forth any alleged claims and the detailed factual basis in support of such claims. Further, any such request shall include a proposed attorney fee reserve, subject to modification by the Bankruptcy Court, that will be deposited to the Bankruptcy Court's registry to indemnify the financial advisors, attorneys, accountants, investment bankers, consultants, representatives, or other professionals of both the Debtor and the Committee against costs associated with the successful defense of any Claim that is allowed to proceed. The Bankruptcy Court reserves jurisdiction to adjudicate any such Claims to the maximum extent provided by applicable law.

ARTICLE IX: EFFECT OF CONFIRMATION

9.01 Vesting of Property.

As of the Effective Date, the Reorganized Debtor shall be vested with all Property of the Estate, free and clear of all Liens, Claims and encumbrances except as expressly provided under the Plan. Subject to the releases contained in Section 8.03 of this Plan, such Property of the Estate shall include all Claims or Causes of Action arising in favor of the Debtor, under the Bankruptcy Code or any other applicable law; provided, however, that if after Confirmation the Chapter 11 Case is converted to a case under Chapter 7 of the Bankruptcy Code and there is an uncured default by the Reorganized Debtor under the Plan, all of such property and claims shall revert in the Estate upon such conversion.

9.02 Plan Binding.

Pursuant to 11 U.S.C. § 1141, the provisions of the confirmed Plan shall bind the Debtor, the Estate, the Reorganized Debtor, the Debtor's Creditors, and the holder of Equity Interests in the Debtor, and each of its and their respective successors and assigns, and all Entities that are affected in any manner by the Plan, regardless of whether or not the Claim or Equity Interest is impaired under the Plan and whether or not such Creditor or Equity Interest holder has accepted the Plan. Except as otherwise expressly provided in the Plan, all agreements, instruments and other documents filed in connection with the Plan shall be given full force and effect and shall bind all Entities referred to therein on and after the Effective Date, whether or not such agreements are actually issued, delivered or recorded on or after the Effective Date and whether or not such Entities have actually executed such agreement.

9.03 Reliance on Other Parties.

In connection with the Plan, the Debtor and its officers, representatives, attorneys, accountant, and agents may rely upon the opinions of counsel, certified public accountants, and

other experts or professionals employed by the Debtor, and such reasonable reliance shall presumptively establish good faith.

9.04 Discharge.

Confirmation of the Plan shall discharge the Debtor of all its pre-Confirmation debts.

9.05 Permanent Injunction.

Confirmation of the Plan shall result in the issuance of a permanent injunction against the commencement or continuation of any judicial, administrative, or other action or proceeding on account of any Claims against the Reorganized Debtor. From and after Confirmation, all holders of Claims against the Debtor are permanently restrained and enjoined (a) from commencing or continuing in any manner, any action or other proceeding of any kind with respect to any such Claim against the Debtor, the Reorganized Debtor, or their assets; (b) from enforcing, attaching, collecting, or recovering by any manner or means, any judgment, award, decree, or order against the Debtor, the Reorganized Debtor, or their assets with respect to any Claim; (c) from creating, perfecting, or enforcing any encumbrance or any kind against the Debtor, the Reorganized Debtor, or their assets with respect to any Claim; (d) from asserting any setoff, right of subrogation, or recoupment of any kind against any obligation due to the Debtor or the Reorganized Debtor except as may be allowed under the Bankruptcy Code or the Plan with respect to any Claim; and (e) from performing any act, in any manner, in any place whatsoever, that does not conform to or comply with the provisions of the Plan; *provided, however*, that each holder of a Contested Claim may continue to prosecute its proof of claim in the Bankruptcy Court and all holders of Claims shall be entitled to enforce their rights under the Plan and any agreements executed or delivered pursuant to or in connection with the Plan.

ARTICLE X: MODIFICATION OF THE PLAN

10.01 Post-Confirmation Amendment or Modification of the Plan.

Subject to the restrictions and requirements set forth in section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019 (as well as those restrictions on modifications set forth in the Plan), the Debtor and WPP, as proponents of the Plan, reserve the right to modify this Plan without additional disclosure pursuant to section 1125 of the Bankruptcy Code prior to the Confirmation Date and seek Confirmation consistent with the Bankruptcy Code and, as appropriate, not re-solicit votes on such modified Plan. All amendments or modifications to the Plan must be reasonably acceptable to (a) eCapital to the extent they pertain to the treatment of the eCapital Claims, (b) the Committee to the extent they pertain to the treatment of General Unsecured Claims and (c) the Professionals to the extent they pertain to the treatment of Professional Fee Claims. After the Confirmation Date and before substantial consummation of the Plan, the Debtor may initiate proceedings in the Bankruptcy Court pursuant to section 1127(b) of the Bankruptcy Code to remedy any defect or omission or reconcile any inconsistencies in the Plan, the Plan Supplement, the Disclosure Statement, or the Confirmation Order, relating to such matters as may be necessary to carry out the purposes and intent of the Plan. After the Confirmation Date, but before the Effective Date, the Debtor may make appropriate technical amendments and modifications to the

Plan (including the Plan Supplement) without further order or approval of the Bankruptcy Court; provided, however, that such amendments and modifications shall not materially or adversely affect the treatment of holders of Claims or Interests. Notwithstanding anything to the contrary herein, the Debtor shall not modify Sections 6.02 or 8.03 of the Plan or any definition that corresponds to such sections without the prior written consent of the Committee; *provided, however*, that amendments or modifications to Section 6.02(c) shall require the consent of the Committee only to the extent such amendments or modifications adversely affect Creditors or Distributions under this Plan.

10.02 Deemed Acceptance or Rejection.

A holder of a Claim or Equity Interest that has accepted or rejected the Plan may be deemed to have accepted or rejected, as the case may be, the Plan as amended or modified, solely as set forth in 11 U.S.C. § 1127 and Bankruptcy Rule 3019.

10.03 Revocation or Withdrawal of the Plan.

The Debtor and WPP reserve the right to revoke or withdraw the Plan prior to the Effective Date. If the Plan has been revoked or withdrawn prior to the Effective Date, or if confirmation of the Plan or the occurrence of the Effective Date does not occur, then: (a) the Plan shall be null and void in all respects; (b) any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount any Claim or Interest or Class of Claims or Interests), assumption of Executory Contracts or Unexpired Leases affected by the Plan, and any document or agreement executed pursuant to the Plan, shall be deemed null and void; and (c) nothing contained in the Plan shall (i) constitute a waiver or release of any Claim against, or any Equity Interest in, the Debtor or any other Entity; (ii) prejudice in any manner the rights of the Debtor or any other Entity; or (iii) constitute an admission of any sort by the Debtors or any other Entity.

ARTICLE XI: POST CONFIRMATION MATTERS

11.01 Application for Final Decree.

After the occurrence of the Claims Objection Deadline (subject to any extensions approved by an order of the Bankruptcy Court) and after the Chapter 11 Case has been fully administered (other than payment of Allowed Claims, which may occur after the Chapter 11 Case is closed), the Reorganized Debtor shall file with the Bankruptcy Court all documents required by Bankruptcy Rule 3022 and any applicable order of the Bankruptcy Court for issuance of a final decree and order closing the Chapter 11 Case. Any party-in-interest may move to reopen the Chapter 11 Case once closed.

11.02 U.S. Trustee.

(a) Fees.

The Reorganized Debtor shall continue to pay all fees incurred under 28 U.S.C. § 1930 until the Chapter 11 Case is closed. All outstanding U.S. Trustee fees shall be paid on the Effective Date.

(b) Reports.

The Reorganized Debtor shall file quarterly post-confirmation reports in the form prescribed by the United States Trustee until the Chapter 11 Case is closed.

ARTICLE XII: DEFAULT

12.01 Default by Debtor, Reorganized Debtor, or WPP.

In the event of a default by the Debtor, the Reorganized Debtor, or WPP under the Plan, Creditors may exercise any rights granted to them under documents executed to implement the Plan or any rights available to such Creditors under applicable non-bankruptcy law. The Plan may be enforced as a contract. Unless notice and an opportunity to cure was provided pursuant to another provision of this Plan (including Section 6.02 with respect to Post-Emergence Monthly Payments), any holder of an Allowed Claim that alleges a default shall give the Reorganized Debtor and WPP thirty (30) days' written notice and an opportunity to cure before exercising any rights available upon default against the Debtor, the Reorganized Debtor or WPP.

12.02 Conversion to Chapter 7.

Conversion of the Chapter 11 Case to a case under Chapter 7 of the Bankruptcy Code shall be an additional remedy for default. In the event of a conversion to Chapter 7, all property of the estate vested in the Reorganized Debtor pursuant to the Plan shall automatically revert in the Chapter 7 Estate upon conversion without need of a separate order.

ARTICLE XIII: RETENTION OF JURISDICTION

13.01 Jurisdiction over Matters.

Until the Chapter 11 Case is closed, the Bankruptcy Court shall retain jurisdiction to hear and determine all Claims against the Debtor arising prior to the Confirmation Date, to hear and determine all causes of action that exist in favor of the Debtor that arise prior to the Confirmation Date (subject to applicable case law limiting such jurisdiction), to hear and determine all matters relating the administration of what was the Debtor's Estate, to modify the Plan in accordance with the Bankruptcy Code, to assure performance by the Reorganized Debtor and WPP of their obligations under the Plan, to enforce and interpret the terms and conditions of the Plan and related documents, to hear and determine any contested matters arising on account of transactions contemplated by the Plan or relating to the period of administration of the Chapter 11 Case, to hear and determine all applications for compensation of Professionals and reimbursement of expenses under sections 328, 330, 331 or 503(b) of the Bankruptcy Code, to hear and resolve disputes concerning any reserves under the Plan or the administration thereof, and to make such other orders as are necessary or appropriate to effectuate the provisions of the Plan in accordance with § 1142

of the Bankruptcy Code, including interpretation and implementation of the Plan and entry of a final decree.

ARTICLE XIV: MISCELLANEOUS

14.01 Request for Relief under 11 U.S.C. § 1129(b) - “Cramdown”.

In the event any Impaired Class fails to accept the Plan in accordance with 11 U.S.C. § 1129(a), the Debtor reserves the right to, and does hereby, request the Court to confirm the Plan in accordance with 11 U.S.C. § 1129(b).

14.02 Entire Agreement.

The Plan, the Confirmation Order, the Disclosure Statement, and all other documents and instruments to effectuate the Plan constitute the entire agreement and understanding among WPP, the Debtor and its Creditors and Equity Interest holders relating to the subject matter hereof and supersede all prior discussions and documents.

14.03 Dissolution of Committee.

On the Effective Date, the Committee shall dissolve automatically and the members thereof shall be released and discharged from all rights and duties related to the Chapter 11 Case, except that the Committee shall be deemed to survive solely to the extent necessary to allow the Committee Professionals to (a) file, prosecute, review, and object to any Professional Fee Claims filed pursuant to Section 4.02 of this Plan, and (b) pursue any remedies authorized by Section 6.02 of this Plan following any failure by the Payors to make any Post-Emergence Monthly Payment to the Professional Fee Reserve or the GUC Distribution Reserve, as applicable. All reasonable fees and expenses incurred by the Committee Professionals successfully pursuing remedies under Section 6.02 shall be satisfied by the Payors; otherwise, following the Effective Date, the Reorganized Debtor shall no longer be responsible for paying any fees or expenses incurred by the Committee Professionals or members of the Committee.

14.04 Payments.

(a) Delivery.

Any payments or Distributions pursuant to the Plan or as may be ordered by the Bankruptcy Court, to the extent delivered by the United States mail shall be deemed made when deposited into the mail. Distributions and deliveries to holders of Allowed Claims shall be made at the addresses set forth on the Proofs of Claim filed by such holders (or at the last known addresses of such holders if no Proof of Claim is filed) unless the Claimant files with the Bankruptcy Court and serves the Debtor with a change of address. All Claims for undeliverable distributions shall be made within 180 days of the Reorganized Debtor attempting to make a Distribution to the applicable holder. After such 180-day period, all unclaimed property shall remain the property of the Reorganized Debtor and the claim of any holder with respect to such unclaimed property shall be discharged and forever barred.

(b) Voided Checks.

Checks issued by the Reorganized Debtor in respect of Allowed Claims shall be null and void if not cashed within ninety (90) days of the date of delivery thereof. Requests for reissuance of any check shall be made to the Debtor's attorney Charlie Shelton, at Hayward PLLC, 7600 Burnet Road, Ste. 530, Austin, Texas 78757 and by email to cshelton@haywardfirm.com, by the holder of the Allowed Claim to whom such check originally was issued. Any claim in respect of such a voided check must be made to the Debtor's attorney in writing within one-hundred eighty (180) days after the date of delivery of such check. After such date, all claims in respect of void checks shall be discharged and forever barred, and the amount of such checks shall be returned to the Debtor.

(c) Minimum Distributions.

The Reorganized Debtor shall not be required to make Distributions to any holder of an Allowed General Unsecured Claim if such Distribution is less than \$50.00.

14.05 Governing Law.

Unless a rule or law or procedure supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules) is applicable, or a specific choice of law provision is provided by federal law, the internal laws of the State of Texas shall govern the construction and implementation of the Plan and any agreements, documents and instruments executed in connection with the Plan without regard to conflicts of law.

14.06 Non-Severability of Plan Provisions. If, before the entry of the Confirmation Order, any term or provision of the Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court, at the request of the Debtor, shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of the Plan will remain in full force and effect and will in no way be affected, impaired or invalidated by such holding, alteration, or interpretation, as applicable. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is (1) valid and enforceable pursuant to its terms, (2) integral to the Plan and may not be deleted or modified without the consent of the Debtor or Reorganized Debtor (as the case may be), and (3) nonseverable and mutually dependent.

14.07. Consent to Jurisdiction. Upon default under the Plan, the Reorganized Debtor, WPP and the Committee, or any successor thereto, respectively, consent to the jurisdiction of the Bankruptcy Court, and agree that it shall be the preferred forum for all proceedings relating to any such default.

Dated: January 3, 2025

WESTLAKE SURGICAL, L.P. D/B/A THE
HOSPITAL AT WESTLAKE MEDICAL CENTER

By: /s/ Jerry Jasper
Jerry Jasper
Chief Administrative Officer
Representative for Debtor

WESTLAKE PRINCIPAL PARTNERS, LLC

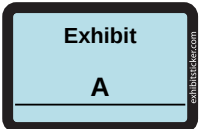
By: /s/ Michael Welch
Michael Welch
Manager

DRAFTED and APPROVED:

HAYWARD PLLC
/s/ Charlie Shelton
Charlie Shelton
State Bar No. 24079317
7600 Burnet Road, Suite 530
Austin, Texas 78757
(737) 881-7100
cshelton@haywardfirm.com

***Counsel for Westlake Surgical, L.P. d/b/a
The Hospital at Westlake Medical***

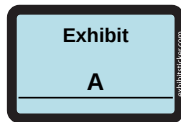
Claim Class	Est. Claim (\$000s) ¹	Est. Liquidation Recovery	Plan Recovery
Unclassified Claims			
-- Ch. 11 Admin Claims	\$ 5,127	0%	100%
-- Ch. 11 Professionals	5,682	15%	100%
-- Other Priority Claims	81	0%	100%
Class 1 Priority Tax Claims	118	0%	100%
Class 2 Other Secured Claims	640	0%	100%
Class 3 eCapital Claims	4,625	90%	100%
Class 4 WestRise Claims	16,287	0%	7%
Class 5 General Unsecured Claims	31,045	0%	5%
² Class 6 Equity Interest	\$ -	0%	0%



¹ The foregoing is an estimate only and not to be misconstrued as an admission by Westlake. These claims figures have not been fully adjudicated and are thus subject to change. Further, some claims may be reclassified as deficiency claims in whole or in part.

² Retain Earnings balance was approx. negative \$30M on the date of filing; as such, Est. Claim amount herein is \$0.

Recovery Assumptions:	
Liquidation:	
--	Ch. 11 Admin recovery is 15% (or \$851K); produced by eCapital's Ch. 11 professional carve-out (Carve-Out).
Class 3	eCapital's recovery is 90% (or \$4.2M) after Ch. 7 liquidation costs and Carve-Out.
Plan:	
<i>Unclassified</i>	
--	Ch. 11 Admins include i) post-petition Accounts Payable ("AP"), ii) landlord cure, and iii) other contract cures. This class is paid in full by May 2026. Ref. Plan Projections ("Projections"): Accounts Payable (Post-Petition)', 'Structured Payments - Landlord', and 'Allowed Admin Expense Claims'. Note that post-petition AP in the Projections includes post-effective date AP
--	Ch. 11 Professionals are paid in full by Aug 2026. Ref. Projections, 'Structured Payments - Professional Claims'.
--	Other Priority Claims total \$81K and in full on the Plan effective date.
Class 1	Priority Tax Claims are paid in monthly installments over 5 years
Class 2	Consists of Travis County and equipment lessors who will be paid pursuant to payment plans.
Class 3	eCapital's DIP facility is rolled into an exit facility; ref. Projections, 'eCapital Line of Credit'.
Class 4	WestRise is converted to 14% of equity. Recovery of 7% (or \$1.2M) represents 14% of Shareholder's Equity on the Plan's effective date.
Class 5	GUC's receive \$1.5M in structured payments per Plan; paid in full by Feb 2027. Ref. Projections 'Structured Payments - GUCs'.
Class 6	No recovery.



Assets	Est. Assets (\$000s)	Liquidation Recovery %			Liquidation Recovery \$000s		
		Low	Med	High	Low	Med	High
Gross Liquidation Proceeds							
A/R, available for borrowing	\$ 5,063	50%	80%	100%	\$ 2,532	\$ 4,050	\$ 5,063
PP&E (net)	5,275	2%	5%	10%	106	264	528
Prepaid & Other	1,542	2%	5%	10%	31	77	154
Inventory	715	10%	25%	50%	72	179	358
Total Liquidation Proceeds	\$ 12,595	22%	36%	48%	\$ 2,739	\$ 4,570	\$ 6,102
Chapter 7 Costs							
Less: Ch 7 Trustee Fees					\$ (82)	\$ (137)	\$ (183)
Less: Ch 7 Professionals					(110)	(183)	(244)
Less: Ch 7 Admin/Wind Down					(1,023)	(818)	(665)
Less: Ch 11 Pro Fee Carve Out					(851)	(851)	(851)
Total Ch. 7 Costs					\$ (2,066)	\$ (1,989)	\$ (1,943)
Net Liquidation Proceeds Avail. for Distribution					\$ 674	\$ 2,581	\$ 4,159
Ch 7 Claims & Recovery (\$000s)							
	Est. Claims (\$000s)	Low	Med	High	Low	Med	High
Secured Claims							
eCapital	\$ 4,625	15%	56%	90%	\$ 674	\$ 2,581	\$ 4,159
Westrise	16,287	0%	0%	0%	-	-	-
Other Secured Claims	640	0%	0%	0%	-	-	-
Total Secured Claims Recovery	\$ 21,552	3%	12%	19%	\$ 674	\$ 2,581	\$ 4,159
Net Liquidation Proceeds Avail. for Priority & Admin					\$ -	\$ -	\$ -
Priority & Admin Claims							
Priority Tax	\$ 118	0%	0%	0%	\$ -	\$ -	\$ -
Ch. 11 Admin	5,127	0%	0%	0%	-	-	-
Ch. 11 Pro Fees, Net of Carve Out	4,831	0%	0%	0%	-	-	-
Other Priority	81	0%	0%	0%	-	-	-
Total Priority & Admin Recovery	\$ 10,076	0%	0%	0%	\$ -	\$ -	\$ -
Net Liquidation Proceeds Avail. for General Unsecured					\$ -	\$ -	\$ -
General Unsecured							
GUCs	\$ 31,045	0%	0%	0%	\$ -	\$ -	\$ -
Total GUCs Recovery	\$ 31,045	0%	0%	0%	\$ -	\$ -	\$ -
Remaining Proceeds After GUCs					\$ -	\$ -	\$ -

Claim Class	Pmts Pre/On Eff.		Pmts Post-Eff. Date	Total Payments
	Date			
Unclassified Claims				
-- Ch. 11 Admin Claims	\$ 500	\$ 4,627	\$ 5,127	A
-- Ch. 11 Professionals	2,716	2,966	5,682	1
-- Other Priority Claims	81	-	81	
Class 1 Priority Tax Claims	-	118	118	
Class 2 Other Secured Claims	-	640	640	2
Class 3 eCapital Claims	4,625	-	4,625	
Class 4 Westrise Claims	-	1,172	1,172	B
Class 5 General Unsecured Claims	300	1,200	1,500	
Class 6 Equity Interest	-	-	-	
Total	\$ 8,222	\$ 10,723	\$ 18,945	

Ch. 11 Admin Claims Summary			
	Pmts Pre/On Eff.		Total Payments
	Date	Pmts Post-Eff. Date	
Admin Claims, excl. professionals	\$ 302	\$ 2,998	\$ 3,300
Landlord Cure	-	1,347	1,347
Other Contract Cures	198	282	480
Total Ch. 11 Admin	\$ 500	\$ 4,627	\$ 5,127

Westrise Recovery Calculation		
Shareholder's Equity at Plan Eff. Date	\$ 8,370	
Westrise Equity %	14%	
Westrise Equity Value	\$ 1,172	B

- 1 Payments Pre/On Eff. Date' comprises i) eCapital's legal fees paid prior to eff. date - \$0.5M, ii) eff. date payments per Plan - \$1.4M, and iii) excess/unapplied eff. date contribution - \$0.7M
- 2 Consists of Travis County and equipment lessors who will be paid pursuant to payment plans. Assumes certain claims, previously filed as Secured, have deficiency claims that are converted to GUCs

Exhibit

A

exhibitsticker.com

Exhibit

B

exhibitbucker.com

CONFIDENTIAL - Subject to Protective Order

Draft - Subject to Revision

The Hospital at Westlake Medical Center

Fiscal Year Ending Dec. 31

(US\$ in thousands)

	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Projected	Projected
	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	FYE 2024
Summary P&L													
Net Revenue	\$ 2,841	\$ 2,990	\$ 2,562	\$ 2,802	\$ 2,849	\$ 5,074	\$ 3,770	\$ 4,535	\$ 3,130	\$ 3,653	\$ 4,148	\$ 3,337	\$ 41,690
Direct Expenses	957	1,138	850	841	920	1,493	1,048	1,393	1,048	1,431	1,746	963	13,829
Indirect Expenses	1,784	1,804	1,837	1,987	1,946	1,962	1,987	2,085	2,021	2,120	2,049	1,861	23,441
Total Operating Expenses	2,741	2,942	2,686	2,827	2,866	3,455	3,036	3,478	3,069	3,551	3,795	2,824	37,271
EBITDA	\$ 99	\$ 47	\$ (124)	\$ (26)	\$ (17)	\$ 1,619	\$ 734	\$ 1,057	\$ 61	\$ 103	\$ 353	\$ 512	\$ 4,419
Depreciation & Amortization	75	75	74	72	72	72	70	69	70	71	71	75	867
Interest and Fees	81	86	78	73	68	73	73	69	59	54	57	(2,157)	(1,385)
Restructuring Expenses	686	83	456	421	(103)	497	183	419	419	(796)	528	58	2,851
Net Income	\$ (743)	\$ (197)	\$ (733)	\$ (591)	\$ (53)	\$ 977	\$ 408	\$ 500	\$ (488)	\$ 774	\$ (303)	\$ 2,536	\$ 2,086
Summary Balance Sheet													
Cash	423	503	181	242	143	478	163	2,193	2,058	1,038	1,854	2,208	2,208
Professional Fee Escrow	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable (Net)	10,683	11,169	10,725	10,885	11,420	13,958	13,834	15,001	14,000	14,434	14,353	14,489	14,489
Other Current Assets	1,653	1,643	1,682	1,763	1,749	1,811	1,766	1,775	1,717	2,010	2,283	1,732	1,732
Total Current Assets	\$ 12,759	\$ 13,315	\$ 12,588	\$ 12,890	\$ 13,312	\$ 16,247	\$ 15,763	\$ 18,969	\$ 17,775	\$ 17,482	\$ 18,490	\$ 18,430	\$ 18,430
Fixed Assets	5,839	5,764	5,690	5,618	5,546	5,474	5,404	5,335	5,294	5,224	5,275	5,200	5,200
Intercompany Due From	357	353	353	353	353	353	353	353	353	353	353	353	353
Total Assets	\$ 18,955	\$ 19,432	\$ 18,631	\$ 18,860	\$ 19,211	\$ 22,073	\$ 21,519	\$ 24,656	\$ 23,422	\$ 23,058	\$ 24,119	\$ 23,983	\$ 23,983
Accounts Payable (Post-Petition)	1,624	2,257	2,251	3,091	3,747	4,253	3,917	3,962	3,667	3,565	3,479	3,340	3,340
Accrued Expenses (Post-Petition)	1,081	1,183	1,045	1,035	737	1,553	1,104	3,172	3,006	3,446	3,652	1,121	1,121
Restructuring Professional Fees	3,843	3,810	4,199	4,618	4,442	4,934	5,098	5,454	5,869	4,897	5,507	5,565	5,565
eCapital Line of Credit	5,045	5,160	4,888	4,535	4,835	4,942	4,636	4,841	3,877	3,363	4,009	4,009	4,009
Junior DIP Financing	-	-	-	-	-	-	-	-	300	450	450	450	450
Total Current Liabilities	\$ 11,593	\$ 12,409	\$ 12,383	\$ 13,279	\$ 13,761	\$ 15,682	\$ 14,755	\$ 17,429	\$ 16,719	\$ 15,721	\$ 17,096	\$ 14,486	\$ 14,486
Pre-Petition Claims	40,466	40,423	40,379	40,335	40,291	40,291	40,291	40,291	40,291	40,189	40,189	40,189	40,189
Structured Payments - Professional Claims	-	-	-	-	-	-	-	-	-	-	-	-	-
Structured Payments - Landlord	-	-	-	-	-	-	-	-	-	-	-	-	-
Structured Payments - GUCs	-	-	-	-	-	-	-	-	-	-	-	-	-
Structured Payments - Priority Claims	-	-	-	-	-	-	-	-	-	-	-	-	-
Structured Payments - Travis County	-	-	-	-	-	-	-	-	-	-	-	-	-
Allowed Admin Claims	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Leases	615	585	553	522	487	453	418	381	344	307	295	234	234
Total Liabilities	\$ 52,675	\$ 53,416	\$ 53,316	\$ 54,136	\$ 54,540	\$ 56,426	\$ 55,464	\$ 58,101	\$ 57,355	\$ 56,218	\$ 57,581	\$ 54,908	\$ 54,908
Shareholders' Equity	(33,719)	(33,984)	(34,685)	(35,276)	(35,329)	(34,353)	(33,945)	(33,445)	(33,933)	(33,159)	(33,462)	(30,926)	(30,926)
Total Liabilities and Equity	\$ 18,955	\$ 19,432	\$ 18,631	\$ 18,860	\$ 19,211	\$ 22,073	\$ 21,519	\$ 24,656	\$ 23,422	\$ 23,058	\$ 24,119	\$ 23,983	\$ 23,983

CONFIDENTIAL

CONFIDENTIAL - Subject to Protective Order

Draft - Subject to Revision

The Hospital at Westlake Medical Center	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
Fiscal Year Ending Dec. 31		Pre-Trxn	Post-Trxn												FYE
(US\$ in thousands)	Jan-25	Feb-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25		2025
Summary P&L															
Net Revenue	\$ 3,544	\$ 3,544	\$ 3,544	\$ 3,544	\$ 3,544	\$ 3,544	\$ 3,544	\$ 3,733	\$ 3,733	\$ 3,733	\$ 3,733	\$ 3,733	\$ 3,733	\$ 3,733	\$ 43,660
Direct Expenses	1,104	1,104	1,104	1,104	1,104	1,104	1,104	1,177	1,177	1,177	1,177	1,177	1,177	1,177	13,686
Indirect Expenses	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,925	1,925	1,925	1,925	1,925	1,925	1,925	23,074
Total Operating Expenses	3,025	3,025	3,025	3,025	3,025	3,025	3,025	3,102	3,102	3,102	3,102	3,102	3,102	3,102	36,760
EBITDA	\$ 519	\$ 519	\$ 519	\$ 519	\$ 519	\$ 519	\$ 519	\$ 631	\$ 631	\$ 631	\$ 631	\$ 631	\$ 631	\$ 631	\$ 6,900
Depreciation & Amortization	75	75	75	75	75	75	75	75	75	75	75	75	75	75	900
Interest and Fees	153	43	43	47	141	43	44	123	45	45	44	43	42	42	814
Restructuring Expenses	58	58	58	-	-	-	-	-	-	-	-	-	-	-	117
Net Income	\$ 233	\$ 343	\$ 343	\$ 397	\$ 304	\$ 401	\$ 400	\$ 432	\$ 510	\$ 511	\$ 512	\$ 512	\$ 513	\$ 513	\$ 5,069
Summary Balance Sheet															
Cash	1,652	989	442	-	0	0	0	0	0	0	0	0	0	0	0
Professional Fee Escrow	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable (Net)	14,743	14,923	14,923	15,185	15,360	15,517	15,666	15,927	16,114	16,271	16,418	16,556	16,686	16,686	16,686
Other Current Assets	1,813	1,787	1,787	1,760	1,734	1,707	1,681	1,766	1,766	1,766	1,766	1,766	1,766	1,766	1,766
Total Current Assets	\$ 18,209	\$ 17,698	\$ 17,151	\$ 16,946	\$ 17,094	\$ 17,224	\$ 17,347	\$ 17,693	\$ 17,880	\$ 18,038	\$ 18,184	\$ 18,322	\$ 18,452	\$ 18,452	\$ 18,452
Fixed Assets	5,167	5,134	5,134	5,100	5,067	5,034	5,000	4,967	4,934	4,900	4,867	4,834	4,800	4,800	4,800
Intercompany Due From	353	353	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Assets	\$ 23,729	\$ 23,185	\$ 22,285	\$ 22,046	\$ 22,161	\$ 22,258	\$ 22,347	\$ 22,660	\$ 22,814	\$ 22,938	\$ 23,051	\$ 23,156	\$ 23,253	\$ 23,253	\$ 23,253
Accounts Payable (Post-Petition)	2,752	1,843	1,843	1,868	1,876	1,886	1,849	1,856	1,835	1,841	1,804	1,761	1,781	1,781	1,781
Accrued Expenses (Post-Petition)	1,201	1,201	1,201	1,201	1,201	1,201	1,201	1,232	1,232	1,232	1,232	1,232	1,232	1,232	1,232
Restructuring Professional Fees	5,624	5,682	-	-	-	-	-	-	-	-	-	-	-	-	-
eCapital Line of Credit	4,009	4,009	4,009	3,488	3,432	3,509	3,626	3,835	3,853	3,814	3,807	3,795	3,713	3,713	3,713
Junior DIP Financing	450	450	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Current Liabilities	\$ 14,035	\$ 13,185	\$ 7,053	\$ 6,557	\$ 6,509	\$ 6,596	\$ 6,676	\$ 6,922	\$ 6,919	\$ 6,887	\$ 6,842	\$ 6,788	\$ 6,725	\$ 6,725	\$ 6,725
Pre-Petition Claims	40,189	40,189	-	-	-	-	-	-	-	-	-	-	-	-	-
Structured Payments - Professional Claims	-	-	3,752	3,752	3,752	3,502	3,252	3,002	2,752	2,502	2,252	2,002	1,752	1,752	1,752
Structured Payments - Landlord	-	-	1,500	1,400	1,300	1,200	1,100	1,000	900	800	700	600	500	500	500
Structured Payments - GUCs	-	-	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Structured Payments - Priority Claims	-	-	26	26	26	26	26	26	26	26	26	26	26	26	26
Structured Payments - Travis County	-	-	224	220	217	213	209	205	202	198	194	190	187	187	187
Allowed Admin Claims	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Leases	197	160	160	123	86	49	13	-	-	-	-	-	-	-	-
Total Liabilities	\$ 54,421	\$ 53,534	\$ 13,915	\$ 13,279	\$ 13,090	\$ 12,786	\$ 12,475	\$ 12,355	\$ 11,999	\$ 11,612	\$ 11,214	\$ 10,806	\$ 10,390	\$ 10,390	\$ 10,390
Shareholders' Equity	(30,692)	(30,349)	8,370	8,767	9,071	9,472	9,872	10,305	10,815	11,326	11,837	12,350	12,863	12,863	12,863
Total Liabilities and Equity	\$ 23,729	\$ 23,185	\$ 22,285	\$ 22,046	\$ 22,161	\$ 22,258	\$ 22,347	\$ 22,660	\$ 22,814	\$ 22,938	\$ 23,051	\$ 23,156	\$ 23,253	\$ 23,253	\$ 23,253

CONFIDENTIAL - Subject to Protective Order

Draft - Subject to Revision

The Hospital at Westlake Medical Center	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	
Fiscal Year Ending Dec. 31	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	FYE		
(US\$ in thousands)	2026	2026	2026	2026	2027	2027	2027	2027	2026	2027	
Summary P&L											
Net Revenue	\$ 11,198	\$ 11,198	\$ 11,198	\$ 11,198	\$ 11,198	\$ 11,198	\$ 11,198	\$ 11,198	\$ 44,793	\$ 44,793	
Direct Expenses	3,532	3,532	3,532	3,532	3,532	3,532	3,532	3,532	14,127	14,127	
Indirect Expenses	5,774	5,774	5,774	5,774	5,774	5,774	5,774	5,774	23,097	23,097	
Total Operating Expenses	9,306	9,306	9,306	9,306	9,306	9,306	9,306	9,306	37,224	37,224	
EBITDA	\$ 1,892	\$ 1,892	\$ 1,892	\$ 1,892	\$ 1,892	\$ 1,892	\$ 1,892	\$ 1,892	\$ 7,569	\$ 7,569	
Depreciation & Amortization	225	225	225	225	225	225	225	225	900	900	
Interest and Fees	114	89	60	25	5	4	3	3	288	15	
Restructuring Expenses	-	-	-	-	-	-	-	-	-	-	
Net Income	\$ 1,553	\$ 1,578	\$ 1,607	\$ 1,642	\$ 1,662	\$ 1,663	\$ 1,664	\$ 1,664	\$ 6,381	\$ 6,654	
Summary Balance Sheet											
Cash	-	-	-	-	1,141	2,834	4,527	6,221	-	6,221	
Professional Fee Escrow	-	-	-	-	-	-	-	-	-	-	
Accounts Receivable (Net)	16,621	16,726	16,785	16,844	16,903	16,963	17,022	17,081	16,844	17,081	
Other Current Assets	1,766	1,766	1,766	1,766	1,766	1,766	1,766	1,766	1,766	1,766	
Total Current Assets	\$ 18,388	\$ 18,492	\$ 18,551	\$ 18,610	\$ 19,811	\$ 21,563	\$ 23,316	\$ 25,069	\$ 18,610	\$ 25,069	
Fixed Assets	4,700	4,600	4,500	4,400	4,300	4,200	4,100	4,000	4,400	4,000	
Intercompany Due From	-	-	-	-	-	-	-	-	-	-	
Total Assets	\$ 23,088	\$ 23,092	\$ 23,052	\$ 23,011	\$ 24,111	\$ 25,764	\$ 27,416	\$ 29,069	\$ 23,011	\$ 29,069	
Accounts Payable (Post-Petition)	1,799	1,817	1,817	1,817	1,817	1,817	1,817	1,817	1,817	1,817	
Accrued Expenses (Post-Petition)	1,232	1,232	1,232	1,232	1,232	1,232	1,232	1,232	1,232	1,232	
Restructuring Professional Fees	-	-	-	-	-	-	-	-	-	-	
eCapital Line of Credit	3,038	2,407	1,222	151	-	-	-	-	151	-	
Junior DIP Financing	-	-	-	-	-	-	-	-	-	-	
Total Current Liabilities	\$ 6,068	\$ 5,456	\$ 4,271	\$ 3,199	\$ 3,049	\$ 3,049	\$ 3,049	\$ 3,049	\$ 3,199	\$ 3,049	
Pre-Petition Claims	-	-	-	-	-	-	-	-	-	-	
Structured Payments - Professional Claims	1,002	252	-	-	-	-	-	-	-	-	
Structured Payments - Landlord	200	-	-	-	-	-	-	-	-	-	
Structured Payments - GUCs	1,200	1,200	1,000	400	-	-	-	-	400	-	
Structured Payments - Priority Claims	26	26	26	26	26	26	26	26	26	26	
Structured Payments - Travis County	176	164	153	142	131	120	108	97	142	97	
Allowed Admin Claims	-	-	-	-	-	-	-	-	-	-	
Capital Leases	-	-	-	-	-	-	-	-	-	-	
Total Liabilities	\$ 8,672	\$ 7,098	\$ 5,450	\$ 3,767	\$ 3,205	\$ 3,194	\$ 3,183	\$ 3,172	\$ 3,767	\$ 3,172	
Shareholders' Equity	14,416	15,994	17,602	19,244	20,906	22,570	24,233	25,898	19,244	25,898	
Total Liabilities and Equity	\$ 23,088	\$ 23,092	\$ 23,052	\$ 23,011	\$ 24,111	\$ 25,764	\$ 27,416	\$ 29,069	\$ 23,011	\$ 29,069	

The Hospital at Westlake Medical Center

Balance Sheet

Case name: Westlake Surgical, LP
Case number: 23-10747
Reporting Period: 11/01/2024-11/30/2024

	9/30/2023	10/31/2023	11/30/2023	12/31/2023	1/31/2024	2/29/2024	3/31/2024	4/30/2024	5/31/2024	6/30/2024	7/31/2024	8/31/2024	9/30/2024	10/31/2024	11/30/2024	
Assets																
Cash in bank	\$ 255,761	\$ 602,050	241,985	1,003,061	422,615	502,805	181,076	242,268	143,413	477,594	162,943	2,192,913	2,058,095	1,037,581	1,854,090	A
Accounts receivable																
Patient accounts receivable	13,904,664	14,083,108	15,655,663	16,913,507	16,564,949	17,008,548	16,693,586	16,967,905	17,688,708	20,378,845	20,365,689	21,668,660	20,757,175	21,300,570	21,343,876	
Bad debt allowance	(5,590,939)	(5,838,075)	(5,814,802)	(5,839,054)	(5,882,337)	(5,839,196)	(5,968,430)	(6,083,372)	(6,268,829)	(6,420,932)	(6,531,722)	(6,627,648)	(6,737,350)	(6,866,645)	(6,990,872)	
Net patient accounts receivable	8,313,725	8,245,033	9,840,861	11,074,453	10,682,612	11,169,352	10,725,156	10,884,534	11,419,879	13,957,912	13,833,967	15,001,013	13,999,825	14,433,925	14,353,004	A
Other current assets																
Prepaid expenses	378,404	348,856	511,345	471,252	517,467	507,204	531,134	612,203	598,126	660,713	615,169	624,512	566,518	544,488	524,130	
Inventory	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	
Deposits	5,500	6,500	11,500	11,500	11,500	11,500	26,300	26,300	26,300	26,300	26,300	26,300	26,300	26,300	26,300	
Other receivables	950,643	820,808	780,677	724,253	724,253	724,253	724,253	724,253	724,253	724,253	724,253	724,253	724,253	724,253	724,253	
Total other current assets	1,734,546	1,576,164	1,703,523	1,607,006	1,653,221	1,642,957	1,681,687	1,762,756	1,748,680	1,811,266	1,765,722	1,775,065	1,717,072	2,010,261	1,989,903	A
Fixed assets																
Property, plant, & equipment	25,852,757	25,872,242	25,909,711	25,917,711	25,917,711	25,917,711	25,917,711	25,917,711	25,917,711	25,917,711	25,917,711	25,917,711	25,948,007	25,948,007	26,070,293	
Accumulated depreciation	(19,783,755)	(19,856,399)	(19,930,290)	(20,003,326)	(20,078,326)	(20,153,355)	(20,227,823)	(20,299,891)	(20,371,891)	(20,443,892)	(20,514,089)	(20,583,145)	(20,654,487)	(20,724,247)	(20,794,864)	
Total fixed assets	6,069,002	6,015,843	5,979,421	5,914,385	5,839,384	5,764,356	5,689,888	5,617,820	5,545,819	5,473,819	5,403,622	5,334,566	5,294,376	5,223,760	5,275,429	
Intercompany due from	322,998	327,374	311,736	320,519	357,171	352,777	352,777	352,777	352,777	352,777	352,777	352,777	352,777	352,777	352,777	
Total Assets	16,696,033	16,766,463	18,077,525	19,919,423	18,955,103	19,432,248	18,630,584	18,860,154	19,210,568	22,073,368	21,519,030	24,656,333	23,422,145	23,058,303	23,825,262	
Liabilities & Equity																
Current Liabilities - Postpetition																
Postpetition accounts payable	235,901	402,858	614,251	1,188,956	1,624,239	2,256,759	2,251,160	3,091,157	3,747,196	4,252,924	3,916,697	3,962,179	3,667,227	3,564,868	3,479,119	
Postpetition accrued expenses and taxes	812,747	848,011	998,188	1,109,499	1,081,027	1,182,717	1,044,882	1,034,979	737,130	1,552,655	1,104,058	3,171,936	3,005,959	3,446,500	3,651,669	
Postpetition accrued restructuring costs	-	1,175,764	2,623,980	3,314,981	3,842,612	3,809,650	4,199,376	4,618,000	4,441,648	4,934,036	5,098,046	5,454,046	5,869,195	4,897,003	4,883,000	C
Postpetition Loan-Junior DIP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Postpetition line of credit - eCapital	5,272,841	5,428,333	5,678,784	5,935,131	5,045,496	5,159,923	4,887,803	4,535,066	4,835,024	4,942,197	4,636,017	4,840,591	3,877,070	3,362,772	4,008,734	
Total Current Liabilities - Postpetition	6,321,488	7,854,966	9,915,203	11,548,567	11,593,375	12,409,048	12,383,221	13,279,202	13,760,996	15,681,812	14,754,818	17,428,753	16,719,451	15,721,142	16,472,522	B
Current Liabilities Subject To Compromise																
Accounts payable Prepetition	10,793,163	11,049,176	11,103,047	11,103,047	11,103,047	11,103,047	11,103,047	11,103,047	11,103,047	11,103,047	11,103,047	11,103,047	11,103,047	11,000,896	11,000,896	
Other accrued liabilities Prepetition	1,691,243	1,464,904	1,480,565	1,411,726	1,241,581	1,241,581	1,241,581	1,241,581	1,241,581	1,241,581	1,241,581	1,241,581	1,241,581	1,241,581	1,241,581	
Intercompany due to	393,031	393,031	383,804	380,017	380,017	380,017	380,017	380,017	380,017	380,017	380,017	380,017	380,017	380,017	380,017	
Due to Westrise	9,106,828	9,106,828	9,106,828	9,106,828	9,106,828	9,106,828	9,106,828	9,106,828	9,106,828	9,106,828	9,106,828	9,106,828	9,106,828	9,106,828	9,106,828	
Other Secured Debt	2,322,009	2,322,009	2,322,009	2,322,009	2,322,009	2,322,009	2,322,009	2,322,009	2,322,009	2,322,009	2,322,009	2,322,009	2,322,009	2,322,009	2,322,009	
Other Related Party	217,826	304,197	261,065	217,826	174,478	131,022	87,457	43,783	-	-	-	-	-	-	-	
Other Unsecured Debt	408,228	408,228	408,228	408,228	408,228	408,228	408,228	408,228	408,228	408,228	408,228	408,228	408,228	408,228	408,228	
Total Current Liabilities Subject to Compromise	24,932,328	25,048,373	25,065,546	24,949,680	24,736,187	24,692,732	24,649,167	24,605,493	24,561,710	24,561,710	24,561,710	24,561,710	24,561,710	24,459,559	24,459,559	D
Long Term Liabilities Subject To Compromise																
Capital Leases	732,319	703,833	674,825	645,285	615,202	584,564	553,360	521,578	487,279	452,653	417,695	380,992	344,146	307,154	294,853	
Structured Agreements	10,069,055	10,069,055	10,069,055	10,069,055	10,069,055	10,069,055	10,069,055	10,069,055	10,069,055	10,069,055	10,069,055	10,069,055	10,069,055	10,069,055	10,069,055	
Loans - related parties	5,660,722	5,660,722	5,660,722	5,660,722	5,660,722	5,660,722	5,660,722	5,660,722	5,660,722	5,660,722	5,660,722	5,660,722	5,660,722	5,660,722	5,660,722	
Total Long Term Liabilities Subject to Compromise	16,462,096	16,433,610	16,404,602	16,375,062	16,344,979	16,314,341	16,283,137	16,251,355	16,217,055	16,182,429	16,147,471	16,110,769	16,073,922	16,036,931	16,024,630	
Total Liabilities	47,715,912	49,336,948	51,385,350	52,873,309	52,674,541	53,416,120	53,315,524	54,136,050	54,539,761	56,425,952	55,463,999	58,101,231	57,355,083	56,217,631	56,956,711	D
Equity																
Partner equity	17,093,127	17,093,127	17,093,127	17,093,127	17,093,127	17,093,127	17,093,127	17,093,127	17,093,127	17,093,127	17,093,127	17,093,127	17,093,127	17,093,127	17,093,127	
Retained earnings - prior	(47,919,945)	(48,036,844)	(48,116,380)	(48,114,523)	(50,069,467)	(50,105,085)	(50,105,085)	(50,105,085)	(50,105,085)	(50,105,085)	(50,105,085)	(50,105,085)	(50,105,085)	(50,105,085)	(50,105,085)	
Net profit/(loss) - current	(193,061)	(1,626,767)	(2,284,573)	(1,932,491)	(743,098)	(971,914)	(1,672,382)	(2,263,937)	(2,317,235)	(1,340,625)	(933,011)	(433,940)	(920,980)	(147,370)	(119,490)	
Total equity	(31,019,879)	(32,570,485)	(33,307,826)	(32,953,886)	(33,719,438)	(33,983,873)	(34,684,941)	(35,275,896)	(35,329,193)	(34,352,584)	(33,944,969)	(33,444,899)	(33,932,938)	(33,159,328)	(33,131,448)	
Total liabilities & equity	16,696,033	16,766,463	18,077,525	19,919,423	18,955,103	19,432,248	18,630,584	18,860,154	19,210,568	22,073,368	21,519,030	24,656,333	23,422,145	23,058,303	23,825,262	
check	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Footnotes																
A Sum of Postpetition current assets	10,304,032	10,423,247	11,786,368	13,684,519	12,758,547	13,315,115	12,587,919	12,889,558	13,311,972	16,246,772	15,762,632	18,968,990	17,774,992	17,481,767	18,197,056	
B Sum of Postpetition current liabilities	6,321,488	7,854,966	9,915,203	11,548,567	11,593,375	12,409,048	12,383,221	13,279,202	13,760,996	15,681,812	14,754,818	17,428,753	16,719,451	15,721,142	16,472,522	
C Current Ratio = A / B	1.6	1.3	1.2	1.2	1.1	1.1	1.0	1.0	1.0	1.0	1.1	1.1	1.1	1.1	1.1	
D Includes estimated Professional Fees, majority of invoices not received																
D Total prepetition liabilities, accounting for eCapital recharacterization and updated benefits figures																

Exhibit

C

exhibitsticker.com

The Hospital at Westlake Medical Center

Case name: Westlake Surgical, LP

Case number: 23-10747

Income Statement

Reporting Period: 11/01/2024-11/30/2024

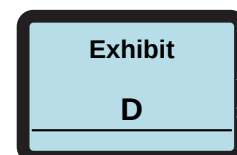
	9/9/23-9/30/23	10/31/2023	11/30/2023	12/31/2023	1/31/2024	2/29/2024	3/31/2024	4/30/2024	5/31/2024	6/30/2024	7/31/2024	8/31/2024	9/30/2024	10/31/2024	11/30/2024	Post Petition To Date
Revenue																
Inpatient revenue	4,567,796	8,514,772	11,245,304	13,906,536	8,415,649	11,384,931	9,747,670	9,228,935	9,689,853	19,220,939	9,375,596	13,588,039	7,276,352	12,885,964	13,946,922	162,995,258
Outpatient revenue	6,629,345	9,055,003	11,132,268	12,253,330	8,280,348	8,262,403	7,102,768	9,194,845	9,045,830	14,157,039	14,936,460	16,239,825	12,408,177	15,138,376	17,890,826	171,726,842
Revenue deductions	(9,285,133)	(14,528,810)	(18,491,612)	(21,525,689)	(13,858,872)	(16,662,904)	(14,290,857)	(15,625,208)	(15,889,733)	(28,307,863)	(20,619,055)	(25,297,012)	(16,694,450)	(24,381,176)	(27,698,841)	283,157,212
Bad debt expense	3,032	(190,275)	124,548	149,795	(78,032)	(161,390)	(63,659)	(41,314)	(85,379)	(152,103)	(110,790)	(135,926)	(89,702)	(109,295)	(124,167)	1,064,658
et patient revenue	1,915,040	2,850,690	4,010,508	4,783,972	2,759,092	2,823,040	2,495,922	2,757,258	2,760,572	4,918,011	3,582,211	4,394,927	2,900,377	3,533,869	4,014,740	50,500,230
Revenue - other	1,112	2,541	9,844	16,860	3,387	5,346	2,295	2,983	3,176	3,885	76,830	4,228	139,500	10,336	9,375	291,697
perating revenue	1,916,152	2,853,231	4,020,352	4,800,832	2,762,480	2,828,386	2,498,217	2,760,241	2,763,748	4,921,896	3,659,041	4,399,155	3,039,877	3,544,205	4,024,115	50,791,928
perating e penses																
Salaries & wages	805,658	1,127,259	1,079,297	1,092,708	773,427	846,900	881,657	839,281	857,964	812,943	889,259	973,113	937,491	930,257	1,034,454	13,881,669
Benefits	72,536	61,157	198,942	206,288	74,263	45,135	50,739	88,128	30,931	23,800	17,799	61,170	20,763	253,282	36,613	1,241,545
Contract labor	102,639	250,838	209,944	244,277	208,438	148,115	208,060	246,151	319,405	365,580	302,699	244,651	267,232	268,143	229,334	3,615,505
Purchased services	115,714	174,793	195,628	225,575	175,495	144,606	120,206	185,383	147,821	125,688	114,265	147,576	104,794	90,909	105,560	2,174,013
Supplies - clinical	516,778	760,704	972,329	1,249,738	957,222	1,138,154	849,538	840,547	920,100	1,492,862	1,048,352	1,393,032	1,048,420	1,431,118	1,746,382	16,365,274
Supplies - non-clinical	7,876	24,009	24,544	16,346	15,482	10,240	20,534	8,873	19,288	14,279	21,443	19,515	19,882	26,370	21,874	270,555
Rent - facility	198,450	273,693	273,693	273,693	273,752	273,752	273,752	273,752	273,752	273,752	273,752	273,752	273,752	215,440	271,319	3,970,057
Rent - equipment	19,074	20,488	27,661	22,089	19,832	23,773	20,496	21,129	19,569	17,453	15,980	20,772	23,619	29,974	37,372	339,281
Legal & other professional fees	27,793	13,334	18,482	38,698	28,893	27,362	22,657	34,931	36,701	37,231	46,483	31,772	69,229	34,389	48,590	516,545
Repairs & maintenance	16,714	38,397	47,097	28,979	29,433	25,735	70,428	56,168	44,857	23,751	32,117	50,730	41,968	59,628	25,317	591,321
Utilities	28,709	37,005	36,088	34,069	36,763	34,729	37,260	48,935	42,652	46,725	48,322	45,966	45,127	41,609	40,224	604,183
Insurance	18,339	23,896	24,978	26,017	26,017	26,017	26,017	26,099	26,017	28,444	28,444	28,444	28,444	28,444	28,444	394,056
Property & sales taxes	10,668	14,113	15,508	14,725	9,815	8,428	12,492	86,510	6,382	16,857	22,496	16,010	10,836	4,287	9,447	258,574
Other expenses	19,247	20,290	36,499	31,331	22,257	16,148	16,562	17,976	26,500	15,337	54,953	26,654	79,309	19,126	27,578	429,769
Total operating e penses	1,960,197	2,839,977	3,160,690	3,504,532	2,651,089	2,769,092	2,610,398	2,773,863	2,771,939	3,294,702	2,916,362	3,333,159	2,970,864	3,432,976	3,662,506	44,652,345
perating income/ loss - EBITDA	44,045	13,254	859,662	1,296,300	111,391	59,294	112,180	13,622	8,191	1,627,194	742,679	1,065,996	69,013	111,229	361,609	6,139,582
ther non-operating revenue & e penses																
Interest & finance charges	84,571	86,248	83,665	103,894	81,396	86,434	77,826	72,683	67,899	72,950	73,355	69,357	59,054	54,489	57,326	1,131,148
Depreciation & amorti ation	55,644	72,645	73,891	73,036	75,001	75,028	74,468	72,068	72,001	72,001	70,197	69,056	70,486	70,617	70,617	1,066,753
Texas margin tax	8,800	12,000	12,000	12,000	12,000	12,000	12,000	12,000	8,513	8,513	8,513	8,513	8,513	8,513	8,513	152,388
Restructuring expenses	-	1,276,068	1,347,912	755,288	686,092	82,810	456,432	420,582	(103,305)	497,121	183,000	419,000	419,000	(796,000)	197,274	5,841,274
Other (revenue)/expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other non-operating rev & e p	149,016	1,446,961	1,517,468	944,218	854,488	256,273	620,726	577,333	45,107	650,584	335,064	565,925	557,053	662,382	333,729	8,191,563
et income/ loss	193,061	1,433,707	657,806	352,082	743,098	196,978	732,906	590,955	53,297	976,609	407,614	500,070	488,040	773,610	27,880	2,051,980

The Hospital at Westlake Medical Center

Case name: Westlake Surgical, LP
Case number: 23-10747
Reporting Period: 11/01/2024-11/30/2024

	9/9/2023 to 9/30/2023	10/1/2023 to 10/31/2023	11/1/2023 to 11/30/2023	12/1/2023 to 12/31/2023	1/1/2024 to 1/31/2024	2/1/2024 to 2/29/2024	3/1/2024 to 3/31/2024	4/1/24 to 4/30/2024	5/1/2024 to 5/31/2024	6/1/24 to 6/30/2024	7/1/24 to 7/31/2024	8/1/24 to 8/31/2024	9/1/24 to 9/30/2024	10/1/24 to 10/31/2024	11/1/24 to 11/30/2024
Cash - Beginning of Period	100,529	265,657	609,931	248,863	1,009,534	423,538	507,015	193,272	245,491	153,697	483,422	167,519	2,213,609	2,069,299	1,048,982
Receipts															
Patient AR	1,339,582	2,985,219	2,426,800	3,575,593	3,135,909	2,305,898	2,998,175	2,611,743	2,279,494	3,063,923	3,573,839	3,213,648	4,270,739	3,388,991	4,135,213
Non-Patient AR	55,101	93,683	64,371	65,956	27,789	94,857	26,604	59,945	11,675	59,460	201,478	2,411,276	34,717	48,776	8,834
Total Receipts	1,394,683	3,078,902	2,491,171	3,641,548	3,163,698	2,400,755	3,024,779	2,671,688	2,291,169	3,123,383	3,775,317	5,624,924	4,305,456	3,437,767	4,144,047
Disbursements															
Payroll	(1,166,963)	(1,113,019)	(1,050,960)	(998,122)	(883,651)	(778,189)	(1,138,900)	(771,547)	(795,108)	(775,615)	(795,067)	(1,236,830)	(900,008)	(919,535)	(933,382)
Contract Labor	(153,798)	(211,062)	(214,028)	(197,567)	(146,395)	(99,036)	(246,843)	(140,559)	(161,091)	(134,525)	(244,662)	(312,213)	(260,100)	(421,222)	(323,000)
Benefits	(36,224)	(1,075)	(69,078)	(27,488)	(7,846)	(400)	(91,931)	(57,619)	(21,986)	(36,790)	(102,655)	(844)	(111,649)	(162,000)	(79,751)
Supplies	(529,017)	(858,306)	(1,087,167)	(1,156,400)	(974,974)	(831,698)	(850,680)	(987,336)	(1,032,510)	(1,169,218)	(1,259,992)	(1,407,014)	(1,346,102)	(1,206,380)	(1,801,657)
Purch Svcs/Maint/OCP	(73,042)	(164,499)	(154,201)	(226,443)	(175,111)	(132,163)	(136,815)	(102,230)	(111,394)	(88,770)	(99,130)	(111,717)	(269,896)	(246,418)	(136,052)
Rent/Leases	(3,434)	(346,590)	(312,086)	(338,689)	(321,579)	(331,625)	(345,845)	(5,579)	(284,949)	(431,949)	(409,869)	(506,434)	(400,000)	(435,383)	(451,927)
Utilities	(6,000)	(40,090)	(39,783)	(35,405)	(32,914)	(35,226)	(26,150)	(7,133)	(6,799)	(4,052)	(6,409)	(6,438)	(5,665)	(938)	(4,303)
Insurance	(22,522)	(21,450)	(89,463)	(24,633)	(24,633)	(24,633)	(24,633)	(25,495)	(24,603)	(75,495)	(25,495)	-	-	-	-
Other Opex	(17,697)	(10,734)	(15,627)	(20,648)	(64,395)	(23,639)	(63,812)	(37,835)	(46,343)	(62,950)	(691,450)	(62,180)	(45,452)	(27,528)	(12,260)
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pro Fees	-	-	-	(64,287)	(142,390)	(32,323)	(15,364)	(4,414)	(10,440)	-	(20,043)	(10,527)	(9,184)	-	(27,710)
Utilities Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UST Fee	-	-	-	-	(16,083)	(72,508)	-	-	(66,450)	-	-	(63,000)	-	-	(85,693)
DIP Interest/Fees	-	(61,647)	(69,396)	(69,774)	(74,179)	(68,617)	(62,114)	(62,742)	(59,543)	(60,734)	(62,628)	(127,171)	(127,171)	(54,482)	(49,643)
Total Disbursements	2,008,698	2,828,474	3,101,790	3,134,824	2,864,150	2,430,055	3,003,088	2,202,489	2,621,216	2,840,098	3,717,400	3,717,197	3,475,227	3,473,886	3,905,378
et Cash Flo	614,016	250,428	610,619	506,724	299,548	29,300	21,691	469,198	330,047	283,285	57,917	1,907,727	830,229	36,119	238,669
DIP Activity															
DIP Funding	1,901,000	2,479,672	2,193,546	3,192,774	2,176,179	2,188,617	2,138,000	1,854,000	2,080,000	1,907,000	2,601,000	2,805,000	2,350,000	2,300,000	4,200,000
DIP Sweeps / Disbursements	(1,121,857)	(2,385,826)	(1,943,996)	(2,938,827)	(3,061,723)	(2,075,840)	(2,473,435)	(2,270,979)	(1,841,747)	(1,860,561)	(2,974,820)	(2,666,637)	(3,389,100)	(3,284,198)	(3,606,943)
et DIP Activity	779,143	93,846	249,551	253,947	885,544	112,777	335,435	416,979	238,253	46,439	373,820	138,363	1,039,100	984,198	593,057
Cash - End of Month	265,657	609,931	248,863	1,009,534	423,538	507,015	193,272	245,491	153,697	483,422	167,519	2,213,609	2,004,738	1,048,982	1,880,708
Outstanding Checks	(9,896)	(7,880)	(6,878)	(6,473)	(923)	(4,210)	(12,197)	(3,223)	(10,284)	(5,828)	(4,577)	(22,164)	(17,513)	(10,492)	(26,618)
Book Balance	\$ 255,761	\$ 602,050	\$ 241,985	\$ 1,003,061	\$ 422,615	\$ 502,805	\$ 181,075	\$ 242,268	\$ 143,413	\$ 477,594	\$ 162,942	\$ 2,191,445	\$2,051,786	\$ 1,038,489	\$ 1,854,090
Check	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0	\$ 1	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Receipts per Part 1, b. of MOR (A + B)	\$ 2,173,826	\$ 3,172,747	\$ 2,740,722	\$ 3,895,496	\$ 2,278,154	\$ 2,513,532	\$ 2,689,345	\$ 2,254,709	\$ 2,529,422	\$ 3,169,823	\$ 3,401,497	\$ 5,763,287	\$ 3,266,356	\$ 2,453,569	\$ 4,737,104

Westlake Surgical Group, LLC
Contract Cure Schedule



#	TITLE OF CONTRACT	DESCRIPTION OF CONTRACT	COUNTERPARTY	CATEGORY	CURE AMOUNT
4	Neuromodulation Products Purchase Agreement	Medical device products	Abbott Laboratories Inc.	Medical Devices	\$ -
8	Addendum Extension to Agreement for Transcription Services	Provides transcription services to physicians and professionals	Acusis, LLC	Software	\$ -
10	Patient Transfer Agreement	Transfer of patients	Aesthetic Physicians, PC,	Partner Facility	\$ -
11	Hospital Services Agreement	Health Benefits	Aetna Health, Inc.	Insurance	\$ -
13	Patient Transportation Service Agreement	Ambulance transportation services	Allegiance Bluebird Medical Enterprises, LLC	Service Provider	\$ -
14	Pending	Equipment Lease	Alliance Funding	Lease	\$ 34,500.00
15	Externship Agreement	Student educational program	Allied Health Careers Branch Capital	Education	\$ -
17	License Agreement	Credential profile	America Medical Association	Healthcare Association	\$ -
20	Healthcare Staffing Agreement	Travel nurse agency	AMN Healthcare, Inc.	Staffing	\$ -
21	Master Services Agreement	Healthcare staffing	AMN Workforce Solutions, LLC	Staffing	\$ -
22	Linen and Laundry Services Contract	Hospital linen and laundry services	Angelica Textiles	Service Provider	\$ -
23	Subscription Service Addendum to Master Agreement	Cloud-based credentialing software for healthcare industry	Applied Statistics & Management	Software	\$ -
25	Mutual Non-Disclosure Agreement	Non-Disclosure	Arise Healthcare System, LLC	Partner Facility	\$ -
26	Laboratory Agreement	Lab testing	Arise Healthcare System, LLC	Partner Facility	\$ -
27	Affiliation Agreement	Clinical training and educational purposes	Arizona Board of Regents	Education	\$ -
28	Services Agreement	Westlake to provide services to AHG patients	Assist Health Group (AHG)	Partner Facility	\$ -
29	Agreement for Contractor Services	Travel nurse agency	Atlas Medstaff	Staffing	\$ -
31	Service Agreement	Generator servicing	Austin Fleet Maintenance, Inc.	Equipment Maintenance Services	\$ -
32	Emergency Patient Transfer Contract	Transfer of patients	Austin Foot and Ankle Specialist	Partner Facility	\$ -
33	Hospitalist Services Agreement	On call physician coverage	Austin Medicine Consultants, PLLC	Specialty healthcare service provider	\$ -
34	Management Services Agreement	Management services	Austin Neuro Surgeons	Professional Services	\$ -
35	Transfer Agreement	Transfer of patients	Austin Pain Wellness	Partner Facility	\$ -
36	Business Associate Agreement	Radiology services	Austin Radiological Association, MSO, LLC	Specialty healthcare service provider	\$ -
37	Purchaser Agreement	Supply vendor products	Baxter Healthcare Corporation	Medical Devices	\$ -
38	Hospital Transfer Agreement	Medical facility	Baylor Scott	Partner Facility	\$ -
39	Facility Service Agreement	Healthcare staffing provider	Beech Street Corporation	Staffing	\$ -
40	Services Agreement	Perfusion services	Blue Blood Perfusion Group LLC	Service Provider	\$ -

Westlake Surgical Group, LLC
Contract Cure Schedule

#	TITLE OF CONTRACT	DESCRIPTION OF CONTRACT	COUNTERPARTY	CATEGORY	CURE AMOUNT
41	Amendment to Hospital Agreement For Blue Essentials Network	Health insurance provider	Blue Cross Blue Shield	Insurance	\$ -
42	Amendment to Hospital Agreement For HMO Medicaid Managed Care Program Participants	Health insurance provider	Blue Cross Blue Shield	Insurance	\$ -
43	Amendment to Hospital Agreement For Traditional Indemnity Business	Health insurance provider	Blue Cross Blue Shield	Insurance	\$ -
44	Amendment to Hospital Agreement	Health insurance provider	Blue Cross Blue Shield	Insurance	\$ -
45	Rebate Agreement	Rebate	Boston Scientific Corporation	Medical Devices	\$ -
46	Employment Agreement	Chief Financial Officer	Byron Luetters	Employee	\$ -
47	Direct Placement Agreement	Healthcare staffing	Cameron Search Staffing	Staffing	\$ -
48	Participating Agency/Subcontractor Agreement	Hospital funding	Capital Area Trauma Regional Advisory Council (CATRAC)	Healthcare Association	\$ -
49	Externship Agreement	Student externship	Capitol City Trade and Technical School Allied Health Careers Branch	Education	\$ -
52	Management Services Agreement	Management services	Central Texas Orthopedics	Professional Services	\$ -
53	Amendment No. 1 to Management Services Agreement	Management services	Central Texas Spine Institute	Professional Services	\$ -
54	Proxy Agreement	Bid agreement for equipment	Centurion Services Group, LLC	Service Provider	\$ -
55	Cyber Protection Package	Cyber security services	Chubb Indemnity Insurance Company of North America	Insurance	\$ -
56	Hospital Services Agreement	Health insurance provider	Cigna HealthCare of Texas, Inc.	Insurance	\$ -
57	Pathology Services Agreement	Pathology Services	Clinical Pathology Associates	Service Provider	\$ -
58	Clinical Laboratory Agreement	Clinical lab services	Clinical Pathology Laboratories	Lab Services	\$ 7,307.04
59	Staffing Agreement	Radiology healthcare staffing	Club Staffing, Inc.	Staffing	\$ -
60	Business Associate Agreement	Sign Language Services	Communication by Hand	Independent Contractor	\$ -
61	Service Agreement	Hotline service center	Compliance Resource Center	Software	\$ -
62	Business Associate Agreement	Medical devices	Conmed Linvatec	Medical Devices	\$ -
63	Services Agreement	Lab testing	Cordant Health Solutions	Lab Services	\$ -
64	Master Capital Purchase Agreement	Medical device products	Covidien Sales LLC	Medical Devices	\$ -
65	Staffing Services Agreement	Healthcare staffing	Cridentia Corporation	Staffing	\$ -
66	Agreement	Student educational program	Creighton University	Education	\$ -
67	Service Agreement	Document translation services	CyraCom International, Inc.	Service Provider	\$ -

Westlake Surgical Group, LLC
Contract Cure Schedule

#	TITLE OF CONTRACT	DESCRIPTION OF CONTRACT	COUNTERPARTY	CATEGORY	CURE AMOUNT
68	Transfer Agreement	Transfer of patients	Daughters of Charity Health Services of Austin	Partner Facility	\$ -
69	OfficeCare Program Consignment Agreement	Consignment of orthopedic products	DJO, Inc.	Medical Devices	\$ -
70	Management System Certification/Accreditation Agreement	Healthcare assurance services	DNV GL Healthcare USA, Inc.	Service Provider	\$ -
71	Master Services Agreement	Document and contract management services	DocuSign	Technology Services	\$ -
72	Agreement	Student educational program	Duquesne University of the Holy Spirit,	Education	\$ -
73	Affiliation Agreement	Unpaid work-based instruction	Eanes School District	Staffing	\$ -
74	Rental Contract	Medical equipment rental	EDAP Technomed, Inc.	Medical Devices	\$ -
75	Independent Contractor Agreement	Patient coding procedures	Elanor Jill Budek	Independent Contractor	\$ -
76	N/A	Procurement Services	Entegra Procurement Services	Service Provider	\$ -
77	Neuromonitoring Agreement	Neuromonitoring services contractor	EPIOM, PLLC	Specialty healthcare service provider	\$ -
78	Mutual Confidentiality Agreement	Confidentiality disclosure	Episode Solutions	Healthcare Payment Services Provider	\$ -
79	Hospital Healthcare Services Provider Agreement	N/A	FairPrice Healthcare, LLC	Healthcare Payment Services Provider	\$ -
80	Supplemental Staffing Agreement	Healthcare staffing	Favorite Healthcare Staffing	Staffing	\$ -
81	N/A	Health physics and radiation consulting	FoxFire Scientific Inc.	Medical Equipment Services	\$ -
82	Service Agreement	Healthcare products	GE Healthcare	Medical Devices	\$ -
83	Facility Services Agreement	Healthcare services for personal injury claims	GGMT Commercial Holdings, LLC	Partner Facility	\$ -
84	Employment Agreement	Director of Nursing	Ginger Carreon	Independent Contractor	\$ -
85	Order Form	Medical devices & training	gMed, Inc.	Medical Devices	\$ -
87	N/A	N/A	Healthcare Strategic Support, Inc.	Specialty healthcare service provider	\$ -
89	Services Agreement	Hospital housekeeping	Hospital Housekeeping Services	Service Provider	\$ -
91	Business Associate Agreement	Non profit consulting services	Howard Consulting LLC	Independent Contractor	\$ -
92	Letter of Agreement	Health insurance provider	Humana Health Plans of Texas, Inc.	Insurance	\$ -
93	Letter of Agreement	Health insurance provider	Humana Insurance Company	Insurance	\$ -
94	Agreement for Legal Services	Retained for reviewing a contact for compliance with Stark law	Husch Blackwell LLP	Professional Services	\$ -
95	Hospital Transfer Agreement	Transfer of patients	Hyde Park Surgery Center	Partner Facility	\$ -
97	Service Agreement	Healthcare staffing	Ironside Human Resources	Staffing	\$ -
99	INDEPENDENT CONTRACTOR SERVICES AGREEMENT	Law enforcement educational, preventative screening testing and preventative medical care services	JS MD Sigma PLLC,	Professional Services	\$ -
100	Business Associate Agreement	Medical device products	K7 Spine	Medical Devices	\$ -

Westlake Surgical Group, LLC
Contract Cure Schedule

#	TITLE OF CONTRACT	DESCRIPTION OF CONTRACT	COUNTERPARTY	CATEGORY	CURE AMOUNT
101	Medical and Administrative Director Agreement	Provides medical and administrative director services in connection with its <u>healthcare services</u>	KARAKOURTIS, M.D./D.D.S., MARK H.	Professional Services	\$ -
102	Memorandum of Agreement	Healthcare quality programs	KEPRO	Technology Services	\$ -
103	Business Associate Agreement	Purchaser of medical accounts <u>receivables</u>	Key Health Medical Solutions, Inc.	Lender	\$ -
104	Supplier Agreement	Lab testing	Lab Corp	Lab Services	\$ -
105	Purchases Services Agreement	Telephonic translation services	Language Services Associates	Service Provider	\$ 101.72
106	Client Contract	Healthcare staffing	Lawrence Recruiting Specialists, Inc.	Staffing	\$ -
107	Facility Staffing Agreement	Healthcare staffing	LC Travel Staff LLC	Staffing	\$ -
108	Facility Staffing Agreement	Healthcare staffing	Lighthouse Nursing	Staffing	\$ -
109	Emergency Call Coverage Services Agreement	On-call basis medical care	Manish V. Patel, MD., P.A.	Professional Services	\$ -
110	Employment Agreement	Chief Executive Officer	Mark W. Shen	Employee	\$ -
111	N/A	Insurance policy / Health Care and Social Assistance	Marsh & McLennan Agency, LLC	Insurance	\$ -
112	Business Associate Agreement	Clinical Operations Consultant	Masood Carolyn	Independent Contractor	\$ -
113	Facility Staffing Agreement	Healthcare staffing	Maxim Healthcare Services, Inc.	Staffing	\$ -
114	2nd Amendment to MCG Master License Agreement	Clinical software	MCG Milliman Care	Software	\$ -
115	Termination Agreement	N/A	MCKESSON MEDICAL SURGICAL	Medical Devices	\$ -
117	Software License Agreement	Software (EMR only)	Medhost	Software	\$ 147,902.89
118	Staffing Services Agreement	Healthcare staffing	Medical Concepts Staffing, Inc.	Staffing	\$ -
119	Contract Service Agreement	Medical supply distributor	Medical Solutions	Staffing	\$ -
120	Staffing Agreement	Healthcare staffing	Medical Staffing Network	Staffing	\$ -
121	Staffing Agreement	Healthcare staffing	Medical Staffing Options, Inc.	Staffing	\$ -
123	Services Agreement	Services Agreement	MedOffice Pro, Inc.	Software	\$ -
124	Receivables Purchase and Assignment Agreement	Receivables payables purchaser	MedStar Funding	Lender	\$ -
125	External Staffing Agreement	Healthcare staffing	MedTrust LLC	Staffing	\$ -
127	Microsoft Products and Services Agreement	Microsoft Software Accounts	Microsoft Corporation	Software	\$ -
129	Memorandum of Agreement	Eye tissue recovery	Miracles in Sight	Specialty healthcare service provider	\$ -
132	Bulk Irrevocable Assignment for Collection	Outstanding accounts receivable collection	Movedocs.com, LLC	Software	\$ -
133	Customer Order Form	Material safety data sheets	MSDSonline	Software	\$ -
134	Participating Facility Agreement	Healthcare cost management solutions	Multiplan, Inc.	Healthcare Payment Services Provider	\$ -
135	Letter of Understanding	Purchase of liens	National Health Finance DM, LLC	Healthcare Payment Services Provider	\$ -

Westlake Surgical Group, LLC
Contract Cure Schedule

#	TITLE OF CONTRACT	DESCRIPTION OF CONTRACT	COUNTERPARTY	CATEGORY	CURE AMOUNT
136	Neurophysiologic Monitoring Services Agreement	NEUROMONITORING SVCS	NATIONAL NEUROMONITORING SVCS LLC	Specialty healthcare service provider	\$ -
137	First Amendment to Client Addendum to Master Pharmacy Management Services Agreement	Healthcare management solutions	Navitus Health Solutions, LLC	Service Provider	\$ -
138	Mail Finance Lease Agreement	Green mailing solutions	NeoPost, Inc.	Technology Services	\$ -
141	Certificate of Liability Insurance	Healthcare services	Nextmed Holdings LLC	Specialty healthcare service provider	\$ -
142	Customer Agreement	Radiology workstations	NovaRad Corporation	Medical Devices	\$ -
143	General conditions of Assignment	Specialized administrative staffing	Office Team Staffing	Staffing	\$ -
149	Supply Agreement	Supply of medical products	Ortho Clinical Diagnostics, Inc.	Medical Devices	\$ -
150	Business Associate Agreement	Provides DME and braces services and/or products	Orthostat, LLC	Medical Devices	\$ -
152	Business Associate Agreement	Physician	Paul Playfair M.D.	Professional Services	\$ -
153	Software Agreement	Recruiting software	Paycor	Software	\$ -
155	Management Services Agreement	Management services	Peterson MD, Dr. Dan	Professional Services	\$ -
156	Extension Agreement	Affirmative action plan (AAP)	Pinnacle Affirmative Action Services, LLC	Consulting Services	\$ -
157	Business Associate Agreement	Medical equipment supplier	Pinnacle Spine Group	Medical Devices	\$ -
158	Transfer Agreement	Transfer of patients	Precision Plastic Surgery	Partner Facility	\$ -
159	Agreement for Managed IT Services	It services	Pretext LLC	IT	\$ 53,037.21
160	Subscriber Agreement	Insurance claims and patient benefits management	Principal Life Insurance Company	Insurance	\$ -
161	Order for Purchased Services	Risk Management services	Prista Corporation	Service Provider	\$ -
162	Master Subscription Agreement	Order for Purchased Services	Prista Corporation	Software	\$ -
163	Client services agreement	Prescription benefits programs	Procare Pharmacy Benefit Manager, Inc.	Benefits	\$ -
164	Participating facility agreement	Health care services to Members	Provider Network of America, LLC	Healthcare Payment Services Provider	\$ -
166	Business Associate Agreement	N/A	Receivables Management Partners	Collection and Receivables	\$ -
167	Memorandum of Understanding	Radio communication	Regional Radio System	Service Provider	\$ -
168	Consignment Agreement	Consignment of medical products	REM Solutions	Medical Devices	\$ -
170	Business Associate Agreement	Financial consulting services	Samson Advisory LLC	Professional Services	\$ 89,662.50
171	Consulting Agreement	Financing and software consulting services	Samson Advisory LLC	Professional Services	\$ -
172	Participating Facility Provider Agreement	Health care services and products	Scott & White Health Plan	Insurance	\$ -
173	Facility Service Agreement	Healthcare plan	Sendero Health Plans, Inc.	Insurance	\$ -

Westlake Surgical Group, LLC
Contract Cure Schedule

#	TITLE OF CONTRACT	DESCRIPTION OF CONTRACT	COUNTERPARTY	CATEGORY	CURE AMOUNT
174	Service agreement quote	Equipment quote /routine instrument maintenance and repair	Siemens Healthcare Diagnostics, Inc	Equipment Maintenance Services	\$ -
175	Business Associate Agreement	Medical Devices	Skeletal Kinetics, LLC	Medical Devices	\$ -
178	Ultrasound Agreement	Sonography physician providers	Sonography Solutions, LLC	Staffing	\$ -
179	Ultrasound Agreement	Ultrasound services	Sonography Solutions, LLC	Specialty healthcare service provider	\$ -
183	Service Agreement	Imaging services	Square D	Service Provider	\$ -
184	Clinical laboratory service agreement	Clinical lab services	St. David's Healthcare Partnership, LP, LLP	Lab Services	\$ -
187	Master Service Agreement	Regulated medical and bio-hazardous waste disposal	Stericycle, Inc.	Service Provider	\$ -
188	Preventative Maintenance Agreement	Equipment maintenance	Steriquip	Equipment Maintenance Services	\$ -
191	Speech Therapy Services Agreement	Speech therapy services	Stuart, Loraine	Specialty healthcare service provider	\$ -
192	Client services agreement	Consultants for assignment	Sunbelt Staffing, LLC	Staffing	\$ -
193	Amendment Number One Hospital Provider Agreement	Healthcare coverage provider	Superior HealthPlan, Inc.	Insurance	\$ -
194	N/A	Equipment maintenance services	Team Services	Equipment Maintenance Services	\$ -
195	Commercial Master Services Agreement	Telephone services	Tel West Network Services	Service Provider	\$ -
196	Hospital Provider Agreement	Provider network	Texas Free Market Surgery Partners, Inc.	Insurance	\$ -
197	Participating Hospital Letter of Agreement	Medicaid health plan	Texas Independence Health Plan, Inc	Insurance	\$ -
198	N/A	Medicaid providers	Texas Medicaid & Healthcare Partnership	Insurance	\$ -
199	Agreement for Organ Procurement	Organ donation	Texas Organ Sharing Alliance	Healthcare Alliance	\$ -
200	Master Services Agreement	Healthcare staffing	Texas Select Staffing, LLC	Staffing	\$ -
201	Affiliation Agreement	Student educational program	Texas State University	Education	\$ -
202	Education Program Services Contract	Health education services	Texas Tech University Health Sciences Center	Education	\$ -
203	Tissue Recovery Agreement	Blood & Tissue Donation Center	The Blood and Tissue Center of Central Texas	Healthcare Alliance	\$ -
204	Occupational Accident Insurance	Occupational accident insurance	The Nitsche Group	Insurance	\$ -
205	Sales Agreement	Therapy documentation	The Rehab Documentation Company, Inc.	Software	\$ -
206	AAMC Uniform Clinical Training Affiliation Agreement	Student educational program	The Texas A&M University Health Science Center	Education	\$ -
207	N/A	Public research university	The University of Texas Arlington	Education	\$ -
208	Educational Experience Affiliation Agreement	Student educational program	The University of Texas Austin	Education	\$ -
209	Affiliation Agreement	University provides academic courses	The University of Texas Health Science Center at Houston	Education	\$ -

Westlake Surgical Group, LLC
Contract Cure Schedule

#	TITLE OF CONTRACT	DESCRIPTION OF CONTRACT	COUNTERPARTY	CATEGORY	CURE AMOUNT
210	Provider Network Agreement	Health insurance provider	Three Rivers Provider Network, Inc.	Insurance	\$ -
211	Facility Staffing Agreement	Healthcare staffing	TLC Travel Staffing	Staffing	\$ -
212	Memorandum of Agreement	N/A	TMF Health Quality Institute	Staffing	\$ -
213	Supplemental Staffing Agreement	Healthcare staffing	TotalMed Staffing, Inc.	Staffing	\$ -
214	Services Agreement	Intraoperative monitoring services	Traxx Medical Holdings, LLC	Specialty healthcare service provider	\$ -
215	Business Associate Agreement	Independent Contractor	Trenegy, Inc	Independent Contractor	\$ -
216	Healthcare Facility Services Agreement	Improve quality, experience and total cost of healthcare	Triple AIM, LLC	Consulting Services	\$ -
218	Cash Sale Order & Maintenance Agreement	Equipment maintenance	UBEO LLC	Equipment Maintenance Services	\$ 1,520.37
219	Service Agreement	Support services	Ultimate Biomedical UBS	Medical Equipment Services	\$ -
220	Facility Participant Agreement	Health insurance provider	UnitedHealthcare of Texas, Inc.	Insurance	\$ -
221	Service Agreement	Fire alarm services	Vanguard Fire Systems	Service Provider	\$ 6,672.53
222	Conditions of Approval	Purchase order/ equipment lease	VAR Technology Finance	Lender	\$ -
223	Merchant application / processing agreement	Merchant application / processing agreement	Vascular Access Consultants	Specialty healthcare service provider	\$ -
234	Hospital Transfer Agreement	Transfer of patients	Westlake Hills Surgery Center	Partner Facility	\$ -
235	Commercial Sublease Agreement	Sublease Agreement	Westlake Medical Consultants, PLLC	Partner Facility	\$ -
236	First Amended and Restated Commercial Lease Agreement Commercial Lease Agreement	Lease agreement Bldg. J, Ste 300 Bldg. K. Ste. 100 Bldg. K Ste. 103 (The Hospital Sleep Lab) Bldg. K Ste.103 (The Hospital MRI) Bldg. K. Ste. 202 Bldg. K. Ste. 203 Boiler Building Bldg. L Bldg. M (Administration and Lobby) Bldg. M (Westlake Surgical Hospital) Commercial lease agreement for building k-200	Westlake Medical of Austin, LTD-Phase II	Lease	\$ 1,346,607.36
238	Professional Medical Staffing Services Agreement	Healthcare staffing	WH Services Austin, LLC (Western Healthcare)	Staffing	\$ 139,578.63
239	Hospital Transfer Agreement	Medical facility	White Medical	Medical Equipment Services	\$ -
241	Clinical Experience Agreement	Student rotation opportunities	Yale Physician Assistant Online Program	Education	\$ -
242	Pending		Pyxis	Medical Equipment Services	\$ -

Exhibit E

RELEASE AGREEMENT

This Release Agreement (this "Agreement") is executed as of [_____] (the "Release Date"), by and between the Westlake Surgical, L.P. dba The Hospital at Westlake Medical Center (the "Debtor") and Arise Healthcare System, LLC ("Arise"). The Debtor and Arise are each a "Party" and collectively "Parties" to this Agreement.

RECITALS:

A. On January 3, 2025, the Debtor filed its *Amended Plan of Reorganization* at Docket No. ____ (the "Plan") in the United States Bankruptcy Court for the Western District of Texas, Austin Division (the "Bankruptcy Court"). The Debtor's bankruptcy case is pending under Case No. 23-10747 in the United States Bankruptcy Court for the Western District of Texas.

B. Terms not defined herein have the meanings ascribed to such terms by the Plan.

C. This Agreement is entered in connection with, and as required by, the Plan. Once executed, this Agreement is incorporated into the Plan.

For good, sufficient, and valuable consideration, the receipt of which are hereby acknowledged, the Parties hereby agree as follows:

1. **Debtor Release of Arise.**

The Debtor hereby conclusively, absolutely, unconditionally, irrevocably, and forever releases and discharges Arise from any and all Claims and Causes of Action (including Avoidance Actions), whether known or unknown, including any derivative claims, asserted on behalf of Arise, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, any act or omission in connection with, or transaction with, the Debtor (including the management, ownership, or operation thereof), the Debtor's in- or out-of-court restructuring efforts, intercompany transactions, commencement and prosecution of the Chapter 11 Case, the formulation, preparation, dissemination, negotiation, or filing of the Disclosure Statement, the Plan (including, for the avoidance of doubt, the Plan Supplement and related documents), the Committee Settlement, the Professional Fee Settlement, and any contract, instrument, release, or other agreement or document created or entered into in connection with the Disclosure Statement or the Plan, the filing of the Chapter 11 Case, the pursuit of confirmation, the pursuit of consummation, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon any other related act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date (including before the Petition Date).

2. **Arise Release of the Debtor and Third Party Releases**

Arise hereby conclusively, absolutely, unconditionally, irrevocably, and forever releases and discharges the Debtor from any and all Claims and Causes of Action (including Avoidance

Actions), whether known or unknown, including any derivative claims, asserted on behalf of Arise, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, any act or omission in connection with, or transaction with, the Debtor (including the management, ownership, or operation thereof), the Debtor's in- or out-of-court restructuring efforts, intercompany transactions, commencement and prosecution of the Chapter 11 Case, the formulation, preparation, dissemination, negotiation, or filing of the Disclosure Statement, the Plan (including, for the avoidance of doubt, the Plan Supplement and related documents), the Committee Settlement, the Professional Fee Settlement, and any contract, instrument, release, or other agreement or document created or entered into in connection with the Disclosure Statement or the Plan, the filing of the Chapter 11 Case, the pursuit of confirmation, the pursuit of consummation, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon any other related act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date (including before the Petition Date).

Arise hereby conclusively, absolutely, unconditionally, irrevocably, and forever adopts the Third Party Releases in Section 8.03(c) of the Plan and makes itself a "Releasing Party" as defined in the Plan.

Nothing in this Agreement, including as this Agreement may be integrated into the Plan, is intended to or shall release, limit or reduce any amount owed by Arise to eCapital or any of its related parties, affiliates or predecessors.

3. **General Provisions.**

(a) **Effective Date.** Notwithstanding the Release Date, this Agreement is effective as of the Effective Date, and this Agreement is only effective if the Effective Date occurs.

(b) **Counterpart – Execution.** This Agreement may be executed in counterparts and copies may be used instead of originals. The executed counterparts shall be construed as and constitute one document.

(c) **Complete Agreement.** This Agreement is the final and entire agreement of the Parties regarding the subject matter herein, and supersedes all previous oral and written understandings, negotiations, term sheets, and agreements on the subject matter herein. This Agreement may only be modified by a written amendment signed by an authorized signatory of each Party.

(d) **Bankruptcy Court Exclusive Jurisdiction.** The Bankruptcy Court shall have the exclusive jurisdiction over this Agreement, which is part of the Plan. The Parties agree and consent that any litigation by and between them pursuant to or arising in any way under or in connection with this Agreement shall be brought exclusively before the Bankruptcy Court, and each of the Parties consents to Bankruptcy Court jurisdiction in any such suit, action or proceeding, sitting without a jury. This Agreement shall be governed and construed in accordance with Texas law without giving effect to any choice or conflict of law provisions.

(e) **Recitals Incorporated.** The Recitals in this Agreement are not mere recitations and are integral parts of and incorporated into this Agreement.

(f) Further Assurances. In case at any time from and after the Release Date or Effective Date any further action is necessary or reasonably required to carry out the purposes of this Agreement, subject to the terms and conditions of this Agreement, at any Party's request and sole cost and expense, each Party shall take such further action (including the execution and delivery to any other Party of such other reasonable instruments, and confirmation and providing materials and information) as another Party may reasonably request as shall be necessary to carry out the purposes and intent of this Agreement.

IN WITNESS WHEREOF, this Agreement is hereby executed as of the date(s) set forth above and shall be effective as of the Effective Date.

ACCEPTED AND AGREED TO BY:

Arise Healthcare System, LLC

By:_____

Name:_____

Title:_____

Westlake Surgical, L.P. dba The Hospital at
Westlake Medical Center

By:_____

Name:_____

Title:_____

EXHIBIT F TO BE PROVIDED AS A SUPPLEMENT