

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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	:	Chapter 11
In re	:	
	:	Case No. 24-10164 (KBO)
CANO HEALTH, INC., et al.,	:	
	:	(Jointly Administered)
Debtors.¹	:	
	:	Re: Docket Nos. 829, 830, 857 & 858
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NOTICE OF BLACKLINES OF (I) FOURTH AMENDED JOINT CHAPTER 11 PLAN OF REORGANIZATION OF CANO HEALTH, INC. AND ITS AFFILIATED DEBTORS, AND (II) DISCLOSURE STATEMENT FOR FOURTH AMENDED JOINT CHAPTER 11 PLAN OF REORGANIZATION OF CANO HEALTH, INC. AND ITS AFFILIATED DEBTORS

PLEASE TAKE NOTICE that, on May 21, 2024, Cano Health, Inc. and certain of its subsidiaries, as debtors and debtors in possession (collectively, the “**Debtors**”) in the above-captioned chapter 11 cases, filed (i) the *Fourth Amended Joint Chapter 11 Plan of Reorganization of Cano Health, Inc. and its Affiliated Debtors* [Docket No. 857] (as may be amended, supplemented, or modified, the “**Plan**”), and (ii) the *[Proposed] Disclosure Statement for Fourth Amended Joint Chapter 11 Plan of Reorganization of Cano Health, Inc. and Its Affiliated Debtors* [Docket No. 858] (as may be amended, supplemented, or modified, the “**Disclosure Statement**”), with the United States Bankruptcy Court for the District of Delaware (the “**Court**”).

PLEASE TAKE FURTHER NOTICE that, on May 21, 2024, the Court entered the *Order (I) Approving Proposed Disclosure Statement and Form and Manner of Notice of Disclosure Statement Hearing, (II) Establishing Solicitation and Voting Procedures, (III) Scheduling*

¹ The last four digits of Cano Health, Inc.’s tax identification number are 4224. A complete list of the Debtors in the chapter 11 cases may be obtained on the website of the Debtors’ claims and noticing agent at <https://www.kccllc.net/CanoHealth>. The Debtors’ mailing address is 9725 NW 117th Avenue, Miami, Florida 33178.



Confirmation Hearing, (IV) Establishing Notice and Objection Procedures for Confirmation of Proposed Plan, and (V) Granting Related Relief [Docket No. 865] approving, among other things, (i) the adequacy of the Disclosure Statement, and (ii) the procedures by which the Debtors may solicit votes on the Plan.

PLEASE TAKE FURTHER NOTICE that, contemporaneously herewith, the Debtors have filed the solicitation versions of the Plan [Docket No. 864] (the “**Solicitation Version Plan**”) and the Disclosure Statement [Docket No. 866] (the “**Solicitation Version Disclosure Statement**”).

PLEASE TAKE FURTHER NOTICE that, for the convenience of the Court and all parties in interest, a changed pages only blackline comparison of the Solicitation Version Plan marked against the Plan is attached hereto as **Exhibit 1**, and a changed pages only blackline comparison of the Solicitation Version Disclosure Statement marked against the Disclosure Statement is attached hereto as **Exhibit 2**.

[Remainder of page intentionally left blank]

Dated: May 21, 2024
Wilmington, Delaware

/s/ Michael J. Merchant

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Exhibit 1

Blackline of Plan

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

-----	X	
	:	
In re	:	Chapter 11
	:	
CANO HEALTH, INC., <i>et al.</i> ,	:	Case No. 24-10164 (KBO)
	:	
Debtors. ¹	:	(Jointly Administered)
	:	
	:	Re: Docket No. 498, 671, 773, 829
-----	X	

<p>THIS PLAN HAS NOT YET BEEN APPROVED BY THE BANKRUPTCY COURT. THIS IS NOT AN OFFER OR SOLICITATION OF AN OFFER OR ANY OTHER SOLICITATION WITH RESPECT TO ANY SECURITIES OR A SOLICITATION OF ACCEPTANCES OF A CHAPTER 11 PLAN WITHIN THE MEANING OF SECTIONS 1125 AND 1126 OF THE BANKRUPTCY CODE ACCEPTANCE OR REJECTION OF THE PLAN MAY NOT BE SOLICITED UNTIL A DISCLOSURE STATEMENT HAS BEEN APPROVED BY THE BANKRUPTCY COURT. THE INFORMATION IN THE PLAN IS SUBJECT TO CHANGE.</p>
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**FOURTH AMENDED JOINT CHAPTER 11 PLAN OF REORGANIZATION
OF CANO HEALTH, INC. AND ITS AFFILIATED DEBTORS**

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Dated: May 21, 2024
Wilmington, Delaware

¹ The last four digits of Cano Health, Inc.’s tax identification number are 4224. A complete list of the Debtors in the chapter 11 cases may be obtained on the website of the Debtors’ claims and noticing agent at <https://www.kccllc.net/CanoHealth>. The Debtors’ mailing address is 9725 NW 117th Avenue, Miami, Florida 33178.

or equity interest of a New Equity Interest or fractional share of a GUC Warrant, then the number of shares or equity interests of New Equity Interests or number of GUC Warrants to be issued in respect of such distribution will be calculated to one decimal place and rounded up or down to the closest whole share, equity interest or warrant (with a half share, equity interest or warrant or greater rounded up and less than a half share, equity interest or warrant rounded down). The total number of shares or equity interests of New Equity Interests or GUC Warrants, as applicable, to be distributed in connection with the Plan shall be adjusted as necessary to account for the rounding provided for in this Section 6.14. No consideration shall be provided in lieu of fractional shares or equity interests that are rounded down. Neither the Reorganized Debtors nor the Disbursing Agent shall have any obligation to make a distribution that is less than (1) share or equity interest of New Equity Interests or less than (1) GUC Warrant. Any New Equity Interest or GUC Warrant that is not distributed in accordance with this Section 6.14 shall be returned to, and ownership thereof shall vest in, Reorganized Parent.

6.15 *Minimum Cash Distributions.*

The Disbursing Agent shall not be required to make any distribution of Cash less than Fifty Dollars (\$50) to any holder of an Allowed Claim; *provided that* if any distribution is not made pursuant to this Section 6.15, such distribution shall be added to any subsequent distribution to be made on behalf of the holder's Allowed Claim.

6.16 *Setoffs and Recoupments.*

Except as expressly provided in a separate order of the Bankruptcy Court, the Debtors and the Reorganized Debtors, as applicable, may, but shall not be required to, set off or recoup against any Claim, and any distribution to be made on account of such Claim, any and all claims, rights, and Causes of Action of any nature whatsoever that the Debtors or the Reorganized Debtors may have against the holder of such Claim pursuant to the Bankruptcy Code or applicable non-bankruptcy law; *provided that* neither the failure to do so nor the allowance of any Claim hereunder shall constitute a waiver or release by a Debtor or a Reorganized Debtor or its successor of any claims, rights, or Causes of Action that a Debtor or Reorganized Debtor or its successor or assign may possess against the holder of such Claim.

6.17 *Allocation of Distributions between Principal and Interest.*

Except as otherwise required by law (as reasonably determined by the Debtors or the applicable Reorganized Debtors-), distributions with respect to Allowed Claims shall be allocated first to the principal portion of such Allowed Claim (as determined for federal income tax purposes) and, thereafter, to the remaining portion of such Allowed Claim, if any.

6.18 *No Distribution in Excess of Amount of Allowed Claim.*

Notwithstanding anything in the Plan to the contrary, no holder of an Allowed Claim shall receive, on account of such Allowed Claim, distributions under the Plan in excess of the Allowed amount of such Claim.

6.19 *Withholding and Reporting Requirements.*

7.2 Resolution of Disputed Administrative Expenses and Disputed Claims.

Except as may be otherwise agreed to by the Debtors or Reorganized Debtors in their sole discretion, on and after the Effective Date, the Debtors or applicable Reorganized Debtors, as applicable, shall have the authority to (i) compromise, settle, otherwise resolve, or withdraw any objections to Claims without any further notice to or action, order, or approval by the Bankruptcy Court, other than with respect to Professional Fee Claims and (ii) administer and adjust the claims register to reflect any such settlements or compromises, without any further notice to or action, order, or approval by the Bankruptcy Court.

7.3 Payments and Distributions with Respect to Disputed Claims.

Notwithstanding anything herein to the contrary, if any portion of a Claim is a Disputed Claim, no payment or distribution provided hereunder shall be made on account of such Claim unless and until such Disputed Claim becomes an Allowed Claim.

7.4 Distributions after Allowance.

(a) Following the Effective Date, a Disputed Claims Reserve shall be maintained. Subject to definitive guidance from the IRS or a court of competent jurisdiction to the contrary, or the receipt of a determination by the IRS, the Disbursing Agent shall treat the Disputed Claims Reserve as a “disputed ownership fund” governed by section 1.468B-9 of the Treasury Regulations and to the extent permitted by applicable law, report consistently with the foregoing for state and local income tax purposes. ~~‡ All taxes imposed on assets or income of the Disputed Claims Reserve shall be payable by the Disbursing Agent from the assets of the Disputed Claims Reserve.~~ out of the Litigation Trust or as otherwise may be agreed. The Disbursing Agent or the Reorganized Debtors, as applicable, shall be responsible for payment, ~~‡ out of the assets of the Disputed Claims Reserve.~~ Litigation Trust or as otherwise may be agreed, of any expenses associated with administering the Disputed Claims Reserve, including any taxes imposed on the Disputed Claims Reserve or its assets. All parties (including the Debtors, the Reorganized Debtors, the Disbursing Agent, and the holders of Disputed Non-RSA GUC Claims) shall be required to report for tax purposes consistently with the foregoing.

(b) As soon as reasonably practicable after a Disputed Claim becomes, in whole or in part, an Allowed Claim, the holder thereof shall be entitled to distributions, if any, to which such holder is entitled as provided in the Plan, without interest, as provided in Section 7.9 of the Plan. Such distributions shall be made as soon as practicable after the date that the order or judgment of the Bankruptcy Court allowing such Disputed Claim (or portion thereof) becomes a Final Order.

7.5 Disallowance of Claims.

Except to the extent otherwise agreed to by the Debtors or Reorganized Debtors, as applicable, any Claims held by Entities from which property is recoverable under sections 542, 543, 550, or 553 of the Bankruptcy Code or that is a transferee of a transfer avoidable under section 522(f), 522(h), 544, 545, 547, 548, 549, or 724(a) of the Bankruptcy Code, as determined by a Final Order, shall be deemed disallowed pursuant to section 502(d) of the Bankruptcy Code, and holders of such Claims may not receive any distributions on account of such Claims until such

applicable DIP Lenders pursuant to the terms and conditions of such documents and/or Section ~~9.2~~9.3 of the Plan.

9.2 *Conditions Precedent to Effective Date.*

The following are conditions precedent to the Effective Date of the Plan:

(a) the Confirmation Order shall have been entered and shall be a Final Order and shall not be subject to any stay or subject to an unresolved request for revocation under section 1144 of the Bankruptcy Code;

(b) all GUC Provisions in the Confirmation Order shall be in form and substance consistent with the Global Settlement and otherwise reasonably acceptable to the Creditors' Committee;

(c) the Restructuring Support Agreement shall be in full force and effect and shall not have been terminated and shall remain in full force and effect in accordance with its terms;

(d) all outstanding Restructuring Expenses due and owing as of the Effective Date shall have been paid in full, in Cash or shall be paid in Cash concurrently with effectiveness of the Plan;

(e) the DIP Orders shall be in full force and effect and there shall be no event of default under the DIP Documents or the DIP Orders, which has not otherwise been amended or waived by the applicable DIP Lenders pursuant to the terms and conditions of such documents and/or Section 9.3 of the Plan;

(f) the Reorganization Transaction shall have been implemented in accordance with the Description of Transaction Steps in all material respects;

(g) the Definitive Documents shall (i) be in form and substance acceptable or reasonably acceptable (as applicable, as set forth in the Restructuring Support Agreement) to the Debtors and the Requisite Consenting Creditors (other than the Litigation Trust Agreement), (ii) have been executed and delivered, and any conditions precedent contained to effectiveness therein have been satisfied or waived in accordance therewith, and (iii) be in full force and effect and binding upon the relevant parties;

(h) all actions, documents and agreements necessary to implement and consummate the Plan, including entry into the Definitive Documents and the New Governance Documents, and the transactions and other matters contemplated thereby, shall have been effected or executed;

(i) the New Governance Documents shall have been filed with the appropriate governmental authority, as applicable;

(j) all governmental approvals and consents required in connection with the transactions contemplated by the Plan, including any healthcare-related regulatory approvals, antitrust approval, or any foreign investment regulatory approval, shall have been obtained, not be

(b) Releases by Holders of Claims and Interests.

As of the Effective Date, except for the right to enforce the Plan or any right or obligation arising under the Definitive Documents that remains in effect after the Effective Date, for good and valuable consideration, on and after the Effective Date, for good and valuable consideration, except as specifically set forth elsewhere in the Plan, the Releasing Parties conclusively, absolutely, unconditionally, irrevocably, and forever discharge and release (and each entity so discharged and released shall be deemed discharged and released by the Releasing Parties) the Released Parties and their respective property from any and all Claims, obligations, rights, suits, judgments, damages, demands, debts, Liens, Causes of Action, remedies, losses, and liabilities whatsoever (including contract claims, claims under ERISA and all other statutory claims, claims for contributions, withdrawal liability, reallocation liability, redetermination liability, interest on any amounts, liquidated damages, claims for attorneys' fees or any costs or expenses whatsoever), including any derivative claims, asserted or assertable on behalf of a Debtor, whether known or unknown, foreseen or unforeseen, liquidated or unliquidated, matured or unmatured, contingent or fixed, existing or hereinafter arising, in law, equity or otherwise, that such Entity would have been legally entitled to assert in its own right (whether individually or collectively) based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Estates, the Restructuring, the Chapter 11 Cases, the purchase, sale or rescission of the purchase or sale of any Security of the Debtors or the Reorganized Debtors, the DIP Facility, the DIP Documents, the Restructuring Support Agreement, the Definitive Documents, the [Sale Process](#), the First Lien Credit Agreements, the Senior Notes Indenture, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party (other than assumed contracts or leases), the restructuring of Claims and Interests before or during the Chapter 11 Cases, the negotiation, formulation, preparation or consummation of the Plan (including the Plan Supplement), the Definitive Documents, ~~the Sale Process~~, or any related agreements, instruments or other documents, or the solicitation of votes with respect to the Plan, in all cases based upon any other act or omission, transaction, agreement, event or other occurrence taking place on or before the Effective Date. For the avoidance of doubt, nothing in this Section 10.6(b) shall be construed to release (i) the Released Parties from intentional fraud, willful misconduct, or gross negligence, in each case as determined by a Final Order or (ii) any current or former patient of the Debtors from pursuing any Claim against any non-Debtor party that is not a Released Party, including any non-Debtor provider that is not a Released Party, for any acts or omissions arising out of or relating to any Claims for medical malpractice.

10.7 *Exculpation.*

Notwithstanding anything herein to the contrary, and to the maximum extent permitted by applicable law, no Exculpated Party will have or incur, and each Exculpated Party is hereby released and exculpated from, any claim, obligation, suit, judgment, damage, demand, debt, right, cause of action, remedy, loss, and liability for any act or omission taken on or after the Petition Date and prior to or on the Effective Date relating to, in any way, or arising out of, the Chapter 11 Cases, the negotiation, formulation, preparation, dissemination, implementation, administration, confirmation, consummation, and pursuit of

the Disclosure Statement, the Restructuring Transactions, the Plan, or the solicitation of votes for, or confirmation of, the Plan, the funding or consummation of the Plan (including the Plan Supplement), the Patient Care Ombudsman's evaluations, reports, pleadings, or other writings filed by or on behalf of the Patient Care Ombudsman in or in connection with the Chapter 11 Cases, the Definitive Documents, ~~the Sale Process~~, or any related agreements, instruments, or other documents, the solicitation of votes on the Plan, the offer, issuance, and distribution of any Securities issued or to be issued pursuant to the Plan, whether or not such distribution occurs following the Effective Date, the occurrence of the Effective Date, the Sale Process, negotiations regarding or concerning any of the foregoing, or the administration of the Plan or property to be distributed under the Plan, except for actions determined by Final Order to constitute gross negligence, willful misconduct, or intentional fraud. This exculpation shall be in addition to, and not in limitation of, all other releases, indemnities, exculpations and any other applicable law or rules protecting such Exculpated Parties from liability.

10.8 *Subordinated Claims.*

The allowance, classification, and treatment of all Allowed Claims and Interests and the respective distributions and treatments under the Plan take into account and conform to the relative priority and rights of the Claims and Interests in each Class in connection with any contractual, legal, and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, section 510(b) of the Bankruptcy Code, or otherwise. Pursuant to section 510 of the Bankruptcy Code, the Debtors reserve the right to re-classify any Allowed Claim or Interest in accordance with any contractual, legal, or equitable subordination relating thereto.

10.9 *Retention of Causes of Action/Reservation of Rights.*

Except as otherwise provided in Sections 10.5, 10.6, and 10.7 of the Plan, nothing contained in the Plan or the Confirmation Order shall be deemed to be a waiver or relinquishment of any rights, Claims, Causes of Action, rights of setoff or recoupment, or other legal or equitable defenses that the Debtors had immediately prior to the Effective Date on behalf of the Estates or of themselves in accordance with any provision of the Bankruptcy Code or any applicable non-bankruptcy law, including any affirmative Causes of Action against parties with a relationship with the Debtors. Other than those Claims and Causes of Action assigned to the Litigation Trust pursuant to Section 5.8 of the Plan, the applicable Reorganized Debtors shall have, retain, reserve, and be entitled to assert all Claims, Causes of Action, rights of setoff or recoupment, and other legal or equitable defenses notwithstanding the occurrence of the Effective Date, and all of the Debtors' legal and equitable rights in respect of any Unimpaired Claim may be asserted after the Confirmation Date and Effective Date to the same extent as if the Chapter 11 Cases had not been commenced.

10.10 *Ipsa Facto and Similar Provisions Ineffective.*

Any term of any prepetition policy, prepetition contract, or other prepetition obligation applicable to a Debtor shall be void and of no further force or effect with respect to any Debtor to the extent that such policy, contract, or other obligation is conditioned on, creates an

Exhibit 2

Blackline of Disclosure Statement

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

-----	X	
	:	
In re	:	Chapter 11
	:	
CANO HEALTH, INC., et al.,	:	Case No. 24-10164 (KBO)
	:	
Debtors. ¹	:	(Jointly Administered)
	:	
	:	Re: Docket No. 857864
-----	X	

~~PROPOSED~~ DISCLOSURE STATEMENT FOR
FOURTH AMENDED JOINT CHAPTER 11 PLAN OF REORGANIZATION OF
CANO HEALTH, INC. AND ITS AFFILIATED DEBTORS

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Dated: May 21, 2024
Wilmington, Delaware

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~~THIS IS NOT A SOLICITATION OF VOTES TO ACCEPT OR REJECT THE PLAN. ACCEPTANCES OR REJECTIONS MAY NOT BE SOLICITED UNTIL A DISCLOSURE STATEMENT HAS BEEN APPROVED BY THE BANKRUPTCY COURT. THE DEBTORS RESERVE THE RIGHT TO AMEND, SUPPLEMENT, OR OTHERWISE~~

¹ The last four digits of Cano Health, Inc.'s tax identification number are 4224. A complete list of the Debtors in the Chapter 11 Cases may be obtained on the website of the Debtors' claims and noticing agent at <https://www.kccllc.net/CanoHealth>. The Debtors' mailing address is 9725 NW 117th Avenue, Miami, Florida 33178.

~~MODIFY THIS DISCLOSURE STATEMENT, IN ACCORDANCE WITH THE RESTRUCTURING SUPPORT AGREEMENT, PRIOR AND UP TO THE DISCLOSURE STATEMENT HEARING.~~

A SOLICITATION OF VOTES IS BEING CONDUCTED TO OBTAIN SUFFICIENT ACCEPTANCES OF THE CHAPTER 11 PLAN FOR CANO HEALTH, INC. AND ITS AFFILIATED DEBTORS.

THE DEADLINE TO VOTE TO ACCEPT OR REJECT THE PLAN IS 5:00 P.M., PREVAILING EASTERN TIME, ON JUNE 21, 2024, UNLESS EXTENDED BY THE DEBTORS.

THE RECORD DATE FOR DETERMINING WHICH HOLDERS OF CLAIMS MAY VOTE ON THE PLAN IS MAY 17, 2024 (THE "VOTING RECORD DATE").

RECOMMENDATION BY THE DEBTORS, THE CONSENTING CREDITORS, AND THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS

THE DEBTORS AND THE CONSENTING CREDITORS (COLLECTIVELY, THE "PLAN SUPPORT PARTIES") SUPPORT CONFIRMATION OF THE PLAN AND URGE ALL HOLDERS OF CLAIMS ENTITLED TO VOTE ON THE PLAN TO VOTE TO ACCEPT THE PLAN. THE PLAN SUPPORT PARTIES BELIEVE THE PLAN, PROVIDES THE HIGHEST AND BEST RECOVERY FOR ALL CREDITORS.

THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS (THE "CREDITORS' COMMITTEE") ALSO SUPPORTS CONFIRMATION OF THE PLAN AND RECOMMENDS THAT ALL CREDITORS ENTITLED TO VOTE SUBMIT A BALLOT TO ACCEPT THE PLAN.

applicable, shall have the authority to (i) compromise, settle, otherwise resolve, or withdraw any objections to Claims without any further notice to or action, order, or approval by the Bankruptcy Court, other than with respect to Professional Fee Claims and (ii) administer and adjust the claims register to reflect any such settlements or compromises, without any further notice to or action, order, or approval by the Bankruptcy Court.

iii. Payments and Distributions with Respect to Disputed Claims

Notwithstanding anything herein to the contrary, if any portion of a Claim is a Disputed Claim, no payment or distribution provided hereunder shall be made on account of such Claim, unless and until such Disputed Claim becomes an Allowed Claim.

iv. Distributions after Allowance

(a) Following the Effective Date, a Disputed Claims Reserve shall be maintained. Subject to definitive guidance from the IRS or a court of competent jurisdiction to the contrary, or the receipt of a determination by the IRS, the Disbursing Agent shall treat the Disputed Claims Reserve as a “disputed ownership fund” governed by section 1.468B-9 of the Treasury Regulations and to the extent permitted by applicable law, report consistently with the foregoing for state and local income tax purposes. ~~† All taxes imposed on assets or income of the Disputed Claims Reserve shall be payable by the Disbursing Agent from the assets of the Disputed Claims Reserve.~~ out of the Litigation Trust or as otherwise may be agreed. The Disbursing Agent or the Reorganized Debtors, as applicable, shall be responsible for payment, ~~† out of the assets of the Disputed Claims Reserve~~ Litigation Trust or as otherwise may be agreed, of any expenses associated with administering the Disputed Claims Reserve, including any taxes imposed on the Disputed Claims Reserve or its assets. All parties (including the Debtors, the Reorganized Debtors, the Disbursing Agent, and the holders of Disputed Non-RSA GUC Claims) shall be required to report for tax purposes consistently with the foregoing.

(b) As soon as reasonably practicable after a Disputed Claim becomes, in whole or in part, an Allowed Claim, the holder thereof shall be entitled to distributions, if any, to which such holder is entitled as provided in the Plan, without interest, as provided in Section 7.9 of the Plan. Such distributions shall be made as soon as practicable after the date that the order or judgment of the Bankruptcy Court allowing such Disputed Claim (or portion thereof) becomes a Final Order.

v. Disallowance of Claims

Except to the extent otherwise agreed to by the Debtors or Reorganized Debtors, as applicable, any Claims held by Entities from which property is recoverable under sections 542, 543, 550, or 553 of the Bankruptcy Code or that is a transferee of a transfer avoidable under section 522(f), 522(h), 544, 545, 547, 548, 549, or 724(a) of the Bankruptcy Code, as determined by a Final Order, shall be deemed disallowed pursuant to section 502(d) of the Bankruptcy Code, and holders of such Claims may not receive any distributions on account of such Claims until such time as such Causes of Action against that Entity have been settled or a Final Order with respect thereto has been entered and all sums due, if any, to the Debtors by that Entity have been turned over or paid to the Debtors or the Reorganized Debtors. All proofs of claim filed on account of an

agreements, instruments, or other documents, and the negotiation, formulation, or preparation thereof, the solicitation of votes with respect to the Plan, or any other act or omission, in all cases based upon any act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date; *provided*, that, nothing in Section 10.6(b) of the Plan shall be construed to release (i) the Released Parties from intentional fraud, willful misconduct, or gross negligence, in each case as determined by a Final Order or (ii) any Retained Causes of Action, which, for the avoidance of doubt, shall not include any Preference Actions, which shall be deemed automatically waived and released on the Effective Date in accordance with Section 10.6(a) of the Plan.

b) Releases by Holders of Claims and Interests

As of the Effective Date, except for the right to enforce the Plan or any right or obligation arising under the Definitive Documents that remains in effect after the Effective Date, for good and valuable consideration, on and after the Effective Date, for good and valuable consideration, except as specifically set forth elsewhere in the Plan, the Releasing Parties conclusively, absolutely, unconditionally, irrevocably, and forever discharge and release (and each entity so discharged and released shall be deemed discharged and released by the Releasing Parties) the Released Parties and their respective property from any and all Claims, obligations, rights, suits, judgments, damages, demands, debts, Liens, Causes of Action, remedies, losses, and liabilities whatsoever (including contract claims, claims under ERISA and all other statutory claims, claims for contributions, withdrawal liability, reallocation liability, redetermination liability, interest on any amounts, liquidated damages, claims for attorneys' fees or any costs or expenses whatsoever), including any derivative claims, asserted or assertable on behalf of a Debtor, whether known or unknown, foreseen or unforeseen, liquidated or unliquidated, matured or unmatured, contingent or fixed, existing or hereinafter arising, in law, equity or otherwise, that such Entity would have been legally entitled to assert in its own right (whether individually or collectively) based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Estates, the Restructuring, the Chapter 11 Cases, the purchase, sale or rescission of the purchase or sale of any Security of the Debtors or the Reorganized Debtors, the DIP Facility, the DIP Documents, the Restructuring Support Agreement, the Definitive Documents, the [Sale Process](#), the First Lien Credit Agreements, the Senior Notes Indenture, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party (other than assumed contracts or leases), the restructuring of Claims and Interests before or during the Chapter 11 Cases, the negotiation, formulation, preparation or consummation of the Plan (including the Plan Supplement), the Definitive Documents, ~~the Sale Process~~, or any related agreements, instruments or other documents, or the solicitation of votes with respect to the Plan, in all cases based upon any other act or omission, transaction, agreement, event or other occurrence taking place on or before the Effective Date. For the avoidance of doubt, nothing in Section 10.6(b) of the Plan shall be construed to release (i) the Released Parties from intentional fraud, willful misconduct, or gross negligence, in each case as determined by a Final Order or (ii) any current or former patient of the Debtors from pursuing any Claim against any non-Debtor party that is not a Released Party, including any non-Debtor provider that is not a Released Party, for any acts or omissions arising out of or relating to any Claims for medical malpractice.

vii. Exculpation

Notwithstanding anything herein to the contrary, and to the maximum extent permitted by applicable law, no Exculpated Party will have or incur, and each Exculpated Party is hereby released and exculpated from, any claim, obligation, suit, judgment, damage, demand, debt, right, cause of action, remedy, loss, and liability for any act or omission taken on or after the Petition Date and prior to or on the Effective Date relating to, in any way, or arising out of, the Chapter 11 Cases, the negotiation, formulation, preparation, dissemination, implementation, administration, confirmation, consummation, and pursuit of the Disclosure Statement, the Restructuring Transactions, the Plan, or the solicitation of votes for, or confirmation of, the Plan, the funding or consummation of the Plan (including the Plan Supplement), the Patient Care Ombudsman's evaluations, reports, pleadings, or other writings filed by or on behalf of the Patient Care Ombudsman in or in connection with the Chapter 11 Cases, the Definitive Documents, ~~the Sale Process~~, or any related agreements, instruments, or other documents, the solicitation of votes on the Plan, the offer, issuance, and distribution of any Securities issued or to be issued pursuant to the Plan, whether or not such distribution occurs following the Effective Date, the occurrence of the Effective Date, the Sale Process, negotiations regarding or concerning any of the foregoing, or the administration of the Plan or property to be distributed under the Plan, except for actions determined by Final Order to constitute gross negligence, willful misconduct, or intentional fraud. This exculpation shall be in addition to, and not in limitation of, all other releases, indemnities, exculpations and any other applicable law or rules protecting such Exculpated Parties from liability.

The Debtors believe the releases and exculpations provided under the Plan to the Released Parties are reasonable and in the best interests of the Debtors and their stakeholders and will be prepared to demonstrate such in connection with confirmation of the Plan. Among others, the cooperation and participation of the Debtors' current officers, directors, and employees has been, and continues to be, vital to the success of these Chapter 11 Cases. If the current management and the Board had not stayed in place, the consequences to the business cannot be overstated. The Transformation Plan would likely not have been implemented, which as set forth above, has already enabled the Debtors to implement approximately \$213 million in savings. Given the Debtors' precarious financial position and other issues with respect to their operations, the Debtors very likely would be facing liquidation absent the cooperation of these parties. The Debtors will be prepared to demonstrate at confirmation the contributions of the Released Parties were reasonable and necessary and that the releases and exculpations to be granted pursuant to the Plan are a sound exercise of the Debtors' business judgment and are consistent with applicable Third Circuit law.

viii. Subordinated Claims

The allowance, classification, and treatment of all Allowed Claims and Interests and the respective distributions and treatments under the Plan take into account and conform to the relative priority and rights of the Claims and Interests in each Class in connection with any contractual, legal, and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, section 510(b) of the Bankruptcy Code, or otherwise. Pursuant to section 510 of the Bankruptcy Code, the Debtors reserve the right to re-classify any