

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

In re:

GLOBAL WOUND CARE MEDICAL GROUP, a
Professional Corporation,¹

Debtor and Debtor in Possession.

Chapter 11

Case No. 24-34908 (CML)

**WITNESS AND EXHIBIT LIST FOR DEBTOR’S EMERGENCY MOTION FOR
ENTRY OF INTERIM AND FINAL ORDERS: (I) AUTHORIZING THE DEBTOR TO
OBTAIN SECURED POSTPETITION FINANCING; (II) GRANTING LIENS AND
PROVIDING CLAIMS WITH SUPERPRIORITY ADMINISTRATIVE EXPENSE
STATUS; (III) MODIFYING THE AUTOMATIC STAY; (IV) SCHEDULING A FINAL
HEARING; AND (V) GRANTING RELATED RELIEF**

Global Wound Care Medical Group, a Professional Corporation (“the “Debtor”), the debtor and debtor possession in the above-captioned case, hereby files this witness and exhibit list (the “Witness and Exhibit List”) for the hearing on the *Debtor’s Emergency Motion for Entry of Interim and Final Orders: (I) Authorizing the Debtor to Obtain Secured Postpetition Financing; (II) Granting Liens and Providing Claims with Superpriority Administrative Expense Status; (III) Modifying the Automatic Stay; (IV) Scheduling a Final Hearing; and (V) Granting Related Relief* (the “Emergency Motion”) [Docket No. 311], at 1:00 p.m. (prevailing Central Time) on October 29, 2025 before the Honorable Christopher M. Lopez at the United States Bankruptcy Court for the Southern District of Texas, Courtroom 402, 515 Rusk, Houston, Texas 77002 (the “Hearing”).

WITNESSES

The Debtor may call the following witnesses at the Hearing:

1. Ralph Cetrulo;

¹ The last four digits of the Debtor’s tax identification number in the jurisdiction in which it operates is 3572.



2. Suzanne Richards;
3. Louis Robichaux IV;
4. Any witnesses called or listed by any other party; and
5. Any rebuttal witnesses.

EXHIBIT LIST

The Debtor may offer into evidence any one or more of the following exhibits:

No.	Description	Off.	Obj.	Adm.	DATE
1.	<i>Declaration of Ralph Cetrulo in Support of Debtor's Emergency Motion for Entry of Interim and Final Orders: (I) Authorizing the Debtor to Obtain Secured Postpetition Financing; (II) Granting Liens and Providing Claims with Superpriority Administrative Expense Status; (III) Modifying the Automatic Stay; (IV) Scheduling a Final Hearing; and (V) Granting Related Relief [Docket No. 312]</i>				
2.	<i>Declaration of Louis E. Robichaux IX in Support of Debtor's Emergency Motion for Entry of Interim and Final Orders: (I) Authorizing the Debtor to Obtain Secured Postpetition Financing; (II) Granting Liens and Providing Claims with Superpriority Administrative Expense Status; (III) Modifying the Automatic Stay; (IV) Scheduling a Final Hearing; and (V) Granting Related Relief [Docket No. 313]</i>				
3.	DIP Term Sheet				
4.	Initial DIP Budget				
5.	<i>Declaration of Ralph Cetrulo in Support of Chapter 11 Petition and First Day Motions [Docket No. 8]</i>				
6.	<i>Stipulation and Agreed Order Regarding Suspension of Medicare</i>				

No.	Description	Off.	Obj.	Adm.	DATE
	<i>Payments to the Debtor by the United States Department of Health and Human Services</i> [Docket No. 87]				
7.	<i>Joint Notice of Extension of Stipulation and Agreed Order Regarding Suspension of Medicare Payments to the Debtor by the United States Department of Health and Human Services</i> [Docket No. 272]				
8.	<i>Debtor's Emergency Motion to Schedule Status Conference</i> [Docket No. 278]				
9.	<i>Response of the Patient Care Ombudsman to the Debtor's Emergency Motion to Schedule Status Conference</i> [Docket No. 283]				
10.	<i>Status Conference Report and Declarations of Ralph Cetrulo, Chief Financial Officer, and Louis E. Robichaux</i> [Docket No. 290]				
11.	<i>Declaration of Louis E. Robichaux IV in Response to Issues Raised at the Debtor's Status Conference</i> [Docket No. 295]				
12.	<i>Supplement to Status Report and Debtors' Emergency Motion to Schedule Status Conference</i> [Docket No. 299]				
13.	Any document or pleading filed in the above-captioned chapter 11 case				
14.	Any exhibit listed by any other party				
15.	Rebuttal exhibits as necessary				

RESERVATION OF RIGHTS

The Debtor reserves the right to call or to introduce one or more, or none, of the witnesses and exhibits listed above, and further reserve the right to amend or supplement this Witness and Exhibit List at any time prior to the Hearing. Designation of any exhibit above does not waive any

objections the Debtor may have to any exhibit listed on any other party's exhibit list.

Dated: October 29, 2025

Respectfully submitted,

DENTONS US LLP

/s/ Casey W. Doherty Jr. _____

Casey W. Doherty Jr.

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Counsel to the Debtor and Debtor-in-Possession

CERTIFICATE OF SERVICE

This is to certify that, on October 29, 2025, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Casey W. Doherty Jr.

Exhibit 1

(Declaration of Ralph Cetrulo in Support of
Debtor's Emergency Motion for Entry of Interim and Final Order)

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

In re:

GLOBAL WOUND CARE MEDICAL GROUP, a
Professional Corporation,¹

Debtor and Debtor in Possession.

Chapter 11

Case No. 24-34908 (CML)

**DECLARATION OF RALPH CETRULO IN SUPPORT OF
DEBTOR'S EMERGENCY MOTION FOR ENTRY OF INTERIM AND FINAL
ORDERS: (I) AUTHORIZING THE DEBTOR TO OBTAIN SECURED
POSTPETITION FINANCING; (II) GRANTING LIENS AND PROVIDING CLAIMS
WITH SUPERPRIORITY ADMINISTRATIVE EXPENSE STATUS; (III) MODIFYING
THE AUTOMATIC STAY; (IV) SCHEDULING A FINAL HEARING;
AND (V) GRANTING RELATED RELIEF**

I, Ralph Cetrulo, hereby declare and state as follows:

1. I am the Chief Financial Officer ("CFO") of Global Wound Care Medical Group, a Professional Corporation, the debtor and debtor in possession (the "Debtor") in the above-captioned chapter 11 case ("Case"), and the CFO of Wound Pros Management Group, Inc. ("Wound Pros"), the management company for the Debtor. I submit this declaration (this "Declaration") in support of the contemporaneously filed *Debtor's Emergency Motion for Entry of Interim and Final Orders: (I) Authorizing the Debtor to Obtain Secured Postpetition Financing; (II) Granting Liens and Providing Claims with Superpriority Administrative Expense Status;*

¹ The last four digits of the Debtor's tax identification number in the jurisdiction in which it operates is 3572.

(III) *Modifying the Automatic Stay*; (IV) *Scheduling a Final Hearing*; and (V) *Granting Related Relief* (the “Motion”).²

2. I have been with Wound Pros since February 2023, and the CFO of the Debtor since December 2024. I have a Bachelor of Science in accounting from the University of Delaware and have over three decades of experience in public accounting and over a decade as a CFO. I have experience in mergers and acquisitions, business valuations, financial forecasting, and stock options planning. I am a member of the American Institute of Certified Public Accountants and the Delaware Society of Certified Public Accountants, and have served on the boards of various organizations, including the Horn Entrepreneurship Board at the University of Delaware, the Delaware Deferred Compensation Board, and the Delaware Workforce Development Board. As CFO of Wound Pros and the Debtor, I am intimately familiar with their cash management systems, as well as all facets of its revenue cycle management, current cash balances, and claims submissions to and payments from the Medicare program and other payors.

3. I have reviewed the terms and condition set forth in the DIP Term Sheet with the Debtor’s other advisors and counsel, and believe they are fair, reasonable, adequate, and prudent to address the Debtor’s immediate needs in this chapter 11 case. I further believe that approval of the DIP Facility is the best and only DIP financing option and is in the best interests of the Debtor, its estate, the patients it serves, its employees, and all other parties in interest. In support of such approval, I further state as follows.

The Liquidity Crisis and the Need for the DIP Facility

4. On an emergency basis, the Debtor requests approval of the DIP Facility in the amount of up to \$10.7 million. Approval of the DIP Facility will address the Debtor’s immediate

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

liquidity crisis caused by the slowdown in Medicare reimbursements, which have been the subject of a prior emergency motion and related Status Conference and report. In the absence of an immediate cash infusion, the Debtor faces the imminent shutdown of its business, which would interfere with critical care to the Debtor's elderly patient population, eliminate nearly 900 jobs, and destroy going-concern value. To avert that outcome, to provide the Debtor with an infusion of cash, and to preserve the health and welfare of its patients, the Debtor, with the assistance of its advisors, engaged in extensive good-faith negotiations with the DIP Lender to enter into the DIP Facility on reasonable and customary terms. The Debtor therefore requests approval of the DIP Facility on an interim and final basis to ensure the continued operation of its life-sustaining business and the preservation of value for all parties in interest.

5. As an initial matter, given the slowdown in Medicare payments, the funds from Medicare receipts would be insufficient to fund the costs associated with the Debtor's immediate operational needs and restructuring efforts. With the assistance of its advisors, the Debtor and I determined that the additional postpetition financing provided by the DIP Facility is necessary to allow the Debtor to pay for the costs discussed herein and otherwise address the liquidity issues caused by the slowdown in Medicare payments. Accordingly, the Debtor and I believe the DIP Facility is fundamental to the preservation and maintenance of the Debtor's going-concern value.

6. Furthermore, unless the Debtor can demonstrate that it has the means available to operate in the ordinary course and procure goods and services that are vital to ongoing business operations, vendors and third parties may refuse to do business with the Debtor. Moreover, absent the DIP Facility, the Debtor will lack sufficient liquidity to continue its operations in the ordinary course to the material detriment of the Debtor's patients, employees, estate, creditors, and other parties in interest.

7. The proposed financing will allow the Debtor to meet payroll, satisfy essential vendor obligations, and continue providing life-sustaining medical services to thousands of elderly and homebound patients across the country. It also ensures the retention of the Debtor's trained medical workforce and operational infrastructure—both of which are indispensable to preserving the Debtor's going-concern value and prospects for a successful reorganization.

8. The absence of postpetition financing would quickly erode the estate's value and render reorganization impossible. The DIP Facility therefore represents the only viable mechanism to protect the estate's assets, maintain continuity of care, and preserve going-concern value.

The Debtor's Efforts to Obtain Other Sources of Funding

9. Faced with a sudden and material liquidity crisis precipitated by the unprecedented slowdown in Medicare reimbursements, the Debtor evaluated multiple strategic alternatives—including additional negotiations with the United States for access to a small percentage of the funds currently held in the Suspense Account, which now totals over \$300 million, other potential remedies related to the Medicare program, and potential third-party financing—but found no actionable proposals on any terms other than the DIP Facility with the DIP Lender.

10. As to access to any amounts in the Suspense Account, the United States would not consent. Moreover, the Debtor and I are concerned that if the Debtor attempted to seek immediate release of funds from the Suspense Account, the DOJ would take the position that the Debtor has violated the Medicare Stipulation, which would jeopardize a potential global settlement with the United States.

11. In addition to pre-petition efforts, starting in June 2025 after the Debtor had reached an agreement in principle with the United States, the Debtor held additional conferences with 12-15 family offices and funds in search of capital. Six of the funds pursued an initial due diligence

process, reviewing the Debtor's business in earnest. The other potential funding sources declined to move forward. Of the six who conducted the initial due diligence process, three potential lenders expressed continued interest. The Debtor then held multiple follow up conversations with these three lenders and shared additional information in furtherance of their due diligence processes. Although the Debtor believed it was close to reaching a LOI with two of the lenders, both declined to issue an LOI until the Debtor reached the final stages or execution of a global settlement agreement with United States. The Debtor remain in dialogue with those two lenders; however, such discussions now revolve around a potential opportunity to re-finance any DIP financing after final execution of a global settlement agreement with the United States. During this period, the Debtor also received an LOI for a partial redemption of equity shares.

12. In light of the results of the Debtor's prior broader marketing efforts, and given the Debtor's rapidly deteriorating liquidity and the imminent risk of operational cessation, the Debtor's current highly expedited process to solicit DIP financing necessarily precluded it from conducting a renewed comprehensive marketing process. Notwithstanding the foregoing, the Debtor, with the assistance of its counsel and other advisors, quickly explored two additional potential sources of postpetition financing.

13. After the Debtor received responses from these two most promising potential capital providers, the Debtor and I concluded that the exigent circumstances necessitated prompt action to secure financing sufficient to maintain operations, ensure ongoing services to its patients, and preserve value for all parties in interest, especially given that it appeared that further endeavors to explore debtor-in-possession financing alternatives were unlikely to reach better terms. This decision is supported by the Debtor's further analysis that, even assuming the Debtor could achieve slightly better terms, the Debtor's limited window of opportunity is quickly dwindling such that

expending further time and resources could jeopardize reorganization altogether. The Debtor's swift but strategic efforts have confirmed that no readily-available lender was willing to provide financing on an unsecured or exclusively junior-lien basis, or otherwise on better terms on the Debtor's timeline.

14. One of the two parties that recently evaluated a potential DIP financing opportunity ultimately declined to proceed, citing that the proposed facility was below its minimum investment or funding threshold. However, EWB provided the Debtor with a workable initial proposal for the current DIP Facility to fund ongoing operations during this chapter 11 case while the Debtor works to restore Medicare reimbursement levels and pursue a value-maximizing resolution.

15. After engaging in further, good-faith, arm's-length negotiations, the Debtor secured improved economic and structural terms and determined that the DIP Facility represents the only viable and best available financing option under the circumstances.

The DIP Facility and Its Terms

16. As stated above, the Debtor has secured vital additional liquidity through the DIP Facility in the amount of up to \$10.7 million. The DIP Facility was negotiated at arm's length and embodies customary terms with the dual goals of ensuring immediate liquidity and preserving long-term restructuring optionality between the Debtor, the DIP Lender, and their respective advisors, including with the Debtor's financial and legal advisors.

17. Among other things, the pricing, fees, covenants, and other economic terms, when viewed holistically, represent the best and only feasible financing reasonably available under the Debtor's current circumstances. The structure of the DIP Facility carefully balances the Debtor's urgent liquidity needs with appropriate lender protections, including customary priming and superpriority features. The DIP Facility was also deliberately structured to avoid impairing or

undermining the United States' interests in the Medicare Stipulation, ensuring that the DIP financing complements—rather than conflicts with—the existing Medicare Stipulation and regulatory framework. In sum, in balancing risk and reward, the DIP Facility provides essential funding to sustain operations and stabilize patient care while ensuring protections to the DIP Lender—all while simultaneously being narrowly tailored to protect the careful balance of rights afforded the Debtor and the United States under the Medicare Stipulation.

18. Equally important, the DIP Facility's timeline and covenants afford the Debtor the breathing room necessary to address the underlying reimbursement issues and to pursue a global resolution with the United States that will maximize value for all parties in interest. The terms are neither coercive nor opportunistic; rather, they have been tailored by the Debtor's advisors and legal counsel to address the Debtor's immediate liquidity needs, consistent with customary terms for postpetition financings of this type and size. The DIP Facility's terms align the Debtor's short-term funding needs with its reorganization objectives, ensuring that liquidity is deployed efficiently toward stabilizing operations and permitting it time to solve the timing complications with Medicare reimbursements and/or reach agreement with the United States for additional access to funds held in the Suspense Account.

19. The Debtor's decision to pursue the DIP Facility reflects a deliberate and well-reasoned exercise of business judgment under the circumstances of this case. The Debtor and I believe the DIP Facility embodies the most favorable terms on which the Debtor could obtain postpetition financing. Moreover, the negotiations of the terms of the DIP Facility with the DIP Lender were conducted in good faith and at arm's length. Thus, under the circumstances, not only is the DIP Facility critical to the Debtor's continuing operations, but the terms and conditions of the DIP Term Sheet and the forthcoming DIP Loan Documents are fair and reasonable.

Accordingly, the Debtor and I believe that entry into the DIP Facility is in the best interests of the Debtor's estate and is an exercise of the Debtor's sound business judgment.

20. The foregoing also justifies granting the DIP Lender secured liens and superpriority administrative expense claims and demonstrates why it is both necessary and appropriate under the circumstances of this case. As detailed above, the Debtor has demonstrated that it is unable to obtain credit on an unsecured or junior basis and that the DIP Facility represents the only viable source of liquidity to preserve operations. The liens and priority claims proposed here are designed to protect the DIP Lender without unfairly prejudicing other creditors, and are subject to a customary carve-out for professional fees.

21. Moreover, the proposed lien and priority structure aligns with balancing the Debtor's urgent liquidity needs with the rights of existing parties in interest. As referenced above, the Debtor's Medicare Receivables Account assets are already subject to a lien of the United States under the Medicare Stipulation, and the DIP Facility is structured to respect those existing rights by providing either for consent or, alternatively, for junior lien treatment. The superpriority claims simply ensure that the DIP Lender is compensated for the substantial risk undertaken in extending new money to a debtor in crisis. Without such protections, I do not believe any rational lender would provide the critical financing necessary to sustain the Debtor's operations and facilitate reorganization. Accordingly, I believe that granting secured liens and superpriority administrative expense claims is justified, equitable, and in the best interests of the estate and all creditors.

Use of Proceeds and Approved Budget

22. The proceeds of the DIP Facility will be used only for purposes that are permissible for debtors in bankruptcy, in accordance with the DIP Orders and the Approved Budget. Specifically, the Debtor and Wound Pros will use the proceeds of the DIP Facility to bridge its

liquidity crisis caused by the slowdown in Medicare payments and fund employee payroll, pay vendors, and other expenses.

23. Although the Debtor continues to operate in accordance with the Operating Budget, the Debtor has also prepared the Approved Budget, which is an 18-week cash flow budget (incorporating the Operating Budget) approved by EWB and a copy of which is attached as Schedule 1 to the Interim Order. The Approved Budget reflects a comprehensive analysis of the Debtor's current liquidity position and incorporates reasonable assumptions regarding working capital needs, cash receipts and disbursements, professional fees, vendor obligations, and other ordinary-course expenditures necessary to sustain operations. The Approved Budget further accounts for the impact of the ongoing liquidity crisis and identifies the minimum funding necessary to maintain patient services, preserve jobs, and stabilize the Debtor's business pending resolution of the reimbursement delays.

24. Consistent with the DIP Term Sheet, the Debtor intends to use proceeds of the DIP Facility strictly in accordance with the Approved Budget, subject to the Permitted Variances. In addition, the Debtor will provide periodic updates to the Approved Budget, which, once approved by the DIP Lender, will become the new Approved Budget. I believe the use of DIP proceeds in accordance with the Approved Budget (subject to Permitted Variances) will ensure transparency, maintain fiscal accountability, and provide confidence to the Court, creditors, and parties in interest that funds are being deployed solely to support essential operations and the preservation of estate value.

25. Moreover, the Debtor's management and professionals, including myself, negotiated the DIP Facility in good faith and at arm's length to obtain terms that are fair, customary, and appropriate for a financing of this type. The pricing, covenants, and maturity

profile are reasonable and customary under the circumstances and afford the Debtor operational flexibility while providing the lender with reasonable protections. In short, the financing is designed to fund working capital, payroll, and administrative expenses essential to preserving the Debtor's going-concern value and to avoiding irreparable harm to the estate, and the Debtor intends to use the DIP Facility in accordance with such purposes.

I certify under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

Date: October 28, 2025

/s/ Ralph Cetrulo
Ralph Cetrulo

Exhibit 2

(Declaration of Louis E. Robichaux IV in Support of
Debtor's Emergency Motion for Entry of Interim and Final Order)

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

In re:

GLOBAL WOUND CARE MEDICAL GROUP, a
Professional Corporation,¹

Debtor and Debtor in Possession.

Chapter 11

Case No. 24-34908 (CML)

**DECLARATION OF LOUIS E. ROBICHAUX IV IN SUPPORT OF DEBTOR'S
EMERGENCY MOTION FOR ENTRY OF INTERIM AND FINAL ORDERS: (I)
AUTHORIZING THE DEBTOR TO OBTAIN SECURED POSTPETITION
FINANCING; (II) GRANTING LIENS AND PROVIDING CLAIMS WITH
SUPERPRIORITY ADMINISTRATIVE EXPENSE STATUS; (III) MODIFYING THE
AUTOMATIC STAY; (IV) SCHEDULING A FINAL HEARING;
AND (V) GRANTING RELATED RELIEF**

I, Louis E. Robichaux IV, hereby declare and state as follows:

1. I am a Senior Managing Director at Ankura Consulting Group, LLC ("Ankura"). I have over 30 years of healthcare industry and restructuring experience, with significant expertise serving in chief restructuring officer roles. I have provided restructuring, crisis management, financial advisory, and expert witness services to parties in a broad variety of distressed corporate settings, with a significant emphasis on the US healthcare industry.

2. In the above-captioned case (the "Case"), I am the Chief Restructuring Officer ("CRO") of Global Wound Care Medical Group, a Professional Corporation, the debtor and debtor in possession (the "Debtor").

3. I make this Declaration in support of the *Debtor's Emergency Motion For Entry of Interim and Final Orders: (I) Authorizing the Debtor to Obtain Secured Postpetition Financing;*

¹ The last four digits of the Debtor's tax identification number in the jurisdiction in which it operates is 3572.

(II) *Granting Liens and Providing Claims With Superpriority Administrative Expense Status*; (III) *Modifying the Automatic Stay*; (IV) *Scheduling a Final Hearing*; and (V) *Granting Related Relief* (the “DIP Motion”),² which was filed contemporaneously herewith.

4. Ankura has worked collaboratively with the Debtor’s management to secure the DIP Facility, which will allow the Debtor to gain access to critical liquidity.

5. The DIP Facility has been evaluated by the Debtor and its professionals. The Debtor was unable to obtain sufficient financing on an administrative or unsecured basis at all, and was unable to obtain financing on a secured basis on terms better than the DIP Facility. The Debtor negotiated the DIP Facility in good faith and at arm’s length.

6. I have determined, based on my experience, that: (i) the DIP Facility is fair and reasonable based on typical market terms for financings of this type and size, and based on the circumstances of the Debtor, including its current liquidity crisis; (ii) the pricing, covenants, and maturity profile reflected in the DIP Facility are reasonable and customary under the circumstances; and (iii) there are no other financing options available to the Debtor that would provide financing on terms more favorable than those reflected in the DIP Facility. Based on my experience with debtor-in-possession financing transactions, as well as my involvement in the negotiation of the DIP Facility, the DIP Facility is the best and only reasonable financing option currently available to the Debtor.

7. Additionally, the Debtor and I believe that each “Significant Provision” identified in the DIP Motion is justifiable under the circumstances of this chapter 11 case because, among other things, the DIP Lender will not make the DIP Facility available to the Debtor without such

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the DIP Motion.

provisions, and the DIP Facility, taken as a whole, is fair, reasonable, and adequate for the Debtor (in the context of this chapter 11 case and constitutes the best financing option available).

8. In sum, it is my professional opinion that the terms of the DIP Facility, taken as a whole, are fair and reasonable under the circumstances and are the product of good faith, arm's length negotiations. For all the reasons included in this Declaration, I believe it is appropriate for the Court to approve the DIP Facility as contemplated by the DIP Motion.

I certify under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

Date: October 28, 2025

/s/ Louis E. Robichaux IV
Louis E. Robichaux IV
Senior Managing Director
Ankura Consulting Group, LLC

Exhibit 3

(Dip Term Sheet)

Exhibit 1

DIP Term Sheet

GLOBAL WOUND CARE MEDICAL GROUP, P.C.

Senior Secured Superpriority
Debtor-in-Possession Credit Facility Term Sheet

Dated as of October 28, 2025

This Senior Secured Superpriority Debtor-in-Possession Credit Facility Term Sheet (this “**Term Sheet**”) describes the principal terms and conditions of a proposed senior secured superpriority debtor-in-possession term loan facility (the “**DIP Credit Facility**”) to be provided by the DIP Lender (as defined below) to Global Wound Care Medical Group, P.C. (the “**GWC**” or the “**Debtor**”), in connection with cases (the “**Chapter 11 Case**”) filed by the GWC, as debtor and debtor-in-possession, in the United States Bankruptcy Court for the Southern District of Texas (the “**Bankruptcy Court**”) pursuant to chapter 11 of title 11 of the United States Code (as amended, the “**Bankruptcy Code**”) and administered under case number 24-34908 (CML) (the “**Chapter 11 Case**”).

This Term Sheet is being provided on a confidential basis and it, along with its contents and existence, may not be distributed, disclosed or discussed with any other party other than (i) the Loan Parties’ (as defined below) directors, officers, employees, accountants, attorneys and other professional advisors retained by the Loan Parties in connection with the transactions contemplated hereby and (ii) in a Bankruptcy Court filing in connection with the Chapter 11 Case. This Term Sheet is not an offer for the purchase, sale, or subscription or invitation of any offer to buy, sell or to subscribe for any securities. The terms and conditions set forth in this Term Sheet do not constitute or create an agreement, obligation or commitment of any kind by or on behalf of any party, unless and until executed by each of the undersigned parties hereto. Each of the Loan Parties and the DIP Lender agree and acknowledge that the failure to enter into definitive documentation with respect to the transactions contemplated hereby (such documentation, the “**Definitive Documentation**”) shall in no event have an impact on, or operate in derogation of, the binding nature and the enforceability of this Term Sheet except as set forth in this Term Sheet or the other DIP Loan Documents (as defined below). Such Definitive Documentation, including any credit agreement in respect of the DIP Credit Facility (the “**DIP Credit Agreement**”) and all other DIP Loan Documents shall be in form and substance acceptable to the DIP Lender in its sole discretion.

BORROWER:	GWC, in its capacity as a debtor and debtor-in-possession under the Bankruptcy Code in the Chapter 11 Case shall be the borrower under the DIP Credit Facility (in such capacity, the “ Borrower ”).
GUARANTOR:	Wound Pros Management Group, Inc. (“ Guarantor ” and together with the Borrower, the “ Loan Parties ” and each, a “ Loan Party ”).
DIP LENDER:	East West Bank (collectively with its successors and assigns, the “ DIP Lender ”).
DIP CREDIT FACILITY:	The DIP Lender agrees to make senior secured superpriority debtor-in-possession loans to the Borrower consisting of a term loan to be made from time to time during the Availability Period (as defined below) in accordance with this Term Sheet (or, as applicable, the other DIP Loan Documents) in an aggregate principal amount not to exceed at any time outstanding aggregate principal commitments of \$10,700,000 (the “ DIP Commitment ”), upon compliance with the conditions set forth in this Term Sheet and, as applicable, the other DIP Loan Documents. At any time prior to the Maturity Date, the

	amount of the DIP Commitment may be increased by mutual consent of the DIP Lender, the Borrower, and the Guarantor.
AVAILABILITY PERIOD:	<p>The DIP Credit Facility shall be available, up to the full amount of the DIP Commitment, from the Interim Closing Date to the earliest of (i) the Maturity Date (as defined below) and (ii) the date of the termination of the DIP Credit Facility pursuant to the terms hereof or the DIP Orders (as defined below) (the “Availability Period”). The Borrower shall request a draw under the DIP Credit Facility by delivering a notice of borrowing to the DIP Lender (the “Notice of Borrowing”), duly executed by an authorized officer of the Borrower, as follows: on or after the date of an order approving the DIP Credit Facility on an interim basis, which order shall be in form and substance acceptable to the DIP Lender (the “Interim Order”), the Borrower shall request a loan in an amount of \$10,700,000, subject to the provisions of this Term Sheet, the Interim Order, and the Approved Budget (as defined below), which loan shall be funded net of the Commitment Fee and any then-accrued and unpaid fees and expenses of the DIP Lender and/or its counsel (collectively, the “DIP Loan”). The Availability Period shall automatically terminate if an order approving the DIP Credit Facility on a final basis, which order shall be in form and substance acceptable to the DIP Lender (the “Final Order” and together with the Interim Order, the “DIP Orders”), is not timely entered in accordance with this Term Sheet.</p> <p>The proceeds of the DIP Loan shall be funded into a deposit account of the Borrower. Such account shall be subject to the DIP Liens (as defined below) in favor of the DIP Lender, which shall be perfected pursuant to the DIP Orders.</p>
USE OF PROCEEDS:	The DIP Loan will be used strictly in accordance with the Approved Budget (subject to the Permitted Variances (as defined below)), for (i) working capital and general corporate purposes of the Loan Parties, (ii) for bankruptcy-related costs and expenses, and (iii) for costs and expenses related to the DIP Credit Facility.
APPROVED BUDGET; APPROVED CASH FLOW PROJECTION; VARIANCE REPORTS:	<p>The Borrower has delivered to the DIP Lender a weekly budget on a consolidated basis for the 13-week period commencing on the week of November [•], 2025, which is hereby approved by the DIP Lender (the “Approved Budget”).</p> <p>By no later than 5:00 PM (Eastern Time) on Thursday after the second (2nd) full calendar week following the entry of the Interim Order (the “Interim Order Entry Date” and such testing date, the “First Testing Date”), and no later than 5:00 PM (Eastern Time) on each Thursday thereafter (together with the First Testing Date, each a “Testing Date”), the Borrower shall deliver to the DIP Lender, in a form consistent with the form of the Approved Budget, a variance report comparing the Borrower’s actual receipts and disbursements by line item for the prior calendar week, beginning with the fourth (4th) week after the Interim Order Entry Date, and</p>

	<p>the prior four (4) calendar weeks (on a cumulative basis) with the projected receipts and disbursements for such week and, beginning with the fourth (4) calendar week after the Interim Order Entry Date, the prior four (4) calendar weeks (on a cumulative basis) as reflected in the applicable Approved Budget for such weeks (the “Weekly Variance Report”).</p> <p>By not later than 5:00 PM Eastern Time on the First Testing Date and on each Thursday thereafter that is the four-week (4-week) anniversary of the First Testing Date (each such date, a “Monthly Variance Testing Date” and each such four-week period, the “Monthly Testing Period”), the Borrower shall provide to the DIP Lender a report detailing (i) the aggregate disbursements of the Borrower and aggregate receipts during the applicable Monthly Testing Period for all operating disbursements; and (ii) any variance (whether positive or negative, expressed as a percentage) between the aggregate disbursements made during such Monthly Testing Period by the Borrower against the aggregate disbursements for the Monthly Testing Period, as set forth in the applicable Approved Budget (a “Monthly Variance Report,” together with the Weekly Variance Report, the “Approved Variance Reports”).</p> <p>The Borrower shall comply with the following (collectively, the “Permitted Variances”):</p> <p>As of any Monthly Variance Testing Date, for the Monthly Testing Period ending on the Sunday preceding such Monthly Variance Testing Date, the Borrower shall not allow without the DIP Lender’s approval: all operating disbursements (excluding professional fees and restructuring charges arising on account of the Chapter 11 Case (including United States Trustee fees and professional fees and expenses incurred by the DIP Lender or any privacy ombudsman)) to be greater than 120% of the estimated disbursement for such items in the Approved Budget, each for such Monthly Testing Period provided that, if disbursements are below the budgeted disbursements for a Monthly Testing Period, any such unused disbursements shall be rolled into the Approved Budget for the following next Monthly Testing Period. Any material changes to the Approved Budget, shall be subject to the DIP Lender’s approval. For the avoidance of doubt, any reference to “written consent” hereunder shall include consent granted by email.</p> <p>Commencing at 5:00 P.M. (Eastern Time) on the Thursday of the fourth full calendar week after the Interim Order Entry Date, and continuing at 5:00 P.M. (Eastern Time) on the Thursday of every fourth (4th) week thereafter, the weekly budget shall be updated, and if such updated budget is in form and substance satisfactory to the DIP Lender, it shall become the “Approved Budget” for purposes of this Term Sheet and the DIP Orders. Any amendments, supplements, or modifications to the Approved Budget or an Approved Variance Report shall be subject to the prior written</p>
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	<p>approval of the DIP Lender prior to the implementation thereof. If the DIP Lender has not objected, in writing, to a proposed updated budget, or an amendment, supplement, or modification to the Approved Budget or an Approved Variance Report, within three (3) business days after the DIP Lender's receipt thereof, such proposed updated budget, amendment, supplement, or modification shall be deemed acceptable to and approved by the DIP Lender. Until any such updated budget, amendment, supplement, or modification has been approved by the DIP Lender, the Loan Parties shall be subject to and be governed by the terms of the then-existing Approved Budget.</p>
<p>SECURITY INTERESTS AND SUPERPRIORITY CLAIMS:</p>	<p>The DIP Loan and other liabilities and obligations owed to the DIP Lender under or in connection with this Term Sheet, the Interim Order, the Final Order, and/or the other DIP Loan Documents, (collectively, the "DIP Obligations"), in all cases subject to the "Carve Out" (as defined in the DIP Orders), shall be:</p> <ul style="list-style-type: none"> (i) pursuant to section 364(c)(1) of the Bankruptcy Code, entitled to superpriority administrative expense claim status in the Chapter 11 Case of the Borrower with priority over any and all administrative expenses, whether heretofore or hereafter incurred, of the kind specified in sections 503(b) or 507(a) of the Bankruptcy Code (the "DIP Lender Superpriority Claim"), <i>provided, however</i>, that the DIP Lender Superpriority Claim shall be <i>pari passu</i> with any superpriority claim granted to the United States of America; (ii) (a) in the event that the United States has not consented or otherwise objects to the granting of a priming lien on the Medicare Receivables Account set forth in clause (iv) below, pursuant to section 364(c)(3) of the Bankruptcy Code, secured by a junior lien granted in favor of the DIP Lender on the Borrower's interest in the Medicare Receivables Account, and (b) pursuant to applicable nonbankruptcy law, secured by a junior lien granted in favor of the DIP Lender on the Guarantor's interest in DIP Collateral that is subject to a valid, non-avoidable, perfected, and prior lien, security interest, or other encumbrance as of the entry of the Interim Order; (iii) (a) pursuant to section 364(c)(2) of the Bankruptcy Code, secured by a perfected first-priority lien granted in favor of the DIP Lender on the Borrower's interest in the DIP Collateral, and (b) pursuant to applicable nonbankruptcy law, secured by a first-priority lien granted in favor of the DIP Lender on the Guarantor's interest in DIP Collateral that, in each case, is unencumbered or not otherwise subject to a valid, non-avoidable, perfected, and prior lien, security interest, or other encumbrance as of the entry of the Interim Order; and

	<p>(iv) pursuant to section 364(d)(1) of the Bankruptcy Code, secured by a perfected first-priority priming lien granted in favor of the DIP Lender on the Borrower's interest in the DIP Collateral, senior to all other liens; <i>provided, however</i>, that a priming lien under this clause (iv) shall only be granted against the Medicare Receivables Account in the event that the United States consents to the creation of such priming lien against that account (the liens described in clauses (ii), (iii) and (iv), the "DIP Liens").</p> <p>All DIP Collateral subject to a DIP Lien under clause (iv) or a first-priority lien under clause (iii) above, shall be referred to as the "DIP Lender Priority Collateral."</p>
DIP COLLATERAL:	<p>"DIP Collateral" means, collectively, all assets of each Loan Party (and, as applicable, its bankruptcy estate) of any nature whatsoever and wherever located, whether first arising prior to or following the Petition Date, now owned or hereafter acquired, including all accounts, chattel paper, deposit accounts, documents, equipment, general intangibles, goods, instruments, inventory, investment property, letter-of-credit rights, real property, books and records, and all proceeds, rents, profits, and offspring of the foregoing, other than assets, contracts, leases, and other licenses solely to the extent a DIP Lien is not permitted by law to attach to such property, in which case the proceeds of such assets, contracts, leases, and other licenses shall be DIP Collateral.</p> <p>All of the liens granted to the DIP Lender in the DIP Collateral shall be effective and perfected by the Interim Order and the Final Order and without the necessity of the execution of mortgages, security agreements, pledge agreements, financing statements, or other agreements. Notwithstanding the foregoing, the Borrower shall take all action that may be reasonably necessary or desirable, or that the DIP Lender may reasonably request, to at all times maintain the validity, perfection, enforceability, and priority of the security interest and liens of the DIP Lender in the DIP Collateral, or to enable the DIP Lender to protect, exercise or enforce its rights hereunder, under the DIP Orders and in the DIP Collateral.</p>
FEES:	<p>4.0% commitment fee on total DIP Commitment, earned, non-refundable, and allowed on a final basis upon entry of the Interim Order and payable in cash from the proceeds of the Interim DIP Loan draw (the "Commitment Fee").</p> <p>4.0% exit fee on the total DIP Commitment, earned, non-refundable, and allowed on a final basis upon entry of the Interim Order and paid in cash upon the repayment of the DIP Loan (including voluntary prepayments), the termination of the DIP Commitment, or upon the acceleration of the DIP Loan following an Event of Default (the "Exit Fee").</p>

	1.0% extension fee on the total DIP Commitment, earned, non-refundable, and allowed upon each extension of the stated maturity date, made at the Loan Parties' request, and subject to the DIP Lender's agreement (in its sole discretion) (the " Extension Fee "). Each Extension Fee will be paid in kind by adding such Extension Fee to the principal amount of the DIP Loan.
INTEREST RATE:	Interest will be payable on the unpaid principal amount of the DIP Loan and all overdue interest thereon at a rate per annum equal to 12.0%, payable and the end of such interest period in arrears in cash. All interest and fees under this Term Sheet shall be calculated on the basis of a 360-day year for the actual number of days elapsed. All accrued interest which for any reason has not theretofore been paid shall be paid in full on the date on which the final principal amount of the DIP Loan is paid.
DEFAULT RATE:	At all times automatically following the occurrence and during the continuance of an Event of Default, principal, interest, and all other amounts due on the DIP Loan shall bear interest at a rate equal to 2.0% per annum in excess of the interest rate set forth under "Interest Rate" above.
MATURITY DATE:	<p>The DIP Loan (together with all other DIP Obligations) shall mature and be due and payable on the earliest to occur of the following (such date, the "Maturity Date"): </p> <ul style="list-style-type: none"> (i) the date that is 120 calendar days after execution of the entry of the Interim Order (the "Initial Maturity Date"), which Initial Maturity Date may be extended for one or more 30-calendar-day periods by mutual consent of the DIP Lender (in its sole discretion), the Borrower, and the Guarantor, subject to payment of the Extension Fee for each such extension; (ii) 30 calendar days after the Interim Order Entry Date if the Final Order has not been entered by the Bankruptcy Court on or before such date, or otherwise extended by agreement of the DIP Lender (in its sole discretion); (iii) the date of consummation of any sale of all or substantially all of the assets of the Borrower pursuant to section 363 of the Bankruptcy Code; (iv) the substantial consummation (as defined in section 1101 of the Bankruptcy Code and which for purposes hereof shall be no later than the "effective date" thereof) of a plan of reorganization filed in the Chapter 11 Case that is confirmed pursuant to an order entered by the Bankruptcy Court; (v) entry of an order by the Bankruptcy Court approving (a) a motion seeking conversion or dismissal of the Chapter 11 Case or (b) a motion seeking the appointment or election of a trustee,

	<p>a responsible officer, or examiner with enlarged powers relating to the operation of the Borrower's business;</p> <p>(vi) the date, if any, on which the Bankruptcy Court orders the conversion of the Chapter 11 Case to a liquidation pursuant to Chapter 7 of the Bankruptcy Code; and</p> <p>(vii) the date of acceleration of all or any portion of the DIP Loan and the termination of the DIP Commitment in respect thereof upon the occurrence of an Event of Default (as defined below).</p>
OPTIONAL PREPAYMENTS:	<p>The Borrower may prepay the DIP Loan in whole or in part at any time upon delivery of written notice to the DIP Lender no later than 1:00 PM (Eastern Time) three (3) business days prior to the date of such prepayment (or such later time as the DIP Lender may agree to acting reasonably); <i>provided</i> any such prepayments shall be subject to the Exit Fee on the portion of the DIP Loan so repaid. All optional prepayments shall be applied to the DIP Loan in accordance with the application of payment provisions set forth in the "Mandatory Prepayments" section below. Any amounts so prepaid may not be reborrowed.</p>
MANDATORY PREPAYMENTS; APPLICATION OF PAYMENTS:	<p>Prior to the occurrence of an Event of Default, within two calendar days of receipt of proceeds described in clauses (i) through (ii) below, the Borrower shall remit to the DIP Lender to pay or prepay, to the extent provided below, the DIP Obligations (together with a cash reserve established by the DIP Lender to cover asserted contingent and indemnity obligations) in each case owed to applicable DIP Lender specified in clauses (i) through (ii) below, ratably and to the extent specified below, until such obligations are paid in full as follows:</p> <p>(i) 100% of the net cash proceeds of any sale or disposition of DIP Collateral outside the ordinary course of business, after funding the Carve Out and Permitted Prior Liens (to be defined in the DIP Credit Agreement), if any, which proceeds shall be applied to the DIP Loan in accordance with the DIP Credit Agreement; and</p> <p>(ii) 100% of the net cash proceeds received as a result of the Loan Parties incurring or issuing any indebtedness that is not expressly permitted to be incurred or issued pursuant to this Term Sheet, which proceeds shall be applied to the DIP Loan in accordance with the DIP Credit Agreement, <i>provided</i> that the Loan Parties shall be permitted to extend trade credit in the ordinary course of business.</p> <p>Any amounts so paid or prepaid may not be reborrowed. No reinvestment of the proceeds of any extraordinary receipts, asset</p>

	sales, or other proceeds described above shall be permitted without the prior written consent of the DIP Lender.
CONDITIONS PRECEDENT TO THE INTERIM CLOSING DATE AND DIP LOAN:	<p>The obligations of the DIP Lender to make the DIP Loan will be subject to satisfaction, or written waiver, by the DIP Lender, of each of the following conditions precedent in connection with each draw request (the date on which such conditions shall have been satisfied or waived in accordance with this Term Sheet, the (“Interim Closing Date”)).</p> <ul style="list-style-type: none"> (i) The Borrower shall have timely delivered to the DIP Lender the Approved Budget or any update thereto required to be delivered in accordance with this Term Sheet; (ii) the Borrower shall have delivered to the DIP Lender a Notice of Borrowing in connection with such draw request no later than 1:00 PM (Eastern Time) one day prior to the requested funding date for the DIP Loan (or such later time as the DIP Lender may agree to); (iii) the Interim Order (in form and substance acceptable to the DIP Lender and consistent with this Term Sheet) has been entered by the Bankruptcy Court (after a hearing on notice to all parties having or asserting a lien on all or any portion of the DIP Collateral) and shall not have been reversed, modified, amended, stayed, or vacated, or in the case of any modification or amendment, in a manner without the consent of the DIP Lender and the Loan Parties shall be in compliance in all respects with the Interim Order; (iv) the Interim Order shall provide that the liens and security interests of the DIP Lender in the DIP Collateral have been perfected by the Interim Order and without the necessity of the execution of mortgages, security agreements, pledge agreements, financing statements, or other agreements and shall constitute first-priority liens (subject only to the Carve Out); (v) no Default or Event of Default under the DIP Credit Facility or under the Interim Order or Final Order, as applicable, shall have occurred and be continuing on the Interim Closing Date or after giving effect to the DIP Loan; (vi) all representations and warranties of the Loan Parties hereunder shall be true and correct in all material respects (except those qualified by materiality or Material Adverse Change (as defined below), which shall be true and correct in all respects); (vii) subject to Bankruptcy Court approval, (a) the Loan Parties shall have the corporate power and authority to make, deliver,

	<p>and perform their obligations under this Term Sheet and the Interim Order and (b) no consent or authorization of, or filing with, any person (including, without limitation, any governmental authority) shall be required in connection with the execution, delivery, or performance by the Loan Parties, or for the validity or enforceability in accordance with its terms against each Loan Party, of this Term Sheet and the Interim Order except for consents, authorizations, and filings which shall have been obtained or made and are in full force and effect and except for such consents, authorizations, and filings, the failure to obtain or perform, could not reasonably be expected to cause a Material Adverse Change; and</p> <p>(viii) substantially concurrently with the Interim Closing Date, all budgeted fees and out-of-pocket expenses of the DIP Lender relating to the DIP Credit Facility (including, without limitation, reasonable fees and expenses of their counsel and external advisors) shall have been paid in full (or will be paid in connection with the first DIP Loan draw).</p> <p>Modifications of the Interim Order shall require the prior written consent of the DIP Lender (in its sole discretion).</p> <p>For the purposes of this Term Sheet, “Material Adverse Change” shall mean: after the Interim Order Entry Date, a material adverse change in, (a) the business, operations, properties, liabilities, or financial condition of a Loan Party and its subsidiaries, taken as a whole, (b) the ability of a Loan Party to perform its obligations under the Term Sheet, (c) the validity or enforceability against a Loan Party of the Term Sheet, or (d) the rights and remedies of the DIP Lender hereunder or thereunder.</p>
<p>CONDITIONS PRECEDENT TO THE FINAL CLOSING DATE:</p>	<p>In addition to the continued satisfaction or waiver of the above “Conditions Precedent to the Interim Closing Date and DIP Loan,” the obligations of the DIP Lender under the DIP Credit Facility shall be subject to satisfaction or waiver of each of the following conditions (the date on which such conditions shall have been satisfied or waived in accordance with this Term Sheet or the DIP Credit Agreement, as applicable, the “Final Closing Date”).</p> <p>(i) The Final Order (in form and substance acceptable to the DIP Lender and consistent with the DIP Credit Agreement) has been entered by the Bankruptcy Court on or before the date that is 30 days after the entry of the Interim Order, and the Final Order shall not have been reversed, modified, amended, stayed, or vacated, or in the case of any modification or amendment, in a manner without the consent of the DIP Lender and the Loan Parties shall be in compliance in all respects with the Final Order;</p> <p>(ii) the Loan Parties shall execute and deliver the DIP Credit Agreement, together with all other documents, agreements, orders</p>

	<p>(including, without limitation, the DIP Orders), and instruments ancillary thereto, each of which shall be in form and substance acceptable to the Loan Parties and the DIP Lender (collectively, as amended, supplemented, and modified from time to time, the “DIP Loan Documents”) within two business days after entry of the Final Order;</p> <p>(iii) all representations and warranties being true and correct in all material respects (except those qualified by materiality or Material Adverse Change, which shall be true and correct in all respects);</p> <p>(iv) no Default or Event of Default under the DIP Credit Facility, or Interim Order or Final Order, as applicable, occurred and be continuing on the Final Closing Date or as a result of the occurrence of the Final Closing Date; and</p> <p>(v) the proceeds of the DIP Loan and any DIP Collateral shall be applied in a manner consistent with the Approved Budget and any Permitted Variances thereto and the DIP Loan Documents, as applicable.</p>
REPRESENTATIONS AND WARRANTIES:	<p>On the date hereof, each Loan Party represents and warrants (as applicable) to the DIP Lender that:</p> <p>(i) Subject to any restrictions arising on account of the Borrower’s status as a “debtor” under the Bankruptcy Code and the entry of the DIP Orders, each Loan Party (a) is a corporation incorporated, organized, validly existing, and in good standing under the laws of the jurisdiction of its organization, (b) has all requisite power and authority to own its property and assets and to carry on its business as now conducted, (c) is qualified to do business in each jurisdiction where such qualification is required, except where the failure so to qualify would not reasonably be expected to have a material adverse effect, and (d) has the power and authority to execute, deliver, and perform its obligations under this Term Sheet and, in the case of a Borrower, to borrow and otherwise obtain credit hereunder.</p> <p>(ii) Subject to any restrictions arising on account of the the Borrower’s status as a “debtor” under the Bankruptcy Code and the entry of the DIP Orders, the execution, delivery, and performance by such Loan Party of this Term Sheet and the borrowings hereunder (a) has been duly authorized by all corporate action required to be obtained by such Loan Party and (b) will not violate (1) any provision of law, statute, rule, or regulation applicable to such Loan Party, (2) the certificate or articles of incorporation or other constitutive documents of such Loan Party, or (3) any applicable order</p>

	<p>of any court or any rule, regulation or order of any governmental authority applicable to such Loan Party.</p> <p>(iii) This Term Sheet has been duly executed and delivered by the Loan Parties and constitutes, upon entry of the applicable DIP Order, a legal, valid, and binding obligation of each Loan Party, enforceable against the Loan Parties, in accordance with its terms, subject to (a) any restrictions arising on account of the Loan Parties' status as "debtors" under the Bankruptcy Code and the entry of the DIP Orders and the effects of other bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance, or other similar laws affecting creditors' rights generally, (b) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law), (c) implied covenants of good faith and fair dealing, and (d) any foreign laws, rules and regulations as they relate to pledges of equity interests of foreign subsidiaries that are not party hereto.</p> <p>(iv) [Reserved]</p> <p>(v) [Reserved]</p> <p>(vi) No Loan Party is required to be registered as an "investment company" within the meaning of the Investment Company Act of 1940, as amended.</p> <p>(vii) (a) The Loan Parties are in compliance in all material respects with the material provisions of the USA PATRIOT Act, (b) none of the Loan Parties, nor to the knowledge of any Loan Party, any director, officer, agent, employee or affiliate of a Loan Party is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department or the U.S. Treasury Department, the European Union or relevant member states of the European Union, the United Nations Security Council or His Majesty's Treasury, and (c) the Loan Parties will not directly or indirectly use the proceeds of the loans or otherwise make available such proceeds to any person, for the purpose of financing the activities of any person that is currently the target of any sanctions.</p> <p>(viii) (a) The Loan Parties, and to the knowledge of the Loan Parties, any of their directors, officers, agents or employees, are in compliance with the U.S. Foreign Corrupt Practices Act of 1977 in all material respects and (b) no part of the proceeds of the loans made hereunder will be used to make any unlawful bribe, rebate, payoff, influence, payment, kickback or other unlawful payment.</p>
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AFFIRMATIVE COVENANTS:	<p>The Loan Parties covenant and agree (as applicable) that, as of the date hereof until the termination of this Term Sheet, unless the DIP Lender shall otherwise consent in writing, that each Loan Party will, and will cause (as applicable) each of its subsidiaries to:</p> <ul style="list-style-type: none"> (i) (a) Do or cause to be done all things necessary to preserve, renew, and keep in full force and effect its legal existence and (b) except where failure to do so would not reasonably be expected to have a material adverse effect, do or cause to be done all things necessary to (1) lawfully obtain, preserve, renew, extend, and keep in full force and effect the permits, franchises, authorizations, intellectual property, licenses and rights with respect thereto necessary to the normal conduct of its business and (2) at all times maintain, protect and preserve all property necessary to the normal conduct of its business and keep such property in good repair, working order and condition (ordinary wear and tear excepted), from time to time make, or cause to be made, all needful and proper repairs, renewals, additions, improvements and replacements thereto necessary in order that the business carried on in connection therewith, if any, may be properly conducted at all times. (ii) Comply with all laws, rules, regulations and orders of any governmental authority applicable to it or its property, except where the failure to do so, individually or in the aggregate, would not reasonably be expected to result in a material adverse effect.
NEGATIVE COVENANTS:	<p>The Loan Parties covenant and agree (as applicable) that, as of the date hereof until the termination of this Term Sheet, unless the DIP Lender shall otherwise consent in writing, each Loan Party will not, and will not permit (as applicable) any of its subsidiaries to:</p> <ul style="list-style-type: none"> (i) Incur, create, assume, or permit to exist any indebtedness for borrowed money except: (a) indebtedness created under this Term Sheet or otherwise under the DIP Orders, (b) indebtedness of such Loan Party and its subsidiaries in existence prior to the date hereof, (c) indebtedness among the Loan Parties or their subsidiaries to the Loan Parties or their subsidiaries, and (d) the deferred purchase price of goods and services in the ordinary course of business. (ii) Create, incur, assume, or permit to exist any lien securing obligations for borrowed money of such Loan Party or any Subsidiary, except (a) any liens created under the Term Sheet and (b) liens on property or assets of such Loan Party and its subsidiaries in existence prior to the date hereof. (iii) Purchase or otherwise acquire (a) all or substantially all of the property and assets or business of another person or

	<p>(b) assets constituting a business unit, line of business or division of such person or otherwise make an investment in any person except (1) investments amongst such Loan Party and its subsidiaries, (2) investments in existence prior to the date hereof, and (3) the extension of trade credit in the ordinary course of business.</p> <p>(iv) Declare or pay any dividend or make any other distribution except for payments made by such Loan Party and its subsidiaries to such Loan Party or its subsidiaries.</p> <p>(v) Sell or transfer any property or assets to or purchase or acquire any property or assets from, or otherwise engage in any other transaction with any of its affiliates except for transactions under that certain Management Services and Product Sales Agreement or transactions that are on terms that are substantially no less favorable to such Loan Party or such subsidiary, as applicable, than would be obtained in a comparable arm's-length transaction with a person that is not an affiliate.</p> <p>(vi) Enter into any arrangement, directly or indirectly, with any person whereby it shall sell or transfer any property, real or personal, used or useful in its business, whether now owned or hereafter acquired, and thereafter, as part of such transaction, rent or lease such property or other property that it intends to use for substantially the same purpose or purposes as the property being sold or transferred except sales or transfers of any property or assets that are worn out or obsolete in the ordinary course of business.</p> <p>(vii) Engage at any time to any material respect in any business or business activity substantially different from any business or business activity conducted by such Loan Party and its subsidiaries on the date of the Interim Order.</p> <p>For the avoidance of doubt, nothing contained herein shall be deemed to restrict a Loan Party from continuing to operate its business in the ordinary course, including its receivables financing business.</p>
EVENTS OF DEFAULT:	<p>Each of following shall constitute an “Event of Default”:</p> <p>(i) the entry of an Interim Order or Final Order in form or substance that is not acceptable to the DIP Lender in its discretion;</p> <p>(ii) failure by the Loan Parties to be in compliance in all material respects with provisions of this Term Sheet and/or the DIP Orders;</p>

	<p>(iii) any request made by a Loan Party for, or the reversal, modification, amendment, stay, reconsideration, or vacatur of a DIP Order, as entered by the Bankruptcy Court, without the prior written consent of the DIP Lender;</p> <p>(iv) failure of any representation or warranty to be true and correct in all material respects (or, to the extent qualified by materiality or Material Adverse Change, in all respects) when made;</p> <p>(v) the filing of any application by a Loan Party or any of its affiliates (other than the application for financing provided by a third party which seeks authority to pay all of the DIP Obligations in full upon entry of the order approving such financing) for the approval of (or an order is entered by the Bankruptcy Court approving) any claim arising under section 507(b) of the Bankruptcy Code or any other provision of the Bankruptcy Code or any security, mortgage, collateral interest, or other lien in the Chapter 11 Case that is <i>pari passu</i> with or senior to the DIP Liens, excluding liens arising under the DIP Orders, or pursuant to any other financing agreement made with the prior written consent of the DIP Lender;</p> <p>(vi) the commencement of any action by a Loan Party or other authorized person (other than an action permitted by the DIP Orders) against the DIP Lender or any of its agents and employees to subordinate or avoid any liens made in connection with the DIP Orders;</p> <p>(vii) (a) a Loan Party or any of its affiliates files a pleading in any court seeking or supporting an order to revoke, reverse, stay, vacate, amend, supplement, or otherwise modify any DIP Order or the Term Sheet, or the disallowance of the DIP Obligations, in whole or in part or (b) any material provision of the DIP Orders or Term Sheet, or any other order of the Bankruptcy Court approving the Borrower's use of Cash Collateral (as defined in the DIP Orders), shall for any reason cease to be valid and binding (without the prior written consent of the DIP Lender);</p> <p>(viii) the appointment in any Chapter 11 Case of a trustee, receiver, examiner, or responsible officer (including with enlarged powers) relating to the operation of the business of a Loan Party;</p> <p>(ix) the granting of relief from the automatic stay by the Bankruptcy Court to any other creditor or party in interest in the Chapter 11 Case with respect to any portion of the DIP Collateral;</p>
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	<p>(x) the conversion of the Chapter 11 Case into a case pursuant to chapter 7 of the Bankruptcy Code;</p> <p>(xi) the termination of any of a Loan Party's exclusive right to propose a plan of reorganization under chapter 11 of the Bankruptcy Code;</p> <p>(xii) a dismissal of the Chapter 11 Case;</p> <p>(xiii) failure to pay principal, interest, or other DIP Obligations in full when due, including without limitation, on the Maturity Date; and</p> <p>(xiv) failure to comply with any covenant set forth herein and such failure shall remain unremedied for a period of five business days after written notice thereof to the Loan Parties.</p>
REMEDIES UPON EVENT OF DEFAULT:	<p>(i) Declare that the DIP Commitment is terminated, whereupon the DIP Commitment shall be terminated;</p> <p>(ii) Declare the unpaid amount of the DIP Obligations to be immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Loan Parties; or</p> <p>(iii) Take any other action or exercise any other right or remedy (including, without limitation, with respect to the liens in favor of the DIP Lender) permitted under the DIP Order, or by applicable law.</p> <p>Any exercise of remedies by the DIP Lender shall be subject in all respects to the terms of the DIP Orders.</p>
OTHER BANKRUPTCY MATTERS:	<p>All out-of-pocket prepetition and postpetition reasonable and documented fees, costs, and expenses of the DIP Lender relating to the DIP Credit Facility and/or the Chapter 11 Case (including, without limitation, prepetition and postpetition reasonable and documented fees and disbursements of counsel and advisors), subject to the DIP Orders, shall be payable by the Loan Parties following written demand and without the requirement for Bankruptcy Court approval.</p> <p>The Loan Parties shall indemnify, pay, and hold harmless the DIP Lender (and each of their respective directors, officers, members, employees, and agents) against any loss, liability, cost, or expense incurred in respect of the financing contemplated hereby or the use or the proposed use of proceeds thereof (except to the extent resulting from the bad faith, gross negligence, willful misconduct, or fraud of the indemnified party, as determined by a final, non-appealable judgment of a court of competent jurisdiction).</p>

	<p>The DIP Orders shall contain customary releases and exculpations for the DIP Lender (in any capacity), in form and substance reasonably satisfactory to the parties, respectively, including, without limitation, releases from any avoidance actions.</p> <p>The DIP Lender may credit bid any or all of the outstanding DIP Obligations (and any other applicable obligations) in connection with the Sale or any other non-ordinary course sale of the DIP Collateral pursuant to section 363 of the Bankruptcy Code, any plan or otherwise, including any deposit in connection with such sale, and such credit bidding rights shall not be limited for cause pursuant to section 363(k) of the Bankruptcy Code or otherwise.</p>
DIP ORDERS GOVERN:	To the extent of any conflict or inconsistency between this Term Sheet and the DIP Orders, the DIP Orders shall govern.
GOVERNING LAW AND JURISDICTION:	<p>The laws of the State of New York (except as governed by the Bankruptcy Code) shall govern this Term Sheet.</p> <p>The Loan Parties shall submit to the exclusive jurisdiction of the Bankruptcy Court and shall waive any right to trial by jury.</p>
COUNTERPARTS AND ELECTRONIC TRANSMISSION:	This Term Sheet may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which when so executed and delivered, shall be deemed an original, and all of which, when taken together, shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Term Sheet by facsimile, "PDF" or other electronic transmission shall be effective as delivery of a manually executed counterpart of this Term Sheet.
COUNSEL TO DIP LENDER:	Norton Rose and Fulbright US LLP.

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DIP LENDER:

EAST WEST BANK

By: Edward Hirshfield
Name: Edward Hirshfield
Title: Authorized Signatory

LOAN PARTIES:

**GLOBAL WOUND CARE MEDICAL GROUP,
P.C., as Borrower**

By: /s/ Louis E. Robichaux IV
Name: Louis E. Robichaux IV
Title: Chief Restructuring Officer

**WOUND PROS MANAGMENT GROUP, INC., as
Guarantor**

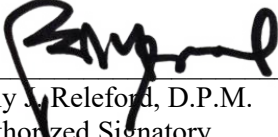
By: 
Name: Billy J. Releford, D.P.M.
Title: Authorized Signatory

Exhibit 4

(Initial DIP Budget)

Exhibit 2

Initial DIP Budget

Global Wound Care Medical Group and Wound Pros Management Group

Projected 18-Week Cash Flows

\$ in 000's

Protected by FRE 408 - Inadmissible Settlement Communication

Week Number	Forecast 1	Forecast 2	Forecast 3	Forecast 4	Forecast 5	Forecast 6	Forecast 7	Forecast 8	Forecast 9	Forecast 10	Forecast 11	Forecast 12	Forecast 13	Forecast 14	Forecast 15	Forecast 16	Forecast 17	Forecast 18	Forecast 18-Week Total
Week Ended	11/1/25	11/8/25	11/15/25	11/22/25	11/29/25	12/6/25	12/13/25	12/20/25	12/27/25	1/3/26	1/10/26	1/17/26	1/24/26	1/31/26	2/7/26	2/14/26	2/21/26	2/28/26	
Medicare Receipts ⁽¹⁾	\$ 2,753	\$ 3,116	\$ 3,500	\$ 3,905	\$ 4,332	\$ 4,781	\$ 5,250	\$ 5,741	\$ 5,741	\$ 5,741	\$ 5,741	\$ 5,741	\$ 5,741	\$ 5,741	\$ 5,741	\$ 5,741	\$ 5,741	\$ 5,741	\$ 90,791
Secondary Receipts	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	25,200
Payroll	(3,050)	(550)	(3,050)	(900)	(3,050)	(550)	(3,050)	(900)	(3,050)	(550)	(3,050)	(550)	(3,400)	(550)	(3,050)	(550)	(3,400)	(550)	(33,800)
Biologics	(3,777)	(4,042)	(3,776)	(1,765)	(3,704)	(4,673)	(2,357)	(5,549)	(3,849)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(69,492)
Other	(1,458)	(467)	(624)	(793)	(1,458)	(467)	(624)	(793)	(1,458)	(467)	(624)	(793)	(1,458)	(467)	(624)	(793)	(1,458)	(467)	(15,295)
Total Operating Disbursements	(8,286)	(5,059)	(7,450)	(3,457)	(8,213)	(5,691)	(6,031)	(7,241)	(8,358)	(5,017)	(7,674)	(5,343)	(8,858)	(5,017)	(7,674)	(5,343)	(8,858)	(5,017)	(118,587)
Non-Operating Disbursements	(342)	(276)	(230)	(446)	(6)	-	-	(166)	(20)	-	-	(436)	(125)	-	-	-	(186)	(125)	(2,357)
Interest Expense	-	-	-	-	-	(106)	-	-	-	(109)	-	-	-	(109)	-	-	-	(98)	(422)
Net Cash Flow	(4,475)	(820)	(2,779)	1,402	(2,487)	385	620	(266)	(1,236)	2,015	(532)	1,363	(1,842)	2,015	(532)	1,799	(1,903)	1,901	(5,374)
Beginning Cash	16,852	22,649	21,829	19,049	20,452	17,965	18,350	18,970	18,703	17,467	19,482	18,949	20,312	18,471	20,485	19,953	21,752	19,849	16,852
(+/-) Net Cash Flow	(4,475)	(820)	(2,779)	1,402	(2,487)	385	620	(266)	(1,236)	2,015	(532)	1,363	(1,842)	2,015	(532)	1,799	(1,903)	1,901	(5,374)
(+) DIP Funding ⁽²⁾	10,272	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(11,128)	(856)
Ending Cash	22,649	21,829	19,049	20,452	17,965	18,350	18,970	18,703	17,467	19,482	18,949	20,312	18,471	20,485	19,953	21,752	19,849	10,621	10,621
Min. Cash Required ⁽³⁾	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Cash Less Min. Cash Required	\$ 22,649	\$ 21,829	\$ 19,049	\$ 20,452	\$ 17,965	\$ 18,350	\$ 18,970	\$ 18,703	\$ 17,467	\$ 19,482	\$ 18,949	\$ 20,312	\$ 18,471	\$ 20,485	\$ 19,953	\$ 21,752	\$ 19,849	\$ 10,621	\$ 10,621
Memo: DIP Funding																			
Beginning Balance	-	\$ 10,700	\$ 10,700	\$ 10,700	\$ 10,700	\$ 10,700	\$ 10,700	\$ 10,700	\$ 10,700	\$ 10,700	\$ 10,700	\$ 10,700	\$ 10,700	\$ 10,700	\$ 10,700	\$ 10,700	\$ 10,700	\$ 10,700	-
(+) DIP Draw	10,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10,700
(-) DIP Repayment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(10,700)	(10,700)
(+) Accrued Interest	-	-	-	-	-	106	-	-	-	109	-	-	-	109	-	-	-	98	422
(-) Interest Payment	-	-	-	-	-	(106)	-	-	-	(109)	-	-	-	(109)	-	-	-	(98)	(422)
Ending Balance	\$ 10,700	\$ 10,700	\$ 10,700	\$ 10,700	\$ 10,700	\$ 10,700	\$ 10,700	\$ 10,700	\$ 10,700	\$ 10,700	\$ 10,700	\$ 10,700	\$ 10,700	\$ 10,700	\$ 10,700	\$ 10,700	\$ 10,700	-	-
Memo: Net DIP Funding																			
DIP Draw	\$ 10,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 10,700
Commitment Fee	(428)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(428)
DIP Repayment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(10,700)	(10,700)
Exit Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(428)	(428)
Net DIP Funding	\$ 10,272	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(\$ 11,128)	(\$ 856)

⁽¹⁾ Assumes Medicare receipts return to normal and backlog of additional document requests ("ADR") from CMS are fulfilled by WE 12/20⁽²⁾ Assumes \$10.7 million DIP draw on 10/31/25 with 4% commitment fee and repayment after 120 days with 4% exit fee⁽³⁾ Minimum cash required includes payroll reserves and minimum working capital to operate business

Exhibit 5

(Declaration of Ralph Cetrulo in Support of Chapter 11 Petition and First Day Motions)

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

In re:

GLOBAL WOUND CARE MEDICAL GROUP, a
Professional Corporation,¹

Debtor and Debtor in Possession.

Chapter 11

Case No. 24-34908

**DECLARATION OF RALPH CETRULO IN SUPPORT OF CHAPTER 11
PETITION AND FIRST DAY MOTIONS**

I, Ralph Cetrulo, hereby declare and state as follows:

1. I am the Chief Financial Officer (“CFO”) of Global Wound Care Medical Group, a Professional Corporation, the debtor and debtor in possession in the above-captioned case (the “Debtor”). Additionally, in my role at the Debtor’s management company, Wound Pros (as defined below), I provided consultant services to the Debtor beginning in March 2023.

2. I have extensive senior-level experience in accounting, consulting, management and ownership with respect to various business enterprises, including in connection with the purchase and sale of financially distressed entities. Relatedly, I have meaningful experience in the areas of mergers and acquisitions, business valuations, financial forecasting and stock options planning.

3. Prior to my role as CFO of the Debtor, from 2014 until 2023, I served as the Managing Partner of the Delaware office of Stephano Slack, an accounting firm headquartered in Wayne, Pennsylvania, that specializes in the industries of construction, real estate, manufacturing

¹ The last four digits of the Debtor’s tax identification number in the jurisdiction in which it operates is 3572.

and distribution, and provides services in the areas of mergers and acquisitions, due diligence, customized tax strategies, family office assistance, asset management, bookkeeping and cash flow monitoring and analysis.

4. Prior to Stephano Slack, from 2002 until 2014, I served as the Managing Partner of Cetrulo & Morgan LLC, a full-service accounting firm that provided core competencies including accounting, attest services, and tax planning and preparation. During its operation, Cetrulo & Morgan offered a full range of due diligence services for clients merging or buying other companies, including buy-side and sell-side diligence, post-acquisition structuring, modeling and forecasting. Cetrulo & Morgan ceased to exist independently when it merged into Stephano Slack in 2014. From 1996 until 2002, I served as a tax and mergers and acquisitions partner at Cover & Rossiter, an award-winning CPA firm in Delaware recognized for providing high-quality advice and personalized service. From 2003 until 2012, I was a shareholder and the CFO of Appletree Answering Services, a provider of communication solutions and services throughout the United States and Puerto Rico. My co-shareholders and I sold Appletree to a publicly traded company in June, 2012.

5. I am a retired member of the American Institute of Certified Public Accountants and the Delaware Society of Certified Public Accountants and have served as board member of the Delaware Workforce Development Board, Deferred Compensation Board and Board President of Special Olympics Delaware. At this time, I also continue to serve on the University of Delaware National Advisory Board for the Horn Entrepreneurship program.

6. On the date hereof (the “Petition Date”), the Debtor filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of Texas, Houston Division (the “Bankruptcy

Court”). I am knowledgeable and familiar with the Debtor’s day-to-day operations, business and financial affairs, and the circumstances leading to the commencement of this chapter 11 case (the “Chapter 11 Case”).

7. Except as otherwise indicated herein, this Declaration is based upon my personal knowledge, my review of relevant documents, information provided to me by employees of the Debtor or the Debtor’s legal and financial advisors, or my opinion based upon my experience, knowledge, and information concerning the Debtor’s operations and the healthcare industry. If called upon to testify, I would testify competently to the facts set forth in this Declaration.

8. I submit this Declaration for the purpose of apprising the Bankruptcy Court and parties in interest of the circumstances that compelled the commencement of this Chapter 11 Case and in support of the First-Day Motions (as defined below).

9. To enable the Debtor to minimize the adverse effects of the commencement of this Chapter 11 Case on its business, the Debtor has requested various types of relief in a number of applications and motions (each a “First-Day Motion,” and, collectively, the “First-Day Motions”). The First-Day Motions seek relief intended to maintain the Debtor’s business operations; to preserve value for the Debtor, its stakeholders, and parties in interest; and, most importantly, to protect the health and wellbeing of the patients who are being treated at their homes, hospices, and skilled nursing facilities by the employees of the Debtor. Each First Day Motion is crucial to the Debtor’s reorganization efforts and to the health and wellbeing of the patients. Any capitalized term not expressly defined herein shall have the meaning ascribed to that term in the relevant First Day Motion.

10. Section I provides an overview of the Debtor. Section II describes the Debtor’s corporate background and business. Section III describes the circumstances that compelled the

commencement of the Chapter 11 Case. Section IV provides a summary of the First Day Pleadings and factual bases for the relief requested therein.

I. Overview

11. The Debtor is a medical practice that originated in Los Angeles, is licensed in more than 20 states, and has a team of over 200 wound care providers that treat over 2,000 wounds daily. The Debtor's mission is to heal chronic and acute wounds efficiently and cost-effectively. Since 2019, the Debtor (or its predecessor) has provided critical wound care services to elderly patients in their homes, hospices, and skilled nursing facilities. Wound care is a critical service for these patients, because, if left untreated, severe wounds can result in amputation or other serious complications.

12. The Debtor has grown exponentially, due, in part, to a massive unmet need for wound care services during the COVID-19 public health emergency, generating net annual revenue of \$875,856,649.

13. As of the Petition Date, the Debtor employs 248 full-time and 36 part-time employees ("Employees") and contracts with 49 medical directors, who are independent contractors ("Medical Directors").

14. As of October 20, 2024, the Debtor's unaudited financial statements reflected total assets of approximately \$187,287,677 and total liabilities of \$157,111,943. Currently, the Debtor has been collecting approximately \$80-100 million on a monthly basis from government programs and private payors. The Debtor collects an excess of 12% of its revenue (over \$100 million, annually) from its operations in Texas, where the Debtor's clinicians and medical directors visit patient homes, hospices and skilled nursing facilities throughout the State, to provide critical wound care services, all of which is administered through the Debtor's office in Houston.

II. The Debtor's Corporate Structure and Business

15. The Debtor is a professional corporation incorporated in 2023 in California, which is 100% owned by Owen B. Ellington, M.D. ("Dr. Ellington"). The Debtor was established to provide continuity of care for the patients of another medical group that used a similar business name as the Debtor.

16. The Debtor is managed and supported by Wound Pros Management Group, Inc. ("Wound Pros"), a Management Services Organization ("MSO"), and a leader in wound care management and standardization that is an accredited supplier of durable medical equipment, prosthetics, orthotics, and supplies ("DMEPOS") and biologics. As an MSO, Wound Pros, through a Management Services Agreement ("MSA"), provides the Debtor with non-clinical administrative and management services, including assisting in the recruitment, training and development of staff; providing financial and revenue cycle support, including accounting, billing, budgeting and collection services; regulatory compliance; negotiations with payors; credentialing; marketing; real estate and equipment leasing; employment of non-clinical staff; drug and durable medical equipment supply chain services; and acquiring insurance. The Debtor also licenses the Wound Pros name. The relationship between medical groups and MSOs such as in this case is ubiquitous in the healthcare industry.

17. On a monthly basis, the Debtor records management fee expenses and pays Wound Pros a management services fee under the MSA. The management services fee is calculated and paid in accordance with a fair market valuation performed by Pinnacle Healthcare Consulting ("Pinnacle"), an independent third party, which indicated a range of fees based on the services provided by Wound Pros to the Debtor. Under the MSA, Wound Pros charges the low range of

management fees recommended by Pinnacle to the Debtor. Wound Pros employs 600 employees which are necessary to provide the services to the Debtor under the MSA.

18. Wound Pros also purchases biologics from third parties and then sells and ships those biologics to the Debtor's clinicians who use them to treat patients. Biologics include dressings and skin equivalents that are intended to facilitate the re-establishment of the human body's own innate repair mechanisms. The Debtor holds no inventory as all biologics are shipped by Wound Pros, as needed by the Debtor's patients. After application of the biologics by the Debtor, Wound Pros invoices the Debtor.

19. Although Wound Pros primarily supports the Debtor, Wound Pros also provides services to three other entities (Horizon, Lab Pros, and Wound Care Consultants Ohio ("WCC")), two of which also support the Debtor's operations. More specifically, Wound Pros provides management services to Lab Pros, a non-debtor, which performs PCR (polymerase chain reaction) testing for the Debtor in its lab in Houston, Texas.

20. Wound Pros also purchases DMEPOS from third parties and sells such DMEPOS to Horizon, a non-debtor entity based in Houston, Texas, pursuant to a management services agreement between the parties. If one of the Debtor's clinicians orders DMEPOS for a patient, Wound Pros ships the requested DMEPOS to the patient and invoices Horizon for the supplies. Horizon is a Medicare Part B provider which then bills the patient's insurance for such DMEPOS.

21. Wound Pros also provides management services to WCC, a company located in Ohio.

22. In 2023, the Debtor treated 8,256 patients. In 2024, to date, the Debtor has treated 9,620 patients. Due to the severe nature of the injuries of the Debtor's patients, patients are seen

multiple times during their care (each such visit, an “Encounter”). In 2023, the Debtor had 136,068 Encounters. In 2024, to date, the Debtor has had 161,967 Encounters.

23. In 2023, approximately 91% of the Debtor’s revenue was generated from government health care programs, such as Medicare and Medicaid, for services provided to patients who rely on such programs for their medical expenses.

24. Over \$472 million of the Debtor’s total revenue in 2024 comes from government payers and the remainder comes from a combination of private pay insurance and individual payments. Debtor’s sources of income, based on the last twelve months of financial data, include: (a) Medicaid – 0.004%; (b) Medicare – 90.28%, and; (c) private payors – 9.72%.

25. The Debtor employs 284 Employees and contracts with 49 Medical Directors who supervise the Debtor’s clinicians, comprised largely of nurse practitioners, registered nurses, physician assistants, and physical therapists.

26. The Debtor has received significant acclaim with respect to its services. Such acclaim is in no small part due to the Debtor’s use of state-of-the art technology to enhance wound healing rates, including the development of its proprietary Rapid Imaging Technical Assistant (“RITA”). RITA is a groundbreaking, artificial intelligence-powered wound management system that standardizes and optimizes wound care by making precise wound assessments and tissue segmentation, providing clinicians with the most accurate possible data for effective treatment planning. Among other things, RITA has the following novel features: (1) automatic wound measurement; (2) healing rate prediction; and (3) a skin substitute efficiency tool. On June 20, 2024, the United States Patent and Trademark Office issued a Notice of Allowance for a patent of “Methods and Systems for Improving Wound Healing” to Wound Pros’ founder and president.

27. All that being said, the Debtor is much more than just a wound care practice. The Debtor strives to be a national leader in improving the health of populations across the country. In this regard, the Debtor, in coordination with Wound Pros, has pioneered a number of initiatives to foster healthy living and equity around the country, including:

- a. Black Barbershop: The Debtor is passionate about health equity for African Americans. Recognizing the distinctive health issues impacting African Americans—and particularly African American men—the Debtor launched the Black Barbershop Health Outreach Program. Through this innovative program, the Debtor provides health outreach screening and education to African American men in barber shops across the country.
- b. Food as Medicine: The Debtor also recognizes the importance of a healthy diet to improve health outcomes. Indeed, the Debtor understands that difficult-to-heal wounds are often linked to unhealthy diets. To combat this, the Debtor partnered with Bloom Ranch of Acton, California, to launch the “Food as Medicine” campaign, providing patients with a Bloom’s Bounty Box filled with farm-fresh fruits and vegetables delivered to the patient’s residence. Through these efforts, the Debtor has increased awareness of the impact of healthy food and promotes effective healing and well-being.
- c. Wound Care Without Walls: The Debtor has established a global outreach program to address the health challenge of the aging population, with higher rates of diabetes and obesity. The Debtor collaborates with healthcare providers worldwide to deliver state-of-the-art wound care solutions in underserved communities. The Debtor’s telemedicine capabilities allow it to reach patients in the most remote areas in the world. To date, the Debtor has assisted patients in Asia, Africa, Latin America, and the Caribbean.
- d. Human Trafficking: The Debtor is also committed to combat human trafficking, providing critical financial support to Libertas International, an organization that is dedicated to dismantle human trafficking networks and provide services to survivors.

III. The Need For Chapter 11 Relief And The Events Leading To The Commencement Of This Chapter 11 Case

28. On September 11, 2024, without any prior notice, Qlarant Integrity Solutions, LLC (“Qlarant”) informed the Debtor that all Medicare payments had been suspended (the “Payment Suspension”). Qlarant is a Unified Program Integrity Contractor (“UPIC”), under contract with

the Centers for Medicare & Medicaid Services to monitor the “Western Jurisdiction.” As a UPIC, Qlarant, among other things, performs claim review and data analysis for CMS and conducts independent investigations to identify suspected fraud and abuse or patient harm. Qlarant provided precious few details to justify this catastrophic event. The Payment Suspension was based on alleged “credible allegations of fraud,” including supposed bills to “Medicare for services that are not being rendered as billed,” identifying only five claims over a five-week period in 2023 in the amount of \$11,150.65. On this thin record, the Debtor’s Medicare payment stream, so essential to its livelihood, vanished overnight.

29. The Payment Suspension is an unnecessary, drastic action based on vague, unsubstantiated allegations of fraud. The Debtor has requested additional information regarding the allegations but none has been provided. Importantly, Qlarant has not supplied the Debtor with a single example of a knowing deception, concealment or cheating, as Qlarant must show to demonstrate fraud, nor has Qlarant identified any act described by the Medicare Program Integrity Manual as a basis for the payment suspension. At most, Qlarant has identified a run-of-the-mill payment dispute—instances of potential good-faith billing errors that have been rectified.

30. The Payment Suspension is an existential threat to the Debtor and will destroy the Debtor’s business. Indeed, the suspension of Medicare payments threatens to disrupt the care of thousands of patients under the care of a medical provider with an unblemished record and put hundreds of employees out of a job. Since the Payment Suspension, the Debtor has been unable to make any payment to Wound Pros under the MSA. As of the Petition Date, the Debtor owes Wound Pros more than \$155,638,882.00.

31. Based on the Debtor’s books and records as of the date of October 17, 2024, the amount and value of claims that have been or will be submitted to Medicare is \$130,799,888.76.

These claim amounts are expected to increase as the Debtor's business continues to generate sales and accounts receivable.

32. Receipts from these claims are critical for the Debtor's business operations, but the Debtor does not know when or if it will receive such receipts.

33. Without the ability to obtain immediate relief, the Debtor has filed this Chapter 11 Case in order to seek the protection of the automatic stay to protect its patient population and its business. Simultaneously, the Debtor will be evaluating various changes to its business, including to its corporate structure. By utilizing chapter 11 and the tools in the Bankruptcy Code, the Debtor desires to emerge as a reorganized stronger business for the benefits of its patients and all stakeholders.

IV. First Day Pleadings

34. The Debtor intends to ask for immediate relief with respect to the following First Day Pleadings and, therefore, will present these motions at the First Day Hearing.

a. Debtor's Emergency Motion for Entry of an Order Authorizing Payment of Certain Prepetition (I) Wages, Salaries, and Other Compensation; (II) Reimbursable Employee Expenses; (III) Employee Benefits; and (IV) Related Costs (the "Wage Motion").

35. By the Wage Motion, the Debtor moves the Court for entry of an order: (A) authorizing, but not directing, the Debtor, in its discretion, to (i) pay or honor any outstanding prepetition wages, salaries, employee benefits, and other compensation; (ii) remit withholding obligations; (iii) maintain workers' compensation and benefits programs; (iv) pay related administration obligations; and (v) pay reimbursable employee expenses, with payments to each employee not to exceed the statutory limit for priority claims of \$15,150.00, except as noted; and (B) authorizing and directing the applicable bank to pay all checks and electronic payment requests made by the Debtor relating to the foregoing.

36. Employee Compensation Obligations. The Debtor pays its Employees their wages and salaries bi-weekly, in arrears, and uses ADP, Inc. (“ADP”) to process payroll internally through ADP’s software. The Debtor’s average bi-weekly gross payroll is approximately \$1,548,034.00. For 1099 independent contractors, the Debtors’ aggregate gross bi-weekly pay is approximately \$63,324.00 and the aggregate weekly pay is approximately \$31,662.00. Certain Clinicians are eligible for biologic handling and application fees based on number of procedures performed (the “Biologic Fees”). The Biologic Fees are accrued, and the prior month’s Biologic Fees are paid out in the last pay period of the current month. In the prior three months from September 2024 to October 2024, the average monthly payment for these Biologic Fees is approximately \$638,870.00.

37. Employee Benefit Obligations. In the ordinary course of business, the Debtor makes various benefit plans available to its Employees. These benefit plans fall within the following categories: (i) paid time off, including personal time off and holidays (collectively, the “Employee Leave Benefits”); (ii) medical, dental, vision, and prescription drug benefits, flexible spending accounts and health savings accounts, health reimbursement arrangement plans, life insurance, accidental death and dismemberment insurance (“AD&D”), disability insurance, (collectively, the “Health and Welfare Benefits”); (iii) a qualified 401(k) retirement savings plan; and (iv) certain other benefits (each of (i)-(iv), an “Employee Benefit”). As of the Petition Date, the Debtor owed (i) \$628,694.00 in Employee Leave Benefits; (ii) \$12,141.00 in Health and Welfare Benefits; and (iii) \$175,000.00 related to miscellaneous benefits, including reimbursable expenses, general employee assistance, identity theft protection and tuition reimbursement.

38. The Debtor believes that substantially all of its Employees rely exclusively on their compensation to pay their daily living expenses, and also, the Employee Benefit programs are a

critical component of the Employees' total compensation package. Consequently, it is imperative that the Debtor minimize any adverse impact of the chapter 11 filing on the Debtor's workforce, patients, operations, and orderly administrations of this case. Any disruption to payment of the payroll in the ordinary course, or to the continued implementation of employee programs in the Debtor's discretion, would adversely affect the Debtor's goals in this case because such events are likely to cause some Employees to terminate their employment with the Debtor, will cause Employees to be distracted from their duties to care for the patients, and will hurt employee morale at a particularly sensitive time for all Employees. Accordingly, as set forth in the Wage Motion, the Debtor requests authority to continue paying the Employees and administering the Employee Benefit programs and any obligations related to the foregoing (subject to any applicable payment caps) in the ordinary course of business.

b. Debtor's Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Debtor to (A) Continue Using Its Cash Management System, and (B) Maintain Existing Bank Account and Business Forms and Books and Records, and (II) Granting Related Relief (the "Cash Management Motion").

39. By the Cash Management Motion, the Debtor moves the Court for the entry of an order: (A) authorizing the Debtor to (i) continue using the Cash Management System, including honoring certain prepetition obligations related thereto, and (ii) maintain its existing Bank Account, Business Forms, and Books and Records; and (B) granting related relief.

40. The Debtor further requests, by the Cash Management Motion, that the Court authorize the financial institution at which the Debtor maintains the Bank Account to (A) continue to maintain, service and administer the Debtor's Bank Account, and (B) debit the Bank Account in the ordinary course of business on account of (i) wire transfers or checks drawn on the Bank Account, or (ii) undisputed service charges owed to the Bank for maintenance of the Debtor's cash management system, if any.

41. The Debtor currently has one Bank Account with one Bank, and requests authority to continue utilizing the Bank Account. Requiring the Debtor to close the Bank Account and open new ones will disrupt the Debtor's cash flow – and, ultimately, impact patient care – because (i) the Payors (some of which are governmental agencies) will not respond quickly to the change and will likely continue to send deposits to the original Bank Account, and (ii) the Debtor has certain obligations that it pays exclusively by electronic funds transfer and changes to the Bank Account have the potential of slowing down these crucial payments. Closing the Bank Account will also increase the work of the Debtor's accounting personnel, who are already dealing with the many and varied issues related to this case. Closing the Bank Account and opening new ones under circumstances described in the Cash Management Motion would needlessly cost the Debtor time and money at a time when it is trying to conserve both, and would result in no discernable benefit to the Debtor's bankruptcy estate.

42. The Debtor also requests in the Cash Management Motion authority to continue using its business forms without the designation "Debtor in Possession" on them *for a limited time*. The Debtor's forms are either electronically printed or can be electronically altered. The Debtor seeks the authority of this Court to utilize its electronically generated forms without the "Debtor in Possession" designation until the adjustments to the software can be initiated and existing stock is exhausted.

43. By the Cash Management Motion, the Debtor requests that the Court authorize it to continue using its cash management system in connection with the continued use of the Bank Account and continued use of the Debtor's business forms; in furtherance thereof, the Debtor further requests that the Court authorize and direct the Bank to continue honoring the Debtor's transactions.

c. Debtor's Emergency Motion for Entry of an Order (I) Authorizing the Debtor to (A) Maintain Insurance Program and (B) Pay Insurance Premiums and Brokerage Commissions in the Ordinary Course; and (II) Preventing Insurance Companies from Enforcing Ipso Facto Clauses or Giving Any Notice of Termination or Otherwise Modifying Any Insurance Policy Without Obtaining Relief from the Automatic Stay (the "Insurance Motion").

44. By the Insurance Motion, the Debtor moves the Court for entry of an order: (A) authorizing the Debtor to (i) maintain its insurance coverage levels, including authority to revise, extend, supplement, renew or change insurance coverage as needed and (ii) make payments to Wound Pros under the terms of the MSA for payments made with respect to insurance premiums, self-insured retentions, broker fees and deductibles in the ordinary course of business (collectively, the "Insurance Obligations"); and (B) preventing insurance companies from enforcing any ipso facto clauses or giving any notice of termination or otherwise modifying or cancelling any insurance policies without first obtaining relief from the automatic stay imposed by § 362.

45. The Debtor maintains various insurance policies issued by several insurance carriers (collectively, the "Insurance Carriers"). Wound Pros, a Management Services Organization, provides the Debtor with certain non-clinical administrative and management services pursuant to the MSA. As part of the services provided to the Debtor, Wound Pros obtained and pays for the Debtor's insurance coverage issued by the Insurance Carriers. The Debtor pays Wound Pros for such insurance coverage pursuant to the expense allocation under the MSA.

46. Collectively, these insurance policies issued by the Insurance Carriers provide for coverage for, among other things: workers' compensation and employee liability, commercial general liability, automobile liability, professional and medical malpractice liability, commercial property, and other coverage (collectively, the "Insurance Policies"). However, the Insurance Policies will expire beginning on March 11, 2025 or later, and it is critical that the Debtor continues to carry the necessary insurance coverage to operate its business. In this regard, the Debtor also

seeks the authority to renew, modify, extend or enter into new Insurance Policies (collectively, the “New Insurance Policies”) on a postpetition basis in the ordinary course of business.

47. While all of the premiums for its Insurance Policies have been paid in full as of the Petition Date, the Debtor nevertheless also seeks authority to make payments to Wound Pros under the MSA for any other premiums paid regarding the Insurance Policies or any New Insurance Policies on a postpetition basis in the ordinary course of business. Wound Pros also pays certain deductibles and self-insured retention amounts with respect to the Insurance Policies. The Debtor further requests, by way of the Insurance Motion, authority to repay Wound Pros under the MSA for deductibles and self-insured retention amounts paid on a postpetition basis, including any amounts accrued and not due as of the Petition Date, in the ordinary course of business.

48. Further, Wound Pros pays brokerage commission fees and other amounts to Acrisure, the Debtor’s insurance broker. By way of the Insurance Motion, the Debtor also seeks authority to make payments to Wound Pros under the MSA for brokerage commission and other amounts paid to Acrisure in the ordinary course of business.

I certify under penalty of perjury that the foregoing is true and correct.

Date: October 21, 2024

/s/ Ralph Cetrulo
Ralph Cetrulo

Exhibit 6

(Stipulation and Agreed Order Regarding Suspension of Medicare Payments to the Debtor by the
United States Department of Health and Human Services)

ENTERED

December 19, 2024

Nathan Ochsner, Clerk

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

In re:

GLOBAL WOUND CARE MEDICAL GROUP,¹

Debtor.

Chapter 11

Case No. 24-34908-CML

**STIPULATION AND AGREED ORDER REGARDING
SUSPENSION OF MEDICARE PAYMENTS TO THE DEBTOR BY THE
UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES**

Global Wound Care Medical Group, a Professional Corporation (the “Debtor”), the debtor and debtor-in-possession in the above-captioned chapter 11 case (the “Chapter 11 Case”), and the Civil Division of the United States Department of Justice (“DOJ”), on behalf of the United States of America, the United States Department of Health and Human Services (“HHS”) and its designated component, the Centers for Medicare and Medicaid Services (“CMS,” and collectively with HHS, the “United States,” and the United States collectively with the Debtor, the “Parties” and each individually, a “Party”) hereby stipulate as follows:

RECITALS

The Parties

A. The Debtor, a professional corporation incorporated in California, is a medical practice that provides wound care services, primarily to elderly patients that receive Medicare.

¹ The last four digits of the Debtor’s tax identification number in the jurisdiction in which it operates is 3572. The service address for the Debtor is 5901 W. Century Blvd., Suite 750, Los Angeles, CA, 90045.

B. CMS, a component agency of HHS, administers the Medicare program under provisions in Title 42 of the United States Code, 42 U.S.C. § 1395 *et seq.*, and regulations promulgated in Chapter IV of Title 42 of the Code of Federal Regulations, (the “Medicare Program”). The Medicare Program is a federally funded health insurance program primarily designed to cover medical care for the elderly and disabled.

The FCA Investigation

C. On September 29, 2023, the DOJ served Civil Investigative Demands (the “CIDs”) to the Debtor and numerous other individuals and entities operating under the trade name “Wound Pros” in furtherance of an investigation of allegations arising under the False Claims Act, 31 U.S.C. §§ 3729 - 3733; the Anti-Kickback Statute, 42 U.S.C. § 1320a-7b(b); and related provisions of Federal law (the “FCA Investigation”).

D. On June 27, 2024, the DOJ filed a Petition for Order to Show Cause and Summary Enforcement of Civil Investigative Demands in the United States District Court for the Eastern District of California. *See United States v. Wound Pros Management Group, Inc., et al.*, No. 2:24-MC-00263 (E.D. Ca.). Production under the CIDs remains ongoing.

The Payment Suspension

E. On September 11, 2024, CMS, in consultation with the Office of the Inspector General of HHS, acting through Qlarant Integrity Solutions, LLC, a CMS Unified Program Integrity Contractor, notified the Debtor that its Medicare payments had been suspended (the “Payment Suspension”) based on “credible allegations of fraud.”

F. On October 11, 2024, the Debtor submitted a rebuttal letter contesting the Payment Suspension and disputing the allegations of fraud (the “Rebuttal Letter”).

G. As of December 11, 2024, CMS has suspended approximately \$208 million for claims submitted by the Debtor to CMS for payment (the “Suspended Amounts”).

The Chapter 11 Case and the Basis of this Agreement

H. On October 21, 2024 (the “Petition Date”), the Debtor filed a voluntary petition (the “Petition”) in the United States Bankruptcy Court for the Southern District of Texas (the “Court”) seeking relief under chapter 11 of Title 11 of the United States Code (the “Bankruptcy Code”). The Debtor continues to operate its business and manage its property as a debtor-in-possession pursuant to section 1184 of the Bankruptcy Code.

I. As of December 12, 2024, the Debtor has approximately (i) \$14.3 million in outstanding claims for products and services allegedly provided to Medicare beneficiaries before the Petition Date but not yet submitted to CMS for payment; and (ii) approximately \$18.2 million in outstanding claims for products and services allegedly provided to Medicare beneficiaries after the Petition Date but not yet submitted to CMS for payment.

J. After the Petition Date, the United States and the Debtor have engaged in negotiations concerning the FCA Investigation and the Payment Suspension. To facilitate continued negotiations regarding the FCA Investigation, and in exchange for certain protections, CMS will partially and temporarily modify the Payment Suspension subject to the terms and conditions of this Stipulation (the “Stipulation”).

TERMS AND CONDITIONS

1. **Effective Date.** This Stipulation shall become effective upon entry of an order of the Court approving the Stipulation (the “Effective Date”).

2. **Modification of the Payment Suspension.** On the Effective Date, and through the Termination Date (as defined below), and subject to the terms and conditions set forth in this Stipulation, CMS will modify the Payment Suspension to suspend 25% of amounts payable on claims submitted by the Debtor subject to paragraph 4, on or after the Effective Date (the “Continuing Suspended Payments”) and allow payment of 75% of amounts payable on claims submitted by the Debtor subject to paragraph 4 on or after the Effective Date (the “Released Payments”). The modification of the Payment Suspension described in this paragraph shall not apply to the Suspended Amounts or any other payments suspended by CMS prior to the Effective Date (collectively, the “Previously Suspended Payments”).

3. **Implementation of Modification to Payment Suspension.** On or immediately after the Effective Date, CMS will make reasonable and good faith efforts to implement the modifications to the Payment Suspension, *provided that* in no event shall the failure of any Medicare Administrative Contractor (“MAC”), despite reasonable and good faith efforts to fully implement the suspension modifications within forty-five (45) of the Effective Date (collectively, the “MAC Deadlines”), be considered a breach of this Stipulation. To the extent that any payments are suspended during implementation of the modification of the Payment Suspension and before the MAC Deadlines, they will become Previously Suspended Payments.

4. **Medicare Claims Review.** All claims submitted by the Debtor are subject to the Medicare Program’s review procedures (including, but not limited to, pre-payment and post-payment review and audit), and may be paid or denied in the ordinary course of business, with the Parties reserving all rights to contest or defend the treatment of particular claims. Nothing in this Stipulation shall constitute a representation or admission by the United States that any of the Debtor’s claims comply with any legal requirements.

5. **Debtor Agreements.** The Debtor agrees to the following:
 - a. Prior to the Effective Date, the Debtor will seek, on an emergency basis, Court approval for the appointment of a Chief Restructuring Officer (the “CRO”) to exercise executive authority over the Debtor’s operations. The Debtor will consult with the United States prior to filing its motion for approval and the United States shall have, at its reasonable discretion, the right to veto the Debtor’s proposed CRO. The CRO shall remain in such position until the earlier of dismissal or conversion of the case, the date of any final order confirming a Chapter 11 plan of reorganization, *provided that* the United States reserves the right to file a motion at any time seeking removal or dismissal of the CRO. During the term of this Stipulation, all expenditures of funds by the Debtor and withdrawals from the Medicare Receivables Account (as defined below) shall require personal authorization by the CRO.
 - b. No later than December 31, 2024, the Debtor will submit all claims for services allegedly provided before the Effective Date (“Pre-Effective Date Claims”). If the Debtor submits Pre-Effective Date Claims after December 31, 2024, the Debtor shall repay all amounts released by CMS in payment of such claims, and if such payments are received during the term of the Stipulation, the United States may remove any such payments from the Medicare Receivables Account (as defined below). Between the Effective Date and the Termination Date, any failure to repay Pre-Effective Date Claims within 7 days of such claims being paid shall constitute a breach of the Stipulation.

- c. The Debtor shall not seek in any Suspension Challenge (as defined below) to compel the release of the Previously Suspended Amounts pending final resolution or any adjudication of the claims arising from the FCA Investigation. The United States shall be entitled to set off the Previously Suspended Amount against any claims of the United States, or any federal agencies or instrumentalities thereof, against the Debtor upon entry of an order, and the Debtor shall not challenge the timeliness or right to setoff prepetition amounts against prepetition claims, post-petition amounts against post-petition claims, or the debts described in paragraph 7(a); *provided, however*, that the Debtor reserves the right to challenge the validity of any such claim.
- d. To the extent applicable, the deadline in Rule 4007(c) of the Federal Rules of Bankruptcy Procedure to file a complaint to determine the dischargeability of a debt pursuant to section 523(c) of the Bankruptcy Code is extended for the United States through and including April 30, 2025.
- e. The Debtor shall make no attempt to estimate the United States' claim pursuant to section 502(c) of the Bankruptcy Code at any time prior to the deadline for the United States to file proofs of claim.
- f. The FCA Investigation and any commencement of FCA litigation by the United States is an exercise of the United States' police and regulatory powers, and the Debtor shall not request the Court enjoin the United States' exercise of its police and regulatory powers with respect to the FCA Investigation and litigation pursuant to section 105 of the Bankruptcy Code.

- g. This Stipulation, any action taken pursuant to this Stipulation, the termination of this Stipulation, or any action taken to restore the parties to their pre-Stipulation positions, including, but not limited to, the act of reinstating a 100% payment suspension or the revocation or exclusion of the Debtor from Medicare, is in furtherance, and an exercise, of the United States' police and regulatory powers and not an act of discrimination prohibited by section 525(a) of the Bankruptcy Code.

6. **Debtor's Cooperation and Reporting Obligations.** The Debtor shall negotiate and cooperate in good faith with the United States concerning the Payment Suspension and resolution of the FCA Investigation during the term of this Stipulation (the "Debtor's Cooperation Obligations"), including without limitation, by and through the following:

- a. The Debtor shall negotiate with the United States in good faith with the aim of reaching an agreement in principle to resolve claims of the United States arising from the FCA Investigation by December 31, 2024. Among other things, the United States' alleged misconduct by the Debtor and other affiliated entities includes submitting or causing the submission of claims for reimbursement to the federal healthcare programs: (i) by allegedly falsely billing for services provided by non-physician personnel "incident to" a physician's services and/or when such non-physician personnel were not enrolled or professionally qualified; (ii) in connection with the alleged payment of unlawful incentives to order biologic skin substitutes; and (iii) in connection with the alleged fraudulent enrollment of the Debtor and other affiliated entities in the Medicare program.
- b. The Debtor shall adhere to a weekly Operating Budget, attached hereto as Exhibit "A," for all expenditures, as set forth therein. The weekly Operating Budget shall include, among other things, expenditure categories for compensation and related employment tax

- payments to employees; *provided that*, payment of any compensation or related employment tax payments to any of the individuals identified in Exhibit “B” to this Stipulation (the “Related Individuals”) shall not exceed the amounts set forth in the Operating Budget.
- c. Except with the prior written consent of the United States, the Debtor shall make no expenditures from Released Payments or any non-Medicare revenues in excess of the amounts authorized in the Operating Budget, *provided that*, the Debtor may without prior United States consent, exceed the budgeted amount for expenditures in any category listed in the Operating Budget by an amount not greater than 10% of the budgeted amount for such category, and 10% of total expenditures over a rolling four week cumulative period.
 - d. The Debtor shall place all Released Payments hereunder into a separate account for Medicare receivables (the “Medicare Receivables Account”), and shall be permitted to use amounts from the Medicare Receivables Account necessary to fund payments permitted in the Operating Budget in the ordinary course of business, together with the permitted variances described in subparagraph (c) above. Absent prior written consent of the United States, the Debtor shall not transfer any funds in excess of budgeted amounts from the Medicare Receivables Account, and the United States shall, pursuant to section 364(c)(2) of the Bankruptcy Code, hold a valid, binding, enforceable, fully-perfected first priority senior security interest in, and lien upon, all of the Debtor’s right, title, and interest in, to, and under the Medicare Receivables Account. The United States shall have the right to dispose of the funds in the Medicare Receivables Account in the event of a termination as set forth in paragraph 11 of this Stipulation. Any automatic stay, whether arising under section 362 of the Bankruptcy Code or otherwise,

- is hereby modified, without further notice or order from this Court, to the extent necessary to permit the United States to take any steps necessary to perfect its security interest and rights in, and to, the Medicare Receivables Account, and the Debtor shall take all reasonable and necessary actions to facilitate the United States' perfection of its security interest and right to access the account.
- e. Within four business days of the conclusion of each operating week set forth in the Operating Budget, the Debtor shall provide the United States with a weekly cash flow statement showing its expenditures for the operating week, and shall report the amount of any funds remaining on hand at the conclusion of the operating week, if any (the "Weekly Report").
 - f. The Debtor, without the prior written consent of the United States, shall make no payments, regardless whether permitted in the Operating Budget, (i) on account of any ownership or equity interest of any individual or entity in the Debtor or Wound Pros Management Group, Inc. ("Wound Pros MG"), (ii) to or for the benefit of the Related Individuals other than salaries and related employment taxes permitted in subparagraph (b) above and in the Operating Budget, or (iii) to any entity in which any of the Related Individuals have an ownership or other financial interest or role as an officer or manager ("Related Entities"), aside from approved payments listed in the Operating Budget to Wound Pros MG. In addition, the Debtor shall instruct and ensure that no payments from Wound Pros MG shall be made to any of the Related Individuals or Related Entities. In addition to the United States' termination rights below, upon receiving any information that Wound Pros MG has made any payments to the Related Individuals or Related Entities in violation of this Stipulation, the Debtor shall report to the DOJ the amount and

recipient of such payment and will use its best efforts to recover such improper payment for the benefit of the United States. The Debtor specifically represents and warrants that none of the interests described in this paragraph, nor any other rebate or remuneration to the Debtor, WPMG, or any affiliated individual or entity, exists with regard to its suppliers of biologic materials, including 180 Health Services, Biowounds, and Accesso.

- g. The Debtor will provide and will instruct Wound Pros MG to provide the United States with access to any of their books and records necessary and appropriate, in the United States' reasonable discretion, to permit the United States to verify compliance with the terms of this Stipulation. Among any other reasonable access to books and records, the Debtor shall, upon demand, provide copies, of the Debtor's and Wound Pros MG's invoices associated with expenditures, payroll information including copies of pay advices or other documentation evidencing payments to employees, leases and documents evidencing lease payments to any landlords, banking information including statements from all financial accounts, and such other records as the United States may request.

7. **Adequate Protection of the United States' Interests.** As adequate protection of the United States' interests in any Released Payments under this Stipulation, the Parties agree as follows:

- a. **Setoff Rights.** Notwithstanding the mutuality requirements of section 553 of the Bankruptcy Code, to the extent the United States' setoff rights, if any, in the Released Payments have been or will be reduced by the release of such payments to the Debtor under this Stipulation, the United States shall have setoff rights against the Previously Suspended Payments, Continuing Suspended Payments, any Medicare Receivables Account, and any pre- or post-petition debts that the United States may owe to the Debtor to the same extent that it had prior to the Petition Date,

including amounts CMS may owe to the Debtor for post-petition services in accordance with the Medicare Program.

b. **Super Priority Administrative Claim.** The United States will receive a super priority administrative claim, pursuant to section 507(b) of the Bankruptcy Code, up to the amount of any Released Payments for any of the United States' debts not satisfied through offset (the "Adequate Protection Claim"). The Adequate Protection Claim shall have priority over all other administrative expense claims, including without limitation, such claims under sections 503(b) and 507(b) of the Bankruptcy Code, except for the following (the "Carve Out"):

(1) amounts required to be paid to the Clerk of the Court and to the Office of the United States Trustee (the "U.S. Trustee"), pursuant to 28 U.S.C. § 1930(a); (2) all post-petition taxes of any kind required to be paid to any federal, state or municipal governmental entity by the Debtor; (3) reasonable unpaid fees and expenses incurred by persons or firms retained by the Debtor pursuant to sections 327, 328, or 363 of the Bankruptcy Code (the "Debtor's Professionals"), to the extent such amounts are (A) (y) incurred or accrued prior to the Termination Date and remain unpaid, and (z) allowed by final order of the Court, plus (B) an amount of no more than \$500,000 (five hundred thousand dollars) after termination of this Stipulation to the extent allowed by final order of the Court; (4) reasonable unpaid fees and expenses of the CRO to the extent such amounts are allowed by the Court; and (v) salaries and expenses owed or owing to the Debtor's employees and independent contractors in the amounts described in the weekly Operating

Budget. The United States reserves all rights to object to the approval of any payments of the amounts described in items (3)-(5) in the preceding sentence.

8. **Debtor's Breach.** Any of the following shall constitute a breach of this Stipulation by the Debtor (a "Debtor's Breach"): (a) the Debtor's violation of any of the Debtor's Cooperation Obligations, including without limitation, the payment restrictions and limits on expenditures set forth therein and in the Operating Budget; (b) a determination by the DOJ, in its reasonable discretion, that the Debtor has failed to cooperate with any investigation or audit by the United States; (c) the Debtor's violation of any other material term of this Stipulation; (d) the filing, during the term of the Stipulation, of an adversary proceeding, motion or other action by the Debtor asserting that the Payment Suspension violates sections 362 or 542 of the Bankruptcy Code, asserting a violation of section 525 of the Bankruptcy Code, or seeking injunctive relief requiring release of the Payment Suspension (a "Suspension Challenge"); (e) the Debtor's closure or cessation of its business operations; (f) the Debtor's voluntary disenrollment or voluntary termination as a Medicare provider or supplier under applicable Medicare law and regulations; (g) a determination by the DOJ or any federal law enforcement or investigative agency that any postpetition criminal act or fraudulent act not already part of the FCA Investigation as described in Paragraph 6(a) has been committed by the Debtor and requires termination of the Stipulation; or (h) a determination by the DOJ or any federal law enforcement or investigative agency that the Debtor has made material misrepresentations in this Stipulation, including, but not limited to, the amounts described in paragraph I or the representations in paragraph 6(f).

9. **Termination for Breach.** The United States may terminate this Stipulation upon any Debtor's Breach or if the DOJ determines, in its sole discretion, that negotiations regarding the FCA Investigation will not result in a successful resolution of the United States' claims (a "Settlement

Impasse”). If the DOJ terminates this Stipulation based on a Settlement Impasse, or based on any of the breaches described in paragraph 8(a) through (c) or (h), the DOJ shall provide (3) business days written notice to the Debtor, its counsel, the CRO, and the United States Trustee, and an opportunity to cure such breach prior to such termination (the “Termination Date”), *provided that* the termination shall take effect on the Termination Date and shall remain in effect unless the Court orders otherwise. If Debtor breaches this Stipulation in accordance with paragraph 8(d) through (g) (each such breach, an “Automatic Termination Event”), the DOJ need not provide notice to the Debtor prior to termination or a right to cure such breach.

10. **Termination Other Than for Breach.** Unless terminated for a Debtor’s Breach, the Stipulation shall automatically terminate on the earliest of: (a) December 31, 2024, unless the DOJ agrees in its sole discretion to extend the term of the Stipulation past such date; (b) the appointment of a Chapter 11 trustee pursuant to section 1104 of the Bankruptcy Code; (c) the conversion or dismissal of the Chapter 11 Case, or the filing of any Debtor’s motion seeking such conversion or dismissal; or (d) an involuntary termination, revocation, or exclusion of the Debtor as a Medicare provider or supplier under applicable Medicare law and regulations.

11. **Termination and Medicare Receivables Account.** Upon the earlier of the issuance by the United States of a notice of termination or any Automatic Termination Event, the Debtor’s authorization to use funds in the Medicare Receivables Account shall terminate immediately, and any stay, whether arising under section 362 of the Bankruptcy Code or otherwise, is hereby modified, without further notice or order from this Court, to the extent necessary, to permit the United States to exercise its rights and remedies with respect to the Medicare Receivables Account, including disposing of any funds held in the Medicare Receivables Account except for already incurred expenses that would be subject the Carve Out. The Debtor will follow any disposition

instructions from the DOJ regarding funds held in the Medicare Receivables Account and will cooperate in the DOJ's efforts to dispose of such funds.

12. **Debtor's Post-Termination Suspension Challenge.** If this Stipulation is terminated based on any Debtor's Breach, the Debtor shall waive any and all rights to bring a Suspension Challenge, and, in accordance with the terms of this Stipulation, shall make no assertion in any court or administrative forum that the Payment Suspension constitutes a violation of the automatic stay or an act of bankruptcy discrimination pursuant to section 525 of the Bankruptcy Code. If the Stipulation is terminated for any reason other than a Debtor's Breach, the Debtor reserves the right on or after the Termination Date, to file a Suspension Challenge, *provided that* the Debtor shall not seek recovery of any of the Previously Suspended Amounts or Continuing Suspended Payments, and *provided further that* the United States reserves all rights to contest the Suspension Challenge, including arguments concerning the Court's subject matter jurisdiction over any issues raised in the Suspension Challenge.

13. **Debtor's Indemnification Obligations.** The Debtor and any reorganized Debtor that emerges from this Chapter 11 Case (the "Reorganized Debtor") shall indemnify and hold the United States harmless from any losses, claims, damages, liabilities, and expenses asserted against the United States arising out of the Debtor's performance of its obligations under this Stipulation ("Indemnification Obligations"). To the extent the Debtor fails to pay its Indemnification Obligations, the United States shall have a super priority administrative expense claim against the estate for any of the Indemnification Obligations and may seek reimbursement from the Reorganized Debtor for any Indemnification Obligations not satisfied by the Debtor's estate.

14. The United States' entry into this Stipulation shall not constitute or effectuate a waiver of sovereign immunity or a consent to the Court's jurisdiction or authority to adjudicate

any matter, including without limitation, the Payment Suspension and any claims arising from the FCA Investigation.

15. The United States' entry into this Stipulation does not prejudice, limit or otherwise enjoin the United States from asserting that the Debtor's case was not filed in good faith and/or should be dismissed pursuant to section 1112 of the Bankruptcy Code.

16. Neither the United States' entry into the Stipulation, nor any term of the Stipulation, shall constitute (i) an admission concerning any legal or factual element of any claims arising from any investigation or audit by the United States, including without limitation the FCA Investigation (including, but not limited to, any materiality element under the False Claims Act); or an alteration discharge or release of any claims arising from any investigation or audit by the United States, including without limitation the FCA Investigation. The Debtor shall make no representation to the contrary in any document filed with, or argument or proceeding in, any court or other judicial or administrative tribunal.

17. Nothing in this Stipulation alters, discharges or releases any debts owed by the Debtor to the United States or any federal agencies or instrumentalities thereof.

18. Nothing contained herein shall (a) restrain, limit or impact any action by HHS or CMS to administer, regulate and enforce the Medicare Program; or (b) affect, modify or impair any claims, defenses, recoupment or setoff rights, of the United States, except as expressly provided herein. This Stipulation shall not affect, modify or impair the rights of the Debtor with respect to such claims, defenses, recoupment or setoff rights.

19. The provisions of this Stipulation, other than the Debtor's Cooperation Obligations set forth in paragraph 6, shall survive termination of this Stipulation and shall be enforceable

against the Debtor or any of the Debtor's successors or assigns, or any trustee or examiner appointed in the Debtor's bankruptcy case.

20. Each Party hereto agrees that it has fully participated in the drafting of this Stipulation. The rule of law which provides that ambiguities will be construed against the drafting party in interpreting written instruments shall not be applicable to or used in resolving any dispute over the meaning or intent of this Stipulation or any of its provisions.

21. Headings used to identify this Stipulation's provisions, including the articles, sections, clauses, as well as any exhibits and schedules, do not have any substantive meaning or interpretive value.

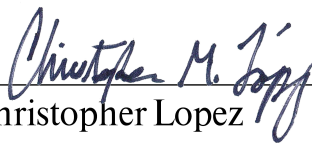
22. This is the full and complete agreement of the Parties, and each Party has entered into this Stipulation voluntarily and without duress.

23. Any disputes regarding the rights arising hereunder shall be governed by federal law.

24. This Stipulation is subject to the approval of the Court and is of no force and effect until so approved.

SO ORDERED AND APPROVED:


Signed: December 19, 2024



Christopher Lopez
United States Bankruptcy Judge

Dated: December 17, 2024

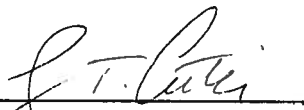
Respectfully submitted,

/s/ 
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Counsel for the Debtor

BRYAN M. BOYNTON
Principal Deputy Assistant Attorney General

/s/  (12/19/24)
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Counsel for the United States

CERTIFICATE OF SERVICE

This is to certify that I have on December 19, 2024, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Casey W. Doherty

Casey W. Doherty

Exhibit A

(Operating Budget)

Global Wound Care Medical Group and Wound Pros Management Group
December Operating Budget
Period Ended December 31, 2024

	Week Ended 12/21/2024	Week Ended 12/28/2024	3-Days Ended 12/31/2024	TOTAL
Biologics Product Expenses	\$ 29,637,927	\$ 4,984,779	\$ -	\$ 34,622,706
Other Cost of good sold	208,779	208,779	83,512	501,069
Payroll Expense	11,203	3,867,899	4,481	3,883,583
Rent Expenses	-	-	118,474	118,474
Admin Expense	224,772	224,772	89,909	539,453
Insurance Expense	35,025	35,025	14,010	84,060
Services Cost	664,300	349,300	119,720	1,133,321
Software Expense	189,326	189,326	75,730	454,382
Travel Expenses	134,424	134,424	53,770	322,618
Marketing and Sales Expenses	47,485	47,485	18,994	113,964
Total Operating Expenses	\$ 31,153,241	\$ 10,041,790	\$ 578,599	\$ 41,773,630

Exhibit B

(Related Individuals)

Exhibit B – Related Individuals

Other than the compensation amounts below, the following Related Individuals, as well as their spouses, children, parents and other immediate family members, shall receive no payments from the Debtor, Wound Pros MG, or any entity which receives payments from the Debtor or Wound Pros MG during the term of the Stipulation.

The following individuals may receive payments as compensation for their employment and related employment taxes (if any) in the amounts indicated below:

Exhibit 7

(Joint Notice of Extension of Stipulation and Agreed Order Regarding Suspension of Medicare Payments to the Debtor by the United States Department of Health and Human Services)

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

In re:

GLOBAL WOUND CARE MEDICAL GROUP, a
Professional Corporation,¹

Debtor and Debtor in Possession.

Chapter 11

Case No. 24-34908 (CML)

**JOINT NOTICE OF EXTENSION OF STIPULATION AND AGREED ORDER
REGARDING SUSPENSION OF MEDICARE PAYMENTS TO THE DEBTOR BY THE
UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES**

PLEASE TAKE NOTICE that, on December 19, 2024, the Court approved that *Stipulation and Agreed Order Regarding Suspension of Medicare Payments to the Debtor by the United States Department of Health and Human Services* [Docket No. 87] (the “Stipulation”) between Global Wound Care Medical Group, a Professional Corporation, the debtor and debtor in possession in the above-captioned case (the “Debtor”), on the one hand, and, the Civil Division of the United States Department of Justice (the “DOJ”), on behalf of the United States of America, the United States Department of Health and Human Services (“HHS”) and its designated component, the Centers for Medicare and Medicaid Services (“CMS” and, collectively, with HHS and DOJ, the “United States”), on the other hand.

PLEASE TAKE FURTHER NOTICE that, pursuant to paragraph 10 of the Stipulation, the DOJ has sole discretion to extend the term of the Stipulation beyond December 31, 2024, that the DOJ previously agreed to extend the Stipulation through and including October 4, 2025

¹ The last four digits of the Debtor’s tax identification number in the jurisdiction in which it operates is 3572.

[Docket No. 255], and that DOJ has now further agreed to extend the Stipulation through and including November 1, 2025.

PLEASE TAKE FURTHER NOTICE that the Debtor and the DOJ have agreed to extend the date in paragraph 5(d) of the Stipulation from February 5, 2026, through and including March 5, 2026, and the date in paragraph 6(a) of the Stipulation from October 4, 2025, through and including November 1, 2025.

PLEASE TAKE FURTHER NOTICE that the Debtor and the DOJ have agreed to extend any deadline for the United States to file a proof of claim in the above-captioned bankruptcy case through and including March 13, 2026.

PLEASE TAKE FURTHER NOTICE that an Operating Budget (as defined in the Stipulation) is attached hereto as **Exhibit “A.”**

PLEASE TAKE FURTHER NOTICE that, in light of the Stipulation, the Debtor has agreed that no further action needs to be taken during the term of the Stipulation, including any extensions thereof, regarding the rebuttal letter to CMS dated October 11, 2024.

PLEASE TAKE FURTHER NOTICE that, except as provided herein, all terms set forth in the Stipulation and any prior Notices extending the Stipulation remain in full force and effect as if set forth in full in this Notice.

[Signature page to follow]

Dated: October 1, 2025

Respectfully submitted,

DENTONS US LLP

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Counsel to the Debtor and Debtor-in-Possession

/s/ Andrew Warner (signed
by permission)
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MARY A. SCHMERGEL
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Email: Andrew.Warner@usdoj.gov

Counsel for the United States

CERTIFICATE OF SERVICE

This is to certify that I have on October 1, 2025, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Casey W. Doherty Jr.

EXHIBIT A

Global Wound Care Medical Group and Wound Pros Management Group
October/November Operating Budget
Period Ended November 01, 2025

	Week Ended 10/11/2025	Week Ended 10/18/2025	Week Ended 10/25/2025	Week Ended 11/1/2025	TOTAL
Biologics Product Expenses	\$ 16,144,665	\$ 3,161,626	\$ 3,886,170	\$ 3,777,196	\$ 26,969,657
Other Cost of good sold	1,440,815	219,000	219,000	219,000	2,097,815
Payroll Expense	1,278,885	2,691,355	720,256	2,532,892	7,223,388
Rent Expenses	26,919	1,643	104,830	17,341	150,733
Admin Expense	311,127	221,140	233,763	208,060	974,089
Insurance Expense	53,931	13,931	13,931	13,931	95,722
Services Cost	1,043,720	601,717	709,656	427,310	2,782,403
Software Expense	374,781	219,618	151,461	113,595	859,455
Travel Expenses	234,424	134,424	134,424	134,424	637,696
Marketing and Sales Expenses	47,485	47,485	47,485	47,485	189,940
Total Operating Expenses	\$ 20,956,752	\$ 7,311,938	\$ 6,220,975	\$ 7,491,234	\$ 41,980,899

Exhibit 8

(Debtor's Emergency Motion to Schedule Status Conference)

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

In re:

GLOBAL WOUND CARE MEDICAL GROUP, a
Professional Corporation,¹

Debtor and Debtor in Possession.

Chapter 11

Case No. 24-34908 (CML)

DEBTOR'S EMERGENCY MOTION TO SCHEDULE STATUS CONFERENCE

EMERGENCY RELIEF HAS BEEN REQUESTED. RELIEF IS REQUESTED NOT LATER THAN OCTOBER 9, 2025.

IF YOU OBJECT TO THE RELIEF REQUESTED OR YOU BELIEVE THAT EMERGENCY CONSIDERATION IS NOT WARRANTED, YOU MUST APPEAR AT THE HEARING IF ONE IS SET, OR FILE A WRITTEN RESPONSE PRIOR TO THE DATE THAT RELIEF IS REQUESTED IN THE PRECEDING PARAGRAPH. OTHERWISE, THE COURT MAY TREAT THE PLEADING AS UNOPPOSED AND GRANT THE RELIEF REQUESTED.

Global Wound Care Medical Group, a Professional Corporation, the debtor and debtor in possession in the above-captioned case (the “Debtor”),² hereby files this motion (the “Motion”) on an emergency basis to request the scheduling of a case status conference to address the delay in Medicare reimbursements to the Debtor, which is causing liquidity constraints that will impact the Debtor’s ability to continue to operate as a going concern. The Debtor has been informed that the Centers for Medicare & Medicaid Services (“CMS”) and its Medicare Administrative Contractors (“MACs”) are continuing to process Medicare claims during the ongoing government shutdown;

¹ The last four digits of the Debtor’s tax identification number in the jurisdiction in which it operates is 3572.

² Capitalized terms used herein but not otherwise defined shall have the meaning ascribed to such terms in the Application.

however, the Debtor is not timely receiving reimbursements. The amount of the Debtor's Medicare claims submitted but pending approval now exceeds \$25 million. The Debtor is working collaboratively with the U.S. Department of Justice (the "DOJ") to gain visibility into the cause of the delay, but requests a status conference because the Debtor may need Court intervention to ensure prompt reimbursements from CMS and/or its MACs to avoid a liquidity crisis and the interruption of the medical care provided by the Debtor to its patients.

JURISDICTION AND VENUE

1. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157(a) and 1334. Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

2. The statutory basis for the relief requested are §§ 105(a) and 362 of chapter 11 of title 11 of the United States Code (the "Bankruptcy Code").³

REDUCTION AND SLOWDOWN IN MEDICARE PAYMENTS

3. On October 21, 2024 (the "Petition Date"), the Debtor filed a voluntary petition for relief pursuant to chapter 11. As described in the First Day Declaration, a prepetition Payment Suspension (as defined in the First Day Declaration) imposed by CMS had suspended all Medicare payments to the Debtor, resulting in a cessation of approximately 91% of the Debtor's income. *See* First Day Declaration, ¶ 30.

4. On December 19, 2024, the Debtor entered into a stipulation with the DOJ to, among other things, allow 75% of amounts payable on claims submitted by the Debtor to resume while maintaining a suspension of 25% of Medicare payments to the Debtor. *See Stipulation and Agreed Order Regarding Suspension of Medicare Payments to the Debtor By the United States*

³ Unless specified otherwise, all chapter and section references are to chapters or sections of the Bankruptcy Code.

Department of Health and Human Services (the “Stipulation”) [Docket No. 86]. The Debtor and the DOJ have agreed to extend the term of the Stipulation multiple times, most recently to November 1, 2025, as they continue to negotiate a global settlement. *See* Docket No. 272.

5. Recently, beginning in September 2025, Medicare reimbursement payments to the Debtor have been reduced. In August and September 2025, the Debtor submitted Medicare claims to CMS for \$43.3 million and \$37.2 million, respectively, and has only received reimbursements in the amount of \$29.4 million and \$8.6 million, respectively. The amount of Medicare reimbursement payments received by the Debtor on these claims is significantly below 75% of the Medicare claims.

6. Based on the terms of the Stipulation, the Debtor should have received Medicare reimbursement payments between \$5.5 and \$6 million each week on these Medicare claims. Instead, the Debtor recently received the following Medicare reimbursements over the last five weeks:

Week Ending	Medicare Payment Received
September 5, 2025	\$4,814,484
September 12, 2025	\$4,130,115
September 19, 2025	\$2,771,916
September 26, 2025	\$2,551,125
October 3, 2025	\$2,194,478

7. Additionally, CMS recently slowed down its time to process the Debtor’s initial Medicare claims, which has, in turn, delayed the Debtor’s ability to submit claims to secondary Medicare payors and receive reimbursement payments on those claims. The Debtor notes that

CMS is also focused on processing smaller Medicare claims as the average approved Medicare claim is \$1,528 while the average pending Medicare claim is \$20,616.

8. The amount of the Debtor's Medicare claims submitted but pending approval now exceeds \$25 million – far higher than at any time in the past 60 days – while the amount of Medicare reimbursement payments by CMS to the Debtor is at its lowest point in the same time period.

9. Counsel for the Debtor brought this to the attention of counsel from the DOJ Commercial Litigation Branch who have been lead counsel for bankruptcy issues for CMS, but he is now furloughed as part of the ongoing government shutdown. Counsel for the Debtor subsequently brought this to the attention of counsel from the DOJ Fraud Section also involved in negotiations with the Debtor. For now, counsel for the DOJ Fraud Section are reportedly not affected by the funding lapse. All government counsel have attempted to assist in determining the cause of the slowdown and rectifying the situation, but Medicare reimbursement payments to the Debtor continue to be delayed. Therefore, given the impact on the liquidity, the Debtor seeks an emergency status conference.

EMERGENCY REQUEST TO SET STATUS CONFERENCE

10. The postpetition suspension or delay in Medicare reimbursement payments could violate the automatic stay imposed by § 362(a). Section 105(a) empowers the Court to “issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a). The Court also has inherent authority to manage its own docket and affairs to achieve orderly and expeditious disposition of cases. *See Dietz v. Bouldin*, 579 U.S. 40, 47 (2016); *Link v. Wabash Railroad Co.*, 370 U.S. 626, 630 - 31 (1962); *Landis v. N. Am. Co.*, 299 U.S. 248, 254 (1936). Finally, the Stipulation provides that CMS can only retain 25% of the amounts

otherwise payable to the Debtor, while the slowdown in payments results in a much larger holdback for CMS.

11. Continued delay in Medicare reimbursements to the Debtor will cause a liquidity crisis. To date, the Debtor is waiting for over \$27.2 million. The status conference will allow the Court to hear from the parties and, if necessary, intervene to ensure prompt Medicare reimbursements are made to the Debtor

12. Accordingly, the Debtor requests that the Court set an emergency status conference for Thursday, October 9, 2025.

NOTICE

13. Notice of this Motion will be given to (i) the Debtor, (ii) the United States Trustee, (iii) the DOJ, (iv) CMS, and (v) all parties who have filed a notice of appearance with this Court.

WHEREFORE, for the above reasons, the Debtor asks the Court to issue an order, substantially in the form attached as **Exhibit A**, scheduling a status conference for Thursday, October 9, 2025.

[Signature page to follow]

Dated: October 6, 2025

Respectfully submitted,

DENTONS US LLP

/s/ Casey Doherty

Casey Doherty

DENTONS US LLP

1300 Post Oak Blvd.

Suite 650

Houston, TX 77056

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Email: tania.moyron@dentons.com

Counsel to the Debtor and Debtor-in-Possession

CERTIFICATE OF ACCURACY

I certify that the foregoing statements are true and accurate to the best of my knowledge. This statement is being made pursuant to BLR 9013-1(i).

/s/ Casey Doherty

CERTIFICATE OF SERVICE

This is to certify that I have on October 6, 2025, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Casey Doherty

EXHIBIT A

PROPOSED ORDER

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

In re:

GLOBAL WOUND CARE MEDICAL GROUP, a
Professional Corporation,¹

Debtor and Debtor in Possession.

Chapter 11

Case No. 24-34908 (CML)

**ORDER GRANTING DEBTOR'S EMERGENCY MOTION TO
SCHEDULE STATUS CONFERENCE**

Upon consideration of the *Debtor's Emergency Motion to Schedule Status Conference* (the "Emergency Motion")² of the above-captioned debtor and debtor in possession (the "Debtor"); and upon the First Day Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and this Court having found that (a) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); (b) venue of this proceeding and the Emergency Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; (c) the relief requested in the Emergency Motion is in the best interests of the Debtor's estate, its creditors, and other parties in interest; and (d) the Debtor's notice of the Emergency Motion and opportunity for a hearing on the Emergency Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Emergency Motion; and this Court having determined that the legal and factual bases set forth in support of the Emergency Motion establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing

¹ The last four digits of the Debtor's tax identification number in the jurisdiction in which it operates is 3572.

² Capitalized terms used herein but not otherwise defined shall have the meaning given to them in the Emergency Motion.

therefor, it is HEREBY ORDERED THAT:

1. The Emergency Motion is granted on the terms set forth herein.
2. The Court will set a status conference to be held on **October** ____, **2025**, at _____
a.m./p.m.

Dated: _____, 2025

Judge Christopher M. Lopez
United States Bankruptcy Judge

Exhibit 9

(Response of the Patient Care Ombudsman to the
Debtor's Emergency Motion to Schedule Status Conference)

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

In re:

GLOBAL WOUND CARE MEDICAL GROUP, a
Professional Corporation,¹

Debtor and Debtor in Possession.

Chapter 11

Case No. 24-34908 (CML)

**RESPONSE OF THE PATIENT CARE OMBUDSMAN TO THE DEBTOR'S
EMERGENCY MOTION TO SCHEDULE STATUS CONFERENCE**

1. I am the Patient Care Ombudsman, appointed by the Office of the United States Trustee in the above referenced case. I have reviewed the *Debtor's Emergency Motion To Schedule Status Conference* [Docket No. 278], and spoken with Counsel for the Debtor about the financial situation facing the Debtor. In discharging my duties as Patient Care Ombudsman I have regularly reviewed the patient care provided by Global Wound Care Medical Group, including through numerous interviews and discussions with the Debtor's clinicians, as well as reviewing medical reports. Because I feel that cessation of patient care would materially and negatively compromise patient care to thousands of patients nationwide, I am filing this additional written report as provided for in section 333(b)(3) of the Bankruptcy Code.

2. The reduction in payments by Medicare will immediately and materially adversely affect the ability to care for wound care patients serviced by Global Wound Care Medical Group. Wound care is essential to our elderly and vulnerable populations and the continued reduction in

¹ The last four digits of the Debtor's tax identification number in the jurisdiction in which it operates is 3572.

payments will inevitably degrade Global Wound Care Medical Group's ability to provide this crucial care.

3. It is essential for the Court to understand that even a mild superficial wound can progress rapidly to a life-threatening condition, potentially leading to severe infections, tissue death, and damage to underlying bones and joints. Wound care is crucial to saving limbs and the lives of our mostly chronically ill, bedbound and elderly population. Without proper wound care, more surgeries with amputations are the next course of treatment.

4. Global Wound Care Medical Group provides an invaluable service. There is a recognized shortage of providers who specialize in wound care. There are many reasons contributing to this shortage, including an aging population, a rise in chronic diseases, many providers aging/retiring, a need for specialization, and geographic maldistribution of trained providers. This shortage results in access to care reductions, worsening patient outcomes, a burden on other healthcare staff, and increasing costs. It is necessary to understand that wound care is labor and supply intensive requiring highly trained individuals. This is considered a 1:1 position, which means, a provider can only work on one patient at a time. The dressings and treatments are complexed and specialized. Most patients with wound care needs usually have multiple wounds simultaneously. Losing one provider or staff member results in delays to crucial patient care which may lead to adverse patient outcomes. The current clients of Global Wound Care Medical Group, which are patients in skilled nursing facilities and home health agencies, will not be able to receive the same level of care promptly. A search to locate providers and train staff to provide basic care for these wounds would take time that these compromised patients may not be able to withstand.

5. This current shortage of providers is one of the reasons I believe led to the success and growth of Global Wound Care Medical Group over just a few years. Their business model

has allowed a more efficient use of a small subset of experts and created a system which allows for better access to highly skilled and competent wound care professionals. I cannot stress enough that high quality wound care prevents or minimizes the pain, infections, sepsis, limb amputations and death in our vulnerable populations.

6. As the Patient Care Ombudsman, I have been impressed with Global Wound Care Medical Group's focus on quality and training. I have observed their onsite skills day training and interviewed multiple high-quality professionals. They have created standardized treatment plans and an evaluation mechanism to ensure their patients are receiving the care required. In my opinion, the continued reduction in Medicare payments will cause the inability to meet the organization's financial obligations to staff and vendors which will lead to a detrimental effect to patient care.

Dated: October 13, 2025

Respectfully submitted,

SUZANNE RICHARDS
PATIENT CARE OMBUDSMAN

/s/ Suzanne Richards

CERTIFICATE OF SERVICE

This is to certify that I have on October 13, 2025, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Casey Doherty

Exhibit 10

(Status Conference Report and Declarations of Ralph Cetrulo,
Chief Financial Officer, and Louis E. Robichaux)

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

In re:

GLOBAL WOUND CARE MEDICAL GROUP, a
Professional Corporation,¹

Debtor and Debtor in Possession.

Chapter 11

Case No. 24-34908 (CML)

**STATUS CONFERENCE REPORT AND DECLARATIONS OF RALPH CETRULO,
CHIEF FINANCIAL OFFICER, AND LOUIS E. ROBICHAUX, CHIEF
RESTRUCTURING OFFICER, IN SUPPORT THEREOF**

**TO THE HONORABLE CHRISTOPHER M. LOPEZ, UNITED STATES BANKRUPTCY
JUDGE:**

Global Wound Care Medical Group, a Professional Corporation, the debtor and debtor in possession in the above-captioned chapter 11² case (the “Debtor”), hereby files this Status Conference Report, along with the declarations of Ralph Cetrulo, Chief Financing Officer (the “Cetrulo Declaration”), and Louis E. Robichaux, Chief Restructuring Officer (the “Robichaux Declaration”), in support thereof, to provide the Court with additional facts and circumstances in advance of the status conference the Court set for Tuesday, October 21, 2025 at 1:00 p.m. (CT) (the “Status Conference”) and in connection with the *Debtor’s Emergency Motion to Schedule Status Conference* [Docket No. 278] (the “Emergency Motion”).³

¹ The last four digits of the Debtor’s tax identification number in the jurisdiction in which it operates is 3572.

² All references to “chapter,” “§” or “section” herein are to chapters or sections of title 11 of the United States Code, §§ 101 et seq. (the “Bankruptcy Code”).

³ Capitalized terms used herein but not otherwise defined shall have the meaning ascribed to such terms in the Emergency Motion.

I.

PRELIMINARY STATEMENT

As the Court is aware, the Debtor, Wound Pros Management Group, Inc. (“Wound Pros”), and the United States Department of Justice (the “DOJ”), on behalf of itself, the Centers for Medicare and Medicaid Services (“CMS”), the U.S. Department of Health and Human Services (“HHS”), and other government agencies (together, the “United States”), have been working collaboratively on a global settlement for nearly ten months, and the parties continue to engage in good faith efforts to reach a final resolution. In connection with these settlement discussions, the Debtor and the DOJ entered into the Stipulation and Agreed Order [Docket No. 87] (as extended, the “Medicare Stipulation”), which has been extended most recently to November 1, 2025 [Docket No. 272].

Since the filing of the Emergency Motion, the Debtor has learned that there has been a slowdown of reimbursements related to a material increase in demands by Medicare Administrative Contractors (the “MACs”)⁴ for additional documentation before the Debtor’s Medicare claims are paid. The demands for documentation are unprecedented, unannounced, and unexplained and have resulted in a dramatic slowdown in the processing and the payment of Medicare claims.

The slowdown in Medicare reimbursements has created a liquidity crisis, and, consequently, the Debtor and Wound Pros face an imminent shutdown of their businesses, which would eliminate essential medical care provided to thousands of elderly patients nationwide and nearly 900 jobs.

⁴ MACs are private insurance companies contracted by CMS to process Medicare claims, handle provider enrollment and reimbursement, and serve as the primary point of contact between the Medicare program and healthcare providers.

II.

SUPPLEMENTAL FACTS

1. In the Emergency Motion, the Debtor explained it should have received Medicare reimbursement payments between \$5.5 and \$6 million each week on Medicare claims in accordance with historical norms and provided a chart setting the actual amounts received, which were much less. For ease, the Debtor has included the chart again below except that the Debtor also includes the additional receipts for the weeks ending October 10 and 17:

Week Ending	Medicare Payment Received
September 5, 2025	\$4,814,484
September 12, 2025	\$4,130,115
September 19, 2025	\$2,771,916
September 26, 2025	\$2,551,125
October 3, 2025	\$2,194,478
October 10, 2025	\$2,712,627
October 17, 2025	\$2,372,036

2. To date, given the slowdown in reimbursements, the Debtor and Wound Pros have not received over \$38 million, including pending and “approved to pay” claims, that they had projected for operations and other expenses in their budget. Further, the slowdown in processing the Debtor’s initial Medicare claims has, in turn, delayed the Debtor’s ability to submit claims to secondary Medicare payors and receive reimbursement payments on those claims.

3. After the filing of the Emergency Motion, on October 10, 2025, DOJ informed the Debtor (through counsel) that they learned there were outstanding medical requests, also referred

to as an Additional Documentation Request (“ADR”), which were allegedly causing the delay in reimbursements.

4. After the Debtor further looked into the ADR and related issues, it became clear that the Debtor’s payments were delayed by an influx of ADRs from the Noridian Healthcare Solutions (the MAC for California) and Novitas Solutions, Inc. (the MAC for Texas) beginning on September 1, 2025. An ADR is sent to the Debtor (or any healthcare provider) for medical records to support a Medicare claim, ensure compliance, or conduct reviews. These requests are used to verify the accuracy of a claim, assess the medical necessity of services, and check for compliance with billing policies. The request can be for records needed to pay a claim before or after payment, and the Debtor must respond to ensure continued billing privileges. While the MACs have a right to make an ADR in connection with their review of a claim prepayment, the need for ADR is not a bar to a claim being paid. To the contrary, as outlined in 42 CFR § 405.929, a MAC can issue an ADR after paying a claim, and declare an overpayment, subject to reimbursement or recoupment, should the information provided be insufficient.

5. Over the course of the ten months since the Medicare Stipulation was executed, the Debtor has continued to submit claims to the applicable MACs. The vast majority—over 96%—of the Debtor’s claims have been approved during this period. Moreover, the Debtor has appealed the small number of denials it has received, and it has frequently succeeded on appeal. In addition, between January and July of this year, the MACs issued 48 ADRs to the Debtor in connection with Medicare claims. Wound Pros and the Debtor supplied all requested documentation, and no claims for biologics or “skin substitutes”—which comprise the highest portion of any Debtor reimbursement claim—were denied.

6. Now, however, since September 1, 2025, 90% of the ADR are for claims related to biologics and, more importantly, there have been 462 ADR issued to the Debtor. Of these, as of Wednesday, October 15, 2025, 97 ADR have already been submitted; 137 have medical records already clinically reviewed and completed and pending submission; 156 are waiting for clinical review; 100 are pending with the medical record manager; and 36 are still having records complied in response to the ADR.

7. Now that the Debtor has visibility into the issue, and given the dire nature of the payment interruption, additional resources are being applied to respond to the ADR, with the goal of having all ADR responded to shortly and promptly on a go forward basis. However, the Debtor is informed and believes that even with the timely submission of responses to an ADR, the MAC may still utilize a 30-day period before rendering a decision on the claim.⁵

8. As of this filing, the status of the Medicare claims that have been submitted versus approved to pay are broken down per state as follows:

State	No. of Pending	Pending Amount	Approved to Pay Claims	Approved To Pay
CA (Northern)	385	\$5,390,948.64	71	\$142,254.96
CA (Southern)	1,549	\$18,171,104.49	352	\$733,478.32
NEVADA	31	\$466,171.79	2	\$165.30
ARIZONA	72	\$851,734.36	22	\$14,650.93
WASHINGTON	56	\$18,340.80	16	\$884.54
TEXAS	414	\$4,953,600.55	57	\$22,931.57
LOUISIANA	11	\$335,264.58	3	\$109,648.98

⁵ See Centers for Medicare & Medicaid Services, Medicare Claim Review Programs, (Sep. 2016), at 10, *available at* <https://www.cms.gov/outreach-and-education/medicare-learning-network-mln/mlnproducts/downloads/mcrp-booklet-text-only.pdf>.

ILLINOIS	0	\$0.00	22	\$127,349.24
TENNESSEE	0	\$0.00	6	\$17,086.47
GEORGIA	0	\$0.00	55	\$1,232,580.30
INDIANA	31	\$665,434.12	18	\$5,512.87
MICHIGAN	97	\$997,446.21	35	\$315,871.85
NEW YORK	0	\$0.00	25	\$44,965.77
FLORIDA	183	\$1,284,447.71	64	\$247,710.56
CONNECTICUT	0	\$0.00	0	\$0.00
WISCONSIN	0	\$0.00	2	\$285.13
WCC OHIO	639	\$1,941,833.67	176	\$271,478.93
WCC-DMERC	3	\$2,700.00	8	\$7,600.34
\$35,079,026.92			\$3,294,456.06	

9. The additional and unforeseen delay in payment of the Debtor's properly submitted claims for Medicare reimbursement resulting from the influx of ADR has now reached a point that, absent providing the Debtor with access to additional funds, the Debtor and Wound Pros will be forced to consider immediate cessation of operations.

[Remainder of Page Left Intentionally Blank]

Dated: October 20, 2025

Respectfully submitted,

DENTONS US LLP

/s/ Casey W. Doherty

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Counsel to the Debtor and Debtor-in-Possession

CERTIFICATE OF ACCURACY

I certify that the foregoing statements are true and accurate to the best of my knowledge. This statement is being made pursuant to BLR 9013-1(i).

/s/ Casey W. Doherty

CERTIFICATE OF SERVICE

This is to certify that I have on October 20, 2025, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Casey W. Doherty

**DECLARATION OF RALPH CETRULO IN SUPPORT OF
THE DEBTOR'S STATUS CONFERENCE REPORT**

I, Ralph Cetrulo, hereby declare and state as follows:

1. I am the Chief Financial Officer (“CFO”) of Global Wound Care Medical Group, a Professional Corporation, the debtor and debtor in possession (the “Debtor”) in the above-captioned chapter 11 case (“Case”), and the CFO of Wound Pros Management Group, Inc. (“Wound Pros”), the management company for the Debtor. I submit this declaration in support of the contemporaneously filed *Status Conference Report* (the “Status Conference Report”).¹ All of the factual assertions in the Status Conference Report are true and correct to the best of my knowledge.

2. I have been the CFO of Wound Pros since February 2023, and the CFO of the Debtor since December 2024. I have a Bachelor of Science in accounting from the University of Delaware and have over three decades of experience in public accounting and over a decade as a CFO. I have experience in mergers and acquisitions, business valuations, financial forecasting, and stock options planning. I am a member of the American Institute of Certified Public Accountants and the Delaware Society of Certified Public Accountants, and have served on the boards of various organizations, including the Horn Entrepreneurship Board at the University of Delaware, the Delaware Deferred Compensation Board, and the Delaware Workforce Development Board. As CFO of Wound Pros and the Debtor, I am intimately familiar with their cash management systems, as well as all facets of its revenue cycle management, current cash balances, and claims submissions to and payments from the Medicare program and other payors.

¹ Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Status Conference Report.

Background

3. The Debtor commenced this Case because, as described in the First Day Declaration, the prepetition Payment Suspension imposed by CMS suspended all Medicare payments to the Debtor, resulting in a cessation of approximately 91% of the Debtor's income. On December 19, 2024, the Debtor entered into in the Court-approved Stipulation and Agreed Order (the "Medicare Stipulation") with the DOJ to, among other things, allow 75% of amounts payable on claims submitted by the Debtor to resume while maintaining a suspension of 25% of Medicare payments to the Debtor. These suspended funds are held in the Suspense Account and now total over \$300 million.

4. As the Debtor, Wound Pros, and DOJ have continued to negotiate a global settlement, the term of the Medicare Stipulation has been extended multiple times, most recently to November 1, 2025.

5. Recently, however, there has been a dramatic slowdown in Medicare reimbursements, and the Debtor and Would Pros have not received over \$38 million in Medicare reimbursements, including pending and "approved to pay" claims. In this regard, the Debtor and Wound Pros are being subjected to an unprecedented, unannounced, and unexplained material increase in demands for additional documentation before the Debtor's Medicare claims can be paid, resulting in a dramatic slowdown in the processing and the payment of Medicare claims.

6. This slowdown in Medicare reimbursements has created a liquidity crisis, and, consequently, the Debtor and Wound Pros face an imminent shutdown of their businesses, which would eliminate essential medical care provided to thousands of patients nationwide and nearly 900 jobs as early as the end of this week.

Medicare Reimbursements & Additional Documentation Request

7. Beginning in September 2025, Medicare reimbursement payments to the Debtor have been sharply reduced. In August and September 2025, the Debtor submitted Medicare claims to CMS for \$43.3 million and \$37.2 million, respectively, and has only received reimbursements in the amount of \$29.4 million and \$8.6 million, respectively. The amount of Medicare reimbursement payments received by the Debtor on these claims is significantly below 75% of the Medicare claims, as provided in the Medicare Stipulation.

8. Upon information and belief, the Debtor should have received Medicare reimbursement payments between \$5.5 and \$6 million each week on Medicare claims. Instead, the Debtor recently received the following Medicare reimbursements over the last seven weeks:

Week Ending	Medicare Payment Received
September 5, 2025	\$4,814,484
September 12, 2025	\$4,130,115
September 19, 2025	\$2,771,916
September 26, 2025	\$2,551,125
October 3, 2025	\$2,194,478
October 10, 2025	\$2,712,627
October 17, 2025	\$2,372,036

9. The chart below reflects Medicare claims that have been submitted for payment versus the Medicare claims that have been approved for payment:

State	No. of Pending	Pending Amount	Approved to Pay Claims	Approved To Pay
CA (Northern)	385	\$5,390,948.64	71	\$142,254.96
CA (Southern)	1,549	\$18,171,104.49	352	\$733,478.32
NEVADA	31	\$466,171.79	2	\$165.30
ARIZONA	72	\$851,734.36	22	\$14,650.93
WASHINGTON	56	\$18,340.80	16	\$884.54
TEXAS	414	\$4,953,600.55	57	\$22,931.57
LOUISIANA	11	\$335,264.58	3	\$109,648.98
ILLINOIS	0	\$0.00	22	\$127,349.24
TENNESSEE	0	\$0.00	6	\$17,086.47
GEORGIA	0	\$0.00	55	\$1,232,580.30
INDIANA	31	\$665,434.12	18	\$5,512.87
MICHIGAN	97	\$997,446.21	35	\$315,871.85
NEW YORK	0	\$0.00	25	\$44,965.77
FLORIDA	183	\$1,284,447.71	64	\$247,710.56
CONNECTICUT	0	\$0.00	0	\$0.00
WISCONSIN	0	\$0.00	2	\$285.13
WCC OHIO	639	\$1,941,833.67	176	\$271,478.93
WCC-DMERC	3	\$2,700.00	8	\$7,600.34
TOTAL		\$35,079,026.92		\$3,294,456.06

10. As reflected, consequently, the “pending amount” that has not been approved for payment of Medicare claims is over \$35 million. It also appears to me from the review of the Medicare claims that CMS is only processing smaller Medicare claims as the average approved

Medicare claim is \$1,528 while the average pending Medicare claim is \$20,616. Further, the slowdown in processing the Debtor's initial Medicare claims has, in turn, delayed the Debtor's ability to submit claims to secondary Medicare payors and receive reimbursement payments on those claims.

11. I am informed and believe that Debtor's counsel promptly brought this to the attention of counsel from the DOJ. Thereafter, on or about October 10, 2025, I was informed through Debtor's counsel that DOJ informed them that the slowdown in payments was allegedly due to outstanding medical requests, also referred to as an Additional Documentation Request ("ADR"), which were allegedly causing the delay in reimbursements.

12. At my direction, employees of Wound Pros investigated the issue and discovered that the Debtor's payments were delayed by the influx of ADRs from the Noridian Healthcare Solutions (the MAC for California) and Novitas Solutions, Inc. (the MAC for Texas) beginning on September 1, 2025.

13. An ADR is sent to the Debtor (or any healthcare provider) for medical records to support a Medicare claim, ensure compliance, or conduct reviews. These requests are used to verify the accuracy of a claim, assess the medical necessity of services, and check for compliance with billing policies. The request can be for records needed to pay a claim before or after payment, and the Debtor must respond to ensure continued billing privileges. While I am aware that the MACs have a right to request ADR in connection with their review of a claim prepayment, I am informed and believe that the need for ADR is not a bar to a claim being paid, and that, a MAC can request ADR after paying a claim, and declare an overpayment, subject to reimbursement or recoupment, should the information provided be insufficient.

14. Over the course of the ten months since the Medicare Stipulation was executed, the Debtor has continued to submit claims to the applicable MACs. The vast majority—over 96%—of the Debtor’s claims have been approved during this period. Moreover, the Debtor has appealed the small number of denials it has received, and it has frequently succeeded on appeal. In addition, between January and July of this year, the MACs issued 48 ADRs to the Debtor in connection with Medicare claims. Wound Pros and the Debtor supplied all requested documentation, and no claims for biologics or “skin substitutes”—which comprise the highest portion of any Debtor reimbursement claim—were denied.

15. Now, however, since September 1, 2025, 90% of the ADR are for claims related to biologics and, more importantly, there have been 462 ADR sent to the Debtor. Of these, as of Wednesday, October 15, 2025, 97 ADR have already been submitted; 137 have medical records already clinically reviewed and completed and pending submission; 156 are waiting for clinical review; 100 are pending with the medical record manager; and 36 are still having records complied in response to the ADR.

16. Now that the Debtor has visibility into the issue, and given the dire nature of the payment interruption, additional resources are being applied to respond to the ADR, with the goal of having all ADR responded to shortly and promptly on a go forward basis.

17. However, I am informed and believe that after submission of the ADR, the MAC may still utilize a 30-day period before rendering a decision on the claim.

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Conclusion

18. The additional and unforeseen delay in payment of the Debtor’s properly submitted claims for Medicare reimbursement resulting from the influx of ADR has now reached a point that, absent access to liquidity, there will be imminent and irreparable harm to the Debtor and Wound Pros.

19. In fact, the Debtor’s need for liquidity is necessary to continue critical patient care to elderly patients and to preserve the Debtor’s estate and to maximize value for its creditors. The delay in the processing of Medicare reimbursement requests of the Debtor due to the unexpected influx of ADR has caused the Debtor’s cash position to precipitously drop to levels that will cause the imminent cessation of operations thereby eliminating care to thousands of elderly patients and nearly 900 jobs. As set forth above, the Debtor is waiting for over \$38 million in Medicare reimbursements, including pending and “approved to pay” claims, as a result of the dramatically increased ADRs from the MACs, despite the fact that the MACs have authority to authorize reimbursement in advance of receipt of documentation.

20. As set forth above, without access to additional liquidity, neither the Debtor nor Wound Pros will have the liquidity necessary to continue operating thereby suffering immediate and irreparable harm.

I certify under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

Date: October 20, 2025

/s/ Ralph Cetrulo
Ralph Cetrulo

**DECLARATION OF LOUIS E. ROBICHAUX IV IN SUPPORT OF
THE DEBTOR'S STATUS CONFERENCE REPORT**

I, Louis E. Robichaux IV, hereby declare and state as follows:

1. I am a Senior Managing Director at Ankura Consulting Group, LLC ("Ankura"). I have over 30 years of healthcare industry and restructuring experience, with significant expertise serving in chief restructuring officer roles. I have provided restructuring, crisis management, financial advisory, and expert witness services to parties in a broad variety of distressed corporate settings, with a significant emphasis on the US healthcare industry.

2. In the above-captioned case (the "Case"), I am the Chief Restructuring Officer ("CRO") of Global Wound Care Medical Group, a Professional Corporation, the debtor and debtor in possession (the "Debtor"). I submit this declaration in support of the contemporaneously filed *Status Conference Report* (the "Status Conference Report").² All of the factual assertions in the Status Conference Report are true and correct to the best of my knowledge.

3. I have been working closely with Ralph Cetrulo, the Chief Financial Officer to the Debtor and to Wound Pros Consulting Group, Inc. ("Wound Pros"), with respect to the liquidity challenges caused by the slowdown in Medicare receipts.

4. This slowdown in Medicare reimbursements has created a liquidity crisis, and, consequently, the Debtor and Wound Pros face an imminent shutdown of their businesses, which would eliminate essential medical care provided to thousands of elderly patients nationwide and nearly 900 jobs.

5. As of today, and as a result of the slowdown in Medicare reimbursements, the Debtor's and Wound Pros's combined cash on hand has fallen dramatically to approximately \$14

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Status Conference Report.

million, and I project (i) payroll payments to employees in the next two weeks totaling approximately \$3.9 million, (ii) payments to biologic vendors in the next two weeks totaling approximately \$7.7 million (which do not include payments on any amounts owed in arrears), and (iii) payments to other vendors in the next two weeks totaling approximately \$1.8 million. Given the slowdown in receipts and the cash burn, I project that the Debtor and Wound Pros will have approximately \$6 million cash on hand the week ending October 31, 2025, absent reversal of the extreme slowdown in Medicare reimbursements which has had a devastating impact on liquidity.

6. In connection with the liquidity challenges, I have worked closely with Mr. Cetrulo to evaluate the Debtor and Wound Pros current liquidity emergency. In connection therewith, Ankura formulated a two-week cash flow forecast, which was provided to the parties, including the United States on or about October 15th, which forecast reflects the dramatic slowdown in Medicare reimbursements resulting from an expansion in medical record requests. This forecast was quite concerning as it reflected that: (i) the Debtor and Wound Pro had already fallen below what would be, in my business judgement, a minimum cash balance level of at least \$20 million; and (ii) the Debtor and Wound Pros would exhaust all liquidity in approximately three (3) weeks.

7. A review of the financial performance of the Debtor and Wound Pros since that forecast validates my concerns, as the liquidity situation is no better than projected.

8. Absent a significant improvement in cash flow commencing immediately, to bridge the gap between the current slowdown and the return of cash receipts to something close to historical norms for the current volume of services, the Debtor and Wound Pros would have to commence shutdown of operations shortly.

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I certify under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

Date: October 20, 2025

/s/ Louis E. Robichaux IV

Louis E. Robichaux IV
Senior Managing Director
Ankura Consulting Group, LLC

Exhibit 11

(Declaration of Louis E. Robichaux IV in Response
to Issues Raised at the Debtor's Status Conference)

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

In re:

GLOBAL WOUND CARE MEDICAL GROUP, a
Professional Corporation,¹

Debtor and Debtor in Possession.

Chapter 11

Case No. 24-34908 (CML)

**DECLARATION OF LOUIS E. ROBICHAUX IV IN RESPONSE TO ISSUES RAISED
AT THE DEBTOR'S STATUS CONFERENCE**

I, Louis E. Robichaux IV, hereby declare and state as follows:

1. I am a Senior Managing Director at Ankura Consulting Group, LLC ("Ankura"). I have over 30 years of healthcare industry and restructuring experience, with significant expertise serving in chief restructuring officer roles. I have provided restructuring, crisis management, financial advisory, and expert witness services to parties in a broad variety of distressed corporate settings, with a significant emphasis on the US healthcare industry.

2. In the above-captioned case (the "Case"), I am the Chief Restructuring Officer ("CRO") of Global Wound Care Medical Group, a Professional Corporation, the debtor and debtor in possession (the "Debtor").

3. I attended the Status Conference held by the Court in the Case on October 21, 2025², and submit this declaration in response to questions posed by the Court and issues raised

¹ The last four digits of the Debtor's tax identification number in the jurisdiction in which it operates is 3572.

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the *Status Conference Report and Declarations of Ralph Cetrulo, Chief Financial Officer, and Louis E. Robichaux, Chief Restructuring Officer, in Support Thereof* [Docket No. 290] (the "Status Conference Report").

during the Status Conference. All of the assertions made herein are true and correct to the best of my knowledge, information, and belief.

4. I have been working closely with Ralph Cetrulo, the Chief Financial Officer to the Debtor and to Wound Pros Consulting Group, Inc. (“Wound Pros”), with respect to the liquidity challenges caused by the slowdown in Medicare receipts.

5. The Debtor and Wound Pros face an imminent shutdown of their businesses because of the slowdown in Medicare reimbursements.

6. As I stated in my declaration attached to the Status Conference Report, Debtor’s and Wound Pros’s combined cash on hand has fallen dramatically to approximately \$14 million, and I project (i) payroll payments to employees in the next two weeks totaling approximately \$3.9 million, (ii) payments to biologic vendors in the next two weeks totaling approximately \$7.7 million (which do not include payments on any amounts owed in arrears), and (iii) payments to other vendors in the next two weeks totaling approximately \$1.8 million. Given the slowdown in receipts and the cash burn, I project that the Debtor and Wound Pros would have approximately \$6 million cash on hand the week ending October 31, 2025, absent reversal of the extreme slowdown in Medicare reimbursements which has had a devastating impact on liquidity. Operating through October 31, 2025 would leave the Debtor and Wound Pros with insufficient funds to satisfy obligations to employees, including WARN Act amounts and other employee obligations.

7. Regarding continuity of care to the Debtor’s patients, I agree with Suzanne Richards, the Court-appointed Patient Care Ombudsman (the “PCO”) in this Case, that “cessation of patient care would materially and negatively compromise patient care to thousands of patients nationwide.”³ Contrary to assertions made in Court today that there will be no gap in care because

³ See *Response of the Patient Care Ombudsman to the Debtor’s Emergency Motion to Schedule*

a significantly high percentage of the Debtor’s clinicians are registered with other entities, I understand that there are fewer than 10 clinicians having such dual registration. Removing the hundreds of Debtor’s clinicians from the field overnight will exacerbate the “recognized shortage of providers who specialize in wound care,” as explained by the PCO.⁴

8. Additionally, although clinicians may have their own Medicare billing numbers, that does not mean they are able to bill Medicare absent assistance from an organization like Wound Pros. Billing Medicare is neither simple nor intuitive. To bill Medicare for services, a clinician must, among other things: (a) obtain insurance and employment information to determine if Medicare is the primary or secondary payer, using tools like the CMS Questionnaire; (b) submit claims using the appropriate diagnosis and procedure codes (there are more than 70,000 diagnosis codes and a similar number of procedure codes, with the exact number changing annually due to updates); (c) include details such as the date of service, place of service (using POS codes), and the provider’s NPI; (d) submit all this information electronically; and (e) establish vendor relationships and fund the purchase of medical supplies necessary to deliver care. The assertion that clinicians who lose their jobs with the Debtor will simply either bill Medicare directly or immediately find employment elsewhere that will substitute for Wound Pros is simply inconsistent with my experience, and highly unlikely given the difficulties in billing.

9. In short, cessation of services would create a significant gap in patient care and would materially and negatively compromise patient care to thousands of patients.

Status Conference [Docket No. 283] (the “PCO Response”) (referencing life-threatening conditions and other disfiguring procedures like amputations as a “next course of treatment” for the chronically ill, bedbound and elderly population should they not receive proper and timely wound care treatment).

⁴ See PCO Response at 3.

I certify under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

Date: October 21, 2025

/s/ Louis E. Robichaux IV

Louis E. Robichaux IV
Senior Managing Director
Ankura Consulting Group, LLC

Exhibit 12

(Supplement to Status Report and Debtors' Emergency Motion to Schedule Status Conference)

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

In re:

GLOBAL WOUND CARE MEDICAL GROUP, a
Professional Corporation,¹

Debtor and Debtor in Possession.

Chapter 11

Case No. 24-34908 (CML)

**SUPPLEMENT TO STATUS REPORT AND *DEBTORS' EMERGENCY MOTION TO
SCHEDULE STATUS CONFERENCE***

Global Wound Care Medical Group, a Professional Corporation, the debtor and debtor in possession in the above-captioned chapter 11 case (the “Debtor”), filed a status report and declarations in support thereof on October 20, 2025 [Docket No. 290], in advance of the status conference (the “Status Conference”) scheduled by the Court in the order granting the *Debtor's Emergency Motion to Schedule Status Conference* [Docket No. 287].

On October 21, 2025, the Court held the Status Conference and inquired about, among other things, the names of individuals involved in the processing of Medicare claims at the MACs and their supervisors. While the Debtor does not know have that information first hand, the Debtor's healthcare counsel provided the names below who have knowledge of the processing of Medicare claims at the MACs:

1. Greg Gullickson (Email: Greg.Gullickson@noridian.com): Vice President &
General Counsel for Noridian Healthcare Solutions;

¹ The last four digits of the Debtor's tax identification number in the jurisdiction in which it operates is 3572.

2. Tamara Cherry (Email: Tamara.Cherry@novitas-solutions.com): Provider Relations Research for Novitas Solutions, Inc. (“Novitas”));
3. Thomas Anderson (Email: Thomas.anderson@guidewellsource.com): General Counsel of GuideWell Source (Novitas’ parent company); and
4. Lisa Dee: Vice President, Deputy General Counsel, and Chief Compliance Officer of Guide Well Source.

Dated: October 22, 2025

Respectfully submitted,

DENTONS US LLP

/s/ Casey W. Doherty

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Email: samuel.maizel@dentons.com

Email: tania.moyron@dentons.com

Counsel to the Debtor and Debtor-in-Possession

CERTIFICATE OF SERVICE

This is to certify that I have on October 22, 2025, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Casey W. Doherty