

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION**

In re:	§	
	§	
GAINESVILLE HOSPITAL DISTRICT	§	Case No. 17-40101
D/B/A NORTH TEXAS MEDICAL	§	Chapter 9
CENTER,	§	
	§	
Debtor.	§	<u>HEARING DATE: July 18, 2018</u>
		<u>HEARING TIME: 3:45 p.m.</u>

**THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS’ MOTION FOR
VALIDATION AND APPROVAL OF COMPENSATION FOR SERVICES AND
REIMBURSEMENT FOR EXPENSES OF MUNSCH HARDT KOPF & HARR, P.C.**

TO THE HONORABLE BRENDA T. RHOADES, U.S. BANKRUPTCY JUDGE:

Munsch Hardt Kopf & Harr, P.C. (“Munsch Hardt”), counsel to the Official Committee of Unsecured Creditors (the “Committee”), the duly-appointed committee of unsecured creditors in the above-captioned bankruptcy case of Gainesville Hospital District d/b/a North Texas Medical Center (the “Debtor”), respectfully requests entry of an order validating and approving Munsch Hardt’s fees for its professional services and reimbursement for its expenses for the time period July 24, 2017 through June 30, 2018 (the “Motion”). In support of this Motion, Munsch Hardt submits the following:

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

2. On January 27, 2017 (the “Petition Date”), the Debtor filed a voluntary petition for relief under chapter 9 of title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Eastern District of Texas (the “Bankruptcy Court”), thereby commencing the above-captioned municipal debt adjustment case (the “Bankruptcy Case”). The Bankruptcy Court held a hearing on February 28, 2017 on the Debtor’s

qualification under the Bankruptcy Code, and on March 1, 2017, the Bankruptcy Court entered its *Order for Relief* [Dkt. No. 77].

3. On February 1, 2017, the United States Trustee formed the Committee in the Bankruptcy Case [Dkt. No. 38]. On February 21, 2017, the Committee filed its *Application for Order Authorizing Employment of Munsch Hardt Kopf & Harr, P.C. as Attorneys for the Official Committee of Unsecured Creditors* [Dkt. No. 62] (the “Retention Application”).

4. On April 10, 2017, the Bankruptcy Court entered its *Order Approving Application to Retain and Employ Munsch Hardt Kopf & Harr, P.C. as Attorneys for the Official Committee of Unsecured Creditors of Gainesville Hospital District Effective as of February 7, 2017* [Dkt. No. 109] (the “Retention Order”), a copy of which is attached as Exhibit 1 to the accompanying Exhibit A, the *Declaration of Kevin M. Lippman in Support of the Official Committee of Unsecured Creditors’ Motion for Validation and Approval of Compensation for Services and Reimbursement for Expenses of Munsch Hardt Kopf & Harr, P.C.* (the “Lippman Declaration”).

5. The Retention Order provides in pertinent part that “Munsch Hardt shall be compensated and its expenses reimbursed by the Debtor pursuant to 11 U.S.C. § 943(b) upon confirmation of a plan of adjustment filed herein, or otherwise consented to by the Debtor[.]” (Retention Order, p.2.)

6. All services for which compensation is requested by Munsch Hardt were performed for or on behalf of the Committee pursuant to the Retention Application and the Retention Order.

7. On July 28, 2017, the Debtor initiated a bond validation suit (the “Validation Petition”) in the form of an adversary proceeding by filing its *Original Complaint/Petition for*

Expedited Declaratory Judgment [Adv. Case No. 17-04072, Dkt. No. 1] (the “Validation Petition Date”) with the Bankruptcy Court.

8. The Validation Petition sought to establish and validate the Debtor’s authority to issue limited tax general obligation refunding bonds, from time to time in one or more series as may be necessary (the “Bonds”), pursuant to Chapter 1207 of the Texas Government Code, to restructure and refinance the Debtor’s general or special obligations identified in the Validation Petition (the “Obligations”).

9. After a hearing on the Validation Petition on August 21, 2017, the Bankruptcy Court entered the Declaratory Judgment (the “Judgment”) [Adv. Case No. 17-04072, Dkt. No. 22] on August 22, 2017, authorizing the Debtor to issue Bonds to restructure and refinance the Debtor’s Obligations.

10. The Judgment provides, among other things, as follows:

Article 717k-3 of Vernon’s Annotated Texas Civil Statutes (“717k-3”), approved and effective on June 14, 1969, was in effect at the time of the Election¹ and applies to the [Debtor]. 717k-3 was later codified under Chapter 1207, Texas Government Code (together with its predecessor statute, 717-k-3, the “Refunding Law”).

The following obligations qualify as general or special obligations of the [Debtor] under the Refunding Law and may lawfully be paid with refunding bonds issued pursuant to the [Debtor’s] powers under the Refunding Law:

(c) The Prepetition and Unpaid Postpetition Obligations, consisting of (1) other Budgeted Expenses, Employee Obligations, Prepetition Obligations, and other postpetition obligations that are not paid by either the DIP Loan or Subsequent DIP Indebtedness[.]

¹ Capitalized terms in this paragraph 10 that are otherwise undefined in this Motion shall have the meanings ascribed to them in the Judgment.

(2) the associated costs and fees related to such obligations under the Chapter 9 Proceeding, and (3) issuance costs of the Bonds refunding such obligations.

Upon a satisfactory showing to this Court that the amounts the [Debtor] is obligated to pay in satisfaction of one or more of the Obligations² which, in whole or in part, do not qualify for immediate refunding at the time this Court signs its final judgment prayed for herein, are at that time (1) due and owing in the amounts submitted, (2) sufficiently definite to qualify for refunding under the Refunding Law, and (3) that such amounts do not exceed the “not to exceed” amounts set forth in the [Validation] Petition, such amounts, by a signed and entered order of this Court, will be deemed legally binding, incontestable liabilities of the [Debtor], the [Debtor] may issue Bonds that meet the requirements of the parameters heretofore established[.]

(Judgment, ¶¶ 7, 16, 16(c), (hhh).)

11. As set forth in the Validation Petition and the Judgment, the Debtor is authorized to issue Bonds to restructure and refinance the Prepetition and Unpaid Postpetition Obligations, in the aggregate principal amount “not to exceed” \$6,000,000. (Validation Petition, p.33; Judgment, ¶ (dd).)

12. In accordance with the Judgment, Munsch Hardt submits this Motion for the Bankruptcy Court’s validation and approval of its fees and expenses for the time period July 24, 2017 to June 30, 2018 for payment as Prepetition and Unpaid Postpetition Obligations.

13. As set forth in detail on the invoices attached to the Lippman Declaration as Exhibit 2, Munsch Hardt incurred a total of \$44,474.00 in fees and \$23.50 in expenses on behalf of the Committee in connection with legal services rendered from July 24, 2017 to June 30, 2018.

² Defined in the Judgment as including Prepetition and Unpaid Postpetition Obligations. (Judgment, ¶ 16(f).)

14. Munsch Hardt submits that the Debtor is obligated to pay to Munsch Hardt a total of \$44,474.00 for professional services rendered as \$23.50 for reimbursement for its expenses during the time period July 24, 2017 through June 30, 2018, and that such amounts are currently due and owing.

15. Munsch Hardt further submits that such amounts, which are “Prepetition and Unpaid Postpetition Obligations” as defined in the Judgment, (i) are sufficiently definite to qualify for refunding under the Refunding Law, and (ii) when taken together with all other applicable Prepetition and Unpaid Postpetition Obligations, will not require the Debtor to issue Bonds in an aggregate principal amount of more than \$6,000,000 in order to be restructured and refinanced in accordance with the Judgment.

16. Munsch Hardt has received no payment and no promises for payment from any source for services rendered or to be rendered in any capacity in connection with the matters covered by this Motion during the relevant period. There is no agreement or understanding between Munsch Hardt and any other person other than the shareholders of Munsch Hardt for the sharing of compensation to be received for services rendered in this Bankruptcy Case.

17. Munsch Hardt reserves the right to amend the amounts listed in this Motion, or file supplements or amendments thereto, in the event that additional professional services were rendered or costs incurred during the applicable period or otherwise that were not included in this Motion or any other application, if expenses incurred or payments received which were either not processed in advance of this Motion or inadvertently not requested or taken into account, or for any other reason. In the event such amendments or supplements are required, Munsch Hardt reserves the right to seek such additional fees or expenses in any fee application.

WHEREFORE, Munsch Hardt respectfully requests that the Bankruptcy Court (a) grant its Motion for validation and approval of compensation for its services in the amount of \$44,474.00 and reimbursement of its expenses in the amount of \$23.50 for the time period July 24, 2017 through June 30, 2018 as Prepetition and Unpaid Postpetition Obligations and (b) order that such amounts are deemed legally binding, incontestable liabilities of the District and that the District may issue Bonds to satisfy the Prepetition and Unpaid Postpetition Obligations that meet the requirements of the parameters established in the Judgment, including the \$44,474.00 in compensation and \$23.50 in expenses requested by Munsch Hardt.

Dated: July 12, 2018

MUNSCH HARDT KOPF & HARR, P.C.
500 N. Akard Street, Suite 3800
Dallas, Texas 75201-6659
Telephone: (214) 855-7500
Facsimile: (214) 855-7584
E-mail: klippman@munsch.com

By: /s/ Kevin M. Lippman

Kevin M. Lippman
Texas Bar No. 00784479

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on the 12th day of July, 2018, he caused a true and correct copy of the foregoing to be served electronically on those parties requesting electronic service through the Court's ECF system.

/s/ Thomas Berghman

Thomas D. Berghman, Esq.

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION**

In re:	§	
	§	
GAINESVILLE HOSPITAL DISTRICT	§	Case No. 17-40101
D/B/A NORTH TEXAS MEDICAL	§	
CENTER,	§	
	§	Chapter 9
Debtor.	§	

DECLARATION OF KEVIN M. LIPPMAN IN SUPPORT OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS’ MOTION FOR VALIDATION AND APPROVAL OF COMPENSATION FOR SERVICES AND REIMBURSEMENT FOR EXPENSES OF MUNSCH HARDT KOPF & HARR, P.C.

I, Kevin M. Lippman, hereby declare the following under penalty of perjury:

1. I am over 21 years of age and am competent to make this declaration under penalty of perjury (the “Declaration”). I am a Shareholder of Munsch Hardt Kopf & Harr, P.C. (“Munsch Hardt”) counsel to the Official Committee of Unsecured Creditors in this Bankruptcy Case.¹

2. This Declaration is made in connection with *The Official Committee of Unsecured Creditors Motion for Validation and Approval of Compensation for Services and Reimbursement of Expenses of Munsch Hardt Kopf & Harr, P.C.* (the “Motion”) dated April 12, 2018, requesting payment of compensation and reimbursement of expenses for the period commencing July 24, 2017 through and including March 31, 2018.

3. I declare that I have read the Motion.

4. I declare that Munsch Hardt was retained as counsel to the Committee by Order entered on April 10, 2017, effective as of February 7, 2017, to represent the Committee in this Bankruptcy Case.

¹ All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

5. I declare that the professional services rendered and expenses incurred during the time period July 24, 2017 through June 30, 2018 for and on behalf of the Committee pursuant to the Retention Application and the Retention Order (a copy of which is attached hereto as Exhibit 1), set forth in detail on the invoices attached hereto as Exhibit 2, are summarized as follows:

Time Period Incurred	Professional Services	Expenses
July 24, 2017 – June 30, 2018	\$44,474.00	\$23.50

6. I declare that to the best of my knowledge, information, and belief, formed after reasonable inquiry, and based, among other things, on my review of the Judgment and representations of the Debtor’s attorneys in this Bankruptcy Case, the compensation and expense reimbursement sought in the Motion are currently due and owing.

7. I declare that, to the best of my knowledge, information, and belief, formed after reasonable inquiry, and based, among other things, on my review of the Judgment and representations of the Debtor’s attorneys in this Bankruptcy Case, the compensation and expense reimbursement sought in the Motion: (i) are “Prepetition and Unpaid Postpetition Obligations” of the Debtor as defined in the Judgment; (ii) sufficiently definite to qualify for refunding under the Refunding law; and (iii) when taken together with all other applicable Prepetition and Unpaid Postpetition Obligations, will not require the Debtor to issue Bonds in an aggregate principal amount of more than \$6,000,000 in order to be restructured and refinanced in accordance with the Judgment.

8. Except as otherwise indicated, all facts set forth in this Declaration are based upon my personal knowledge. If I were called to testify, I would testify competently to the facts set forth in this Declaration. I am authorized to submit this Declaration on behalf of the Committee.

FURTHER AFFIANT SAYETH NAUGHT.

Signed: /s/ Kevin M. Lippman
 Kevin M. Lippman

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION**

In re:	§	
	§	
	§	Case No. 17-40101
GAINESVILLE HOSPITAL DISTRICT	§	
D/B/A NORTH TEXAS MEDICAL CENTER,	§	Chapter 9
	§	
Debtor.	§	
	§	
	§	

**ORDER APPROVING APPLICATION TO RETAIN AND EMPLOY
MUNSCH HARDT KOPF AND HARR, P.C. AS ATTORNEYS FOR THE OFFICIAL
COMMITTEE OF UNSECURED CREDITORS OF GAINESVILLE
HOSPITAL DISTRICT EFFECTIVE AS OF FEBRUARY 7, 2017**

[Related Docket Nos. 62, 85, 86, 87, 91, 95]

CAME ON FOR HEARING, on March 28, 2017 (the “Hearing”), the *Application to Retain and Employ Munsch Hardt Kopf & Harr, P.C. As Attorneys for the Official Committee of Unsecured Creditors of Gainesville Hospital District Effective as of February 7, 2017* [Doc. 62] (the “Application”), filed by the Official Committee of Unsecured Creditors (the “Committee”), whereby the Committee seeks authority to employ Munsch Hardt Kopf & Harr, P.C. (“Munsch Hardt”) as its bankruptcy counsel in the above-styled and numbered Chapter 9 bankruptcy case (the “Bankruptcy Case”) of Gainesville Hospital District d/b/a North Texas Medical Center (the “Debtor”).

On March 6, 2017, the Debtor filed its *Limited Objection to Application for Order Authorizing Employment of Munsch Hardt Kopf & Harr, P.C., as Attorneys for the Official Committee of Unsecured Creditors and Application to Retain and Employ Sills Cummis & Gross P.C. as Attorneys for the Official Committee of Unsecured Creditors* [Doc. No. 85] (the “Debtor’s Objection”). On March 21, 2017, the Attorney General of Texas (the “Texas AG”)

filed its *Limited Objection to Application for Order Authorizing Employment of Munsch Hardt Kopf & Harr, P.C., as Attorneys for the Official Committee of Unsecured Creditors and Application to Retain and Employ Sills Cummis & Gross P.C. as Attorneys for the Official Committee of Unsecured Creditors and Joinder in Debtor's Objection Thereto* [Doc. No. 87] (the "Texas AG Objection"). On March 27, 2017, UHS of Delaware, Inc. filed its *Joinder in Debtor's and Attorney General of Texas' Limited Objections to Application for Order Authorizing Employment of Munsch Hardt Kopf & Harr, P.C., as Attorneys for the official Committee of Unsecured Creditors and Application to Retain and Employ Sills Cummis & Gross P.C. as Attorneys for the Official Committee of Unsecured Creditors* (the "UHS Objection", together with the Debtor's Objection and the Texas AG Objection, the "Objections") [Doc. No. 95].

The Court, having considered the Application, the Objections, the arguments made and the evidence presented at the hearing on the Application, and after finding that service and notice of the Application and the hearing thereon was sufficient and appropriate under the circumstances, and that Munsch Hardt is disinterested and has no conflict of interest with respect to representing the Committee, and after due deliberation thereon, concludes that the Application should be approved. Accordingly, it is hereby:

ORDERED that the Application is APPROVED as provided herein; it is further

ORDERED that the Committee is authorized to retain and employ Munsch Hardt as its bankruptcy counsel effective as of February 7, 2017 pursuant to 11 U.S.C. §§ 901(a), 1102(a)(1) and 1103(a); it is further

ORDERED that Munsch Hardt shall be compensated and its expenses reimbursed by the Debtor pursuant to 11 U.S.C. § 943(b) upon confirmation of any plan of adjustment filed herein,

or otherwise consented to by the Debtor; and it is further

ORDERED that this Order is without prejudice to the right of the Debtor or any other party in interest to object to the reasonableness of any of the fees or services for which compensation may be sought by Munsch Hardt; it is further

ORDERED that the Committee is authorized to take all actions necessary to effectuate the relief granted pursuant to this order in accordance with the Application.

Signed on 4/10/2017

 SR

HONORABLE BRENDA T. RHOADES,
UNITED STATES BANKRUPTCY JUDGE



DALLAS / HOUSTON / AUSTIN

Ross Tower
500 N. Akard Street, Suite 3800
Dallas, Texas 75201-6659
Main 214.855.7500
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munsch.com

Unsecured Creditors Committe for Gainesville
Hospital District d/b/a North Texas Medical Ctr
c/o Morrison Management Specialists, Inc.
Attn: Jerry Carpenter
4721 Morrison Drive, Suite 300
Mobile, AL 36609

Invoice Date: July 9, 2018
Invoice Number: 10381648
Matter Number: 016838.00001

For Professional Services through June 30, 2018

Client: Gainesville Hospital Dist. Unsecured Creditors Committee d/b/a North Texas Medical Center
Matter: BANKRUPTCY REPRESENTATION

Total Fees	\$	44,474.00
Total Costs	\$	<u>23.50</u>
Grand Total Due	\$	44,497.50

Wire Instructions:
Bank of Texas, N.A.
ABA Routing Number: 111014325
Account Number: 2880510762
Swift Code: BAOKUS44

Remittance Address:
Accounting
Munsch Hardt Kopf & Harr, P.C.
500 N. Akard St., Suite 3800
Dallas, TX 75201-6659

File Number and Invoice Number Required.

Federal ID Number: 75-2096964

For billing inquiries, please contact accounting at accounting@munsch.com or (214) 740 5198

Exhibit 2 to Declaration

Fee Detail

Task Code: 01 Case Administration/General Matters

<u>Date</u>	<u>Initials</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
09/01/17	KML	Review Debtor's updated service list.	0.10	51.00
09/18/17	KML	Review the docket and pleadings filed in other pending Chapter 9 hospital cases.	1.00	510.00
10/12/17	KML	Email from Andrew Sherman regarding update on the selling of the bonds.	0.10	51.00
10/25/17	JJW	Prepare for and attend follow up call with Mr. Sherman to preview/prepare for call with Debtor's counsel.	0.50	297.50
10/26/17	JJW	Call with NJ co-counsel to discuss issues and next steps.	0.20	119.00
11/17/17	KML	Telephone conference with Andrew Sherman regarding various case matters and strategy.	0.20	102.00
12/04/17	KML	Telephone conference with Andrew Sherman regarding the hearing on the motions to validate and go forward strategy (.3). Conference with J. Wielebinski regarding same (.4).	0.70	357.00
12/04/17	JJW	Telephone conference with K. Lippman on results of today's hearing and approval of agreement, need for call with Texas Attorney General and go forward alternatives.	0.40	238.00
12/08/17	KML	Telephone conferences with Andrew Sherman regarding validated claims (.2). Conference with J. Wielebinski regarding same (.3).	0.50	255.00
12/13/17	KML	Telephone conference with Andrew Sherman regarding the validation process.	0.20	102.00
12/21/17	KML	Emails to/from and telephone conference with Andrew Sherman regarding case matters.	0.40	204.00
12/22/17	KML	Telephone conference with Andrew Sherman regarding various case matters and strategy.	0.30	153.00
01/04/18	KML	Attention to status of the case.	0.20	107.00
01/31/18	KML	Emails from/to and telephone conference with Andrew Sherman regarding the cancellation of the management agreement with UHS and strategy.	0.30	160.50
02/01/18	KML	Emails from/to Andrew Sherman regarding the Committee.	0.20	107.00
02/09/18	KML	Emails from/to Andrew Sherman regarding the paid claims.	0.20	107.00
03/09/18	KML	Emails to/from Tim O'Neal regarding the Committee and paid claims (.4). Email from Andrew Sherman regarding same (.1).	0.50	267.50
03/15/18	KML	Review the UST's 2nd amended appointment of Committee.	0.10	53.50
03/29/18	KML	Emails to/from Andrew Sherman regarding the status of the case.	0.20	107.00
04/05/18	KML	Telephone conference with Andrew Sherman regarding the case and strategy.	0.20	107.00
05/03/18	KML	Email to Andrew Sherman regarding case update.	0.20	107.00

Munsch Hardt Kopf & Harr, P.C.
 Matter Number: 016838.00001
 Invoice Number: 10381648
 Matter Description: BANKRUPTCY REPRESENTATION

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 July 9, 2018

05/18/18	KML	At the request of Ryan Manns, email to Lynn Saarinen the draft validation motions for MH and Sills Cummis (.4). Telephone conference with Andrew Sherman regarding status of the case and the validation motions (.2).	0.60	321.00
05/30/18	KML	Emails to/from Lynn Saarinen regarding GHD.	0.20	107.00
Total for 01			7.50	3,991.00

Task Code: 02 Business Operations

<u>Date</u>	<u>Initials</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
07/24/17	KML	Review the Patient Care Ombudsman's 3rd interim report.	0.20	102.00
08/14/17	KML	Review video recordings of the Debtor's Board meetings and its community presentation of the bond proposal, and email to Andrew Sherman regarding same.	2.50	1,275.00
09/08/17	KML	Review the Patient Care Ombudsman's notice regarding the 4th interim report.	0.10	51.00
09/25/17	KML	Review the Patient Care Ombudsman's 4th interim report.	0.20	102.00
11/03/17	KML	Review notice filed by the Patient Care Ombudsman regarding the next report.	0.10	51.00
11/17/17	KML	Review the Patient Care Ombudsman's 5th interim report.	0.20	102.00
12/20/17	KML	Investigate the status of the latest bond issuance and watch video of Board meetings for update on operations, and conference with J. Wielebinski regarding same.	1.70	867.00
12/21/17	KML	Continue review of Board meeting videos.	1.30	663.00
12/26/17	KML	Investigate status of the bond issuance.	0.40	204.00
01/03/18	KML	Review the notice filed by the Patient Care Ombudsman.	0.10	53.50
01/16/18	KML	Review the patient care ombudsman's 6th interim report.	0.20	107.00
01/29/18	KML	Review videos of the December and January board meetings, and get an update on the bonds..	2.30	1,230.50
02/05/18	KML	Review article on the Debtor selecting a new management company, and email same to Andrew Sherman (.2). Review the video of the Debtor's January 31st board meeting (2).	2.20	1,177.00
03/02/18	KML	Review the notice filed by the Patient Care Ombudsman regarding the next interim report.	0.10	53.50
03/16/18	KML	Review the patient care ombudsman's 7th interim report.	0.20	107.00
03/19/18	KML	Review video of the February 2018 board meeting.	2.00	1,070.00
03/29/18	KML	Begin watching the videos of the March 26 board meeting.	0.80	428.00
03/30/18	KML	Continue watching the videos of the March 26 board meeting.	1.60	856.00
05/01/18	KML	Investigate status of the operations and the next bond issuance.	0.50	267.50
05/02/18	KML	Review videos of the April board meetings (1). Review the Patient Care Ombudsman's notice regarding the 8th interim report (.1).	1.10	588.50

Munsch Hardt Kopf & Harr, P.C.
 Matter Number: 016838.00001
 Invoice Number: 10381648
 Matter Description: BANKRUPTCY REPRESENTATION

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 July 9, 2018

05/08/18	KML	Review Moody's latest investment report on GHD.	0.20	107.00
05/17/18	KML	Review the Patient Care Ombudsman's 8th interim report.	0.20	107.00
06/05/18	KML	Update on operations and the next bond issuance.	0.40	214.00
06/22/18	KML	Review the video of the Debtor's May Board meeting.	1.30	695.50
Total for 02			19.90	10,479.00

Task Code: 03 Meetings/Communications with Committee

<u>Date</u>	<u>Initials</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
07/31/17	KML	Review Andrew Sherman's update email to the committee (.1). Email to the Committee regarding the status conference, and reply to follow up question from Dean Tullis (.4).	0.50	255.00
08/22/17	KML	Email to the Committee regarding the Court's ruling in the declaratory judgment proceeding.	0.40	204.00
09/12/17	KML	Emails from/to Justin Tilley regarding update on the bond issuance.	0.20	102.00
10/27/17	KML	Review Andrew Sherman's email to the Committee regarding the hearing.	0.20	102.00
11/01/17	KML	Review Andrew Sherman's email to the Committee regarding claims reconciliation.	0.10	51.00
11/03/17	KML	Review Andrew Sherman's email to the Committee providing an update.	0.10	51.00
11/17/17	KML	Review Andrew Sherman's case update email to the Committee.	0.10	51.00
01/10/18	KML	Emails from/to the Committee regarding update.	0.20	107.00
01/31/18	KML	Email to the Committee regarding case update.	0.20	107.00
02/01/18	KML	Email from Jerry Carpenter regarding the payment of the claim.	0.10	53.50
02/07/18	KML	Emails from/to members of the Committee regarding payments of their claims, and emails to/from Andrew Sherman regarding same.	0.30	160.50
02/16/18	KML	Several emails to/from members of the Committee regarding update on the payment of claims.	0.40	214.00
04/05/18	KML	Email to the Committee providing case update.	0.30	160.50
06/27/18	KML	Emails from/to Justin Tilley and Andrew Sherman regarding update.	0.10	53.50
Total for 03			3.20	1,672.00

Task Code: 04 Meetings/Communications with Debtor

<u>Date</u>	<u>Initials</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
07/26/17	JJW	Review email from R. Manns on filing of suit and updated fee report needed.	0.10	59.50
07/28/17	KML	Emails from/to Ryan Manns regarding the filing of the declaratory judgment action.	0.20	102.00
08/07/17	KML	Email from Ryan Manns requesting invoice.	0.10	51.00
08/08/17	KML	Emails from/to Ryan Manns and Andrew Sherman regarding the declaratory judgment proceeding, and review Sills' invoice.	0.20	102.00
08/09/17	KML	Emails to/from Ryan Manns regarding his request for fee details.	0.20	102.00
09/12/17	KML	Emails to/from Ryan Manns regarding update on the bond issuances and making distributions to creditors.	0.20	102.00
10/02/17	JJW	Review emails with debtor's counsel on status and timing.	0.20	119.00
10/23/17	KML	Email from Ryan Manns regarding the intent to file a motion to approve stipulation.	0.20	102.00
10/23/17	JJW	Review R. Manns' email on revised Bond Stipulation and Motion for Approval of same.	0.20	119.00
10/26/17	JJW	Prepare for and attend call with Debtor's counsel on recently filed Agreed Motion regarding bond issuance (.50); review R. Manns' email update (.10); call with Mr. Manns to discuss presentation at the hearing and issues to be addressed (.30).	0.90	535.50
10/26/17	KML	Conference call Ryan Manns, Bill Greendyke, Andrew Sherman, and J. Wielebinski regarding the motion for approval of stipulation, the hearing on the motion, and the status of the case (.5). Email from Ryan Manns regarding the motion (.1). Telephone conference with Ryan Manns and J. Wielebinski regarding the motion and the hearing (.3).	0.90	459.00
10/27/17	KML	Emails to/from Ryan Manns regarding the updated list of undisputed claims and review the list.	0.20	102.00
10/31/17	KML	Emails from/to Andrew Sherman and Ryan Manns regarding contact for reconciling claims.	0.10	51.00
11/03/17	KML	Emails from/to Ryan Manns and Andrew Sherman regarding the mechanism for resolving disputed claims.	0.10	51.00
11/14/17	JJW	Review emails with R. Manns on contact by creditor trying to resolve claims and problems with same; review document sent detailing creditors with problem claims.	0.20	119.00
11/14/17	KML	Emails from/to Ryan Manns, Andrew Sherman and J. Wielebinski regarding the status of the claims and the 1st bond issuance.	0.20	102.00
11/17/17	KML	Telephone conference with Ryan Manns, Bill Greendyke and Andrew Sherman regarding update on the bond issuances, the process for resolving disputed claims, and other case matters.	0.30	153.00
12/08/17	KML	Telephone conference with and email from Ryan Mann regarding validated claims.	0.30	153.00

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12/11/17	KML	Email and telephone call to Ryan Manns regarding case update.	0.20	102.00
12/12/17	KML	Telephone call to and emails to/from Ryan Manns regarding the next bond issuance.	0.20	102.00
12/13/17	KML	Work on the validation of claims including multiple emails from/to Ryan Manns regarding same.	0.50	255.00
12/20/17	KML	Telephone call to Ryan Manns regarding update.	0.20	102.00
12/21/17	KML	Email from Ryan Manns regarding update on the bond issuance.	0.10	51.00
12/28/17	KML	Emails to/from Ryan Manns regarding update.	0.30	153.00
01/29/18	KML	Emails to Ryan Manns and Bill Greendyke regarding article on UHS' termination of the lease and management agreement.	0.20	107.00
01/31/18	KML	Emails from/to Ryan Manns, Bill Greendyke and Andrew Sherman regarding UHS and the status of the operations.	0.20	107.00
02/01/18	KML	Emails from/to Bill Greendyke, Ryan Manns and Andrew Sherman regarding the scheduling of a call for a case update.	0.10	53.50
02/05/18	KML	Prepare for and attend conference call with Ryan Manns, Bill Greendyke and Andrew Sherman regarding update on the management of the hospital and the bonds.	0.40	214.00
03/29/18	KML	Emails to/from Ryan Manns and Bill Greendyke regarding the scheduling of a call to discuss status of the case.	0.20	107.00
04/03/18	KML	Emails from/to Andrew Sherman, Ryan Manns and Bill Greendyke regarding the scheduled call.	0.10	53.50
04/05/18	KML	Telephone conference with Ryan Manns and Andrew Sherman regarding update on the case.	0.30	160.50
04/06/18	KML	Emails from/to Ryan Manns and Andrew Sherman regarding the case.	0.20	107.00
04/09/18	KML	Email from Ryan Manns regarding the filing of validation motions.	0.10	53.50
04/19/18	KML	Emails to/from Ryan Manns regarding update.	0.20	107.00
05/08/18	KML	Emails to/from Ryan Manns regarding update.	0.20	107.00
06/15/18	KML	Conference with Ryan Manns regarding case update.	0.20	107.00
Total for 04			8.70	4,633.00

Task Code: 05 Meetings/Communications with Creditors

<u>Date</u>	<u>Initials</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
12/04/17	KML	Telephone call to Casey Roy regarding the case.	0.10	51.00
12/05/17	KML	Telephone conference with Casey Roy regarding the case.	0.20	102.00
12/08/17	KML	Telephone conferences with Casey Roy regarding the case and payment of the validated claims.	0.40	204.00

04/19/18	KML	Telephone conference with John Johnson regarding update on the case.	0.30	160.50
Total for 05			1.00	517.50

Task Code: 06 Employment/Fee Applications

<u>Date</u>	<u>Initials</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
10/05/17	KML	Review invoice.	0.20	102.00
10/11/17	KML	Review the Patient Care Ombudsman's interim fee statement.	0.10	51.00
11/03/17	KML	Work on fee application.	1.00	510.00
02/16/18	KML	Review the patient care ombudsman's 2nd fee request.	0.20	107.00
05/17/18	KML	Patient Care Ombudsman's fee statement.	0.10	53.50
Total for 06			1.60	823.50

Task Code: 12 Claims Administration/Objections

<u>Date</u>	<u>Initials</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
08/14/17	KML	Review the late POC filed by Engie Resources and update POC chart.	0.20	102.00
10/26/17	KML	Attention to the Debtor's list of undisputed claims and determine which claims remain in dispute.	1.00	510.00
11/13/17	JJW	Review amended claim on termination of management contract and email from K. Lippman on same.	0.20	119.00
11/13/17	KML	Review amended POC filed by Principle HS, update POC chart, and email to Andrew Sherman and J. Wielebinski regarding the amended POC.	0.40	204.00
11/17/17	KML	Review list provided by the Debtor identifying resolved claims.	0.20	102.00
12/08/17	KML	Review updated list of paid validated claims.	0.20	102.00
01/11/18	KML	Review the notice of transfer of claim and update claims chart.	0.20	107.00
02/20/18	KML	Review notice of transfer of claim.	0.10	53.50
03/16/18	KML	Review the Debtor's objection to the POC filed by Principle HS.	0.20	107.00
04/11/18	KML	Review the agreed motion for protective order with Principle HS.	0.10	53.50
04/16/18	KML	Review the entered protective order with Principal HS in connection with the claim objection.	0.10	53.50
04/17/18	KML	Review Principal HS' response to the claim objection.	0.10	53.50
04/18/18	KML	Review hearing notice on objection to POC filed by Principal HS.	0.10	53.50

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05/15/18	KML	Email from T. Berghman regarding the hearing on the claim objection and his conversation with Ryan Manns, and email to Andrew Sherman regarding same.	0.20	107.00
05/15/18	TDB	Attend HPS claim objection status conference (2.2); confer with R. Manns (.2).	2.40	864.00
Total for 12			5.70	2,591.50

Task Code: 13 Plan of Adjustment

<u>Date</u>	<u>Initials</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
06/22/18	KML	Legal research regarding Chapter 9 confirmation standards.	0.30	160.50
Total for 13			0.30	160.50

Task Code: 14 Contested Matters

<u>Date</u>	<u>Initials</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
10/24/17	JJW	Review notice of hearing on motion for approval of stipulation (.10); confer with Mr. Lippman regarding call with A. Sherman and the hearing (.10); email A. Sherman on same (.10); review Motion and Stipulation (.30); email R. Manns on scheduling a call and review additional documents sent (.30).	0.90	535.50
10/24/17	KML	Review the filed motion for approval of stipulation, and several emails from/to Ryan Manns, J. Wielebinski and Andrew Sherman regarding same and scheduling a call to discuss the motion.	0.40	204.00
10/26/17	KML	Conferences with Andrew Sherman and J. Wielebinski regarding the motion for approval of stipulation and the hearing.	0.40	204.00
10/27/17	KML	Attend hearing on the motion to approve stipulation (2.4). Telephone conference with and emails to/from Andrew Sherman regarding the hearing (.3).	2.70	1,377.00
11/27/17	JJW	Review draft agreed order and Stipulation with the Debtor and the Texas Attorney General; request for expedited hearing and proposed order.	0.30	178.50
11/28/17	JJW	Review amended motion with the debtor and Texas Attorney General; review draft order.	0.20	119.00
11/29/17	KML	Review the Debtor's second motion to approve stipulation and agreed order, the proposed stipulation and agreed order, the motion for expedited hearing on same, and the notice of hearing on same.	0.40	204.00
12/01/17	KML	Review the amended stipulation and agreed order.	0.10	51.00
12/04/17	KML	Prepare for and attend hearing on the motions to validate.	2.70	1,377.00
12/06/17	JJW	Review several orders enters on stipulation with the Texas Attorney General.	0.20	119.00

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12/06/17	KML	Review the order approving the stipulation and agreed order, and the amended order on same.	0.20	102.00
03/01/18	KML	Review the Debtor's motion to settle claim against its commercial property insurer.	0.20	107.00
03/29/18	KML	Review order approving settlement with commercial property insurer.	0.10	53.50
04/09/18	KML	Prepare MH's validation motion, and email draft of same to Andrew Sherman.	1.20	642.00
04/17/18	KML	Telephone conference with and email from Lucas Hammonds regarding the status of the case and the validation motions.	0.40	214.00
04/18/18	KML	Work on the validation motions for MH and Sills Cummis.	1.20	642.00
04/19/18	KML	Revise the two motions to validate and the supporting declarations, and emails to/from Andrew Sherman and Lucas Hammonds regarding same.	0.40	214.00
Total for 14			12.00	6,343.50

Task Code: 16 Litigation

<u>Date</u>	<u>Initials</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
07/27/17	KML	Emails from/to Ryan Manns regarding the draft complaint, and conference with J. Wielebinski regarding same.	0.40	204.00
07/27/17	KML	Telephone conference with Andrew Sherman regarding the draft complaint.	0.20	102.00
07/28/17	JJW	Begin review of R. Manns' email and several pleadings for 7-31 hearing on complaint.	0.70	416.50
07/31/17	KML	Review the filed complaint for declaratory judgment, the supporting brief, and the request for a status conference (.6). Attend status conference on the proposed notice to be given regarding the complaint (.4).	1.00	510.00
08/15/17	JJW	Confer with K. Lippman on issues regarding citizen objections to actions taken by the debtors; need to address same with A. Sherman and debtors counsel (.30); attend call with Mr. Sherman and Mr. Lippman and develop go forward plan (.30); revise information on internet regarding citizen objections (.50); review Complaint filed (.50).	1.60	952.00
08/15/17	KML	Review docket of the adversary proceeding and the recent filings by the Debtor concerning notice of the proceeding (.2). Telephone conference with Andrew Sherman regarding the trial next Monday and strategy (.4). Several emails to/from Bill Greendyke and Ryan Manns regarding the scheduling of a call to discuss the pending trial (.2). Conference with J. Wielebinski regarding same and strategy (.3). Coordinate Andrew Sherman's telephonic appearance (.2). Prepare for the trial (1).	2.30	1,173.00

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08/16/17	JJW	Telephone conference with co-counsel to discuss call with Norton Rose and the upcoming hearing (.40); attend conference call with K. Lippman and the Norton Rose attorneys to discuss upcoming hearing, key issues and concerns, assistance from the Committee and sufficient funding (.60); review debtor's witness and exhibit list (.10).	1.10	654.50
08/16/17	KML	Telephone conference with Bill Greendyke, Ryan Manns, Boris Mankovetskiy, and J. Wielebinski regarding the trial (.6). Conferences with Boris Mankovetskiy and J. Wielebinski regarding same and strategy (.4). Continue hearing preparation including review of social media cites about the trial (.7).	1.70	867.00
08/18/17	JJW	Review attorney general's response to Debtor's complaint and confer with K. Lippman on same and review email from R. Manns on results of meeting with attorney general.	0.30	178.50
08/18/17	KML	Review the statement filed by employees (.1). Review the answer filed by the Texas AG (.1). Review the Debtor's E&W list (.1). Email to Andrew Sherman, Boris Mankovetskiy, and J. Wielebinski regarding the filed statement and answer (.1). Emails to/from Ryan Manns and Bill Greendyke regarding same and their call with the Texas AG (.2). Update trial notebook (.2).	0.80	408.00
08/21/17	KML	Review pleadings filed by Steve Gordon opposing the relief sought and his E&W list, check docket for other filings, and attend the trial (6.7). Telephone conference with Andrew Sherman regarding the trial (.3).	7.00	3,570.00
08/21/17	JJW	Review answer filed by local citizens.	0.40	238.00
08/24/17	KML	Review the entered declaratory judgment and email same to Andrew Sherman, Boris Mankovetskiy and J. Wielebinski.	0.30	153.00
08/24/17	JJW	Review judgment entered.	0.20	119.00
11/29/17	KML	Review docket to see recent filings in the proceeding, and prepare and file a notice of appearance to be filed in the proceeding.	0.20	102.00
11/29/17	KML	Review the motion to validate NRF's fees/expenses and the motion to validate Hilltop Securities' fees/expenses, both filed in the adversary proceeding, and emails to/from Andrew Sherman and J. Wielebinski regarding same.	0.50	255.00
11/30/17	KML	Work on the response to the motions to validate fees including conference with T. Berghman regarding same.	1.00	510.00
11/30/17	TDB	Analysis of motions for compensation, case law research, and prepare draft response.	3.00	1,020.00
12/01/17	JJW	Review draft response to NRF's fee validation motion and several emails on same.	0.30	178.50
12/01/17	TDB	Revise draft response to NRF fee validation motion and confer with K. Lippman regarding same	0.50	170.00

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12/01/17	KML	Work on the response to the motions to validate the fees/expenses of NRF and Hilltop including emails to/from Andrew Sherman and J. Wielebinski regarding the draft response (2.6). Telephone conference with Ryan Mann to advise of the filing of the response (.1).	2.70	1,377.00
12/06/17	KML	Review the orders validating the claims of NRF and Hilltop.	0.10	51.00
03/29/18	KML	Review order re-opening adversary proceeding.	0.10	53.50
Total for 16			26.40	13,262.50
Total			86.30	\$44,474.00

Timekeeper Summary

<u>Timekeeper Title</u>	<u>Name</u>	<u>Initials</u>	<u>Rate</u>	<u>Hours</u>	<u>Amount</u>
Shareholder	Joseph J. Wielebinski	JJW	595.00	9.10	5,414.50
Shareholder	Kevin Lippman	KML	535.00	25.70	13,749.50
Shareholder	Kevin Lippman	KML	510.00	45.60	23,256.00
Associate	Thomas D. Berghman	TDB	360.00	2.40	864.00
Associate	Thomas D. Berghman	TDB	340.00	3.50	1,190.00
Total				86.30	\$44,474.00

Cost Summary

<u>Description</u>	<u>Amount</u>
Pacer Research	23.50
Total	\$23.50

Task Summary

<u>Task Code</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
01	Case Administration/General Matters	7.50	3,991.00
02	Business Operations	19.90	10,479.00
03	Meetings/Communications with Committee	3.20	1,672.00
04	Meetings/Communications with Debtor	8.70	4,633.00
05	Meetings/Communications with Creditors	1.00	517.50
06	Employment/Fee Applications	1.60	823.50
12	Claims Administration/Objections	5.70	2,591.50
13	Plan of Adjustment	0.30	160.50

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<u>Task Code</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
14	Contested Matters	12.00	6,343.50
16	Litigation	26.40	13,262.50
	Total	86.30	\$44,474.00

Unsecured Creditors Committee for Gainesville
Hospital District d/b/a North Texas Medical Ctr
c/o Morrison Management Specialists, Inc.
Attn: Jerry Carpenter
4721 Morrison Drive, Suite 300
Mobile, AL 36609

Invoice Date: July 9, 2018
Invoice Number: 10381648
Matter Number: 016838.00001

*For Professional Services through **June 30, 2018***

Client: Gainesville Hospital Dist. Unsecured Creditors Committee d/b/a North Texas Medical Center
Matter: BANKRUPTCY REPRESENTATION

Total Fees	\$	44,474.00
Total Costs	\$	<u>23.50</u>
Grand Total Due	\$	44,497.50

Wire Instructions:

Bank of Texas, N.A.
ABA Routing Number: 111014325
Account Number: 2880510762
Swift Code: BAOKUS44

Remittance Address:

Accounting
Munsch Hardt Kopf & Harr, P.C.
500 N. Akard St., Suite 3800
Dallas, TX 75201-6659

File Number and Invoice Number Required.

Federal ID Number: 75-2096964

For billing inquiries, please contact accounting at accounting@munsch.com or (214) 740 5198