



CLERK, U.S. BANKRUPTCY COURT  
NORTHERN DISTRICT OF TEXAS

**ENTERED**

THE DATE OF ENTRY IS ON  
THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.

Signed June 14, 2019

United States Bankruptcy Judge

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
FORT WORTH DIVISION**

<b>In re:</b>	§	<b>Chapter 11</b>
	§	
<b>PREFERRED CARE INC.,</b>	§	<b>Case No.: 17-44642</b>
<b>LORDSBURG HEALTH</b>	§	<b>Case No.: 17-44673</b>
<b>FACILITIES, L.P., et. al.</b>	§	
	§	
<b>Debtors.</b>	§	

**ORDER GRANTING JOINT MOTION TO CONVERT  
PCI AND OWENSBORO CASES TO CHAPTER 7 PROCEEDINGS**

This matter having come before this Court on the *Joint Motion to Convert PCI and Owensboro Cases to Chapter 7 Proceedings* (the “**Motion**”)<sup>1</sup> filed by the Debtors Preferred Care Inc. (“**PCI**”) and Owensboro Health Facilities, L.P. (“**Owensboro**” and, together with PCI, the “**Debtors**”) in the above-captioned bankruptcy cases (the “**Converting Cases**”); the Court finds that it has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; the Court finds that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); the Court finds that the Debtors have shown good, sufficient, and sound business purpose and justification for the relief granted herein;

<sup>1</sup> Capitalized terms not defined herein shall be given the meaning ascribed to them in the Motion.

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the Court finds that proper and adequate notice of the Motion and the hearing thereon was given under the circumstances and that no other or further notice is necessary or required; and the Court finds that, upon the record herein, and after due deliberation, noting that no objections to the Motion were received, and good and sufficient cause exists for granting the relief herein; accordingly,

**IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:**

**A. Conversion to Chapter 7**

1. The relief requested in the Motion is **GRANTED** to the extent set forth herein.
2. Nothing in this order shall affect or impact the terms of any previously entered order.
3. The following cases are hereby converted from ones under chapter 11 to ones under chapter 7 effective upon entry of this Order (the “**Conversion Date**”):
  - a. *In re Preferred Care Inc.*, Case No. 17-44642-mxm11; and
  - b. *In re Owensboro Health Facilities, L.P.*, Case No. 17-44655-mxm11
4. The United States Trustee is directed to appoint a chapter 7 trustee in each of the converted cases.
5. The Clerk shall enter a notation in substantially the following form on the docket sheet of each of the Converting Cases to reflect the conversion of the cases:

An order has been entered directing the conversion of this bankruptcy case. For all matters affecting these cases and pleadings filed between November 13, 2017 and [the Conversion Date], the docket in Case No. 17-44642 should be consulted. For all matters affecting these cases and pleadings filed on or after [the Conversion Date], the docket in [Case No. 17-44642 or 17-44655, as applicable] should be consulted.

**B. Outstanding Checks May Clear**

6. Any outstanding checks payable by the Debtors on the Conversion Date are authorized to clear. The Debtors, Wells Fargo Bank, N.A. (“**Wells Fargo**”), and/or the agents and representatives of the Debtors or Wells Fargo may take any and all reasonable and necessary steps

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to ensure that all checks outstanding on the Conversion Date clear following the entry of this Order.

**C. Authority to Pay All Estate Professionals Allowed Unpaid Fees and Expenses.**

7. The Debtors are authorized and directed to pay, immediately prior to conversion, all amounts owed to estate professionals that have have been approved by this Court on a final basis and subject to the terms of such orders.

**D. Dismiss Stretto as Claims, Noticing, and Balloting Agent.**

8. Stretto is hereby dismissed as the claims, noticing, and balloting agent for these specific Debtors. Stretto shall mail all proofs of claim in the Chapter 11 Cases to the chapter 7 trustee appointed over the Debtors within fourteen (14) days after such chapter 7 trustee's appointment.

**### End of Order ###**

Respectfully submitted by:

/s/ Mark C. Moore

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AND DEBTORS-IN-POSSESSION**

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