



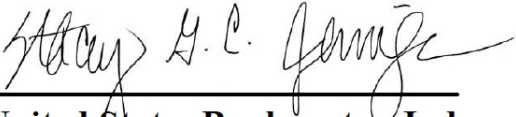
CLERK, U.S. BANKRUPTCY COURT  
NORTHERN DISTRICT OF TEXAS

**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 July 21, 2021

  
United States Bankruptcy Judge

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

In re:	§	Chapter 11
	§	
ADPT DFW Holdings LLC, <i>et al.</i> ,	§	Case No. 17-31432
	§	
Debtors.	§	Jointly Administered under
	§	Case No. 17-31432
	§	

**STIPULATION AND AGREED ORDER  
RESOLVING CLAIMS OF LARRY RICHARD COVERT AND  
THE COVERT FAMILY LIMITED PARTNERSHIP**

This Stipulation (“Stipulation”) and Agreed Order (“Order”) is entered into between counsel for the Adeptus Litigation Trust (“Trust”) and claimants Larry Richard Covert and the Covert Family Limited Partnership (“Covert FLP”). The Trust, Mr. Covert, and Covert FLP are each referred to herein as a “Party” and collectively, the “Parties.”

**RECITALS**

**WHEREAS**, on April 19, 2017, ADPT DFW Holdings LLC and its affiliated entities (the “Debtors”) each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code 11 U.S.C. §§ 101 *et seq.*, as amended, thereby initiating these jointly administered bankruptcy cases (the “Bankruptcy Cases”).

**WHEREAS**, the schedules for debtor Adeptus Health Inc. (Case No. 17-31434) list Mr. Covert as having an unliquidated, contingent, and disputed non-priority general unsecured claim for an unknown amount and an unliquidated non-priority general unsecured claim in the amount of \$294,828.00 (collectively, the “Covert Scheduled Claims”).

**WHEREAS**, Mr. Covert filed a proof of claim identified as claim number 1256 on the claims register in the Debtors’ cases, alleging that he is owed \$294,828.00 related to the Tax Receivable Agreement dated June 25, 2014 (the “Covert POC” and together with the Covert Scheduled Claims, the “Covert Claims”).

**WHEREAS**, the claims register for debtor Adeptus Health Inc. (Case No. 17-31434) lists Covert FLP as having a scheduled, unliquidated, contingent, and disputed non-priority general unsecured claim for \$294,828.00 (Schedule No. 434001270).

**WHEREAS**, Covert FLP filed proofs of claim identified as claim numbers 792 and 1695 on the claims register in the Debtors’ cases, with each proof of claim alleging that Covert FLP is owed \$294,828 related to the Tax Receivable Agreement dated June 25, 2014 (collectively, the “FLP POCs,” and together with Schedule No. 434001270, the “Covert FLP Claims”).

**WHEREAS**, the Parties have agreed to resolve all claims and disputes between them, including the Covert Claims and the Covert FLP Claims on the terms and conditions set forth in this Stipulation.

**STIPULATION AND ORDER**

NOW THEREFORE, THE PARTIES HEREBY STIPULATE AND AGREE AS FOLLOWS:

1. Upon entry of the Order approving this Stipulation, the Covert Claims and the Covert FLP Claims shall be deemed withdrawn and expunged, with prejudice, and the official claims register maintained in this case shall be updated accordingly.

2. Mr. Covert has agreed to withdraw and to permit the Court to disallow the Covert Claims; Covert FLP has agreed to withdraw and to permit the Court to disallow the Covert FLP Claims; the Trust has agreed to release Mr. Covert and Covert FLP from claims that the Trust has brought against Mr. Covert and Covert FLP elsewhere and to release Mr. Covert and Covert FLP from any other claims against Mr. Covert or Covert FLP that arise under, arise from, or relate to the above-captioned bankruptcy case; and Mr. Covert and Covert FLP have agreed to release the Debtors from any claims they have related to the above-captioned bankruptcy case.

3. Each person who executes this Stipulation represents that he or she is duly authorized to execute this Stipulation on behalf of the respective Parties hereto and that each such party has full knowledge and has consented to this Stipulation.

4. This Stipulation may be executed in one or more counterparts, any of which may be transmitted by facsimile or electronic transmission, and each of which shall be deemed an original, but all of which together shall constitute one and the same document.

5. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation of this Stipulation.

6. The Parties shall bear their own attorney's fees and costs.

**IT IS SO ORDERED**

[signature page follows]

AGREED:

Dated: July 1, 2021

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By /s/ Brandon V. Lewis

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Dated: July 1, 2021

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