

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

In re:

Georgia ProtonCare Center, Inc.,¹

Debtor.

Chapter 11

Case No. 26-50882-JWC

**DECLARATION OF DARRYL MYERS IN SUPPORT
OF CHAPTER 11 PETITION AND FIRST DAY PLEADINGS**

Pursuant to 28 U.S.C. § 1746, Darryl Myers declares as follows under the penalty of perjury:

1. I am employed by BDO Consulting Group, LLC (“**BDO**”) in their Turnaround and Restructuring Services practice and serve as the Chief Restructuring Officer (“**CRO**”) of Georgia ProtonCare Center, Inc. (the “**Debtor**” or the “**Company**”), the debtor and debtor in possession in the above-captioned chapter 11 case (the “**Chapter 11 Case**”). I am authorized to submit this declaration (the “**Declaration**”) on behalf of the Debtor.

2. As CRO, in consultation with the Board of Directors (the “**Board**”) and senior management of the Company, I have assisted or will assist with certain financial activities and cash management of the Debtor, including but not limited to assisting with the preparation and negotiations of the Chapter 11 Case. Based on BDO’s engagement with the Company,² my own analysis of public

¹ The Debtor’s mailing address is 615 Peachtree St. NE, Atlanta, Georgia 30308. The last four digits of the Debtor’s federal tax identification number are 5208.

² On December 30, 2025, the Company and BDO entered into that certain Agreement for Professional Services (the “**Engagement Agreement**”), pursuant to which the Company appointed me as CRO. Prior to the execution of the Engagement Agreement, the Company and BDO executed that certain Services Agreement dated June 23, 2023, along with the accompanying Statement of Work (together, the “**SOW**”), pursuant to which BDO provided an interim management team to assist with administrative, operational, accounting, and finance management for the Debtor. The SOW was later amended on December 22, 2023, pursuant to which BDO employees Tom Wang and Stephen Kotler were appointed as Interim Chief Operating Officer (the “**Interim COO**”) and Interim Chief Financial Officer (the “**Interim CFO**”), respectively. The SOW was amended again on May 24, 2024 to fix monthly fees for the provision of the operational management and accounting and finance management workstreams.

and non-public documents, and my discussions with, and information provided by, other members of the Debtor's management team, employees, agents, investment bankers and advisors, I am generally familiar with the Debtor's business, financial condition, policies and procedures, day-to-day operations, and books and records. Except as otherwise noted, I have personal knowledge of the matters set forth herein or have gained knowledge of such matters from other members of my engagement team or from the Debtor's employees, agents, attorneys, investment bankers and advisors, the accuracy and completeness of which information I relied upon to provide this Declaration.

3. References to the Bankruptcy Code (as hereafter defined), the chapter 11 process, and related legal matters are based on my understanding of such matters in reliance on the explanations provided by, and the advice of, counsel. If called upon to testify, I would testify competently to the facts set forth in this First Day Declaration.

4. On the date hereof (the "**Petition Date**"), the Debtor filed a voluntary petition in the United States Bankruptcy Court for the Northern District of Georgia (the "**Court**") commencing a case for relief under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**"). No trustee, examiner, or committee has been appointed in this Chapter 11 Case and the Debtor continues to operate its business and manage its property as a debtor in possession.

5. I submit this Declaration on behalf of the Debtor in support of the Debtor's (i) voluntary petition for relief filed under chapter 11 of the Bankruptcy Code and (ii) "first-day" pleadings, which are being filed concurrently herewith (collectively, the "**First Day Pleadings**"). The Debtor seeks the relief set forth in the First Day Pleadings to minimize the adverse effects of the commencement of the Chapter 11 Case on business operations and to maximize the value of its assets. I have reviewed the Debtor's petition and the First Day Pleadings, or have otherwise had their contents explained to me, and it is my belief that the relief sought therein is essential both to the uninterrupted operation of the

Debtor's business and to successfully maximize the value of the Debtor's estate.

6. To familiarize the Court with the Debtor and the relief the Debtor seeks early in this Chapter 11 Case, this Declaration is organized into four sections. Section I provides an introduction to the Debtor and detailed information on the Debtor's corporate history and business operations. Section II provides an overview of the Debtor's prepetition corporate and capital structure. Section III describes the circumstances leading to the commencement of the Chapter 11 Case and the objectives of the Chapter 11 Case. Section IV sets forth the First Day Pleadings filed in connection with the Chapter 11 Case.

I. Overview of the Debtor's Business

7. Debtor owns and operates the only proton therapy cancer treatment center in Georgia, located at 615 Peachtree St. NE, Atlanta, Georgia (the "**Facility**"). The Facility is one of only 47³ operating proton therapy centers in the United States. Provident Resources Group, Inc. ("**Provident**"), which is a nonprofit Georgia corporation, is the sole member of the Debtor.

8. Proton therapy provides pinpointed delivery of radiation to treat tumors requiring more targeted precision due to their location and proximity to other vital structures. Proton therapy can also be used to treat recurrent tumors and reduce side effects and long-term effects from radiation use. Use of proton therapy reduces and avoids radiation delivery to non-cancerous areas, which may help reduce (i) some side effects during the course of treatment and (ii) the risk of possible longer-term effects from treatment such as damage to the heart or lungs and secondary cancers. Proton therapy also reduces the risk of radiation side effects in children, whose growing bodies are the most at risk for such side effects. As a result, proton therapy is used to treat many types of cancer and non-cancerous tumors, such as abdominal tumors and cancers, brain and spine tumors, breast cancer, esophageal

³ See <https://proton-therapy.org/>.

cancer, gynecologic cancer, head and neck cancer, lung cancer, lymphoma, pediatric cancer, pelvic tumors and cancers, prostate cancer, and sarcoma.

9. Neither the Debtor nor Provident originally developed the Facility. Rather, in 2010, a private investor group formed a limited liability company called Georgia Proton Treatment Center, LLC (“**GPTC**”) to oversee the construction and development of the Facility. GPTC’s clinical partners were Emory Healthcare Inc. and The Emory Clinic Inc. (together, “**Emory**”) pursuant to that certain Amended and Restated Master Services Agreement (the “**Emory Management Agreement**”) by and among GPTC and Emory. Construction was suspended in 2015 due to lack of funds, leaving a partially constructed and completely inoperable Facility. Provident was subsequently approached to complete development of the Facility.

10. In July of 2017, Provident acquired the assets of GPTC including the partially constructed Facility. The assets acquired in 2017 included: (i) the site in Atlanta; (ii) purpose-built space for five proton treatment rooms; (iii) diagnostic, treatment, planning and imaging equipment; (iv) a parking deck; (v) equipment contracts; and (vi) the Certificate of Need issued by the state of Georgia for the Facility.

11. Construction of the Facility resumed in July of 2017 following Provident’s acquisition of the GPTC assets and the issuance of the Bonds (defined and discussed below). Construction was completed and the major proton treatment equipment successfully installed. The Debtor was incorporated by Provident and the Facility and other acquired assets of GPTC were transferred to the Debtor. The first patient was treated at the Facility in December of 2018. Thousands of patients have been treated there since. Provident remains the sole member of the Debtor.

II. Prepetition Corporate and Capital Structure

A. Corporate Structure

12. The Debtor is a nonprofit entity that was incorporated in 2017 and is governed by its

Board of Directors, comprised of three board members: Kenneth Becker, Steven Hicks, and Debra Lockwood. In addition to myself and the Interim CFO and Interim COO, the Company also has three other officers, for a total of six officers (collectively, the “**Officers**”).

13. The Debtor was organized and thereafter operated exclusively for public charitable uses and purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code. Specifically, the Debtor’s charitable purposes include: (i) acquiring, constructing, furnishing, equipping, financing, owning, operating, and maintaining the Facility; (ii) providing radiation oncology services using proton beam therapy and other appropriate forms of cancer treatment services; (iii) conducting, supporting, and promoting basic and clinical research related to cancer treatment; (iv) conducting, supporting and promoting other activities related to the operation of cancer treatment programs; (v) collaborating with other charitable organizations and institutions dedicated to cancer treatment and prevention programs; and (vi) advancing the public health and general welfare of the residents of the State of Georgia and the surrounding region.

B. Prepetition Capital Structure

14. The Debtor’s indebtedness consists of: (i) approximately \$242.7 million in outstanding principal on the Series 2017A-1 Bonds and Series 2017A-2 Bonds (each as defined below and, together, the “**Senior Bonds**”); (ii) approximately \$67.6 million of accrued and unpaid interest on the Senior Bonds as of January 1, 2026; (iii) subordinated Series 2017B-1 Bonds, Series 2017B-2 Bonds, and Series 2017C Bonds (each as defined below and, together, the “**Subordinate Bonds**”) with approximately \$207.5 million in outstanding principal owing as of the Petition Date and approximately \$32.4 million of accrued and unpaid interest with a principal balance at maturity of approximately \$398.2 million; and (iv) approximately \$29.5 million in other unsecured obligations, including amounts owed to vendors and other trade creditors (collectively, the “**Debt Obligations**”).

i. The Bond Obligations

15. On July 1, 2017, U.S. Bank, N.A. (“**U.S. Bank**”), as trustee, and the Atlanta Development Authority, as issuer (the “**Issuer**”), executed that certain Trust Indenture (the “**Trust Indenture**”). The Trust Indenture governs the Series 2017A-1 Bonds, Series 2017A-2 Bonds, Series 2017B-1 Bonds, Series 2017B-2 Bonds, and the Series 2017C Bonds, all as defined and discussed below (collectively, the “**Bonds**”). Contemporaneously with the execution of the Trust Indenture and issuance of the Bonds, the Debtor and GPTC entered into that certain Loan Agreement (as amended, the “**Loan Agreement**”) with the Issuer. The Debtor and GPTC were both original obligors under the Trust Indenture and the Loan Agreement. In 2018, GPTC and the Debtor merged and GPTC ceased to exist, leaving the Debtor as the sole obligor under the Trust Indenture. The Loan Agreement was amended on December 1, 2018 to reflect the merger. U.S. Bank served as the bond trustee under the Trust Indenture until UMB Bank, National Association (the “**Bond Trustee**”) became the successor trustee under the Trust Indenture, effective as of January 7, 2021.

16. On July 10, 2017, the Issuer issued the following Bonds:

- a. The Atlanta Development Authority Senior Health Care Facilities Current Interest Revenue Bonds (Georgia Proton Treatment Center Project) Tax-Exempt Series 2017A-1 (the “**Series 2017A-1 Bonds**”) in the initial principal amount of \$219,365,000.00;
- b. The Atlanta Development Authority Senior Health Care Facilities Convertible Capital Appreciation Draw-Down Revenue Bonds (Georgia Proton Treatment Center Project) Taxable Series 2017A-2 (the “**Series 2017A-2 Bonds**”) in the initial principal amount of \$16,083,154.65;
- c. The Atlanta Development Authority Subordinate Health Care Facilities Convertible Capital Appreciation Revenue Bonds (Georgia Proton Treatment Center Project) Tax-Exempt Series 2017B-1 (the “**Series 2017B-1 Bonds**”) in the initial principal amount of \$76,998,809.25;
- d. The Atlanta Development Authority Subordinate Health Care Facilities Capital Appreciation Revenue Bonds (Georgia Proton Treatment Center Project) Tax-Exempt Series 2017B-2 (the “**Series 2017B-2 Bonds**”) in the initial principal amount of \$20,000,161.40; and

- e. The Atlanta Development Authority Junior Subordinate Health Care Facilities Capital Appreciation Revenue Bonds (Georgia Proton Treatment Center Project) Tax-Exempt Series 2017C (the “**Series 2017C Bonds**”) in the initial principal amount of \$35,999,676.00.

17. The proceeds of the Series 2017A-1 Bonds were used to (i) refinance and finance a portion of the cost of acquiring, constructing, and equipping the Facility; (ii) fund a debt service reserve fund; (iii) fund interest on the Series 2017A-1 Bonds; and (iv) pay a portion of the issuance costs for the Series 2017A-1 Bonds. The Series 2017A-2 Bonds were issued to (i) fund interest on the Series 2017A-2 Bonds; (ii) fund certain reserves; and (iii) pay a portion of the costs of issuing the Series 2017A-2 Bonds. The Series 2017B-1 Bonds were issued to fund a portion of the cost of acquiring the membership interests in GPTC. The Series 2017B-2 Bonds and Series 2017C Bonds were issued to refinance a portion of the cost of the Facility.

ii. Security for the Bond Obligations

18. The Bonds are each evidenced by a promissory note (collectively, the “**Promissory Notes**”) in the applicable initial principal amount of the relevant bond obligation. To secure the Promissory Notes, Debtor and GPTC executed, among other documents, that certain Assignment of Fee Deed to Secure Debt, Assignment of Rents and Leases, and Security Agreement (the “**Security Deed**”) in favor of the Issuer on July 10, 2017.⁴ Pursuant to the Security Deed, Debtor and GPTC granted a security interest in the following collateral (collectively, the “**Security Deed Collateral**”), constituting, together with the Collateral (as defined in the Loan Agreement) pledged under the Loan Agreement, substantially all of the Debtor’s assets: (i) the real property where the Facility is located,

⁴ Following the issuance and recordation of the Security Deed, the real property and equipment were transferred to the Issuer and the Issuer and GPTC entered into a Lease Agreement, dated as of June 1, 2017, pursuant to which the Issuer leased the real property and equipment to GPTC. Following completion of the Facility, GPTC exercised its purchase option under the Lease Agreement and the property and equipment were conveyed to GPTC, following which GPTC was merged into the Debtor.

together with all buildings, structures, additions, and other improvements located thereon and property rights related thereto; (ii) any and all leases, tenant contracts, rental agreements, and other agreements for use, occupancy, or possession of the property, along with all rents, issues, profits, revenues, rights, and any other benefits accruing from the lease or permitted use of the property. The Issuer assigned its interest in the Security Deed to U.S. Bank pursuant to the 2017 Trust Indenture.

19. The Debtor and GPTC also executed that certain Assignment of Contract Documents, dated as of June 1, 2017 (the “**Contract Assignment**”) in favor of U.S. Bank. Pursuant to the Contract Assignment, Debtor and GPTC assigned all of their rights and privileges under certain Contract Documents (as defined therein) (collectively the “**Assigned Contracts**”), including (i) their agreements with the design architect and contractor, (ii) the proton system purchase agreement and the proton system operations and maintenance agreement with Varian Medical Systems, Inc., (iii) a service mark licensing agreement with Emory, and (iv) a billing management and consultation agreement with MMBC, LLC.

20. As further security for the Bonds and to perfect the security interest granted to U.S. Bank, the Debtor, GPTC, U.S. Bank, and SunTrust Bank (“**Bank**”) entered into that certain Restricted (Non-Blocked) Account Agreement dated as of July 7, 2017 (the “**DACA**”), whereby, among other things, Debtor and GPTC granted U.S. Bank a security interest in their deposit account at the Bank as identified in the DACA (the “**Deposit Account**” and together with the Security Deed Collateral, the Collateral pledge in the Loan Agreement, the Assigned Contracts, and all other collateral provided for under the Bond Financing Documents (as defined below), the “**Prepetition Collateral**”).

21. The Trust Indenture, Bonds, Loan Agreement, Promissory Notes, Security Deed, Contract Assignment, and DACA are herein referred to as the “**Bond Financing Documents.**”

iii. The Prepetition Secured Obligations

22. As of the Petition Date, the amounts due and owing by Debtor with respect to the Bonds

and the obligations under the Bond Financing Documents are as follows (collectively the “**Prepetition Secured Obligations**”): (i) approximately \$242.7 million in outstanding principal on the Senior Bonds; (ii) approximately \$67.6 million of accrued and unpaid interest on the Senior Bonds; (iii) approximately \$207.5 million in outstanding principal on the Subordinate Bonds and approximately \$32.4 million of accrued and unpaid interest, with which have a face value at maturity of \$398.2 million; and (iv) additional fees, costs, premiums, expenses (including the Bond Trustee’s fees and expenses, which includes expenses of the Bond Trustee’s attorneys, financial advisors, and other professionals), reimbursement obligations, indemnification obligations, other contingent obligations, and other charges of whatever nature, whether or not contingent, whenever arising, due, or owing, and all other obligations owing under or in connection with the Bond Financing Documents.

C. The Management Agreements

23. Emory provides substantially all clinical care, patient care, and related services provided at the Facility through the Emory Management Agreement. In addition, the Debtor also entered into that certain Parent Organization Management and Services Agreement dated as of June 1, 2017 (the “**Asset Management Agreement**”) with Provident. Nearly all other services, including billing and collections, marketing and corporate support, and maintenance of the proton therapy system are outsourced to third-parties.

i. The Asset Management Agreement

24. Pursuant to the terms of the Asset Management Agreement, Provident (i) has provided certain Asset Development Services (as defined therein) prior to the issuance of the Bonds and (ii) is providing certain Asset Management Services (as defined therein) related to the development and management of the Facility following completion of its construction and the issuance of the Bonds. In each case, such services include all of the administrative and support services for the Facility, including data and information processing, accounting, financial reporting, and financial planning and

budgeting necessary to the development and construction of the Facility and the management of the Facility following the same.

25. In exchange for providing the Asset Development Services, Provident received a \$750,000 fee in 2017, which was paid at closing as a part of the Costs of the Project (as defined in the Loan Agreement). In exchange for providing the Asset Management Services, Provident receives an annual base fee in the current amount of approximately \$380,000, increasing at a rate of 3% per year (the “**Provident Management Fee**”). Half of the base management fee is due in equal monthly installments and the other half is accruing as a subordinate liability in accordance with the terms of the Trust Indenture. Provident also receives an additional annual asset management and administrative fee equal to 1.2% of Revenues (as defined in the Asset Management Agreement) for the immediately preceding annual period. To date, Provident is owed approximately \$7.2 million in Asset Management Fee payment obligations, which have been subordinated under the Master Indenture.

ii. The Emory Management Agreement

26. Pursuant to the terms of the Emory Management Agreement, Emory provides clinical and administrative management services for the Facility’s day-to-day operations, including managing sales and marketing, clinical care, staffing, human resources, and compliance with applicable state regulations governing the provision of medical care at the Facility. Debtor pays Emory the actual costs of the services rendered under the Emory Management Agreement, based on the Facility’s annual budget approved by the Debtor. The outstanding amounts due to Emory for the actual costs of the services totals approximately \$6.8 million as of the Petition Date.

27. In addition, the Emory Management Agreement required Debtor to pay Emory a Royalty equal to 3% of Revenues (as defined in the Management Agreement) and an administrative services fee (the “**Administrative Fee**” and together with the Royalty, the “**Emory Fees**”) Payment of the Emory Fees were payable by the Debtor from the Revenue Fund (as defined in the Management

Agreement), “to the extent of available funds.” To the extent funds were not available for the payment of Emory Fees, the unpaid amounts accrued until such time as funds were available to pay down the accrued amounts. These unpaid amounts, totaling approximately \$22.3 million, were subordinated to other creditors and funds under the Trust Indenture. Because there were insufficient funds, due to the contractual waterfall schedule contained in the Trust Indenture, the condition precedent to payment of the Emory Fees never occurred, and the Debtor was not required to pay the Emory Fees to Emory during the term of the Management Agreement.

28. The Debtor employs one employee who serves as a staff accountant. All other personnel working at the Facility are employed by Emory pursuant to the Emory Management Agreement. The Debtor’s sole employee has been paid current through the Petition Date.

D. Financial Performance

29. Debtor’s fiscal year ends on December 31. In fiscal year 2024, the Debtor recognized total operating revenue of \$43.9 million, adjusted EBIDA of \$6.5 million and negative net income of \$31.9 million. In the 2025 fiscal year through November, the Debtor recognized total operating revenue of \$39.6 million, adjusted EBIDA of \$2.5 million and negative net income totaling \$33.7 million.

E. Regulatory Authorities

30. Many aspects of the Debtor’s operations are subject to regulation by Georgia authorities including the City of Atlanta, the Georgia Department of Natural Resources, and the Georgia Department of Community Health. Additionally, nearly every aspect of the Debtor’s operations, including the services provided to patients as well as billing and collections, are subject to rules and regulations promulgated by the United States Department of Health and Human Services’ Centers for Medicare & Medicaid Services (“CMS”).

III. Events Leading to the Chapter 11 Filing and Objectives of the Chapter 11 Case

A. Events Leading to the Chapter 11 Filing

31. Although the Debtor's facility is one of the busiest proton therapy centers in the United States, treating over 1,000 cancer patients annually, revenues received from patient treatment have been insufficient. The Debtor's primary sources of revenue are Medicare, Medicaid, commercial insurance, and private pay. These revenue sources do not provide the Debtor with sufficient income to service the Debtor's significant debt obligations. Additionally, the Debtor has experienced ongoing reimbursement rate issues with CMS and its Medicare Administrative Contractor, as well as with other commercial insurance payors. As a result, the Debtor has been unable to fund debt service payments due under the Bond Financing Documents.

32. The Debtor has sought to increase patient volume and implemented various cost reduction initiatives over the past several years. The savings obtained through these measures have largely been offset by ongoing inflationary pressure in its operating costs.

B. Objectives of the Chapter 11 Case

33. As a result of its debt load as well as the annual operating expenses necessary to maintain the life-saving proton therapy treatments provided at the Facility, the Debtor is unable to substantially improve its operating cash flow or liquidity position. The Debtor filed for Chapter 11 to preserve its assets and operations while undertaking a going concern sale process that will allow the Debtor to continue to provide critical care to cancer patients while maximizing the financial recovery for key stakeholders. The Debtor's chief concern during the sale process is maintaining continuity of care for the patients at the Facility.

34. To that end, the Debtor has negotiated an asset purchase agreement (the "**Stalking Horse APA**") with Emory University, by and on Behalf of Emory University Hospital of Midtown, as buyer, which will provide the basis of the post-petition sale process in the Chapter 11 Case. As

noted above, Emory has been providing clinical and certain administrative services for the day-to-day operations of the Facility in accordance with the Emory Management Agreement for several years. The Stalking Horse APA is the product of extensive diligence, arm's-length bargaining, and alignment around the central objective of maintaining the uninterrupted treatment of cancer patients at the Facility while preserving and monetizing the Debtor's assets. The Debtor understands that a majority of the holders of the Senior Bonds, acting through the Bond Trustee and its advisors, support consummation of the proposed going-concern sale, subject to an overbid process in this Chapter 11 Case. It is my belief that the proposed sale process, anchored by the Stalking Horse APA, will maximize value relative to all realistic alternatives while protecting patients by ensuring continuity of care throughout the sale process.

IV. First Day Pleadings

35. Contemporaneously with the filing of its chapter 11 petition, or as soon as practicable thereafter, the Debtor has filed or will file the following First Day Pleadings:

- a. Debtor's Request for Expedited Consideration of Certain First Day Matters;
- b. Debtor's Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Use of Cash Collateral, (II) Granting Adequate Protection, (III) Scheduling a Final Hearing, and (IV) Granting Related Relief;
- c. Debtor's Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Debtor to (A) Continue Operating Cash Management System, (B) Honor Certain Prepetition Obligations Related Thereto, and (C) Maintain Existing Business Forms and (II) Granting Related Relief;
- d. Debtor's Emergency Motion For Entry of Interim and Final Orders (I) Authorizing Continuation of, and Payment of, Prepetition Obligations Incurred in the Ordinary Course of Business in Connection With Various Insurance Policies, (II) Authorizing Banks to Honor and Process Checks and Electronic Transfer Requests Related Thereto, and (III) Preventing Insurance Companies From Giving any Notice of Termination or Otherwise Modifying any Insurance Policy Without Obtaining Relief From the Automatic Stay;
- e. Debtor's Emergency Motion for Entry of Interim and Final Orders (I) Approving the Debtor's Proposed Form of Adequate Assurance of Payment, (II) Establishing Procedures

for Resolving Objections by Utility Companies, and (III) Prohibiting Utility Companies from Altering, Refusing, or Discontinuing Service;

- f. Debtor's Emergency Application for Entry of an Order Authorizing Employment of Epiq Corporate Restructuring, LLC as Claims and Noticing Agent, Effective as of the Petition Date;
- g. Debtor's Emergency Motion for Entry of an Order Authorizing the Implementation of Procedures to Maintain and Protect Confidential Patient Information;
- h. Debtor's Emergency Motion for Entry of Interim and Final Orders (I) Authorizing Redaction of Certain Personally Identifiable Information and (II) Granting Related Relief; and
- i. Debtor's Emergency Motion for Entry of an Order (I) Extending Time to File Schedules and Statements of Financial Affairs and (II) Granting Related Relief.

36. The Debtor seeks the relief set forth in the First Day Pleadings to minimize the disruption to and adverse effects of the commencement of the Chapter 11 Case on business operations and to maximize the value of its assets. I have reviewed the Debtor's petition and the First Day Pleadings or have otherwise had their contents explained to me by the Debtor's advisors, and it is my belief that the relief sought therein is essential to ensure the uninterrupted operation of the Debtor's business and to successfully maximize the value of the Debtor's estate.

37. In addition to the First Day Motions, the Debtor has also filed (i) Debtor's Motion for Entry of (I) an Order (A) Approving Bid Procedures in Connection With the Potential Sale of the Debtor's Assets, (B) Scheduling an Auction and Sale Hearing, (C) Approving the Form and Manner of Notice Thereof, (D) Authorizing the Debtor to Enter into Stalking Horse Agreement, (E) Approving Bid Protections, (F) Approving Procedures for the Assumption and Assignment of Contracts and Leases, and (G) Granting Related Relief and (II) Order (A) Approving the Sale of the Debtor's Assets Free and Clear of all Liens, Claims, Encumbrances, and Interests, (B) Authorizing the Assumption and Assignment of Contracts and Leases, and (C) Granting Related Relief (the "**Sale and Bid Procedures Motion**"), (ii) a motion to expedite the Sale and Bid Procedures Motion, and has or will

file (i) applications to employ (collectively, the “**Employment Applications**”): (a) Polsinelli PC as counsel for the Debtor; (b) BDO as financial advisor to the Debtor, including approval of my appointment as CRO; and (c) GHB SOLIC Holdco, LLC d/b/a SOLIC Capital Advisors and SOLIC Capital as investment banker for the Debtor; and (ii) a Motion for Entry of an Order Authorizing the Debtor to (I) Maintain, Administer, and Modify Patient Refund Programs and Practices and (II) Honor Obligations Related Thereto (the “**Patient Refund Motion**”). The Debtor does not seek adjudication of the Sale and Bid Procedures Motion, the Employment Applications, or the Patient Refund Motion at the hearing on the First Day Motions.

38. Certain of the First Day Pleadings request authority to pay certain prepetition claims. I understand that Rule 6003 of the Federal Rules of Bankruptcy Procedure provides, in relevant part, that the Court shall not consider motions to pay prepetition claims during the first twenty-one (21) days following the filing of a chapter 11 petition, “[e]xcept to the extent that relief is necessary to avoid immediate and irreparable harm.” In light of this requirement, the Debtor has narrowly tailored its request for immediate authority to pay certain prepetition claims to those circumstances where the failure to pay such claims would cause immediate and irreparable harm to the Debtor and its estate. Other relief will be deferred for consideration at a later hearing.

39. In sum, I believe that the relief sought in each First Day Pleading: (a) is necessary to enable the Debtor to operate in chapter 11 with minimal disruption or loss of value; (b) is necessary to avoid immediate and irreparable harm; and (c) best serves the interests of the Debtor’s stakeholders.

I declare under penalty of perjury that the foregoing is true and correct:

Dated: January 22, 2026

/s/ Darryl Myers
Darryl Myers, CRO