

**Fill in this information to identify the case:**

Debtor 1 <u>Amory Regional Medical Center, Inc.</u>
Debtor 2 (Spouse, if filing)
United States Bankruptcy Court <b>MIDDLE DISTRICT OF TENNESSEE</b>
Case number: <b>18-05675</b>

FILED  
 U.S. Bankruptcy Court  
 MIDDLE DISTRICT OF TENNESSEE  
 1/15/2019  
 MATTHEW T. LOUGHNEY, Clerk

**Official Form 410  
 Proof of Claim**

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) that you received.

**Part 1: Identify the Claim**

<b>1. Who is the current creditor?</b>	Canon Financial Services, Inc. _____ Name of the current creditor (the person or entity to be paid for this claim)  Other names the creditor used with the debtor _____	
<b>2. Has this claim been acquired from someone else?</b>	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____	
<b>3. Where should notices and payments to the creditor be sent?</b>  Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)	<b>Where should notices to the creditor be sent?</b>	<b>Where should payments to the creditor be sent? (if different)</b>
	Canon Financial Services, Inc. _____ Name Eisenberg, Gold & Agrawal, P.C. Attn: Amar A. Agrawal, Esquire 1040 North Kings Highway, Suite 200 Cherry Hill, NJ 08034-8  Contact phone <u>856-330-6200</u> Contact email <u>aagrawal@egalawfirm.com</u>  Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____	Attn: Irene Giuseppini _____ Name 158 Gaither Drive, Suite 200  Mount Laurel, NJ 08054  Contact phone <u>800-220-0200</u> Contact email _____
<b>4. Does this claim amend one already filed?</b>	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on _____ <span style="float: right;">MM / DD / YYYY</span>	
<b>5. Do you know if anyone else has filed a proof of claim for this claim?</b>	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____	

**Part 2: Give Information About the Claim as of the Date the Case Was Filed**

6. Do you have any number you use to identify the debtor?  No  Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: 0001

7. How much is the claim? \$ 271889.92 Does this amount include interest or other charges?  No  Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card. Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c). Limit disclosing information that is entitled to privacy, such as healthcare information.  
Equipment Lease

9. Is all or part of the claim secured?  No  Yes. The claim is secured by a lien on property.  
**Nature of property:**  
 Real estate. If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.  
 Motor vehicle  
 Other. Describe: \_\_\_\_\_  
**Basis for perfection:** \_\_\_\_\_  
Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)  
**Value of property:** \$ \_\_\_\_\_  
**Amount of the claim that is secured:** \$ \_\_\_\_\_  
**Amount of the claim that is unsecured:** \$ \_\_\_\_\_ (The sum of the secured and unsecured amounts should match the amount in line 7.)  
**Amount necessary to cure any default as of the date of the petition:** \$ \_\_\_\_\_  
**Annual Interest Rate** (when case was filed) \_\_\_\_\_ %  
 Fixed  
 Variable

10. Is this claim based on a lease?  No  Yes. Amount necessary to cure any default as of the date of the petition. \$ 13193.82

11. Is this claim subject to a right of setoff?  No  Yes. Identify the property: \_\_\_\_\_

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?	<input checked="" type="checkbox"/> No	
	<input type="checkbox"/> Yes. Check all that apply:	<b>Amount entitled to priority</b>
A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.	<input type="checkbox"/> Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).	\$ _____
	<input type="checkbox"/> Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).	\$ _____
	<input type="checkbox"/> Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).	\$ _____
	<input type="checkbox"/> Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).	\$ _____
	<input type="checkbox"/> Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).	\$ _____
	<input type="checkbox"/> Other. Specify subsection of 11 U.S.C. § 507(a)(_) that applies	\$ _____
* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.		

**Part 3: Sign Below**

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157 and 3571.

Check the appropriate box:

- I am the creditor.
- I am the creditor's attorney or authorized agent.
- I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.
- I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this Proof of Claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this Proof of Claim and have a reasonable belief that the information is true and correct.

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

Executed on date 1/15/2019  
MM / DD / YYYY

/s/ Amar A. Agrawal

Signature

Print the name of the person who is completing and signing this claim:

Name Amar A. Agrawal

First name Middle name Last name

Title Attorney for Canon Financial Services, Inc.

Company Eisenberg, Gold & Agrawal, P.C.

Identify the corporate servicer as the company if the authorized agent is a servicer

Address 1040 North Kings Highway, Suite 200

Number Street

Cherry Hill, NJ 08034

City State ZIP Code

Contact phone 856-330-6200 Email aagrawal@egalawfirm.com

**ATTACHMENT TO PROOF OF CLAIM**

Debtor Name: Amory Regional Medical Center, Inc.  
Case Number: 18-05665  
Petition Filing Date: 08/24/2018

**Calculation of Amounts**

Remaining L/R Balance (discounted to the present value of 6%)	\$213,113.00
Purchase Option Price (per Agreement)	\$ 1.00
Late Charges	\$ 4,397.94
Legal Fees	\$ 54,377.98
<b>Total Amount of Claim as of date filed</b>	<b>\$271,889.92</b>



**CANON FINANCIAL SERVICES, INC.** ("CFS")  
 Remittance Address: 14804 Collections Center Dr.  
 Chicago, Illinois 60683 (800) 220-0200

**LEASE AGREEMENT**  
 CFS-1014 (03/13)

AGREEMENT NUMBER Application: \_\_\_\_\_

<b>COMPANY LEGAL NAME</b> AMORY REGIONAL MEDICAL CENTER INC	<b>DBA</b> GILMORE MEMORIAL HOSPITAL	<b>PROPERTY</b> _____
<b>BUILDING ADDRESS</b> 1105 East Frye Blvd	<b>CITY</b> Amory	<b>COUNTY</b> _____
<b>EQUIPMENT ADDRESS</b> same	<b>CITY</b> _____	<b>COUNTY</b> _____
<b>STATE</b> MS	<b>STATE</b> MS	<b>ZIP</b> 38621

EQUIPMENT INFORMATION			NUMBER AND AMOUNT OF PAYMENTS	
Quantity	Serial Number	Make/Model/Description	Number of Payments	Total Payment *
02		Canon 701C Upgrades,	60	4,397.94
01		DR Tablet Solution,		
01		Canon CXDI 801 detector as per CMS quote #201707-3347		

<b>FIRST PAYMENT AMOUNT</b>			Term in months: 80	* Plus Applicable Taxes
<b>FIRST &amp; LAST PAYMENT(S)</b>	+	<b>SECURITY DEPOSIT</b>	=	<b>TOTAL DUE AT SIGNING</b>
\$ _____		\$ _____		\$ _____
<input type="checkbox"/> Nonrefundable      Check must accompany Agreement			Payment Frequency: <input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Other	<b>END OF TERM PURCHASE OPTION</b> <input type="checkbox"/> FAIR MARKET VALUE <input type="checkbox"/> 10% \$ _____ (estimated) <input checked="" type="checkbox"/> \$1.00 <input type="checkbox"/> Other

THIS AGREEMENT IS EFFECTIVE ONLY UPON SIGNING BY BOTH PARTIES. THIS AGREEMENT IS NON-CANCELABLE BY CUSTOMER. CUSTOMER REPRESENTS THAT ALL ACTION REQUIRED TO AUTHORIZE THE EXECUTION OF THIS SCHEDULE ON BEHALF OF THE CUSTOMER BY THE FOLLOWING SIGNATORIES HAS BEEN TAKEN.

**ACCEPTED**

CANON FINANCIAL SERVICES, INC.

By: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_ 2518

**AUTHORIZED CUSTOMER SIGNATURE**

By: X \_\_\_\_\_ Title: CEO  
 Printed Name: J. Allen Ivra  
 Tax ID#: \_\_\_\_\_ If proprietor, DOB: \_\_\_\_\_  
 By: X \_\_\_\_\_ Title: \_\_\_\_\_  
 Printed Name: \_\_\_\_\_

**ACCEPTANCE CERTIFICATE**

To: Canon Financial Services, Inc. ("CFS")

The Customer certifies that (a) the Equipment referred to in the above Agreement has been received, (b) installation has been completed, (c) the Equipment has been examined by Customer and is in good operating order and condition and is, in all respects, satisfactory to the Customer, and (d) the Equipment is irrevocably accepted by the Customer for all purposes under the Agreement. Accordingly, Customer hereby authorizes billing under this Agreement.

Signature: \_\_\_\_\_ Printed Name: \_\_\_\_\_  
 Title (if any): \_\_\_\_\_ Date: \_\_\_\_\_

**TERMS AND CONDITIONS**

- AGREEMENT:** CFS leases to Customer, a \_\_\_\_\_ organized under the laws of the State of \_\_\_\_\_ with its chief executive office at \_\_\_\_\_ and Customer leases from CFS, with its place of business at 168 Galther Drive, Suite 200, Mount Laurel, New Jersey 08054, all the equipment described above, together with all replacement parts and substitutions for and additions to all such equipment (the "Equipment"), upon the terms and conditions set forth in this Lease Agreement ("Agreement"). The amount of each Payment and Amount of Payments section above and the 10% or Other Purchase Option price specified above are based on the supplier's best estimate of the cost of the Equipment. Such Payments and Purchase Option prices will be adjusted upward or downward if the actual total cost of the Equipment, including any sales or use tax, is more or less than the estimate and, in that event, Customer authorizes CFS to adjust such Payments and Purchase Option price by up to fifteen percent (15%).
- AGREEMENT PAYMENTS:** Customer agrees to pay to CFS, as invoiced, during the term of this Agreement, (a) the payments specified under "Number and Amount of Payments," and (b) such other amounts permitted hereunder as invoiced by CFS ("Payments").
- APPLICATION OF PAYMENTS:** All payments received by CFS from Customer under the Agreement will be applied to amounts due and payable hereunder chronologically, based on the date of CFS's charge as shown on the invoice for each such amount and among amounts having the same date in such order as CFS, in its discretion, may determine.
- TERM OF AGREEMENT:** The term of this Agreement shall commence on the date the Equipment is delivered to Customer, provided Customer executes CFS's Acceptance Certificate or otherwise accepts the Equipment as specified herein. After acceptance of the Equipment, Customer shall have no right to cancel this Agreement during the term hereof. The term of this Agreement shall end, unless sooner terminated by CFS, when all amounts required to be paid by Customer under this Agreement have been paid as provided and either (a) Customer has purchased the Equipment in accordance with the terms hereof or (b) the Equipment has been returned at the end of the scheduled term or renewal term in accordance with the terms hereof. Customer has no right to return the Equipment to CFS prior to the end of the scheduled term of this Agreement for any reason whatsoever, including, without limitation, payment of all amounts due under the Agreement prior to the end of the scheduled term.
- ADVANCE PAYMENTS; SECURITY DEPOSIT:** CFS may apply, but shall not be obligated to apply, any "Advance Payment(s)" or "Security Deposit" specified above to cure any default of Customer, in which event Customer shall promptly restore to CFS any amount so applied. In no event shall any advance payment or security deposit earn interest except where required by applicable law. No portion of any security deposit will be refunded to Customer until all of Customer's obligations have been fully performed as expressly provided in this Agreement. If the "Nonrefundable" box is checked, no portion of the security deposit will be refunded to Customer for any reason whatsoever.
- NO CFS WARRANTIES; CUSTOMER ACKNOWLEDGES THAT CFS IS NOT A MANUFACTURER, DEALER, OR SUPPLIER OF THE EQUIPMENT. CUSTOMER AGREES THAT THE EQUIPMENT IS LEASED "AS IS" AND IS OF A SIZE, DESIGN, AND CAPACITY SELECTED BY CUSTOMER. CFS HAS MADE NO REPRESENTATION OR WARRANTY WITH RESPECT TO THE DURABILITY OR DURABILITY OF THE EQUIPMENT, THE ABSENCE OF ANY CLAIM OF INFRINGEMENT OR THE LIKE, OR ANY OTHER REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. Any warranty with respect to the Equipment made by the supplier, dealer, or manufacturer is separate from, and is not a part of, this Agreement and shall be for the benefit of CFS. Customer and CFS purchaser or assignee, if**  
**SEE REVERSE SIDE FOR ADDITIONAL TERMS AND CONDITIONS.**

**PERSONAL GUARANTY**

The undersigned (whether one or more are specified, the "Guarantor(s)"); in consideration of CANON FINANCIAL SERVICES INC. ("CFS") entering into an Agreement (together with any schedules or supplements thereto, the "Agreement") with Customer (identified above ("Customer")) irrevocably and unconditionally, jointly and severally, guarantee to CFS, and its successors and assigns, the payment when due of all amounts owed under the Agreement (whether at maturity or upon the occurrence of an event of default or otherwise) and the performance by Customer of all promises, obligations and terms of the Agreement and any other financial transaction between Customer and CFS (collectively, the "Liabilities"). If Customer shall fail to pay or perform all or any part of the Liabilities when due, the Guarantors agree, upon demand, to pay any amounts which may be due from Customer and to take any action required of Customer under the Agreement. The Guarantors agree that this is an absolute and continuing guaranty and that their liability under this Guaranty is primary and will not be affected by any settlement, extension, renewal or modification of the Agreement or any discharge or release of Customer's obligations whether or not by operation of law.

If any payment applied by CFS to the Liabilities is thereafter set aside, recovered or required to be returned for any reason (including without limitation the bankruptcy, insolvency or reorganization of Customer or any other person), the Liabilities to which such payment was applied shall for the purposes of this Guaranty be deemed to have continued in existence, notwithstanding such application, and this Guaranty shall be enforceable as to such Liabilities as fully as if such application had never been made. This Guaranty may be terminated only upon 60 days prior written notice to CFS, and such termination shall be effective only as to Liabilities arising under Schedules, supplements, or agreements entered into after the effective date of termination without notice to the Guarantors and without in any manner affecting the Guarantors' liability under this Guaranty.

The Guarantors waive all damages, demands, presentments and notices of every kind and nature, any rights of set-off, and any defenses available to a guarantor (other than the defense of payment and performance in full) under applicable law. The Guarantors further waive any (i) notice of the incurring of indebtedness by Customer and the acceptance of this Guaranty, (ii) right to require suit against Customer or any other party before enforcing this Guaranty and (iii) right of subrogation to CFS's rights against Customer until Customer's indebtedness is paid in full and Customer's other obligations have been fully performed. The Guarantors consent and agree that any (i) renewals and extensions of term of payment, (ii) release, substitution or compromise of or realization upon the Equipment, other guarantees or any collateral security and (iii) exercise of any other right under this or any other agreement between CFS and Customer or any third party, may be made, granted and effected by CFS without notice to the Guarantors and without in any manner affecting the Guarantors' liability under this Guaranty.

The Guarantors agree to pay all expenses (including attorney's fees and legal expenses) paid or incurred by CFS in endeavoring to collect the Liabilities, or any part thereof and in enforcing the Guaranty. THIS GUARANTY SHALL FOR ALL PURPOSES BE DEEMED A CONTRACT ENTERED INTO IN THE STATE OF NEW JERSEY. THE RIGHTS OF THE PARTIES UNDER THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NEW JERSEY WITHOUT REFERENCE TO CONFLICT OF LAW PRINCIPLES. ANY ACTION BETWEEN THE GUARANTORS AND CFS SHALL BE BROUGHT IN ANY STATE OR FEDERAL COURT LOCATED IN THE COUNTY OF CAMDEN OR BURLINGTON, NEW JERSEY, OR AT CFS' SOLE OPTION, IN THE STATE WHERE THE GUARANTORS OR THE EQUIPMENT IS LOCATED. THE GUARANTORS, BY THEIR EXECUTION AND DELIVERY HEREOF, IRREVOCABLY WAIVE OBJECTIONS TO THE JURISDICTION OF SUCH COURTS AND OBJECTIONS TO VENUE AND CONVENIENCE OF FORUM. THE GUARANTORS, BY THEIR EXECUTION AND DELIVERY HEREOF, AND CFS, BY ITS ACCEPTANCE HEREOF, HEREBY WAIVE ANY RIGHT TO A JURY TRIAL IN ANY SUCH PROCEEDINGS.

The Guarantors agree that CFS may accept a facsimile or other electronic transmission copy of this Guaranty as an original, and that facsimile or electronically transmitted copies of the Guarantor's signatures will be treated as an original for all purposes.

Printed Name: \_\_\_\_\_ Signature: \_\_\_\_\_ (No Title) Date: \_\_\_\_\_  
 Address: \_\_\_\_\_ Phone: \_\_\_\_\_  
 Printed Name: \_\_\_\_\_ Signature: \_\_\_\_\_ (No Title) Date: \_\_\_\_\_  
 Address: \_\_\_\_\_ Phone: \_\_\_\_\_

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any. So long as Customer is not in breach or default of this Agreement, CFS assigns to Customer, solely for the purpose of making and prosecuting any such claim, the rights, if any, which CFS may have against the supplier, dealer or manufacturer for breach of warranty or other representation respecting any item of Equipment. CUSTOMER ACKNOWLEDGES AND AGREES THAT NEITHER THE SUPPLIER NOR ANY DEALER IS AUTHORIZED TO WAIVE OR ALTER ANY TERM OF THIS AGREEMENT, OR MAKE ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THIS AGREEMENT OR THE EQUIPMENT ON BEHALF OF CFS.

**7. ACCEPTANCE; DELIVERY:** Customer's execution of the Acceptance Certificate, or Customer's provision to CFS of other confirmation of its acceptance of the Equipment, shall conclusively establish that the Equipment has been delivered to and accepted by Customer for all purposes of this Agreement and Customer may not, for any reason, revoke that acceptance; however, if Customer has not, within ten (10) days after delivery of the Equipment, delivered to CFS written notice of non-acceptance of any of the Equipment, specifying the reasons therefor and specifically referencing this Agreement, Customer shall be deemed to have irrevocably accepted the Equipment. CFS is the lessor and Customer is the lessee of the Equipment under this Agreement. As between CFS and Customer only, this Agreement shall supersede any Customer purchase order in its entirety. Customer agrees to waive any right of specific performance of this Agreement and to hold CFS harmless from damages if for any reason the Equipment is not delivered as ordered, if the Equipment is unsatisfactory or if CFS does not execute this Agreement. Customer agrees that any delay in delivery of the Equipment shall not affect the validity of this Agreement.

**8. LOCATION; USES; NAMES; OFFICES:** Customer shall not move the Equipment from the location specified herein except with the prior written consent of CFS. Customer agrees that it will keep the Equipment free and clear of all claims and liens other than those created as a result of this Agreement. Customer's legal name (as set forth in its constituent documents filed with the appropriate government office or agency) is set forth herein. Upon request, Customer will deliver to CFS a good standing certificate and/or state certified constituent documents. The jurisdiction of organization of Customer is as set forth herein. The chief executive office of Customer is located at the address set forth herein. Customer will not change its name, the location of its chief executive office or its corporate structure (including, without limitation, its jurisdiction of organization) unless CFS has been given at least 30 days prior written notice thereof and Customer has executed and delivered to CFS such financing statements and other instruments required or appropriate.

**9. USE; FINANCING STATEMENTS:** Customer shall comply with all laws or regulations relating to the use or maintenance of the Equipment. Customer shall put the Equipment only to the use contemplated by the manufacturer of such Equipment. Customer authorizes CFS (and any third party filing service designated by CFS) to execute and file, (a) financing statements evidencing the interest of CFS in the Equipment, (b) continuation statements in respect thereof, and (c) amendments (including forms containing a broader description of the Equipment than the description set forth herein) and Customer irrevocably waives any right to notice thereof.

**10. INDEMNITY:** Customer agrees to reimburse CFS for and to defend CFS against any claim for losses or injury caused by the Equipment. This Section shall survive termination of this Agreement.

**11. MAINTENANCE; ALTERATIONS:** Customer will keep and maintain the Equipment in good working order and shall, at Customer's expense, supply and install all replacement parts and accessories when required to maintain the Equipment in good working condition. Customer shall not, without the prior written consent of CFS, make any changes or substitutions to the Equipment. Any and all replacement parts, accessories, authorized changes and/or substitutions for the Equipment shall become part of the Equipment and subject to the terms of this Agreement.

**12. TAXES; OTHER FEES AND CHARGES:** CUSTOMER SHALL PAY AND DISCHARGE WHEN DUE ALL LICENSE AND REGISTRATION FEES, ASSESSMENTS, SALES, USE, PROPERTY AND OTHER TAXES, AND OTHER EXPENSES AND CHARGES, together with any applicable penalties, interest, and administrative fees now or at any time imposed upon any item of the Equipment, the Payments payable under this Agreement, or Customer's performance or non-performance of its obligations hereunder, whether payable by or assessed to CFS or Customer. If Customer fails to pay any fees, assessments, taxes, expenses or charges as required by the Agreement, CFS shall have the right but not the obligation to pay those fees, assessments, taxes, expenses or charges. If such payments are made by CFS, Customer shall promptly reimburse CFS, upon demand, for all such payments made plus administration fees and costs, if any. Customer acknowledges that where required by law, CFS will file any notices and pay personal property taxes levied on the Equipment. Customer shall reimburse CFS for the expense of personal property taxes as invoiced by CFS and pay CFS a processing fee not to exceed \$50 per year per item of Equipment which is subject to such tax. Customer agrees that CFS has not and will not, render tax advice to Customer and that the payment of such taxes is an administrative act. ON THE DATE OF THE FIRST SCHEDULED PAYMENT AND THE DATE OF THE FIRST SCHEDULED PAYMENT AFTER THE ADDITION OF ANY EQUIPMENT, CUSTOMER SHALL PAY TO CFS AN ADMINISTRATIVE FEE, IN THE AMOUNT OF \$65, TO REIMBURSE CFS FOR ITS ADMINISTRATIVE AND RECORDING COSTS.

**13. INSURANCE:** Customer, at its sole cost and expense, shall obtain, maintain and pay for (a) insurance against the loss, theft, or damage to the Equipment for the full replacement value thereof, and (b) comprehensive public liability and property damage insurance. All such insurance shall provide for a deductible not exceeding \$5,000 and be in form and amount, and with companies satisfactory to CFS. Each insurer providing such insurance shall name CFS as additional insured and loss payee and provide CFS thirty (30) days written notice before the policy in question shall be materially altered or canceled. Customer shall pay the premiums for such insurance, shall be responsible for all deductible portions thereof, and shall deliver certificates or other evidence of insurance to CFS. The proceeds of such insurance, at the option of CFS, shall be applied to (a) replace or repair the Equipment, or (b) pay CFS the "Remaining Lease Balance." For purposes of this Agreement, the "Remaining Lease Balance" shall be the sum of (i) all amounts then owed by Customer to CFS under this Agreement (ii) the present value of all remaining Payments for the full term of this Agreement (iii) the "Asset Value," and the "Asset Value" shall be: (A) for an Agreement with a \$1.00 purchase option, \$1.00; (B) for an Agreement with no purchase option or a Fair Market Value purchase option, the Fair Market Value of the Equipment shall be as defined in the terms hereof; and (C) for an Agreement with an Other or 10% Purchase Option, the amount indicated as the respective dollar amount of such Purchase Option on the face of this Agreement plus (iv) any applicable taxes, expenses, charges and fees. For purposes of determining present value under this Agreement, Payments shall be discounted at 6% per year. Customer hereby appoints CFS as Customer's attorney-in-fact to make claim for, receive payment of, and execute and endorse all documents, checks, or drafts for any loss or damage under any such insurance policy. If within ten (10) days after CFS's request Customer fails to deliver satisfactory evidence of such insurance to CFS, then CFS shall have the right, but not the duty, to obtain insurance with respect to the Equipment satisfactory to CFS, at the expense of the Customer. Customer hereby agrees that CFS shall be entitled to retain any fees earned by it in connection with any insurance obtained under this Agreement.

**14. LOSS; DAMAGE:** Customer assumes and shall bear the entire risk of loss, theft, or, damage to the Equipment from any cause whatsoever, effective upon delivery to Customer. No such loss, theft or damage shall relieve Customer of any obligation under this Agreement. In the event of damage to any item of Equipment, Customer shall immediately repair such damage at Customer's expense. If any item of Equipment is lost, stolen, or damaged beyond repair, Customer, at the option of CFS, will (a) replace the same with the equipment in a condition acceptable to CFS and convey clear title to such equipment to CFS (such equipment will become "Equipment" subject to the terms of this Agreement), or (b) pay CFS the Remaining Lease Balance. Upon CFS's receipt of the Remaining Lease Balance, Customer shall be entitled to whatever interest CFS may have in the Equipment, in its then condition and location, without warranties of any kind.

**15. DEFAULT:** Any of the following events or conditions shall constitute an Event of Default under this Agreement: (a) if Customer defaults in the payment when due of any indebtedness of Customer to CFS, whether or not arising under this Agreement, without notice or demand by CFS; (b) if Customer or any Guarantor ceases doing business as a going concern; (c) if Customer or any Guarantor becomes insolvent or makes an assignment for the benefit of creditors; (d) if a petition or proceeding is filed by or against Customer or any Guarantor under any bankruptcy or insolvency law; (e) if a receiver, trustee, conservator, or liquidator is appointed for Customer, any Guarantor, or any of their property; (f) if any statement, representation or warranty made by Customer or any Guarantor to CFS is incorrect in any material respect; (g) if Customer or any Guarantor defaults under any loan or credit agreement; or (h) if Customer or any Guarantor who is a natural person dies.

**16. REMEDIES:** Upon the happening of any one or more Events of Default, CFS shall have the right to exercise any one or all of the following remedies (which shall be cumulative), simultaneously, or serially, and in any order: (a) to declare all unpaid Payments and other amounts due and payable under this Agreement with CFS retaining title to the Equipment; (b) to terminate any and all agreements with Customer, (c) with or without notice, demand or legal process, to retake possession of any or all of the Equipment (and Customer authorizes and empowers CFS to enter upon the premises wherever the Equipment may be found) and (i) retain such Equipment and all Payments and other sums paid under this Agreement, or (ii) re-lease the Equipment and amount by which the Remaining Lease Balance exceeds the net amount received by CFS from such sale; or (d) to pursue any other remedy permitted at law or in equity. CFS (f) may dispose of the Equipment in its then present condition or following such federal law requirements in connection with a disposition of the Equipment and none of the foregoing actions shall be deemed to adversely affect the commercial reasonableness of the disposition of the Equipment. In the event the Equipment is not available for sale, the Customer shall be liable for the Remaining Lease Balance and any other amounts due under this Agreement.

**17. LATE CHARGES; EXPENSES OF ENFORCEMENT:** If Customer fails to pay any sum to be paid by Customer to CFS under this Agreement on or before the applicable due date, Customer shall pay CFS, upon demand, an amount equal to ten percent (10%) of each such delayed Payment or ten dollars (\$10) whichever is greater for each billing period or portion of a billing period such Payment is delayed to the extent permitted by law. The amounts specified above shall be paid as liquidated damages and as compensation for CFS's internal operating expenses incurred in connection with such late payment. In addition, Customer shall reimburse CFS for all of its out-of-pocket costs and expenses incurred in exercising any of its rights or remedies under this Agreement or in enforcing any of the terms or provisions of this Agreement, including, without limitation, reasonable attorney's fees and expenses and fees and expenses of collection agencies, whether or not suit is brought. If CFS should bring court action, Customer and CFS agree that attorney's fees equal to twenty-five percent (25%) of the total amount sought by CFS shall be deemed reasonable for purposes of this Agreement. If CFS should bring court action, Customer shall be deemed responsible for purposes of this Agreement.

**18. ASSIGNMENT:** CUSTOMER SHALL NOT ASSIGN OR PLEDGE THIS AGREEMENT IN WHOLE OR IN PART, NOR SHALL CUSTOMER SUBLET OR LEND ANY ITEM OF EQUIPMENT WITHOUT THE PRIOR WRITTEN CONSENT OF CFS. CFS Customer agrees that the rights of the new owner will not be subject to any claims, defenses, or set-offs that Customer may have against CFS, including without limitation, claims, defenses or set-offs arising out of service obligations, if any, under this Agreement. If Customer is given notice of any such transfer, Customer agrees, if so directed therein, to pay directly to the new owner all or any part of the amounts payable hereunder.

**19. RENEWAL; RETURN:** Except in the case of an Agreement containing \$1.00 purchase option, this Agreement shall automatically renew on a month to month basis at the same Payment amount and frequency unless Customer, at least sixty (60) days before the end of the scheduled term or any renewal term, either (i) exercises the purchase option in accordance with the terms hereof or (ii) sends to CFS written notice that Customer does not want to renew this Agreement, and at the end of such term returns the Equipment as provided below. CFS may cancel the automatic renewal term by, at least sixty (60) days before the end of any term, sending the Customer written notice that CFS does not want the Agreement to renew. Unless this Agreement automatically renews or Customer purchases the Equipment as provided in this Agreement, Customer shall, at the termination of this Agreement, return the Equipment at its sole cost and expense in good operating condition, ordinary wear and tear resulting from proper use excepted, to a location specified by CFS. If for any reason Customer shall fail to return the Equipment to CFS as provided in this Agreement by the last day of the applicable term, Customer shall pay to CFS upon demand one billing period's Payment for each billing period or portion thereof that such delivery is delayed.

**20. PURCHASE OPTION:** (A) END OF TERM PURCHASE OPTION. Customer shall give CFS sixty (60) days prior irrevocable written notice (unless the Purchase Option is \$1.00 that it will purchase all the Equipment at the end of the initial term or any renewal term for the purchase option price indicated on the face of this Agreement plus any applicable taxes, expenses, charges and fees. (B) PRIOR TO MATURITY PURCHASE. Customer may, at any time, upon sixty (60) days irrevocable written notice return all (but not less than all) the Equipment at a price equal to the sum of all remaining Payments plus the Fair Market Value, plus any applicable taxes, expenses, charges and fees. For purposes of this Agreement "Fair Market Value" shall be CFS's retail price at the time Customer notifies CFS of its intent to purchase the Equipment, but not less than 20% of the total cost of the Equipment. Equipment purchases shall not be available to Customer if a default hereunder has occurred and is continuing. Upon proper notice and payment by Customer of the amounts specified above, CFS shall transfer the Equipment to Customer "AS-IS WHERE-IS" without any representation or warranty whatsoever, except for title, and this Agreement shall terminate.

**21. DATA:** Customer acknowledges that the hard drive(s) on the Equipment, including attached devices, may retain images, content or other data that Customer may store for purposes of normal operation of the Equipment ("Data"). Customer acknowledges Customer's return of the Equipment to CFS. Customer is solely responsible for: (i) its compliance with applicable law and legal requirements relating to data privacy, storage, security, retention and protection; and (ii) all decisions related to erasing or overwriting Data. Without limiting the foregoing, Customer shall, prior to return or other disposition of the Equipment, utilize the Hard Disk Drive (HDD) (or comparable) formatting function (which may be referred to as "Initialize All Data/Settings" function) if Encryption Key option which disguises information before it is written to the hard drive using encryption algorithms. (b) an HDD Data Erase Kit that can perform up to a 3-pass overwrite of Data or (c) a replacement hard drive (in which case the Customer should destroy any files) arising or related to the storage, transmission or destruction of the Data. This section survives termination or expiration of this Agreement.

**22. WARRANTY OF BUSINESS PURPOSE:** Customer represents and warrants that the Equipment will not be used for personal, family, or household purposes.

**23. PERSONAL PROPERTY:** The Equipment shall remain personal property regardless of whether it becomes affixed to real property or permanently rests upon any real property or any improvement to real property.

**24. MAXIMUM INTEREST; RECHARACTERIZED AGREEMENT:** No Payment is intended to exceed the maximum amount of time price differential or interest, as applicable, permitted to be charged or collected by applicable laws, and any such excess security interest in the Equipment to secure payment and performance of Customer's obligations under this Agreement. If this Agreement is recharacterized as a conditional sale or loan, Customer hereby grants to CFS, its successors and assigns, a security interest in the Equipment to secure payment and performance of Customer's obligations under this Agreement.

**25. UCC - ARTICLE 2A: CUSTOMER ACKNOWLEDGES AND AGREES THAT THIS AGREEMENT IS INTENDED AS A "FINANCE LEASE" AS THAT TERM IS DEFINED IN ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE AND THAT CFS IS ENTITLED TO ALL BENEFITS, PRIVILEGES AND PROTECTIONS OF A LESSOR UNDER A FINANCE LEASE.**

**26. WAIVER OF OFFSET:** This Agreement is a net lease. If the Equipment is not properly installed, does not operate as represented or warranted, or is unsatisfactory for any reason, Customer shall make such claim solely against the supplier, dealer, or manufacturer. Customer waives any and all existing and future claims and offsets against any Payments or other charges due under this Agreement, and unconditionally agrees to pay such Payments and other charges, regardless of any offset or claim which may be asserted by Customer or on its behalf.


**27. NOTICES:** All notices required or permitted under this Agreement shall be sufficient if delivered personally, sent via facsimile or other electronic transmission, or mailed to such party at the address set forth in this Agreement, or at such other address as such party may designate in writing from time to time. Any notice from CFS to Customer shall be effective three days after it has been deposited in the mail, duly addressed. All notices to CFS from Customer shall be effective after it has been received via U.S. Mail, express delivery, facsimile or other electronic transmission.

**28. ELECTRONIC ACCEPTANCE:** Customer agrees that CFS may accept a facsimile or other electronic transmission of this Agreement or any Acceptance Certificate as an original, and that facsimile or electronically transmitted copies of Customer's signature will be treated as an original for all purposes.

**29. NON-WAIVER:** No waiver of any of Customer's obligations, conditions or covenants shall be effective unless contained in a writing signed by CFS. Failure to exercise any remedy which CFS may have shall not constitute a waiver of any obligation with respect to which Customer is in default.

**30. MISCELLANEOUS:** If there should be more than one party executing this Agreement as Customer, all obligations to be performed by Customer shall be the joint and several liability of all such parties. Customer's representations, warranties, and covenants under this Agreement shall survive the delivery and return of the Equipment. Any provision of this Agreement which may be determined by competent authority to be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement. No such prohibition or unenforceability in any jurisdiction shall invalidate or render unenforceable such provision in any other Customer and CFS and no modifications of this Agreement shall be effective unless in writing and signed by the parties. This Agreement contains the entire arrangement between Customer and CFS.

**31. GOVERNING LAW; VENUE; WAIVER OF JURY TRIAL:** THIS AGREEMENT HAS BEEN EXECUTED BY CFS IN, AND SHALL FOR ALL PURPOSES BE DEEMED A CONTRACT ENTERED INTO, IN THE STATE OF NEW JERSEY. THE RIGHTS OF THE PARTIES UNDER THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NEW JERSEY WITHOUT REFERENCE TO CONFLICT OF LAW PRINCIPLES. ANY ACTION BETWEEN CUSTOMER AND CFS SHALL BE BROUGHT IN ANY STATE OR FEDERAL COURT LOCATED IN THE COUNTY OF CAMDEN OR BURLINGTON, NEW JERSEY, OR AT CFS' SOLE OPTION, IN THE STATE WHERE THE CUSTOMER OR THE EQUIPMENT IS LOCATED. CUSTOMER, BY ITS EXECUTION AND DELIVERY HEREOF, IRREVOCABLY WAIVES OBJECTIONS TO THE JURISDICTION OF SUCH COURTS AND OBJECTIONS TO VENUE AND CONVENIENCE OF FORUM. CUSTOMER, BY ITS EXECUTION AND DELIVERY HEREOF, AND CFS, BY ITS ACCEPTANCE HEREOF, HEREBY WAIVES ANY RIGHT TO A JURY TRIAL IN ANY SUCH PROCEEDINGS.

Initial 



CANON FINANCIAL SERVICES, INC.

ACCEPTANCE CERTIFICATE

CFS' Application Number: [Redacted]
Agreement Number:
Effective Date of Agreement:

To: Canon Financial Services, Inc. ("CFS")

The undersigned Customer certifies that the equipment (the "Equipment") referred to in the agreement (whether designated a lease, rental, master lease, or otherwise, together with any schedules, the "Agreement"), between CFS and Customer, has been received, installation has been completed, the Equipment has been examined by Customer and is in good operating order and condition and is, in all respects, satisfactory to the Customer, and the Equipment is irrevocably accepted by the Customer for all purposes under the Agreement.

Customer: AMORY REGIONAL MEDICAL CENTER INC
Signature: [Handwritten Signature]
Printed Name: J. Allen Tyra
Title (if any): CEO
Date Signed: 2/1/18

UPON EXECUTION, please send to: HEALTHAPPS@CFS.CANON.COM OR FAX: 856-505-5005
Attention: CHRISTINA GALVANO

We would be pleased to assist you with any inquiries or comments.
Please direct your call to the following telephone numbers: (856) 813-1000 or (800) 220-0200.

CFS-2000 (10/15)



**CANON FINANCIAL SERVICES, INC. (CFS)**  
 Remittance Address: 14904 Collections Center Drive  
 Chicago, Illinois 60693 (800) 220-0200

**Canon Healthcare Equipment  
 PROTECTION ADDENDUM**

CFS' Application Number:	Application: <span style="background-color: black; color: black;">[REDACTED]</span>
CFS' Agreement Number:	

WHEREAS, Canon Financial Services, Inc. ("CFS") and AMORY REGIONAL MEDICAL CENTER INC ("Customer") have determined that it is for their mutual benefit to enter into this Canon Healthcare Equipment Protection Addendum ("Addendum") to the agreement (whether designated a lease, rental, master agreement, or otherwise, together with any schedules, the "Agreement") for the lease or rental of certain equipment ("Equipment").

NOW, THEREFORE, for good and valuable consideration, intending to be legally bound, the parties hereto hereby agree as follows:

Capitalized terms used herein but not otherwise defined herein shall have the respective meanings given to such terms in the Agreement. It is expressly agreed by the parties that this Addendum is supplemental to the Agreement and that the provisions thereof, unless specifically modified herein, shall remain in full force and effect and shall apply to this Addendum as though they were expressly set forth herein. In the event of any conflict or inconsistency between the provisions of this Addendum and any provisions of the Agreement, the provisions of this Addendum shall in all respect govern and control.

The Agreement is hereby amended as follows:

The "INSURANCE" Paragraph of the Agreement is hereby deleted and replaced with the following:

**"INSURANCE:** Customer, at its sole cost and expense, shall obtain, maintain and pay for comprehensive public liability and property damage insurance. All such insurance shall provide for a deductible not exceeding \$5,000 and be in form and amount, and with companies satisfactory to CFS. Each insurer providing such insurance shall name CFS as additional insured and provide CFS thirty (30) days written notice before the policy in question shall be materially altered or canceled. Customer shall pay the premiums for such insurance, shall be responsible for all deductible portions thereof, and shall deliver certificates or other evidence of insurance to CFS. Customer hereby appoints CFS as Customer's attorney-in-fact to make claim for, receive payment of, and execute and endorse all documents, checks, or drafts for any loss or damage under any such insurance policy. If within ten (10) days after CFS's request, Customer fails to deliver satisfactory evidence of such insurance to CFS, then CFS shall have the right, but not the duty, to obtain such insurance for its own benefit at the expense of Customer. Customer hereby agrees that CFS shall be entitled to retain any fees earned by it in connection with any insurance obtained under this Agreement."

The "LOSS; DAMAGE" Paragraph of the Agreement is hereby amended to include the following:

"Notwithstanding the foregoing, the charges established by this Agreement include payments for Customer's coverage under the Canon Equipment Protection Program ("EPP"), and such amounts are included in the Payments as an accommodation to Customer. The terms and conditions of the EPP applicable to the Equipment are described in EPP documentation that has been separately provided to Customer. Customer hereby acknowledges receipt of such documentation. For the avoidance of doubt, Customer acknowledges that the EPP is not a warranty program and in no way limits the breadth or applicability of the above Paragraph entitled "NO CFS WARRANTIES"."

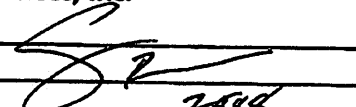
The "REMEDIES" Paragraph of the Agreement is hereby amended to include the following:

"For purposes of this Agreement, "Remaining Lease Balance" shall be the sum of: (i) all amounts then owed by Customer to CFS under this Agreement; (ii) the present value of all remaining Payments for the full term of this Agreement; (iii) the "Asset Value," and the "Asset Value" shall be: (A) for an Agreement with a \$1.00 purchase option, \$1.00; (B) for an Agreement with no purchase option or a Fair Market Value purchase option, the Fair Market Value of the Equipment shall be as defined in the terms hereof; and (C) for an Agreement with an Other or 10% Purchase Option, the amount indicated as the respective dollar amount of such Purchase Option on the face of this Agreement; plus (iv) any applicable taxes, expenses, charges and fees. For purposes of determining present value under this Agreement, Payments shall be discounted at 6% per year."

Customer agrees that CFS may accept a facsimile or electronic transmission of this Addendum as an original, and that such facsimile or electronically transmitted copies of Customer's signatures will be treated as an original for all purposes. THIS ADDENDUM SHALL BE EFFECTIVE WHEN IT HAS BEEN SIGNED BY CUSTOMER AND ACCEPTED BY CFS.


**ACCEPTED**

**Canon Financial Services, Inc.**

By:   
 Title: \_\_\_\_\_  
 Date: 2/15/15

**CUSTOMER AUTHORIZED SIGNATURE**

**Customer**

By:   
 Printed Name: J. Allen Tyra  
 Title: CEO

By: \_\_\_\_\_  
 Printed Name: \_\_\_\_\_  
 Title: \_\_\_\_\_

CFS-1028 (02/15)



# MIDDLE DISTRICT OF TENNESSEE Claims Register

[3:18-bk-05675 Amory Regional Medical Center, Inc.](#)

**Judge:** Charles M Walker      **Chapter:** 11  
**Office:** Nashville              **Last Date to file claims:**  
**Trustee:**                              **Last Date to file (Govt):**

*Creditor:* (6822201)      **Claim No:** 37      *Status:*  
Canon Financial Services, Inc.      *Original Filed*      *Filed by:* CR  
Eisenberg, Gold & Agrawal, P.C.      *Date:* 01/15/2019      *Entered by:* admin  
Attn: Amar A. Agrawal, Esquire      *Original Entered*      *Modified:*  
1040 North Kings Highway,      *Date:* 01/15/2019  
Suite 200  
Cherry Hill, NJ 08034-8

Amount claimed: \$271889.92

*History:*

[Details](#)    [37-1](#) 01/15/2019 Claim #37 filed by Canon Financial Services, Inc., Amount claimed: \$271889.92 (admin)

*Description:*

*Remarks:* (37-1) Account Number (last 4 digits):0001

## Claims Register Summary

**Case Name:** Amory Regional Medical Center, Inc.  
**Case Number:** 3:18-bk-05675  
**Chapter:** 11  
**Date Filed:** 08/24/2018  
**Total Number Of Claims:** 1

<b>Total Amount Claimed*</b>	\$271889.92
<b>Total Amount Allowed*</b>	

\*Includes general unsecured claims

**The values are reflective of the data entered. Always refer to claim documents for actual amounts.**

	Claimed	Allowed
<b>Secured</b>		
<b>Priority</b>		
<b>Administrative</b>		