

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF TENNESSEE
NASHVILLE DIVISION**

| | | |
|--|---|----------------------|
| In re: |) | |
| |) | Chapter 11 |
| Curae Health, Inc., <i>et al.</i> ¹ |) | Case No. 18-05665 |
| |) | |
| 1721 Midpark Road, Suite B200 |) | Judge Walker |
| Knoxville, TN 37921 |) | |
| Debtors. |) | Jointly Administered |

THE DEADLINE FOR FILING A TIMELY RESPONSE IS: APRIL 30, 2019

IF A RESPONSE IS TIMELY FILED, THE HEARING WILL BE: MAY 7, 2019 AT 9 A.M. CST, COURTROOM 2, CUSTOMS HOUSE, UNITED STATES BANKRUPTCY COURT FOR THE MIDDLE DISTRICT OF TENNESSEE, 701 BROADWAY, 2ND FLOOR, NASHVILLE, TENNESSEE 37203

**SERVISFIRST BANK’S OBJECTION TO
MOTION FOR ALLOWANCE AND IMMEDIATE PAYMENT
OF ADMINISTRATIVE EXPENSES AND UNSECURED CLAIMS**

ServisFirst Bank, by and through counsel, hereby files this Objection (the “Objection”) to the Motion for Allowance and Immediate Payment of Administrative Expenses and Unsecured Claims filed by Owens & Minor, Inc. on April 5, 2019 [Docket No. 927] (the “Motion”).

In furtherance hereof, ServisFirst Bank hereby states as follows:

1. ServisFirst Bank objects to the Motion to the extent Owens & Minor, Inc. attempts to use the Debtors’ cash collateral in order to pay the alleged administrative expense claims. No agreement exists with the Debtors to pay the administrative expense claims out of the ServisFirst

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are Curae Health, Inc. (5638); Amory Regional Medical Center, Inc. (2640); Batesville Regional Medical Center, Inc. (7929); and Clarksdale Regional Medical Center, Inc. (4755); Amory Regional Physicians, LLC (5044); Batesville Regional Physicians, LLC (4952); Clarksdale Regional Physicians, LLC (5311).

Bank's cash collateral. Without an agreement by ServisFirst Bank, the administrative expense claim may not be paid from cash collateral.

2. ServisFirst Bank objects to the characterization of its loans, security interests and lien rights in the assets of the Debtors' estates set forth in the Motion. ServisFirst Bank demands strict proof by Owens & Minor, Inc. that ServisFirst Bank's security interests and liens are not in a first priority position with respect to the Debtors' goods on both a pre-petition and post-petition basis.

3. ServisFirst Bank asserts that its security interests and liens pursuant to the loan documentation executed by Debtors clearly establishes ServisFirst Bank's first priority lien status with respect to goods.

4. As adequate protection for the use of cash collateral in which ServisFirst Bank claimed an interest, ServisFirst Bank was also granted replacement liens and a superpriority administrative expense claim. These provisions were included in several Orders entered by this Court. Upon information and belief, ServisFirst Bank alleges that its collateral has diminished in value and ServisFirst Bank is entitled to enforce its replacement liens and assert its super priority administrative expense claim in amounts to be determined.

5. Owens & Minor, Inc. made no objection to the Debtors' motions for use of cash collateral either in connection with the beginning of this case or in connection with the most recent orders entered in connection with the use of cash collateral.

6. ServisFirst Bank asserts that no release of its security interests and liens occurred in connection with the financing provided by the MidCap DIP loan as alleged by Owens & Minor, Inc. in Paragraph 21 of the Motion.

WHEREFORE, ServisFirst Bank hereby respectfully objects to the Motion and requests that this Court enter an appropriate order denying the Motion and granting such other and further relief as the Court deems just and proper.

Respectfully submitted,

NEAL & HARWELL, PLC

By: /s/ David G. Thompson
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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Limited Objection has been served through the Bankruptcy Court's ECF system on all parties registered to receive electronic notice in this case on this the 30th day of April, 2019.

/s/ David G. Thompson