

**UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF TENNESSEE**

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

**THE DEADLINE FOR FILING A TIMELY RESPONSE IS: November 8, 2018
THE HEARING WILL BE: 11:00 A.M., November 27, 2018, Courtroom Two, Customs House,
701 Broadway, Nashville, TN 37203**

**THE CITY OF AMORY, MISSISSIPPI’S OBJECTION TO ASSUMPTION AND
ASSIGNMENT OF UTILITY SERVICE CONTRACT, INCLUDING CURE AMOUNT**

Comes the City of Amory, Mississippi (the “City”), and files this Objection to the Notice of (I) Debtors’ Intent to Assume and Assign Certain Executory Contracts, Unexpired Leases of Personal Property, and Unexpired Leases of Nonresidential Real Property; and (II) Cure Amounts Related to the Foregoing, filed October 29, 2018 (the “Notice of Intent”) (Docket No. 371). In support of this Objection, the City respectfully states as follows:

1. The City is a municipality located in Monroe County, Mississippi, the county seat of which is the City. The City’s Utilities Department administers all of the City’s electrical, gas, water, sewer and related services. The Debtors have 21 utility accounts with the City. Each account was active but in arrears as of the petition date. The average prepetition monthly charges to Debtor-in-Possession Amory Regional Medical Center, Inc., known as Gilmore Memorial Hospital (“Gilmore”), for these utility services were approximately \$96,412.00.

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); Clarksdale Regional Medical Center, Inc. (4755); Amory Regional Physicians, LLC (5044); Batesville Regional Physicians, LLC (4952); and Clarksdale Regional Physicians, LLC (5311).

2. The Notice of Intent lists an executory Memorandum of Understanding between the City and Gilmore with a cure amount of \$0.00. This is not correct. The cure amount would be at least equal to the balance that Gilmore owed to the City on the petition date, which was \$177,771.55. This does not include postpetition late charges, or the City's attorney fees incurred in these cases, or any other pecuniary losses that the City has incurred as a result of Gilmore's default.

3. Additionally, the assumption and assignment contemplated in the Notice of Intent does not affirmatively propose to provide the City adequate assurance of future performance. Like other utilities, the City customarily requires a deposit, or possibly a bond or an insurance policy, to help to ensure that the City does not suffer a pecuniary loss if the customer fails to pay for its utility services. To the best of the City's knowledge, there has been no offer to provide the City an appropriate and adequate deposit.

WHEREFORE, the City respectfully prays as follows:

1. That the Court disapprove the assumption and assignment of the City's utility service agreement with Gilmore, because the cure amount is inadequate and there is no adequate assurance of future performance on the part of the proposed assignee, North Mississippi Health Services, Inc.

2. In the alternative, that the Court condition the assumption and assignment of such agreement upon the payment of the entire cure amount required under 11 U.S.C. § 365(b)(1)(A) and (B), and upon the provision of adequate assurance of future performance as required by 11 U.S.C. § 365(b)(1)(C) in the form of a deposit that comports with the City's customary requirements of a customer such as North Mississippi.

3. That the Court grant the City such other, further and general relief a is just.

/s/ Linda W. Knight

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CERTIFICATE OF SERVICE

I hereby certify that on November 7, 2018, a true and correct copy of the foregoing document was filed electronically. Notice of this filing will be sent by operation of the Court's electronic filing system to all parties indicated on the electronic filing receipt. Parties may access this filing through the Court's electronic filing system. The foregoing document was also served by electronic mail upon the following:

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/s/ Linda W. Knight

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