

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF COLUMBIA**

In re:	:	Chapter 11
	:	
GREATER SOUTHEAST COMMUNITY	:	Jointly Administered
HOSPITAL CORP., I, <i>et al.</i> ,	:	Case No. 02-2250
	:	Judge S. Martin Teel, Jr.
Debtors.	:	
	:	

**JOINT MOTION FOR COURT APPROVAL OF STIPULATION THAT THE
SCHEDULED CLAIM OF EVERETT WRIGHTSMAN IS AN OBLIGATION OF
THE REORGANIZED DEBTORS AND NOT THE DCHC LIQUIDATING TRUST**

The DCHC Liquidating Trust (the “Trust”) and the Reorganized Debtors (together, the “Movants”), by and through their undersigned counsel, hereby file this joint motion (the “Motion”) to approve the attached Stipulation and Order between the Trust and the Reorganized Debtors, providing that Everett Wrightsman’s unsecured scheduled claim in the amount of \$1,400,000, to the extent allowable, is an obligation of the Reorganized Debtors and not the Trust, pursuant to the terms of the Plan and Confirmation Order. In support, the Movants state as follows:

BASIS FOR STIPULATION

1. On November 20, 2002 (the “Petition Date”), Doctors Community Healthcare Corporation (“DCHC”), Greater Southeast Hospital Corp. I (“GSE”), Michael Reese Medical Center Corporation (“MR”), Pacifica of the Valley Corporation (“Pacifica”), Pacin Healthcare-Hadley Memorial Hospital Corporation (“Hadley”) and Pine Grove Hospital Corporation of Canoga Park, California (“Pine Grove,” collectively referred to along with DCHC, GSE, MR, Pacifica and Hadley as the “Debtors”) filed separate voluntary petitions for relief under chapter 11 of title 11 of the United States Code.

2. DCHC scheduled a \$1.4 million unsecured claim in favor of Everett Wrightsman (the “Wrightsmen Claim”). DCHC also scheduled a Consulting Agreement, dated November 1, 2001, between Mr. Wrightsman and DCHC as an executory contract (the “Consulting Agreement”). The Wrightsman Claim appears to be based on amounts owed under the Consulting Agreement.

3. On April 2, 2004, the Court entered an order (the “Confirmation Order”) approving the Debtors’ Second Amended Joint Plan of Reorganization (the “Plan”). On April 5, 2004, the Plan went into effect (the “Effective Date”). The Consulting Agreement appears to have remained unexpired and executory as of the Effective Date.

4. Pursuant to the Plan, claims against the Debtors were effectively divided into two categories: (1) claims that would transfer to the Trust for satisfaction and (2) claims that would remain with the Debtors and effectively transfer to those Debtors that were being reorganized under the Plan, namely DCHC, GSE, Hadley, MR and Pacifica (together, the “Reorganized Debtors”) for satisfaction.

5. Section 8.1(b) of the Plan states in relevant part that “[t]he proponents of the Recapitalization Proposal shall identify by sixteen (16) days prior to the Confirmation Hearing those executory contracts or unexpired leases they do not wish to be assumed and retained for the benefit of the Reorganized Debtors, and the identity of such executory contracts and unexpired leases shall be included in the Plan Supplement *Any executory contract or unexpired lease not so identified will be deemed assumed and retained by the appropriate Reorganized Debtor(s) and other entit(ies).*” Plan, § 8.1(b) (emphasis added).

6. Pursuant to paragraph 5 of the Confirmation Order,

Notwithstanding Section 8(a) of the Plan, on the Effective Date, *any executory contracts or unexpired leases not previously rejected, or assumed in accordance with the Recapitalization Proposal, shall be deemed assumed by the Reorganized Debtors as of the Effective Date*, subject to the remainder of this paragraph 5 of the Order. Any executory contract or unexpired lease identified in the Plan Supplement as being “not assumed” will be deemed rejected as of the Effective Date; *any other executory contract or unexpired lease will be deemed assumed and retained by the appropriate Reorganized Debtor(s) or other entit(ies).*

Confirmation Order at ¶ 5 (emphasis added).

7. On March 15, 2004, the Debtors filed their Plan Supplement, which included a list of executory contracts to be assumed or rejected under the Plan. The Consulting Agreement was not listed in the Plan Supplement as being either assumed or rejected.

8. On May 11, 2004, the Reorganized Debtors served their Notice of Assumption or Rejection (the “Notice”), which also designated certain executory contracts for either assumption or rejection. The Consulting Agreement was not listed in the Notice as being either assumed or rejected.

9. Because the Consulting Agreement was not listed in either the Plan Supplement or the Notice as being assumed or rejected, the Consulting Agreement, to the extent it was an executory contract as of the Effective Date, was deemed assumed as of the Effective Date under the Plan and Confirmation Order.

10. Because the Consulting Agreement appears to have been assumed by the Reorganized Debtors, the Wrightsman Claim constitutes a cure obligation of the Reorganized Debtors under the Plan and Confirmation Order.

STIPULATION

11. After an exchange of documents and arms-length, good faith negotiations, the Trust and the Reorganized Debtors have entered into the Stipulation and Order (attached hereto as a proposed order), whereby the parties agree that the Wrightsman Claim represents an obligation of the Reorganized Debtors pursuant to the Plan and the Confirmation Order, and not an obligation of the Trust. On information and belief, Everett Wrightsman does not object to the treatment of the Wrightsman Claim in the Stipulation. The Stipulation expressly preserves the Reorganized Debtors right to object to, reduce, reschedule, disallow and/or defend the Wrightsman Claim.

WHEREFORE, the Movants respectfully request that the Court grant the Motion and approve and enter the attached Stipulation and Order.

Dated: December 23, 2008

Respectfully submitted,

WHITE & CASE_{LLP}

By: /s/ Jeffrey E. Schmitt

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Dated: December 23, 2008

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CERTIFICATE OF SERVICE

I certify that on December 23, 2008, a copy of the foregoing Motion was sent by First Class Mail to the parties listed below.

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