IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE:	§	**Chapter 11**
	§	
SYNERGENX LEGACY HOLDINGS, LLC, ***et al.,*** [1]	§	**Case No. 26-90644**
	§	
	§	**Joint Administration Requested**
DEBTORS.	§	**[Emergency Hearing Requested]**

DECLARATION OF WAYNE WILSON, CEO OF THE DEBTORS,
IN SUPPORT OF PETITIONS AND FIRST DAY MOTIONS

I, Wayne Wilson, submit this declaration pursuant to 28 U.S.C. § 1746 ("Declaration") in support of the Chapter 11 Petitions and First Day Motions for SynergenX Legacy Holdings, LLC and its affiliated debtors listed in footnote 1 (collectively, "SynergenX" or the "Debtors"), and state as follows:

1. I am the CEO of the Debtors as well as a board member and an owner of SynergenX Legacy Holdings, LLC ("SynergenX Legacy") the majority owner of SynergenX Joint Holdings, LLC ("SynergenX Joint") which in turn owns SynergenX Health Holdings, LLC ("SynergenX Health"). I founded SynergenX Health in 2016 and have been the CEO since its inception.

2. I graduated with a Bachelor of Science Degree and a Master's Degree of Physician Assistant from University of Nebraska Medical Center.

3. I have a track record of building and scaling healthcare organizations into high-performing, multi-site platforms. Today, I lead the SynergenX portfolio of companies, including HerKare, Low T Center, and SynergenX Health, which combined represent a multi-state healthcare platform focused on hormone health, weight management, and adult medicine.

[1] A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' proposed claims and noticing agent at https://cases.stretto.com/SynergenX. The location of Debtor SynergenX Legacy Holdings, LLC is 11445 Compaq Center Drive W., Ste 800, Houston, TX 77070.

Collectively, our organizations have served more than 500,000 patients and employ more than 850 team members across 10 states, including physicians and licensed healthcare professionals dedicated to delivering high-quality, patient-centered care.

4. Before transitioning fully into executive leadership, I served more than 21 years in the U.S. Army as a Physician Assistant. Following my retirement from the military, I worked directly in the hormone replacement therapy field. That background gives me a practical understanding of both the clinical and business sides of healthcare, allowing me to lead with a balanced perspective on patient care, provider performance, operational efficiency, and growth.

5. I am particularly focused on scaling healthcare platforms through disciplined execution, data-driven decision-making, talent development, operational improvement, revenue cycle performance, and strategic expansion. I believe the strongest organizations are built by aligning people, process, technology, and culture around a clear mission and a commitment to excellence.

6. I am passionate about building scalable healthcare organizations that create lasting value for patients, employees, and stakeholders.

INTRODUCTORY STATEMENT

7. On July 2, 2026 (the "Petition Date"), the Debtors filed for bankruptcy under Chapter 11 of Title 11 of the United States Code ("Bankruptcy Code") in this Court ("Chapter 11 Cases").

8. Except as otherwise indicated, the facts set forth in this Declaration are based upon (i) my personal knowledge; and (ii) review of relevant business records of the Debtors. Unless otherwise indicated, the financial information contained in this Declaration is unaudited and, due to the exigent circumstances facing Debtors, certain of the information contained in this

Declaration is subject to change. Notwithstanding, I am not aware of any information contained in this Declaration that is inaccurate.

9. I submit this Declaration in support of Debtors' (i) Chapter 11 Petitions; and (ii) the First Day Motions. I am personally knowledgeable about, and familiar with, the business and financial affairs of Debtors and am authorized by Debtors to submit this Declaration on their behalf. If called upon to testify, I would testify that the facts set forth in this Declaration are true and correct.

10. In an effort to better inform the Court on the businesses of the Debtors and the relief sought in its First Day Motions, this Declaration is offered. The Declaration has been organized into five sections, entitled as follows:

Section I: Overview of the Company
Section II: Events Leading to Bankruptcy
Section III: The Corporate Structure and Employee Operations
Section IV: Debtors' Major Assets, Liabilities, and Financial Condition
Section V: First Day Relief Sought

I. OVERVIEW OF THE COMPANY

11. The Debtors, along with their non-debtor Providers (defined below), collectively provide health care services related to hormone replacement (particularly testosterone), weight loss, and related healthcare services.

12. Through its operating businesses and SynergenX platform, SynergenX delivers personalized treatment protocols designed to address hormone imbalances and improve patient outcomes. Core services include testosterone replacement therapy (TRT) and hormone replacement therapy (HRT) for men and women, and weight loss programs, supported by clinical oversight and ongoing monitoring.

13. The platform utilizes a hybrid care model that combines physical clinic locations

with telemedicine capabilities, enabling scalable delivery of services across multiple states. SynergenX has treated a large and growing patient base and emphasizes customized care rather than standardized treatment approaches.

14. In the last several years, SynergenX completed the acquisition of Low T Centers, Inc. and the HerKare brand, which broadened its clinical footprint and service offerings across both male and female patient populations. The Company currently operates under three primary clinic brands - SynergenX, Low T Centers, and HerKare - alongside an affiliated 503a pharmacy platform (Village Lane), enabling both in-clinic and at-home treatment modalities.

15. SynergenX provides a comprehensive suite of services centered around hormone optimization, wellness, and preventative care. Core offerings include:

- Testosterone replacement therapy (injectable and pellet-based)
- Female hormone therapy
- Weight loss programs (including GLP-1 and related therapies)
- Telemedicine and remote patient management
- Laboratory testing and diagnostics
- Supplements and ancillary wellness services

16. The Company delivers recurring treatment programs with defined frequencies (e.g., weekly injections, monthly weight management programs, and quarterly telehealth follow-ups all customized for individual patients), supporting predictable patient engagement and revenue streams. Revenue is primarily driven by clinical visits, supplemented by pharmacy revenue, weight loss services, laboratory services, and ancillary offerings.

17. Two of the Debtors, SynergenX Health and Low-T Centers, Inc. ("Managers") provide management services to SynergenX Physician Services, PLLC and its affiliated professional limited liability companies ("Providers") pursuant to an Amended and Restated Full Service Facility and Management Agreement ("Management Agreement"). A chart of the structure of the Debtors, the Managers and the Providers is attached as Exhibit A.

18. The Managers provide to the Providers management services consisting of marketing, capital, equipment, supplies, support services, personnel (excluding licensed medical personnel), billing and collection services, management, administration, financial record keeping and reporting and other business office services. The Providers in turn provide professional medical services in primary care and hormone replacement therapy centers and related health care services.

19. Under the Management Agreement the Providers pay the Managers a monthly per location of (i) 10% of collected revenue for billing and revenue cycle management; (ii) $50,000 for management services; and (iii)$32,000 for use of licensed intellectual property and facility leases.

20. SynergenX operates a geographically diversified network of clinics across the United States, with 21 SynergenX clinics, 38 Low T Centers, and 5 HerKare clinics. The Company has a presence in 10 states, and key markets include Texas, Colorado, Illinois, Tennessee, Indiana, and North Carolina.

II. EVENTS LEADING TO BANKRUPTCY

A. OVERLY AGGRESSIVE SENIOR LENDERS EXERTING EXCESSIVE CONTROL OVER THE COMPANY

21. This is not your typical lending relationship. As will be seen below, Chatham Capital Management, LLC ("Chatham") and JP Morgan Asset Management ("JPAM") through various entities are not only the senior lenders to the Debtors, but also own roughly 16% of SynergenX Legacy (through a separately established, jointly-owned holding company), hold warrants to SynergenX Joint, hold a board seat, and hold board observation rights. Through these intertwined positions, they have held SynergenX in a perpetual 18-month (based on covenant defaults alleged to have occurred on December 31, 2024) state of default with their debt accruing

and being paid at a default rate of 17.25% while blocking payments to the Junior Lender (defined below) and tax distributions to the owners of SynergenX Legacy. They have put SynergenX in a position where its only options were a refinance or a sale and then opposed those efforts as well.

22. On September 6, 2022, SynergenX Joint and SynergenX Health entered into a Credit Agreement with Chatham Investment Fund V, L.P. ("Chatham Fund V"), Chatham Investment Fund V-A, L.P. ("Chatham Fund V-A") and Credit Suisse Loan Funding, LLC thereby obtaining a total term loan commitment of $66.5 million and total revolving commitment of $5 million ("Senior Debt") for SynergenX Health and named affiliated subsidiaries (the "Credit Agreement"). The Credit Agreement irrevocably appointed Chatham as administrative agent for each of the lenders, vesting Chatham with complete authority to act for the lenders under the provisions of the Credit Agreement and any related loan documents.

23. Contemporaneously with execution of the Credit Agreement, on September 6, 2022, SynergenX Legacy and SynergenX Joint entered into a Contribution Agreement, under which SynergenX Legacy contributed one hundred percent (100%) of its membership interests in SynergenX Health to SynergenX Joint as a capital contribution. This created the ownership structure existing today, where SynegenX Legacy owns all of the common membership interests in SynergenX Joint and SynergenX Joint owns all of the membership interests in SynergenX Health.

24. As part of the loan documents related to the Credit Agreement there are other agreements of even date (September 6, 2022), including without limitation: (i) a Guaranty and Collateral Agreement in favor of Chatham, for itself and the ratable benefit of the lenders, granting collateral security interests in substantially all of the assets of SynergenX Health and its subsidiaries with limited exclusions; (ii) a Subordination and Intercreditor Agreement, in favor of

Chatham as administrative agent for the lenders; (iii) a Warrant, for the purchase of 7,300 common units of SynergenX Joint, in favor of Chatham as agent for Chatham Fund V and Chatham Fund V-A; (iv) a Warrant for the purchase of 2,300 common units of SynergenX Joint in favor of Chatham; and a Warrantholder Rights Agreement, principally among SynergenX Joint, Chatham, Chatham Fund V, and Chatham Fund V-A.

25. At the time of these agreements, SynergenX Legacy held all outstanding common shares in SynergenX Joint (90,400 of 100,000 authorized) with all outstanding warrants (9,600) held or controlled by Chatham.

26. In accordance with an Assignment and Assumption agreement, on September 29, 2022, lender Credit Suisse Loan Funding, LLC assigned its position as a lender in the Credit Agreement to Lynstone SSF Holdings II S.a.r.l. ("Lynstone") a private foreign limited liability investment fund controlled by JPAM. In conjunction therewith, Lynstone acquired by transfer from Chatham as agent for Chatham Fund V and Chatham Fund V-A, a Warrant for the purchase of 5,104.500 common units of SynergenX Joint.

27. Subsequently in or about December 2024, Lynstone transferred its Warrant to Sandstone SSF II (Del) LLC, another investment fund believed to be controlled by JPAM.

28. The Senior Debt is currently held by Chatham, Chatham Fund V, Chatham Fund V-A and Lynstone ("Senior Lenders").

29. On July 14, 2025, David Hollander, an executive of JPAM was appointed to the Board for each of SynergenX Legacy, SynergenX Joint and SynergenX Health.

30. On January 3, 2024, the parties to the Credit Agreement entered into that certain Amendment No. 1 and Limited Waiver and Consent to Credit Agreement ("Amendment No. 1"). Therein, the parties acknowledge the existence of certain non-payment defaults of the Credit

Agreement and effectuated a waiver of said defaults upon terms set forth therein, including: (i) joinder by other entities as additional guarantors to the Guaranty and Collateral Agreements; and (ii) an amendment fee of $353,708.39 allocable to the Lenders.

31. On July 14, 2025, Chatham Health Management, LLC, an entity affiliated with the Chatham Defendants, acquired all of the membership interests of Medpro Consulting, LLC in SynergenX Legacy, being 150 of the total 900 issued and outstanding membership units (constituting approximately 16.67% of the membership of SynergenX Legacy).

32. Eight days later, on July 22, 2025, Chatham issued a Notice of Default and Reservation of Rights to SynergenX Health, alleging certain covenant defaults (not payment defaults) under the Credit Agreement related to: (i) the delivery of financial reporting; (ii) the delivery of financial projections; (iii) failure of notice of meetings of the board of directors; (iv) payment of subordinated debt; (v) failure to maintain a certain EBITDA; (vi) failure to maintain a certain Fixed Charge Coverage Ratio; (vi) failure to maintain a certain Total Debt to EBITDA Ratio; and (vii) excessive capital expenditures on technology. (the "Notice of Default"). Therein, Chatham sought production of certain documents, made a demand directive with respect to payment of subordinated debt, and sought to increase the applicable cash interest rate on each loan by 3.00% to the present default rate of 17.25% effective December 31, 2024, the date of the first alleged default. It is very telling that the Senior Lenders declared an event of default but never accelerated the debt, agreed to a forbearance or amendment to the Credit Agreement but rather just held the Debtors in a perpetual state of default while they blocked payments to other creditors and collected interest at the 17.25% default rate.

33. Following execution of the Credit Agreement, the Senior Lenders engaged in a cooperative, concerted effort to exert excessive control over the SynergenX business, using their

positioning as senior lenders and warrantholders as leverage. Upon information and belief, the end goal for the Senior Lenders was to obtain greater equity, at a reduced valuation, and ultimately gain primary control of the business.

34. **Efforts to Buy Ownership in SynergenX Legacy**. Hollander an employee of JPAM or a JPAM affiliated entity, sought out the Chief Executive Officer of SynergenX in an effort to encourage the owners to sell all or some subset of their units to the Senior Lenders with the verbal promise that the Senior Lenders would "take care of" the Chief Executive Officer on the back end.

35. At a board meeting in May 2025, the Senior Lenders waited until Ken Sly, owner of Medpro Consulting, LLC ("Medpro") and a 1/6th owner of SynergenX Legacy left the room to present a proposed refinancing term sheet. They waited because the term sheet might have impacted their planned purchase of Medpro's interest.

36. On June 3, 2025, the Senior Lenders notified SynergenX that they would not discuss covenant relief or a revolving credit line until the Board approved the sale of equity to the Chatham parties.

37. On June 9, 2025, the Board, acting under this threat, approved the sale of Medpro's equity stake.

38. On June 11, 2025, the Senior Lenders required the CEO to fly to Atlanta where they engaged in more threats. They ordered SynergenX to stop making payments on the 503b pharmacy space, stop making payments on the junior secured debt ("Junior Debt") to Michael Sisk (including his wife and affiliates, collectively "Junior Lender"), and to hire Keen Summit, a contact from Jeff Hagar at Chatham.

39. Later, in July 2025, the Senior Lenders made verbal commitments that they would resolve covenant breaches in order to coerce the Board into approving the sale of MedPro's ownership interest in SynergenX Legacy to a Chatham affiliated entity.[2] The Defendants sought to condition the provision of a new credit agreement (for the underlying purpose of clearing up covenants) on issuance of additional equity to the lenders and other additional onerous terms favoring lenders.

40. With Board approval secured, on July 14, 2025, Chatham Health acquired Medpro's membership interests (1/6th of SynergenX Legacy) and with it a seat on SynergenX' board.

41. Following the sale, in August 2025, the Senior Lenders sent SynergenX a reservation of rights letter notifying SynergenX of covenant defaults, the same defaults that they indicated would be resolved if the equity sale was approved.

42. While negotiating an updated credit agreement (which never came to fruition due to worsening credit terms, *e.g., higher interest, higher penalties*), Senior Lenders repeatedly made open-ended offers to purchase equity from the equity owners if they needed cash.

43. **Dictating New Business Ventures**. Before obtaining board approval, in October 2024 Chatham had the Chief Executive Officer fly to Vietnam to meet with contacts Chatham identified as potential buyers of GLP-1 products, instigating the creation of the 503b pharmacy business. The Company at the urging of the Senior Lenders, formed a 503b pharmacy business that ultimately closed for a loss to SynergenX of between $8 and $18 million.

44. **Blocking Refinancing Efforts**. The Senior Lenders refused to allow SynergenX to use an audit or a quality of earnings report (that SynergenX paid for but was commissioned by Chatham) in its efforts to refinance and otherwise hindered the process such that no offers to

2 The Senior Lenders did not follow through on this arrangement. Ultimately, the Senior Lenders sought to also obtain considerable amendments to the Credit Agreement in their favor and at the harm of SynergenX.

refinance were received. The Chatham parties threatened to use the put option under the Warrants to prevent any refinance or sale.

45. **Blocking Tax Distributions**. The Senior Lenders used the right to block distributions to equity under the Credit Agreement and associated loan documents as leverage in offers to purchase equity from equity owners, including implying to one such equity owner that the Senior Lenders "force" board approval of such a sale transaction.

46. The Senior Lenders actively lobbied and acted to block distributions to equity even when there was sufficient cash.

47. On September 3, 2025, Hollander advised the CEO of the Company that he would do away with all tax distributions to owners and instead buy their equity so they could cover their taxes. Presumably any such offer to acquire equity would be made at a steep discount in line with the Medpro transaction.

48. **Dictating Management Decisions**. The Senior Lenders actively participated in board meetings and drove management decisions, such as increased spending on marketing, pharmacy, and the self-inject business, by repeatedly convincing the Chief Executive Officer that he must go in a certain direction and getting him to then push a Board vote in the same direction.

49. In November 2024, SynergenX, at the insistence of and recommendation of the Chatham parties, retained Korn Ferry (Chathams's recommendation) to conduct a CFO search. The CFO search was conducted in tandem with the Chatham parties with Brian Reynolds, a Chatham executive, often taking part in the interview process. The process culminated in SynergenX hiring David Fletcher at the insistence of Chatham.

50. The Senior Lenders met separately with the Chief Executive Officer to discuss business strategy and tactics outside the scope of the lending relationship, such that the Chief

Executive Officer and other management staff frequently discussed how the Senior Lenders were putting pressure on them and the business through persistent intimidation.

51. **Blocking Efforts to Sell the Company**. The Senior Lenders and/or their affiliates leveraged their rights under the Warrants and the Warrantholders Rights Agreement to delay, and attempt to block, sale of SynergenX by falsely claiming the correct valuation was multiples larger than the purchase offer.

52. Having failed to otherwise do so, Chatham threatened to block sale of SynergenX using its equity position in SynergenX Legacy and its claim to an alleged tax distribution. Chatham filed an arbitration demand against SynergenX Legacy on April 29, 2026, seeking $10M in damages even though the tax distribution amount was only approximately $1M.

53. **Interference with Payments to Other Creditors**. The Senior Lenders required payments to be stopped on the 503b license/lease, and the Junior Debt, creating liability issues and further hindering refinance or sale.

54. **Misuse of Board Seat**. At a board meeting on August 21, 2025, Hollander voted against approving the company budget after initially abstaining. He called Jeff Hagar at Chatham and then voted no for the stated purpose of preserving the Senior Lenders' rights.

55. Hollander announced he was abstaining from voting for the sale to Future Standard ("FS") even though it would pay Senior Debt in full and distribute tens of millions to equity holders including approximately $10M to Chatham parties as warrant holders.

56. **Efforts to Buy Junior Secured Debt**. On April 28, 2026, JPAM made an offer to buy the Junior Debt. This offer came just weeks before the expected closing of the sale to FS. The offer sought an exclusivity period through May 10, 2026. The offer was a blatant attempt to

interfere with SynergenX' sale to FS which obviously including negotiations with the Junior Lender. Not long after that the sale to FS failed to close.

B. FAILED REFINANCING AND FAILED SALE

57. Unable to extricate itself from a perpetual default and 17.25% interest rate or make payments on its Junior Debt or tax distributions to its owners, during 2025, SynergenX, with the assistance of Texas Capital Bank, its financial advisor, conducted a broad-based capital markets outreach to a range of private credit providers. This process generated limited actionable interest on the credit side but did result in interest from two parties to acquire SynergenX.

58. Ultimately, two letters of intent were received with similar valuation ranges, and FS was selected based on execution considerations. After many months of due diligence, the sale did not close.

59. One of the reasons for the failed sale transaction was the inability of SynergenX to obtain audits for 2024 and 2025. The inability to obtain those audits is directly attributable to the lack of an amended Credit Agreement to cure the defaults and put SynergenX in a non-default position.

C. PROVIDER ISSUES

60. SynergenX Health together with Low T Center and affiliated professional practice entities operate a Management Services Organization model. The parties have structured the combined enterprise in a way that allows the professional entities to focus on patient care while outsourcing through an arms-length management agreement the balance of all other attendant services required by the professional entities. These include without limitation, billing and collection, human resources, accounting, marketing and IT. The professional entities provide care for which its patients pay either in cash or through reimbursement from insurance providers such

as Cigna, United Healthcare and Blue Cross. Some of these carriers have stopped payments pending the outcome of claim audits which has restricted cash flow.

III. THE CORPORATE STRUCTURE ANDEMPLOYEE OPERATIONS

THE CORPORATE STRUCTURE

61. Debtors corporate structure is summarized by the organizational chart attached as Appendix I.

62. It is important to note the PLLC entities are not part of SynergenX corporate structure. They are owned separately by physicians and provide services to SynergenX through arms-length management agreements.

EMPLOYEE OPERATIONS

63. Prior to the Petition Date, SynergenX employed approximately 400 individuals in its field operations and 143 individuals in corporate roles (collectively, the "Pre-Petition Employees"), plus 32 individual as independent contractors (the "Pre-Petition Independent Contractors").

64. In addition, SynergenX maintains and offers various employee benefit plans, policies, and programs for health care.

IV. DEBTORS' MAJOR ASSETS, LIABILITIES, AND FINANCIAL CONDITION

A. MAJOR ASSETS

65. On a book basis, the Company's total current assets are $21.349 million, net fixed assets are $14.776 million, other assets are $82.350 million, and total assets are $118.476 million as of May 31, 2026. Total assets are down from $134.85 million in 2023. However, the value of the equity of SynergenX was recently determined to be $108.30 million.

B. MAJOR SECURED AND UNSECURED LIABILITIES

66. Total current liabilities are $43.886 million, and long-term debt is $70.108 million

as of May 31, 2026. Total liabilities over the past several years have ranged from $137.61 million in 2023 to $146.00 million in 2024. Total liabilities as of May 31, 2026, are $146.028 million.

67. **Senior Debt**. The Senior Lenders are owed approximately $67.579 million. The Senior Debt is secured by substantially all of the assets of the Debtors. The Senior Debt is not secured by the physician entities. The Senior Debt is accruing interest at the default rate of 17.60%.

68. **Junior Debt**. The Junior Lender is owed approximately $14.726 million. The Junior Debt is secured by a junior lien on substantially all of the assets of the Debtors. The Junior Debt is not secured by the physician entities. The Junior Debt is subject to a Subordination and Intercreditor Agreement with the Senior Lenders.

69. **Unsecured Debt**. Debtors have trade payables in the amount of close to $1 million and accrued liabilities of $20.191 million. Debtors' other unsecured obligations consist of, among other things, lease liability of $32.595 million; potential amounts owed to Cigna and the State of Delaware depending on outcome of audits; a lease/license liability on the closed 503b pharmacy in the disputed amount of approximately $10 million; and unpaid tax distributions to owners of SynergenX Legacy in the amount of approximately $10 million.

70. **Warrants Payable**. Debtors have a book liability for warrants payable in the amount of $10.557 million. The warrants were recently valued in the amount of $9.98 million.

C. REVENUE

68. Revenues were $161.59 million in 2024 and $168.10 million in 2025, an increase of 4.0% supported by increased pharmacy script volume, remote visits, and expanded service offerings. Revenue over the LTM period was $172.11 million.

69. Gross margins were 25% in 2024, 25% in 2025, and 26.7% over the LTM period.

70. The Company reported income from operations of $13.69 million in 2024, $8.11

million in 2025, and $9.42 million over the LTM period. The Company reported EBITDA of $28.46 million in 2024, $12.34 million in 2025, and $16.780 million over the LTM period.

71. Reported EBITDA declined significantly year-over-year, driven in part by non-cash items, including warrant valuation adjustments and lease-related expenses. Operating expenses were further impacted by increased compensation, professional fees, software costs, and investments in infrastructure and marketing to support growth initiatives.

V. FIRST DAY MOTIONS AND APPLICATIONS

72. Under my direction, the Debtors intend to operate their businesses and manage their assets as debtors-in-possession as defined under the Bankruptcy Code.

73. To minimize the adverse effects of the Chapter 11 Cases, Debtors have prepared and filed, with the assistance of their bankruptcy counsel, motions and applications discussed in this Declaration seeking "first day" relief (collectively, "First Day Motions"). Through the First Day Motions, Debtors seek authority from the Court to allow them to continue to do certain things, such as use its existing bank accounts pay critical vendors, that are necessary to ongoing operations and to enable Debtors to fulfill their duties as a debtors-in-possession.

74. I am familiar with the contents of the First Day Motions. To the best of my knowledge after reasonable inquiry, I believe that the relief sought in each First Day Motion: (i) is necessary to enable Debtors to transition smoothly into Chapter 11 with minimal disruption; (ii) is critical to Debtors' efforts to preserve its value and maximize creditor and stakeholder recoveries; and (iii) best serves Debtors' respective estates and the interests of their workers, creditors, and stakeholders. Further, it is my belief that the relief sought in the First Day Motions is tailored and necessary to achieve the goals of the Chapter 11 Cases.

75. I have reviewed the First Day Motions and confirm that the facts set forth therein are true and correct to the best of my knowledge, review of information, and belief. I believe that this Court's approval of the relief requested in the First Day Motions is essential to avoid immediate and irreparable harm to Debtors.

A. Joint Administration Motion

76. Pursuant to their *Emergency Motion for Entry of Order Authorizing Joint Administration of Chapter 11 Cases Pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy* (the "Joint Administration Motion"), Debtors request that all of the Chapter 11 Cases be jointly administered under the SynergenX Legacy case number. I believe joint administration will reduce unnecessary duplication of efforts by the Debtors, creditors, U.S. Trustee, and the other parties-in-interest. Such relief is common to affiliate Chapter 11 proceedings.

B. Case Procedures Motion

77. Pursuant to their *Debtors' Emergency Motion for an Order (I) Authorizing Debtors to Redact Certain Personally Identifiable Information; (II) Authorizing Electronic Noticing Procedures for Parties in Interest and Approving the Form and Manner of Notifying Creditors of the Commencement of these Chapter 11 Cases; (III) Authorizing Debtors to File a Consolidated List of Creditors and a Consolidated List of the 30 Largest Unsecured Creditors; and (IV) Granting Related Relief* (the "Case Procedures Motion"), the Debtors have sought an order (a) authorizing the Debtors to redact certain personally identifiable information from their consolidated list of creditors, the list of equity holders attached to the Debtors' chapter 11 petitions, the Debtors' schedules of assets and liabilities and statements of financial affairs, the Debtors' list of the thirty largest general unsecured creditors, and other documents filed in these Chapter 11 Cases (as defined below), (b) authorizing the Debtors to provide parties in interest with electronic

notice and approving the form and manner of notifying creditors of the commencement of these Chapter 11 Cases, (c) authorizing the Debtors to file a consolidated Creditor Matrix and Top 30 List in lieu of submitting separate mailing matrices and creditor lists for each Debtor, and (d) granting related relief.

78. I believe that filing only one consolidated list of the thirty largest general unsecured creditors will alleviate administrative burdens, costs, and minimize the possibility of duplicative service. Such cost savings will benefit the Debtors' estates and all constituents involved. Redaction of personal identification information will serve the clear purpose of protecting individuals caught up in these proceedings to unnecessary and will minimize any potential legal exposure to the Debtors resulting therefrom. All such relief is common to complex Chapter 11 proceedings and a business enterprise the size and makeup of the Debtors.

C. Bank Account and Cash Management Motion

79. Pursuant to their *Emergency Motion for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Continue to Operate their Cash Management System, (B) Honor Certain Prepetition Obligations Related Thereto, (C) Maintain Existing Business Forms and Books and Records, and (D) Continue Intercompany Transactions and (II) Granting Related Relief* (the "Bank Account and Cash Management Motion"), the Debtors seek court approval to maintain and continue the use of their bank accounts and existing cash management system.

80. Prior to the Petition Date, in the ordinary course of its business, Debtors used their Cash Management System to efficiently facilitate the collection, transfer and disbursement of funds generated by its business operations.

81. I believe that Debtors continued use of the bank accounts with the same account numbers and same checks is necessary for a smooth and orderly transition into Chapter 11, with

minimal interference with continuing operations. Requiring Debtors to open new bank accounts and obtain new checks for those accounts will cause delays and disruption to its business. Debtors believe that its transition to Chapter 11 will be more orderly and result in a minimum of harm to operations if all of the bank accounts are maintained.

82. By preserving business continuity and avoiding the disruption and delay that would result from closing the bank accounts and opening new accounts, all parties in interest, including employees and vendors, will be best served. The benefit to Debtors, their business operations and all parties in interest will be considerable, while the confusion that would result if the Court did not grant the relief would adversely impact Debtors' rehabilitative efforts. The bank accounts are in a financially stable institution that is insured by an appropriate insurance program up to the applicable limit. Moreover, I and Debtors will work with its financial institutions to ensure that no obligations that accrued before the Debtors filed for Chapter 11 are paid from any of the bank accounts unless authorized by the Court.

83. In addition, I believe that Debtors' Cash Management System constitutes an ordinary course, essential business practice that provides significant benefits to Debtors including, among other things, the ability to (i) control funds; (ii) ensure the availability of funds when necessary; and (iii) reduce costs and administrative expenses by facilitating the movement of funds and the development of more timely and accurate account balance information.

84. I believe that any disruption of the Cash Management System would have a severe and adverse impact on Debtors' reorganization efforts. The relief requested in the Cash Management Motion is vital to ensuring Debtors' seamless transition into bankruptcy. I believe that authorizing Debtor to maintain the Cash Management System will avoid many of the possible

disruptions and distractions that could divert Debtors' attention from more pressing matters during the initial days and weeks of the Chapter 11 Cases.

85. In addition, Debtors seek a permitted deviation from the U.S. Trustee Guidelines ("Trustee Guidelines") to the extent that the requirements of any guidelines otherwise conflict with (i) Debtors continuing to use their existing bank accounts and the existing practices under the Cash Management System; or (ii) any action taken by Debtors in accordance with any order granting the Bank Account and Cash Management Motion or other order entered in the Chapter 11 Cases. I believe the use of the Cash Management System is an ordinary course, customary and essential business practice. Requiring Debtors to alter their current practices to comply with the Trustee Guidelines would risk disruption to Debtors' business at this precarious time and be inefficient.

86. I believe that the relief requested in the Cash Management Motion is in the best interests of the Debtors' estates, their creditors and all other parties in interest, and will enable Debtors to continue to operate its business without interruption during the Chapter 11 proceedings.

D. Utilities Motion

87. Pursuant to their *Emergency Motion for an Order Providing Adequate Assurance of Utility Payments* (the "Utilities Motion"), the Debtors seek an order from this Court relating to the continued maintenance of services from Utility Providers (as defined in the Utilities Motion). This includes an order prohibiting the Utility Providers from, among other things, changing, discontinuing or refusing to provide Debtors with key services (such as electricity and water) because Debtors were not able to pay their bills prior to the Petition Dates.

88. Debtors intend to fully pay all obligations that accrue and are owed to the Utility Providers in a timely manner. Debtors expect to have sufficient cash during the Chapter 11 proceeding to pay for these utility obligations.

E. Critical Vendors

89. Pursuant to their *Emergency Motion for Entry of Order Authorizing Payment of All or a Portion of the Prepetition Claims of Certain Critical Vendors* (the "Critical Vendor Motion"), the Debtors request approval from this Court to pay prepetition amounts to certain vendors critical to the Debtors' continued operations during these Chapter 11 Cases. Specifically, the Debtors need to pay certain critical vendors in the ordinary course continue current operations uninterrupted. Such critical vendors include vendors for health care products, pharmacies, laboratory services, environmental monitoring, medical management software, billing software, employee management software, and IT services. Debtors require continuing provision of all such services on the same, or more favorable, terms than existed prior to the Petition Date. Therefore, even brief delays in ordinary course payments could jeopardize these critical business relationships.

F. Employee Motions

90. As of the Petition Date, certain Pre-Petition Employees and Pre-Petition Independent Contractors were owed wages by SynergenX Health, which total in grosses $748,300.01 (the "Pre-Petition Wage Claims"). Of the Pre-Petition Wage Claims, all were incurred within 180 days of the Petition Date and all employees' claims are less than the $17,150 priority cap set by 11 U.S.C. § 507(a)(4)(A). Pursuant to their *Emergency Motion for an Order Authorizing the Debtors to (I) Pay Certain Prepetition Employee Wages, Other Compensation, and Reimbursable Employee Expenses; (II) Pay Certain Prepetition Independent Contractor, and (III) Continue Employee Benefits Programs*, the Debtors will seek authority to pay the Pre-Petition Wage Claims, associated payroll taxes, and continue employee benefits programs in the ordinary course of their businesses.

G. Professionals Motions

91. Pursuant to other First Day Motions and subsequent motions, the Debtors will seek court approval to retain the necessary professionals and beneficial to the successful conduct of the Chapter 11 Case and may also seek to employe professionals employed in the ordinary course of their business that are not associated with the bankruptcy proceedings. I believe that the retention of these firms and entities will aid in an efficient reorganization and will enable to Debtors to preserve value and maximize their bankruptcy estates.

H. Cash Collateral Motion

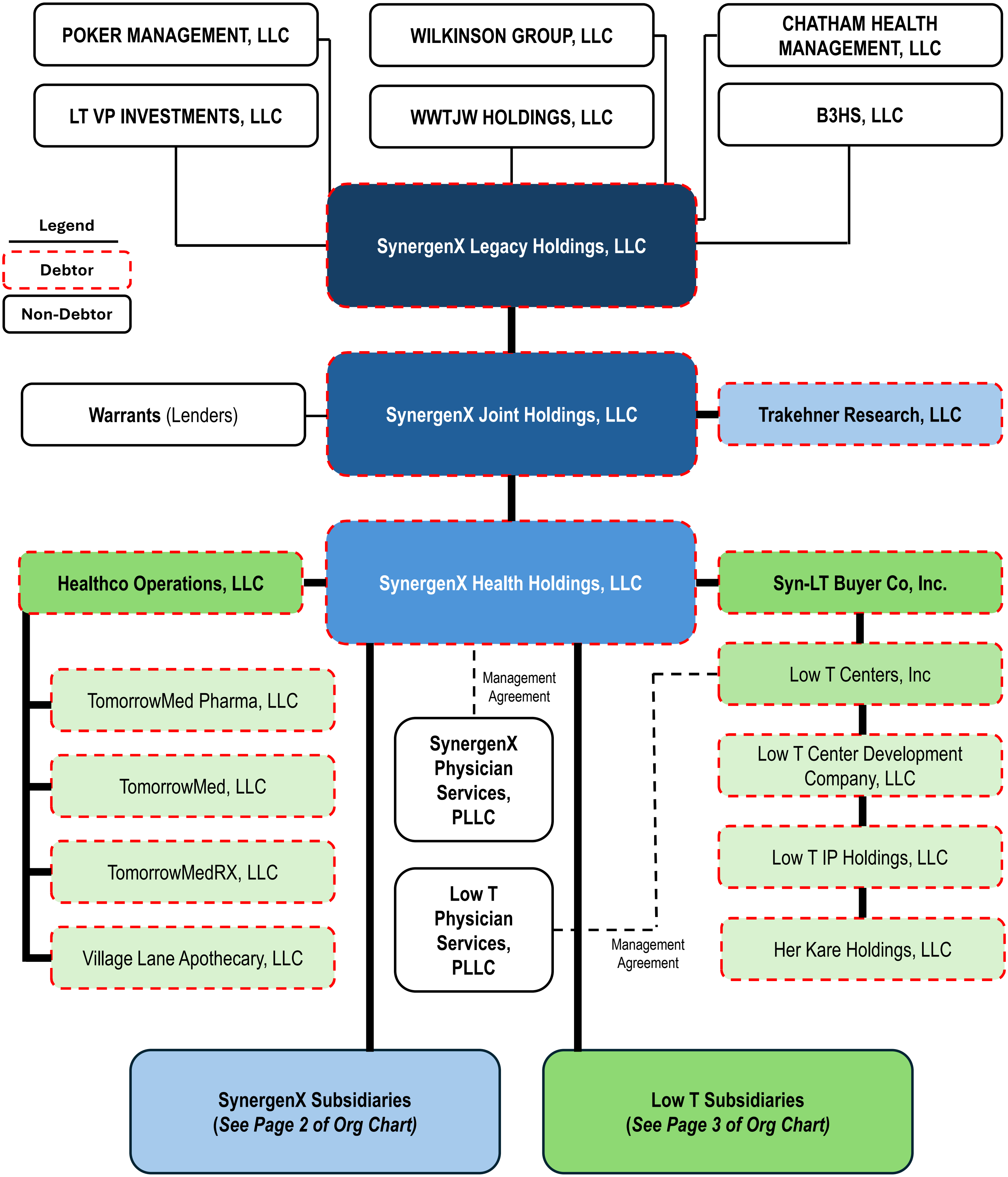
92. Pursuant to their *Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Use of Cash Collateral; (II) Approving Adequate Protection to the Prepetition Secured Parties; (III) Scheduling a Final Hearing; and (IV) Granting Related Relief (*the "Cash Collateral Motion"), Debtors request approval to use cash collateral of the Senior Lenders and Junior Lender to fund their ongoing business operations. Use of the cash collateral is essential to maintaining the Debtors business operations and going concern value.

93. The budget attached to the Cash Collateral Motion is for a four-week period and details the expected revenues and expenditures during that period. The revenues are received by the Providers and they in turn pay the salaries of medical professionals and certain other expenses and then pay a management fee to the Debtors for providing management services under the Management Agreement from which the Debtors pay the remaining expenses. The expenses listed on the Budget are necessary to the ongoing business operations.

DocuSigned by:
Wayne Wilson
C8CE03CB0AAF407...
Wayne Wilson, Chief Executive Officer
SynergenX Legacy Holdings, LLC and its debtor affiliates

EXHIBIT A

SYNERGENX ENTITY STRUCTURE



Legend

- Debtor
- Non-Debtor

SYNERGENX ENTITY STRUCTURE
(Page 2)

- **SynergenX Health Holdings, LLC**
  - SynergenX Health – Kingwood LLC
  - SynergenX Health – Woodlands LLC
  - **ALAMO RANCH** SynergenX Health – Alamo Ranch San Antonio LLC
  - **NORTHWEST** SynergenX Health – Northwest San Antonio LLC
  - **ATASCOCITA** SynergenX Health – Atascocita LLC
  - **PROSPER** SynergenX Health – Prosper LLC
  - **CIBOLO** SynergenX Health - Cibolo LLC
  - **SONTERRA** SynergenX Health - Sonterra San Antonio LLC
  - **CYPRESS** SynergenX Health – Cypress LLC
  - **SPRING** SynergenX Health – Spring Houston LLC
  - **GALLERIA** SynergenX Health – Galleria LLC
  - **SUGAR LAND** SynergenX Health – SugerLand LLC
  - **KATY** SynergenX Health – Katy LLC
  - **VINTAGE PARK** SynergenX Health – Vintage Park LLC
  - **NEW BRAUNFELS** SynergenX Health – New Braunfels LLC
  - **WEBSTER** SynergenX Health – Webster LLC
  - **NORTHEAST** SynergenX Health – Northeast San Antonio LLC
  - **HOFFMAN ESTATES** SynergenX Health – Poplar Creek LLC
  - **MCKINNEY** SynergenX Health – McKinney LLC
  - **BURR RIDGE** SynergenX Health – Burr Ridge LLC
  - **WALNUT HILL** SynergenX Health – Dallas North Park LLC
  - **KNOXVILLE** SynergenX Health – Knoxville LLC

Legend

- Debtor
- Non-Debtor

SYNERGENX ENTITY STRUCTURE (Page 3)

SynergenX Health Holdings, LLC

- **COLORADO SPRINGS** Colorado Springs Group Health, LLC
- **GREENWOOD VILLAGE** Greenwood Village Group Health, LLC
- **WEST HOUSTON** West Houston Group Health, LLC
- **PASADENA** Pasadena Group Health, LLC
- **GAHANNA** Gahanna Group Health, LLC
- **MURFREESBORO** Murfreesboro Group Health, LLC
- **HOT SPRINGS** Hot Springs Health, LLC
- **SOUTHWEST** Southwest Group Health, LLC
- **DUBLIN** Dublin Group Health, LLC
- **JOHNSON CITY** Johnson City Group Health, LLC
- **WESTMONT** Westmont Group Health, LLC
- **PFLUGERVILLE** Pflugerville Group Health, LLC
- **LITTLE ROCK** Little Rock Group Health, LLC
- **INDIANAPOLIS** Indianapolis Group Health, LLC
- **HENDERSONVILLE** Hendersonville Group Health, LLC
- **FRIENDSWOOD** Friendswood Group Health, LLC
- **MASON** Mason Group Health, LLC
- **GREENWOOD** Greenwood Group Health, LLC
- **INDEPENDENCE** Independence Group Health, LLC
- **WESTMINSTER** Westminster Group Health, LLC
- **PINEVILLE** Pineville Group Health, LLC
- **EDMOND** Edmond Group Health, LLC
- **TULSA** Tulsa Group Health, LLC
- **MANSFIELD** Mansfield Group Health, LLC
- **FRANKLIN** Franklin Group Health, LLC
- **TYLER** Tyler Group Health, LLC

SYNERGENX CASH SCHEMATIC