IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

In Re: **THE VILLAGES HEALTH SYSTEM, LLC,**[1] **Debtor.**	**Case No.: 6:25-bk-04156-LVV** **Chapter 11**

DEBTOR'S APPLICATION FOR ENTY OF AN ORDER (I) AUTHORIZING THE RETENTION AND EMPLOYMENT OF EVERCORE GROUP L.L.C. AS INVESTMENT BANKER FOR THE DEBTOR PURSUANT TO 11 U.S.C. §§ 327(a) AND 328(a) *NUNC PRO TUNC* TO THE PETITION DATE, AND (II) WAIVING CERTAIN TIME-KEEPING REQUIREMENTS

NOTICE OF OPPORTUNITY TO OBJECT AND REQUEST FOR HEARING

If you object to the relief requested in this paper you must file a response with the Clerk of Court at 400 W. Washington Street, Suite 5100, Orlando, FL 32801 within 14 days from the date of the attached proof of service, plus an additional three days if this paper was served on any party by U.S. Mail.

If you file and serve a response within the time permitted, the Court will either notify you of a hearing date or the Court will consider the response and grant or deny the relief requested in this paper without a hearing. If you do not file a response within the time permitted, the Court will consider that you do not oppose the relief requested in the paper, and the Court may grant or deny the relief requested without further notice or hearing.

You should read these papers carefully and discuss them with your attorney if you have one. If the paper is an objection to your claim in this bankruptcy case, your claim may be reduced, modified, or eliminated if you do not timely file and serve a response.

The Villages Health System. LLC, as debtor and debtor in possession (the "Debtor") in the above-captioned chapter 11 case (the "Chapter 11 Case"), hereby files this application (the

[1] The address of the Debtor is 600 Sunbelt Road, The Villages, Florida 32159. The last four digits of the Debtor's federal tax identification number is 6436.

"Application") for entry of an order, substantially in the form attached hereto as **Exhibit A** (the "Proposed Order"), (i) authorizing the Debtor to retain and employ Evercore Group L.L.C. ("Evercore") as investment banker for the Debtor in accordance with the terms and conditions set forth in that certain engagement letter, dated as of July 2, 2025 (the "Engagement Letter"), a copy of which is attached as **Exhibit 1** to the Proposed Order, (ii) approving the terms of Evercore's employment and retention, including the fee and expense structure and the indemnification, contribution, reimbursement and related provisions set forth in the Engagement Letter, (iii) waiving certain timekeeping requirements and (iv) granting such other and further relief as is just and proper. In support of the Application, the Debtor submits the declaration of A.J. Berens, Senior Managing Director of Evercore Group L.L.C. (the "Berens Declaration") as **Exhibit B** and state the following in support of this Application:

Jurisdiction and Venue

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding under 28 U.S.C. § 157(b). The Debtor confirms its consent to the entry of a final order by the Court.

2. Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The bases for the relief requested herein are sections 327(a) and 328(a) of title 11 of the United States Code (the "Bankruptcy Code"), and Rules 2014(a) and 2016 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules").

Background

4. On the Petition Date, Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code—thereby commencing this Chapter 11 Case. The Debtor continues to operate its business and manage its properties as debtor in possession pursuant to Sections 1107(a)

and 1108 of the Bankruptcy Code. No trustee, examiner, or statutory committee of creditors has been appointed in this Chapter 11 Case.

5. A detailed description of the Debtor and its business, and the facts and circumstances surrounding the Debtor's filing of voluntary petition for relief under chapter 11 of the Bankruptcy Code are set forth in greater detail in the *Declaration of Neil Luria, Chief Restructuring Officer of the Debtor, in Support of Chapter 11 Petition and Various First Day Applications and Motions* (Doc. No. 3).

Relief Requested

6. By this Application, the Debtor respectfully requests that the Court enter an order, substantially in the form of the Proposed Order, pursuant to sections 327(a) and 328(a) of the Bankruptcy Code, authorizing the Debtor to retain and employ Evercore as its exclusive investment banker in the Chapter 11 Case, effective *nunc pro tunc* to the Petition Date, in accordance with the terms of its Engagement Letter.

Evercore's Qualifications and the Need for Evercore's Services

7. The Debtor submits this Application because of the need to retain a qualified investment banker to assist them in the critical tasks associated with guiding the Debtor through the Chapter 11 Case. The Debtor believes that retention of an investment banker is necessary and appropriate to enable them to evaluate the financial and economic issues raised by the Debtor's chapter 11 proceeding, successfully pursue and consummate any sale of property in this Chapter 11 Case, and effectively carry out its duties as debtor in possession.

8. The Debtor selected Evercore as its investment banker in this Chapter 11 Case based upon Evercore's extensive experience in matters involving complex financial restructurings and its excellent reputation for the services that it has rendered in chapter 11 cases on behalf of debtors and creditor constituencies throughout the United States. Evercore was engaged by the

Debtor on July 2, 2025, and is familiar with the Debtor's corporate and capital structure, management, business operations, and potential investor universe. Thus, the Debtor believes that Evercore is both well qualified and uniquely able to advise the Debtor in the Chapter 11 Case.

9. As set forth in the Berens Declaration, Evercore is a full-service investment banking advisory and investment management firm, with offices in New York Boston, Chicago, Los Angeles, Washington D.C., San Francisco, Houston, Minneapolis, Menlo Park, Dallas, Tampa, Wilmington, West Palm Beach, Singapore, Hong Kong, London, Beijing, Dubai, Frankfurt, Madrid, Tel Aviv, Tokyo, and Toronto, among other locations. Since the firm's inception, Evercore's corporate advisory and restructuring advisory groups have advised on over $4.5 trillion of transactions. Evercore restructuring professionals provide investment banking services in financially distressed situations, including advising debtors, creditors, and other constituencies in chapter 11 proceedings and out-of-court restructurings. Evercore and its professionals are providing or have provided investment banking, financial advisory, and other services in connection with the following recent cases, among others: *In re ZIPS Car Wash, LLC*, Case No. 25-80069 (MVL) (Bankr. N.D. Tex. 2025); *In re ConvergeOne Holdings, Inc.*, Case No. 24-90194 (CML) (Bankr. S.D. Tex 2024); *In re Mobileum, Inc.*, Case No. 24-90414 (Bankr. S.D. Tex 2024); *In re Lucky Bucks LLC*, Case No. 23-10758 (KBO) (Bankr. D. Del. 2023); *In re Western Global Airlines, Inc.*, Case No. 23-11093 (KBO) (Bankr. D. Del. 2023); *In re Serta Simmons Bedding, LLC*, Case No, 23-90020 (DRJ) (Bankr. S.D. Tex. 2023); and *In re Avaya Inc.*, Case No. 23-90088 (DRJ) Bankr. S.D. Tex. 2023).

4904-7287-2789.2
4930-3806-3445.1

Scope of Services

10. Subject to the Bankruptcy Court's approval, the Debtor anticipates that Evercore will perform the following investment banking services, among others, pursuant to the Engagement Letter, as mutually agreed upon by Evercore and the Debtor, and as appropriate:[2]

(a) Review and analyze the Debtor's business, operations, and financial projections in connection with a proposed financing or restructuring;

(b) Advise and assist the Debtor in a restructuring and/or financing transaction, if the company determines to undertake such a transaction;

(c) Provide financial advice in developing and implementing a restructuring, which would include:

i. Evaluating transaction alternatives and financial implications on the Debtor's capital structure and financial condition;

ii. Analyzing various restructuring scenarios and the potential impact of those scenarios on the value of the Debtor and the recoveries of those stakeholders impacted by the restructuring;

iii. Assisting the Debtor in developing and seeking approval of a restructuring plan or plan of reorganization, including a plan of reorganization pursuant to the Bankruptcy Code (any such plans are referred to generically herein as the "Plan");

iv. Advising and assisting in structuring, negotiating, implementing, and otherwise responding to the financial aspects of a restructuring, in each case on behalf of the Debtor;

v. Providing financial advice and assistance to the Debtor in structuring any new securities to be issued pursuant to a restructuring;

vi. Advising the Debtor on tactics and strategies for negotiating with various stakeholders regarding a restructuring;

vii. Evaluating the terms of restructuring proposals;

[2] The summaries provided in this Application are provided for convenience only. In the event of any inconsistency between any summary and the terms and provisions of the Engagement Letter, the terms of the Engagement Letter shall control. Capitalized terms used but not otherwise defined in the summaries of the Engagement Letter contained herein shall have the meanings ascribed to such terms in the Engagement Letter.

viii. Providing testimony, as necessary, with respect to matters on which Evercore has been engaged to advise the Debtor in this Chapter 11 Case; and

ix. Providing the Debtor with other financial restructuring advice as Evercore and the Debtor may deem appropriate.

(d) If the Debtor pursues financing, assisting the Debtor in:

i. Structuring and effecting financing;

ii. Identifying potential investors and, at the Debtor's request contacting such investors;

iii. Managing the due diligence process and working with the Debtor in negotiating a potential financing with potential investors;

iv. Assisting the Debtor in preparing marketing materials for such financing;

v. Evaluating the terms of financing proposals; and

vi. Providing the Debtor with other financial advice as Evercore and the Debtor may deem appropriate.

11. The Debtor does not believe that the services to be rendered by Evercore will be duplicative of the services performed by any other professional, and Evercore will work together with the other professionals retained by the Debtor to minimize and avoid duplication of services.

Professional Compensation

12. As set forth more fully in the Engagement Letter, Evercore and the Debtor have agreed on the following terms of compensation and expense reimbursement (the "Fee Structure"):[3]

(a) A monthly fee of $200,000 (a "Monthly Fee"), payable on the first day of each month commencing August 1, 2025, until the earlier of the consummation of the restructuring transaction or the termination of Evercore's engagement.

(b) A fee of $5.0 million (a "Restructuring Fee"), payable upon the earlier of (i) confirmation of a Plan or (ii) consummation of any restructuring. Notwithstanding the foregoing, no Restructuring Fee shall be payable in connection with any restructuring solely involving a waiver or forbearance with

[3] To the extent there is any inconsistency between the summary of the Fee Structure set forth in this Application and the Fee Structure as set forth in the Engagement Letter, the terms of the Engagement Letter shall control.

respect to any of the Debtor's outstanding indebtedness provided by the Debtor's existing lender, PMA Lender LLC, or an affiliated entity.

(c) A fee (a "Financing Fee"), payable upon consummation of any financing and incremental to any Restructuring Fee, equal to the following:

i. Applicable percentage(s) set forth in the table below:

Financing	**As a Percentage of Financing Gross Proceeds**
Indebtedness Secured by a First Lien	1.25%
Indebtedness Secured by a Second Lien, Unsecured, Subordinated and/or a Structured Financing	1.25%
Equity pr Equity-linked Securities/Obligations	1.25%

For purposes of calculating each Financing Fee, "Gross Proceeds" shall equal the aggregate amount of capital committed, whether or not drawn or funded.

Notwithstanding the foregoing, no Financing Fee shall be payable on any financing provided by (i) the Company's existing equity holders, (ii) the Debtor's existing lender, PMA Lender, LLC, or an affiliated entity, or (iii) any affiliated entities that hold equity investments in the Debtor.

(d) In addition to any fees that may be payable to Evercore and, regardless of whether any transaction occurs, the Debtor, on a monthly basis, shall promptly reimburse to Evercore (a) all reasonable expenses (including travel and lodging, data processing and communications charges, courier services and other appropriate expenditures) and (b) other documented reasonable fees and expenses, including expenses, including expenses of counsel, if any.

13. During the pendency of the Chapter 11 Case, Evercore shall apply to the Bankruptcy Court for the allowance of compensation for professional services rendered and reimbursement of expenses in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules and any other applicable procedures and orders of the Bankruptcy Court and consistent with the proposed compensation arrangement set forth in the Engagement Letter.

14. The Debtor believes that the Fee Structure set forth in the Engagement Letter is reasonable. The Fee Structure appropriately reflects both the nature of the services to be provided

by Evercore, and the fee structures typically utilized by leading investment banking firms of similar stature to Evercore for comparable engagements, both in and out of court. The Fee Structure is consistent with Evercore's normal and customary billing practices for cases of this size and complexity that require the level of scope and services outlined herein. Moreover, the Fee Structure is reasonable in light of: (a) industry practice; (b) market rates charged for comparable services both in and out of the chapter 11 context; (c) Evercore's substantial experience with respect to investment banking services; and (d) the nature and scope of work to be performed by Evercore in the Chapter 11 Case. The Fee Structure creates a proper balance between fixed monthly fees and contingency fees.

15. The Debtor and Evercore negotiated the Fee Structure to function as an interrelated, integrated unit, in correspondence with Evercore's services, which Evercore renders not in parts, but as a whole. It would be contrary to the intention of Evercore and the Debtor for any isolated component of the Fee Structure to be treated as sufficient consideration for any isolated portion of Evercore's services. Instead, the Debtor and Evercore intend that Evercore's services be considered as a whole that is to be compensated by the Fee Structure in its entirety.

16. The Fee Structure has been agreed upon in anticipation that a substantial commitment of professional time and effort will be required of Evercore and its professionals and in light of the fact that (i) such commitment may foreclose other opportunities for Evercore and (ii) the actual time and commitment required of Evercore and its professionals to perform its services may vary substantially from week to week and month to month, creating "peak load" issues for Evercore.

Modification of Compliance with Requirements Regarding Time Detail

17. Consistent with its ordinary practice and the practice of investment bankers in other chapter 11 cases whose fee arrangements are transaction-based, Evercore does not ordinarily maintain contemporaneous time records or provide or conform to a schedule of hourly rates for its professionals. Given the foregoing, and in light of the fact that Evercore's compensation is transaction-based, the Debtor requests that, notwithstanding anything to the contrary in the Bankruptcy Code, the Bankruptcy Rules, any order of this Bankruptcy Court, or any other guidelines regarding the submission and approval of fee applications, Evercore's professionals be excused from maintaining time records as set forth in Bankruptcy Rule 2016(a) and the Trustee Guidelines in connection with the services to be rendered pursuant to the Engagement Letter.

18. Instead, notwithstanding that Evercore does not charge for its services on an hourly basis, Evercore will maintain time records in half-hour (0.50) increments setting forth, in a summary format, a reasonably detailed description of services rendered by each professional and the amount of time spent on each date by each such individual in rendering services on behalf of the Debtor, and will present such records together with its fee applications filed with the Court.

19. Evercore will also maintain reasonably detailed records of any actual and necessary costs and expenses incurred in connection with the aforementioned services.

Indemnification of Evercore

20. As part of the overall compensation payable to Evercore under the terms of the Engagement Letter, the Engagement Letter provides for certain indemnification and related obligations to Evercore and its affiliates, and each of their respective officers, directors, managers, members, partners, employees, and agents, and any other controlling persons, to the fullest extent lawful, from and against any claims, liabilities, losses, damages, costs, and expenses, as incurred,

related to or arising out of or in connection with Evercore's services under the Engagement Letter, except that Evercore shall not be entitled to such indemnification with respect to any loss, damage or claim resulting primarily from Evercore's gross negligence, bad faith, or willful misconduct.[4]

21. The Debtor and Evercore believe that the indemnification, contribution, reimbursement, and other related provisions contained in the Engagement Letter are customary and reasonable for financial advisory and investment banking engagements, both in and out of court, and reflect the qualifications and limitations on indemnification provisions that are customary in this district and other jurisdictions.

Evercore's Disinterestedness

22. Evercore has informed the Debtor that as of the date hereof, except as set forth in the Berens Declaration: (a) Evercore has no connection with the Debtor, its creditors, equity security holders, or other parties in interest in the Chapter 11 Case; (b) Evercore does not have or represent any entity having an interest adverse to the interests of the Debtor's estate or of any class of creditors or equity security holders; and (c) Evercore (i) is not a creditor, equity security holder, or an insider of the Debtor, and (ii) is not or was not, within two years before the Petition Date, a director, officer, or employee of any of the Debtor. In addition, none of the Evercore professionals expected to assist the Debtor in the Chapter 11 Case are related or connected to any United States Bankruptcy Judge for the Middle District of Florida, the United States Trustee for the Middle District of Florida (the "U.S. Trustee"), or any person employed by the U.S. Trustee.

23. On July 2, 2025, Evercore received an initial payment in the amount of $600,000, pursuant to the Engagement Letter.

[4] To the extent there is any inconsistency between the summary of the indemnification provisions set forth in this Application and the indemnifications set forth in Schedule A to the Engagement Letter, the terms of the Engagement Letter shall control.

24. The Debtor has been advised that Evercore has no agreement with any other entity to share with such entity any compensation received by Evercore in connection with the Debtor's bankruptcy case, other than as permitted by Bankruptcy Code section 504.

25. Based on the foregoing, the Debtor believes that Evercore is a "disinterested person" as that term is defined in section 101(14) of the Bankruptcy Code and utilized in section 328(c) of the Bankruptcy Code.

26. To the extent that any new relevant facts or relationships bearing on the matters described herein during the period of Evercore's retention are discovered or arise, Evercore will use reasonable efforts to file promptly a supplemental declaration, as required by Bankruptcy Rule 2014(a).

Basis for Relief

27. The Debtor seeks entry of an order authorizing them to retain and employ Evercore pursuant to sections 327 and 328(a) of the Bankruptcy Code. Section 327(a) of the Bankruptcy Code provides, in relevant part, that the Debtor, with the Bankruptcy Court's approval, "may employ one or more attorneys, accountants . . . or other professional person." Section 328(a) of the Bankruptcy Code provides, in relevant part, that the Debtor, with the Bankruptcy Court's approval, "may employ or authorize the employment of a professional person under section . . . 327 . . . on any reasonable terms and conditions of employment, including on a retainer, on an hourly basis, on a fixed or percentage fee basis, or on a contingent fee basis."

28. Given the numerous issues that Evercore may be required to address in performing its services for the Debtor pursuant to the Engagement Letter, Evercore's commitment to the variable time requirements and effort necessary to address all such issues as they arise, and the market prices for Evercore's services for engagements of this nature, the Debtor submits that the

terms and conditions of the Engagement Letter are fair, reasonable, and market-based under the standards set forth in section 328(a) of the Bankruptcy Code. The Debtor also believes that the Fee Structure appropriately reflects (a) the nature and scope of Evercore's services, (b) Evercore's substantial experience with respect to investment banking services and (c) the transaction fee structures typically utilized by Evercore and other investment banks, which do not bill their clients on an hourly basis, in bankruptcy or otherwise.

29. Finally, the Court also has discretion to issue an order approving the employment of an estate professional *nunc pro tunc* if it meets a two-part test: (1) if the applicant satisfies the disinterestedness requirement of section 327(a) and (2) if the particular circumstances presented as extraordinary enough to warrant retroactive approval. *See F/S Airlease II, Inc. v. Simon (In re F/S Airlease II, Inc.)*, 844 F.2d 99, 105 (3d Cir. 1988) (citing *In re Ark. Co.*, 798 F.2d 645, 648 (3d Cir. 1986)). The Debtor believes that employment of Evercore *nunc pro tunc* to the Petition Date is warranted under the circumstances of the Chapter 11 Case. More specifically, Evercore has provided, and will continue to provide, valuable services to the Debtor. *See, e.g.*, *In re Ark. Co.*, 798 F.2d at 648 (3d Cir. 1986) (collecting cases) ("[T]he bankruptcy courts have the power to authorize retroactive employment of counsel and other professionals under their broad equity power."). While providing these valuable services since the Petition Date, Evercore has been working diligently to undertake its connections checking processes in order to be able to submit the Berens Declaration in support of this Application. To the best of the Debtor's knowledge, approval of this Application will not prejudice any parties in interest, because, among other things, the services provided by Evercore will assist the Debtor in the Chapter 11 Case, which is in the best interest of the Debtor's estate and its creditor constituencies.

30. As set forth above, and notwithstanding approval of the Engagement Letter under section 328(a) of the Bankruptcy Code, Evercore intends to apply for compensation for professional services rendered and reimbursement of expenses incurred in connection with the Chapter 11 Case, subject to the Bankruptcy Court's approval and in compliance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, and any other applicable procedures and orders of this Bankruptcy Court, with certain limited modifications as set forth herein. Notwithstanding the foregoing, as is customary for investment banker retentions under section 328(a), Evercore has agreed that the U.S. Trustee may review Evercore's compensation under section 330 of the Bankruptcy Code as set forth in the Proposed Order.

31. In light of the foregoing, the Debtor submits that the retention of Evercore is in the best interest of the estate, its creditors, and all parties in interest in the Chapter 11 Case. Evercore has extensive experience in matters involving complex financial restructurings and an excellent reputation for services rendered in chapter 11 cases on behalf of debtors and creditor constituencies throughout the United States. The Debtor has satisfied the requirements of the Bankruptcy Code and the Bankruptcy Rules to support entry of an order authorizing the Debtor to retain and employ Evercore in the Chapter 11 Case on the terms described herein and in the Engagement Letter.

Notice

32. Notice of this Application has been provided by email, facsimile or overnight mail to: (a) the Office of the United States Trustee for the Middle District of Florida; (b) the Debtor; (c) all secured creditors; (d) the Office of the Attorney General of the State of Florida; (e) the twenty (20) largest unsecured creditors for the Debtor; (f) the Debtors' identified, interested government and regulating entities; (g) other interested parties as identified by the Debtors; and (h) any known counsel for (a)-(g). The method of service for each party will be described more fully in the

certificate of service prepared by the Debtors' proposed claims and noticing agent. The Debtors respectfully submit that, based on the urgency of the circumstances surrounding this Application and the nature of the relief requested herein, no further notice is required.

WHEREFORE, the Debtor respectfully requests that the Bankruptcy Court enter an order, substantially in the form attached, granting the relief requested in this Application and such other relief as the Bankruptcy Court deems appropriate under the circumstances.

RESPECTFULLY SUBMITTED this 14th day of July, 2025.

BAKER & HOSTETLER LLP

By: */s/ Elizabeth A. Green*
Elizabeth A. Green, Esq.
FL Bar No.: 0600547
Email: egreen@bakerlaw.com
Jimmy D. Parrish, Esq.
FL Bar No.: 0526401
E-mail: jparrish@bakerlaw.com
Andrew V. Layden, Esq.
FL Bar No.: 86070
E-mail: alayden@bakerlaw.com
Suite 2300
200 South Orange Avenue
Orlando, Florida 32801-3432
Telephone: (407) 540-7920
Facsimile: (407) 841-0168

Proposed Counsel for the Debtor and Debtor in Possession

EXHIBIT A

Proposed Order

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

In Re:	**Case No.: 6:25-bk-04156-LVV**
THE VILLAGES HEALTH SYSTEM, LLC,[1]	**Chapter 11**
Debtor.	

ORDER (I) AUTHORIZING THE RETENTION AND EMPLOYMENT OF EVERCORE GROUP L.L.C. AS INVESTMENT BANKER FOR THE DEBTOR PURSUANT TO 11 U.S.C. §§ 327(a) AND 328(a), *NUNC PRO TUNC* TO THE PETITION DATE AND (II) WAIVING CERTAIN TIME-KEEPING REQUIREMENTS

This case came before the Court for hearing on July ___, 2025 at ________ a.m./p.m. upon the Application for Order Authorizing the Retention and Employment of Evercore Group L.L.C. as Investment Banker for the Debtor Pursuant to 11 U.S.C. §§327(a) and 328(a), *nunc pro tunc* to the Petition Date and (II) Waiving Certain Time-Keeping Requirements (Doc. No. ____) (the "Application")[2] of the above-captioned debtor and debtor in possession (the "Debtor") for entry of an order (this "Order"), (a) authorizing the Debtor to retain and employ Evercore Group L.L.C. ("Evercore") as their investment banker, *nunc pro tunc* to July 3, 2025, pursuant to the terms and subject to the conditions of the Engagement Letter, which is annexed to this Order as **Exhibit 1**, (ii) approving the terms of Evercore's employment and retention, including the fee and expense structure and the indemnification, contribution, reimbursement and related provisions set forth in the Engagement Letter, (iii) waiving certain timekeeping requirements and (iv) granting such other

[1] The address of the Debtor is 600 Sunbelt Road, The Villages, Florida 32159. The last four digits of the Debtor's federal tax identification number is 6436.

[2] Capitalized terms used and not defined herein have the meanings ascribed to them in the Application.

and further relief as is just and proper, all as more fully set forth in the Application; and upon the First Day Declaration and the Berens Declaration; the Court having found that (i) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (ii) venue is proper in this district pursuant to 28 U.S.C. § 1409, (iii) this is a core proceeding pursuant to 28 U.S.C. § 157(b), (iv) the Court may enter a final order consistent with Article III of the United States Constitution; (v) the terms and conditions of Evercore's employment, including the Fee Structure set forth in the Engagement Letter and summarized in the Application, are reasonable as required by section 328(a) of the Bankruptcy Code, (vi) Evercore is a "disinterested person" as that term is defined in section 101(14) of the Bankruptcy Code, (vii) the relief requested in the Application is in the best interests of the Debtor's estate, its creditors, and other parties in interest and (viii) the Debtor's notice of the Application and opportunity for a hearing on the Application were appropriate and no other notice need be provided; and the Court having reviewed the Application; and the Court having determined that the legal and factual bases set forth in the Application establish just cause for the relief granted herein; and upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor, it is

ORDERED:

1. The Application is GRANTED.

2. The Debtor is authorized to retain and employ Evercore as its investment banker in the Chapter 11 Case, pursuant to the terms and subject to the conditions set forth in the Engagement Letter attached hereto as **Exhibit 1**, *nunc pro tunc* to July 3, 2025.

3. The Engagement Letter (together with all schedules thereto), including without limitation the Fee Structure, are approved pursuant to sections 327(a) and 328(a) of the Bankruptcy Code, and the Debtor is authorized and directed to perform their payment, reimbursement,

contribution, and indemnification obligations and their non-monetary obligations in accordance with the terms and conditions, and at the times specified, in the Engagement Letter. Subject to this Order, all compensation and reimbursement of expenses payable under the Engagement Letter shall be subject to review only pursuant to the standards set forth in section 328(a) of the Bankruptcy Code and shall not be subject to any other standard of review including, but not limited to, that set forth in section 330 of the Bankruptcy Code.

4. None of the fees payable to Evercore shall constitute a "bonus" or fee enhancement under applicable law.

5. Evercore's professionals shall be excluded from (a) submitting monthly and interim fee applications, and (b) maintaining or providing detailed time records in accordance with Bankruptcy Rule 2016(a) or conforming to a schedule of hourly rates in connection with the services to be rendered pursuant to the Engagement Letter. Evercore shall maintain time records in half-hour (0.50) increments setting forth, in a summary format, a reasonably detailed description of services rendered by each professional and the amount of time spent on each date by each such individual in rendering services on behalf of the Debtor, but Evercore shall be excused from keeping time in tenth-hour increments.

6. Evercore shall file a final fee application for allowance and compensation for services rendered and reimbursement of expenses incurred pursuant to the procedures set forth in section 330 of the Bankruptcy Code, the Bankruptcy Rules, and any other applicable order of this Court; *provided* that such fee application shall be subject to review pursuant only to the standard of review set forth in section 328 of the Bankruptcy Code, except as expressly set forth herein. Notwithstanding the foregoing, Monthly Fees shall be paid by the Debtor on a monthly basis, as set forth in the Engagement Letter, without the need to file monthly fee statements; *provided*,

however, that for the avoidance of doubt, Monthly Fees shall be subject to review and approval in connection with the final fee application.

7. Notwithstanding anything to the contrary in this Order, the U.S. Trustee shall have the right to object to Evercore's request for final compensation and reimbursement based on the reasonableness standard provided in section 330 of the Bankruptcy Code, not section 328(a) of the Bankruptcy Code. This Order and the record relating to the Court's consideration of the Application shall not prejudice or otherwise affect the rights of the U.S. Trustee to challenge the reasonableness of Evercore's fees under the standard set forth in the preceding sentence. Accordingly, nothing in this Order or the record shall constitute a finding of fact or conclusion of law binding the U.S. Trustee, om appeal or otherwise, with respect to the reasonableness of Evercore's fees.

8. In the event that, during the pendency of this Chapter 11 Case, Evercore requests reimbursement for any attorneys' fees and/or expenses, the invoices and supporting time records from such attorneys (which may be redacted for privilege) shall be included in Evercore's fee applications, and such invoices and time records shall be in compliance with and the U.S. Trustee Guidelines and subject to approval of the Bankruptcy Court under the standards of section 330 and 331 of the Bankruptcy Code, without regard to whether such attorney has been retained under section 327 of the Bankruptcy Code and without regard to whether such attorneys' services satisfy section 330(a)(3)(C) of the Bankruptcy Code. Notwithstanding the foregoing, Evercore shall only be reimbursed for any legal fees incurred in connection with this Chapter 11 Case to the extent permitted under applicable law and the decisions of this Bankruptcy Court.

9. The indemnification, contribution, and reimbursement provisions included in Schedule A to the Engagement Letter are approved, subject to the following modifications, applicable during the pendency of this Chapter 11 Case:

a. No Indemnified Person shall be entitled to indemnification, contribution or reimbursement pursuant to the Engagement Letter for services, unless such services and the indemnification, contribution or reimbursement therefor are approved by the Court;

b. The Debtor shall have no obligation to indemnify any Indemnified Person, or provide contribution or reimbursement to any Indemnified Person, for any claim or expense that is either: (i) judicially determined (the determination having become final) to have arisen from such Indemnified Person's gross negligence, fraud, willful misconduct, breach of fiduciary duty, if any, bad faith or self-dealing; (ii) for a contractual dispute in which the Debtor alleges the breach of such Indemnified Person's contractual obligations, unless the Court determines that indemnification, contribution or reimbursement would be permissible pursuant to *In re United Artists Theatre Co.*, 315 F.3d 217 (3d Cir. 2003); or (iii) settled prior to a judicial determination as to the exclusions set forth in clauses (i) and (ii) above, but determined by this Court, after notice and a hearing, to be a claim or expense for which such Indemnified Person should not receive indemnity, contribution or reimbursement under the terms of the Engagement Letter as modified by this Order; and

c. If, before the earlier of (i) the entry of an order confirming a chapter 11 plan in this Chapter 11 Case (that order having become a final order no longer subject to appeal) and (ii) the entry of an order closing this Chapter 11 Case, any Indemnified Person believes that it is entitled to the payment of any amounts by the Debtor on account of the Debtor's indemnification, contribution and/or reimbursement obligations under the Engagement Letter (as modified by this Order), including, without limitation, the advancement of defense costs, such Indemnified Person must file an application therefor in this Court, and the Debtor may not pay any such amounts to such Indemnified Person before the entry of an order by this Court approving the payment. This subparagraph (c) is intended only to specify the period of time under which the Court shall have jurisdiction over any request for fees and expenses by Indemnified Persons for indemnification, contribution or reimbursement, and not a provision limiting the duration of the Debtor's obligation to indemnify Evercore and the other Indemnified Persons. All parties in interest shall retain the right to object to any demand by any Indemnified Person for indemnification, contribution or reimbursement.

4904-7287-2789.2
4930-3806-3445.1

for such financial advisory services."

10. To the extent the Debtor wishes to expand the scope of Evercore's services or seek additional fees beyond those set forth in the Engagement Letter or this Order, the Debtor shall be required to seek further approval from this Court. The Debtor shall file a notice of any proposed additional services or fees and any underlying engagement agreement with the Court. If no such party files and objection within fourteen (14) days of the Debtor filing such notice, the additional services or fees and any underlying engagement agreement, as applicable, may be approved by the Court by further order without notice or hearing.

11. Evercore shall use reasonable efforts to avoid any duplication of services provided by any of the Debtor's other retained professionals in the Chapter 11 Case.

12. To the extent that there may be any inconsistency between the terms of the Application, the Berens Declaration, the Engagement Letter, and this Order, the terms of this Order shall govern.

13. The Debtor is authorized and empowered to take all actions necessary to effectuate the relief granted in this Order in accordance with the Application.

14. Notice of the Application as provided therein shall be deemed good and sufficient notice of such Application and the requirements of Bankruptcy Rule 6004(a) are satisfied by such notice.

15. The relief granted herein shall be binding upon any chapter 11 trustee appointed in this Chapter 11 Case, or upon any chapter 7 trustee appointed in the event of a subsequent conversion of this Chapter 11 Case to a case under chapter 7.

16. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective and enforceable upon its entry.

17. This Bankruptcy Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

# # #

Attorney Elizabeth A. Green is directed to serve a copy of this order on interested parties who do not receive service by CM/ECF and file a proof of service within three days of entry of the order.

Exhibit 1

Engagement Letter

July 2, 2025

The Villages Health System, LLC
3619 Kiessel Road
The Villages, FL 32163
Ladies and Gentlemen:

This engagement letter (this "Agreement") is to formalize the arrangement between Evercore Group L.L.C. ("Evercore") and The Villages Health System, LLC (together with any direct or indirect subsidiaries, the "Company") regarding the retention of Evercore by the Company as a financial advisor for the purposes set forth herein.

Assignment Scope:

The Company hereby retains Evercore as its exclusive investment banker to provide the Company with general investment banking advice and to advise it in connection with any Restructuring or Financing transactions (each defined below) on the terms and conditions set forth herein.

As used in this Agreement, the term "Restructuring" shall mean, collectively, any restructuring, reorganization and/or recapitalization, however such result is achieved, including, without limitation, through one or more of the following: (i) a plan of reorganization or liquidation confirmed pursuant to 11 U.S.C. §101 *et. seq.*, as from time to time amended, or any other current or future federal statute or regulation that may be applicable to such plan (11 U.S.C. §101 *et. seq.* and those other statutes and regulations are referred to herein generically as the "Bankruptcy Code")), (ii) a refinancing, cancellation, forgiveness, satisfaction, retirement, purchase, assumption and/or a material modification or amendment to the terms of the Company's outstanding indebtedness (including bank debt, bond debt, preferred stock, government and government related liabilities and other on and off balance sheet indebtedness), trade claims, leases (both on and off balance sheet), litigation-related claims and obligations, unfunded pension and retiree medical liabilities, lease obligations, partnership interests and other liabilities (collectively, the "Existing Obligations") including pursuant to a sale, repurchase or an exchange transaction, a Plan (as defined below) or a solicitation of consents, waivers, acceptances or authorizations, or (iii) an acquisition, merger, sale, consolidation, or other business combination, including a sale pursuant to section 363 of the Bankruptcy Code (including via credit bid), pursuant to which a majority of the business, assets, or existing equity or securities of the Company are, directly or indirectly, sold or transferred to, or combined with, another company (other than an ordinary course intra-company transaction).

As used in this agreement, the term "Financing" shall mean the issuance, sale or placement of newly issued or treasury equity, equity-linked or debt securities, instruments or obligations of the Company with one or more lenders and/or investors or security holders (each such lender or investor, an "Investor"), including any "debtor-in-possession financing" or "exit financing" in connection with a case under the Bankruptcy Code or a refinancing, repricing, rights offering or any loan or other financing or obligation.

Description of Services:

1. Evercore agrees, in consideration of the compensation provided in Section 2 below, to perform the following services, to the extent it deems such services necessary, appropriate and feasible:

    a. Reviewing and analyzing the Company's business, operations and financial projections in connection with a proposed Financing or Restructuring;

    b. Advising and assisting the Company in a Restructuring and/or Financing transaction, if the Company determines to undertake such a transaction;

    c. Providing financial advice in developing and implementing a Restructuring, which would include:

        i. Evaluating transaction alternatives and financial implications on the Company's capital structure and financial condition;

        ii. Analyzing various Restructuring scenarios and the potential impact of those scenarios on the value of the Company and the recoveries of those stakeholders impacted by the Restructuring;

        iii. Assisting the Company in developing and seeking approval of a restructuring plan or plan of reorganization, including a plan of reorganization pursuant to the Bankruptcy Code (any such plans are referred to generically herein as the "Plan");

        iv. Advising and assisting in structuring, negotiating, implementing, and otherwise responding to the financial aspects of a Restructuring, in each case on behalf of the Company;

        v. Providing financial advice and assistance to the Company in structuring any new securities to be issued pursuant to a Restructuring;

        vi. Advising the Company on tactics and strategies for negotiating with various stakeholders regarding a Restructuring;

        vii. Evaluating the terms of Restructuring proposals;

        viii. Providing testimony, as necessary, with respect to matters on which Evercore has been engaged to advise the Company in any proceedings under the Bankruptcy Code that are pending before a court (generically referred to herein as the "Bankruptcy Court") exercising jurisdiction over the Company as a debtor; and,

        ix. Providing the Company with other financial restructuring advice as Evercore and the Company may deem appropriate.

d. If the Company pursues a Financing, assisting the Company in:

   i. Structuring and effecting a Financing;

   ii. Identifying potential Investors (as defined below) and, at the Company's request, contacting such Investors; and,

   iii. Managing the due diligence process and working with the Company in negotiating a potential Financing with potential Investors;

   iv. Assisting the Company in preparing marketing materials for such Financing;

   v. Evaluating the terms of Financing proposals; and,

   vi. Providing the Company with other financial advice as Evercore and the Company may deem appropriate.

   It is understood that nothing contained herein shall constitute an express or implied commitment by Evercore to act in any capacity or to underwrite, place or purchase any financing or securities, which commitment, if any, shall be set forth in a separate underwriting placement or other appropriate agreement relating to a Financing.

In rendering its services to the Company hereunder, Evercore is not assuming any responsibility for the Company's underlying business decision to pursue or not to pursue any business strategy or to effect or not to effect any Restructuring, Financing, or other transaction.

Evercore shall not have any obligation or responsibility to provide accounting, audit, "crisis management" or business consultant services to the Company, and shall have no responsibility for design or implementation of operating, organizational, administrative, cash management or liquidity improvements; nor shall Evercore be responsible for providing any tax, legal or other specialist advice. The Company confirms that it will rely on its own counsel, accountants and similar expert advisors for legal, accounting, tax and other similar advice.

Fees:

2. As compensation for the services rendered by Evercore hereunder, the Company agrees to pay Evercore the following fees in cash as and when set forth below:

   a. Upon execution hereof, the Company will pay to Evercore an upfront retainer in the amount of $600,000 which will be fully earned upon receipt. In addition, the Company will pay to Evercore a monthly fee of $200,000 (a "Monthly Fee"), with the first such Monthly Fee payable on the first day of each month commencing August 1, 2025 until the earlier of the consummation of the Restructuring transaction or the termination of Evercore's engagement.

b. A fee of $5.0 million (a "Restructuring Fee"), payable upon the earlier of (i) confirmation of a Plan or (ii) consummation of any Restructuring.

Notwithstanding the foregoing, no Restructuring Fee shall be payable in connection with any Restructuring solely involving a waiver or forbearance with respect to any of the Company's outstanding indebtedness provided by The Villages, Inc.

c. A fee (a "Financing Fee"), payable upon consummation of any Financing and incremental to any Restructuring Fee, equal to the following:

i. Applicable percentage(s) set forth in the table below:

Financing	**As a Percentage of Financing Gross Proceeds**
Indebtedness Secured by a First Lien	1.25%
Indebtedness Secured by a Second Lien, Unsecured, Subordinated and/or a Structured Financing	1.25%
Equity or Equity-linked Securities/Obligations	1.25%

For purposes of calculating each Financing Fee, "Gross Proceeds" shall equal the aggregate amount of capital committed, whether or not drawn or funded.

Notwithstanding the foregoing, no Financing Fee shall be payable on any financing provided by (i) the Company's existing equity holders or (ii) any affiliated entities that hold equity investments in the Company.

d. In addition to any fees that may be payable to Evercore and, regardless of whether any transaction occurs, the Company, on a monthly basis, shall promptly reimburse to Evercore (a) all reasonable expenses (including travel and lodging, data processing and communications charges, courier services and other appropriate expenditures) and (b) other documented reasonable fees and expenses, including expenses of counsel, if any.

e. If Evercore provides services to the Company for which a fee is not provided herein, such services shall, except insofar as they are the subject of a separate agreement, be treated as falling within the scope of this Agreement, and the Company and Evercore will agree upon a fee for such services based upon good faith negotiations.

f. All amounts referenced hereunder reflect United States currency and shall be paid promptly in cash after such amounts accrue hereunder.

In addition, the Company and Evercore acknowledge and agree that more than one fee may be payable to Evercore under subparagraphs 2(b), 2(c) and/or 2(e) hereof in connection with any single transaction or a series of transactions, it being understood and agreed that if more than one fee becomes so payable to Evercore in connection with a series of transactions, each such fee shall be paid to Evercore.

The Company acknowledges that the fee structure herein, including the Monthly Fees, reflects the substantial commitment of professional time and effort that will be required of Evercore and its professionals and in light of the fact that (i) such commitment may foreclose other opportunities for Evercore and (ii) the actual time and commitment required of Evercore and its professionals to perform its services may vary substantially from week to week and month to month, creating "peak load" issues for Evercore.

Support of Fees and Retention in Bankruptcy Code Proceedings:

3. In the event the Company obtains support (e.g., via an executed term sheet, restructuring support agreement, or other agreement in principle documenting the key terms of a Plan and/or out-of-court restructuring) from one or more of the Company's key creditor classes (such creditors the "Supporting Creditors" and any such documentation of support, an "RSA"), the Company agrees that it will use best efforts to include in the RSA a provision that the Supporting Creditors affirmatively agree to support and not to object or in any way oppose: (i) the retention of Evercore; (ii) the terms and conditions set forth in this Agreement including, for the avoidance of doubt, the fee and expense structure included herein; and/or (iii) any fee statement or application submitted by Evercore to the Bankruptcy Court. In the event of the commencement of Chapter 11 proceedings, the Company agrees that it will use best efforts to obtain prompt authorization from the Bankruptcy Court to retain Evercore on the terms and conditions set forth in this Agreement under the provisions of 11 U.S.C. §§ 327 and 328 subject to the standard of review provided in Section 328(a), and not subject to the standard of review under 11 U.S.C. § 330 or any other standard of review. Subject to being so retained, Evercore agrees that during the pendency of any such proceedings, it shall continue to perform its obligations under this Agreement and that it shall file interim and final applications for allowance of the fees and expenses payable to it under the terms of this Agreement pursuant to the applicable Federal Rules of Bankruptcy Procedure, and the local rules and orders of the Bankruptcy Court. The Company shall supply Evercore with a draft of the application and proposed retention order authorizing Evercore's retention sufficiently in advance of the filing of such application and proposed order to enable Evercore and its counsel to review and comment thereon. Evercore shall be under no obligation to provide any services under this agreement in the event that the Company becomes a debtor under the Bankruptcy Code unless Evercore's retention under the terms of this Agreement is approved under Section 328(a) by final order of the Bankruptcy Court, not subject to appeal, which order is acceptable to Evercore. In so agreeing to seek Evercore's retention under Section 328(a), the Company acknowledges that it believes that Evercore's general restructuring experience and expertise, its knowledge of the capital markets and its merger and acquisition capabilities will inure to the benefit of the Company in pursuing any Restructuring, and/or Financing, that the value to the Company of Evercore's services hereunder derives in substantial part from that expertise and experience and that, accordingly, the structure and amount of the contingent fees are reasonable under the standard set forth in Section 328(a), regardless of the number of hours to be expended by Evercore's professionals in the performance of the services to be provided hereunder. No fee payable to any other person, by the Company or any other party, shall reduce or otherwise affect any fee payable hereunder to Evercore.

Other:

4. Evercore's engagement hereunder is premised on the assumption that the Company will make available to Evercore all information and data that Evercore reasonably deems appropriate in connection with its activities on the Company's behalf and will not omit or withhold any material information. The Company represents and warrants to Evercore that any information heretofore or hereafter furnished to Evercore is and will be true and correct in all material respects. The Company recognizes and consents to the fact that (a) Evercore will use and rely on the accuracy and completeness of public reports and other information provided by others, including information provided by the Company, other parties and their respective officers, employees, auditors, attorneys or other agents in performing the services contemplated by this Agreement, and (b) Evercore does not assume responsibility for, and may rely without independent verification upon, the accuracy and completeness of any such information.

5. Evercore's engagement hereunder may be terminated by the Company or Evercore at any time upon written notice and without liability or continuing obligation to the Company or Evercore, except that following such termination Evercore shall remain entitled to any fees accrued pursuant to Section 2 but not yet paid prior to such termination, and to reimbursement of expenses incurred prior to such termination, and Evercore shall remain entitled to full payment of all fees contemplated by Section 2 hereof in respect to any Restructuring and/or Financing announced or occurring during the period from the date hereof until 12 months following such termination.

6. Nothing in this Agreement, expressed or implied, is intended to confer or does confer on any person or entity other than the parties hereto or their respective successors and assigns, and to the extent expressly set forth in accordance with the indemnification agreement ("Indemnification Agreement") attached to this Agreement as Schedule I, the Indemnified Persons (as defined in the Indemnification Agreement), any rights or remedies under or by reason of this Agreement or as a result of the services to be rendered by Evercore hereunder. The Company acknowledges that Evercore is not acting as an agent of the Company or in a fiduciary capacity with respect to the Company and that Evercore is not assuming any duties or obligations other than those expressly set forth in this Agreement. Nothing contained herein shall be construed as creating, or be deemed to create, the relationship of employer and employee between the parties, nor any agency, joint venture or partnership. Evercore shall at all times be and be deemed to be an independent contractor. Nothing herein is intended to create or shall be construed as creating a fiduciary relationship between Evercore and the Company or its Board of Directors. No party to this Agreement nor its employees or agents shall have any authority to act for or to bind the other party in any way or to sign the name of the other party or to represent that that the other party is in any way responsible for the acts or omissions of such party.

7. As part of the compensation payable to Evercore hereunder, the Company agrees to indemnify Evercore and certain related persons in accordance with the Indemnification Agreement. The provisions of the Indemnification Agreement are an integral part of this Agreement, and the terms thereof are incorporated by reference herein. The

provisions of the Indemnification Agreement shall survive any termination or completion of Evercore's engagement hereunder.

8. The Company agrees that it is solely responsible for any decision regarding a transaction, regardless of the advice provided by Evercore with respect to such a transaction. The Company acknowledges that the Company's appointment of Evercore pursuant to this Agreement is not intended to achieve or guarantee the closing of a transaction and that Evercore is not in a position to guarantee the achievement or closing of a transaction.

9. The Company recognizes that Evercore has been engaged only by the Company and that the Company's engagement of Evercore is not deemed to be on behalf of and is not intended to confer rights on any shareholder, partner or other owner of the Company, any creditor, lender or any other person not a party hereto or any of its affiliates or their respective directors, officers, members, agents, employees or representatives. Unless otherwise expressly agreed, no one, other than senior management or the Board of Directors of the Company, is authorized to rely upon the Company's engagement of Evercore or any statements, advice, opinions or conduct by Evercore. Without limiting the foregoing, any advice, written or oral, rendered to the Company's Board of Directors or senior management in the course of the Company's engagement of Evercore are solely for the purpose of assisting senior management or the Board of Directors of the Company, as the case may be, in evaluating the Restructuring or , Financing or other transaction and does not constitute a recommendation to any stakeholder of the Company that such stakeholder might or should take in connection with a transaction. Any advice, written or oral, rendered by Evercore may not be disclosed publicly or made available to third parties without the prior written consent of Evercore.

10. In order to coordinate Evercore's efforts on behalf of the Company during the period of Evercore's engagement hereunder, the Company will promptly inform Evercore of any discussions, negotiations, or inquiries regarding a potential transaction, including any such discussions or inquiries that have occurred during the six-month period prior to the date of this Agreement.

11. This Agreement (including the Indemnification Agreement) between Evercore and the Company, embodies the entire agreement and understanding between the parties hereto and supersedes all prior agreements and understandings relating to the subject matter hereof. If any provision of this Agreement is determined to be invalid or unenforceable in any respect, such determination will not affect this Agreement in any other respect, which will remain in full force and effect. This Agreement may not be amended or modified except in writing signed by each of the parties.

12. In the event that, as a result of or in connection with Evercore's engagement for the Company, Evercore becomes involved in any legal proceeding or investigation or is required by government regulation, subpoena or other legal process to produce documents, or to make its current or former personnel available as witnesses at deposition or trial, the Company will reimburse Evercore for the reasonable fees and

expenses of its counsel incurred in responding to such a request. Nothing in this paragraph shall affect in any way the Company's obligations pursuant to the separate Indemnification Agreement attached hereto.

13. The Company agrees that Evercore shall have the right to place advertisements in financial and other newspapers and journals at its own expense describing its services to the Company hereunder.

14. The Company acknowledges that Evercore, in the ordinary course, may have received information and may receive information from third parties which could be relevant to this engagement but is nevertheless subject to a contractual, equitable or statutory obligation of confidentiality, and that Evercore is under no obligation hereby to disclose any such information or include such information in its analysis or advice provided to the Company. In addition, Evercore or one or more of its affiliates may in the past have had, and may currently or in the future have, investment banking, investment management, financial advisory or other relationships with the Company and its affiliates, potential parties to a Transaction and their affiliates or persons that are competitors, customers or suppliers of (or have other relationships with) the Company or its affiliates or potential parties to a Transaction or their affiliates, and from which conflicting interests or duties may arise. Nothing contained herein shall limit or preclude Evercore or any of its affiliates from carrying on (i) any business with or from providing any financial or non-financial services to any party whatsoever, including, without limitation, any competitor, supplier or customer of the Company, or any other party which may have interests different from or adverse to the Company or (ii) its business as currently conducted or as such business may be conducted in the future. The Company also acknowledges that Evercore and its affiliates engage in a wide range of activities for their own accounts and the accounts of customers, including corporate finance, mergers and acquisitions, equity sales, trading and research, private equity, asset management and related activities. In the ordinary course of such businesses, Evercore and its affiliates may at any time, directly or indirectly, hold long or short positions and may trade or otherwise effect transactions for their own accounts or the accounts of customers, in debt or equity securities, senior loans and/or derivative products relating to the Company or its affiliates, potential parties to a Transaction and their affiliates or persons that are competitors, customers or suppliers of the Company.

15. The Company agrees to provide and procure all corporate, financial, identification and other information regarding the Company and control persons and/or beneficial owners, as Evercore may require to satisfy its obligations as a U.S. financial institution under the USA PATRIOT Act and Financial Crimes Enforcement Network regulations.

16. Evercore may, in the performance of its services hereunder, delegate the performance of all or certain services as it may select to any of its affiliated entities; provided that no such delegation by Evercore shall in any respect affect the terms hereof, and Evercore shall be responsible for any acts or omissions by any of its affiliated entities in the performance of any services delegated to such entity.

17. For the convenience of the parties hereto, any number of counterparts of this Agreement may be executed by the parties hereto, each of which shall be an original instrument and all of which taken together shall constitute one and the same Agreement. Delivery of a signed counterpart of this Agreement by facsimile transmission shall constitute valid sufficient delivery thereof.

18. Except as provided herein, the parties hereby irrevocably consent to the exclusive jurisdiction of any New York State or United States federal court sitting in the Borough of Manhattan of the City of New York over any action or proceeding arising out of or relating to this Agreement, and the parties hereby irrevocably agree that all claims in respect of such action or proceeding may be heard in such New York State or federal court. The parties irrevocably agree to waive all rights to trial by jury in any such action or proceeding and irrevocably consent to the service of any and all process in any such action or proceeding by the mailing of copies of such process to each party at its address set forth above. The parties agree that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. The Agreement and any claim related directly or indirectly to this Agreement shall be governed by and construed in accordance with the laws of the State of New York (without regard to conflicts of law principles that would result in the application of any law other than the law of the State of New York). The parties further waive any objection to venue in the State of New York and any objection to any action or proceeding in such state on the basis of forum non conveniens.

If the foregoing correctly sets forth the understanding and agreement between Evercore and the Company, please so indicate in the space provided below, whereupon this letter shall constitute a binding agreement as of the date hereof.

[signature pages follow]

Very truly yours,

Evercore Group L.L.C.

By:______________________
Mark Hanson
Senior Managing Director

By:______________________
Stephen Goldstein
Senior Managing Director

Agreed to and Accepted as of the Date
July 2, 2025:

The Villages Health System, LLC

By: ______________________
Neil F. Luria
Chief Restructuring Officer

Schedule I

Indemnification Agreement

July 2, 2025

The Villages Health System, LLC
Attention: Brian Hudson, Esq., The Villages General Counsel
3619 Kiessel Road
The Villages, FL 32163

Gentlemen:

In connection with the engagement of Evercore Group L.L.C. ("Evercore") to render financial advisory services to The Villages Health System, LLC (the "Company") pursuant to the engagement letter, dated July 2, 2025, the Company and Evercore are entering into this Indemnification Agreement (this "Agreement"). It is understood and agreed that in the event that Evercore or any of its members, partners, officers, directors, advisors, representatives, employees, agents, affiliates or controlling persons, if any (each of the foregoing, including Evercore, an "Indemnified Person"), become involved in any capacity in any claim, action, proceeding or investigation brought or threatened by or against any person, including the Company's stockholders, related to, arising out of or in connection with Evercore's engagement, Evercore's performance of any service in connection therewith or any transaction contemplated thereby, the Company will promptly reimburse each such Indemnified Person for its reasonable legal and other expenses (including the reasonable cost of any investigation and preparation) as and when they are incurred in connection therewith. The Company will indemnify and hold harmless each Indemnified Person from and against any losses, claims, damages, liabilities or expense to which any Indemnified Person may become subject under any applicable federal or state law, or otherwise, related to, arising out of or in connection with Evercore's engagement, Evercore's performance of any service in connection therewith or any transaction contemplated thereby, whether or not any pending or threatened claim, action, proceeding or investigation giving rise to such losses, claims, damages, liabilities or expense is initiated or brought by or on the Company's behalf and whether or not in connection with any claim, action, proceeding or investigation in which the Company or an Indemnified Person is a party, except to the extent that any such loss, claim, damage, liability or expense is found by a court of competent jurisdiction in a judgment which has become final in that it is no longer subject to appeal or review to have resulted primarily from such Indemnified Person's gross negligence, bad faith or willful misconduct. The Company also agrees that no Indemnified Person shall have any liability (whether direct or indirect, in contract or tort or otherwise) to the Company or its security holders or creditors related to, arising out of or in connection with Evercore's engagement, Evercore's performance of any service in connection therewith or any transaction contemplated thereby, except to the extent that any loss, claim, damage, liability or expense is found by a court of competent jurisdiction in a judgment which has become final in that it is no longer subject to appeal or review to have resulted primarily from such Indemnified Person's gross negligence, bad faith or willful misconduct. Each

Indemnified Person shall promptly remit to the Company any amounts paid to such Indemnified Person under this Agreement in respect of losses, claims, damages, liabilities or expense that resulted from such Indemnified Person's gross negligence, bad faith or willful misconduct. If multiple claims are brought against Evercore in an arbitration related to, arising out of or in connection with Evercore's engagement, Evercore's performance of any service in connection therewith or any transaction contemplated thereby, with respect to at least one of which such claims indemnification is permitted under applicable law, the Company agrees that any arbitration award shall be conclusively deemed to be based on the claims as to which indemnification is permitted and provided for hereunder, except to the extent the arbitration award expressly states that the award, or any portion thereof, is based solely on a claim as to which indemnification is not available.

If for any reason the foregoing indemnification is unavailable to an Indemnified Person or insufficient to hold it harmless, then the Company shall contribute to the loss, claim, damage, liability or expense for which such indemnification is unavailable or insufficient in such proportion as is appropriate to reflect the relative benefits received, or sought to be received, by the Company and its security holders on the one hand and the party entitled to contribution on the other hand in the matters contemplated by Evercore's engagement as well as the relative fault of the Company and such party with respect to such loss, claim, damage, liability or expense and any other relevant equitable considerations. The Company agrees that for the purposes hereof the relative benefits received, or sought to be received, by the Company and its security holders and Evercore shall be deemed to be in the same proportion as (i) the aggregate consideration paid or contemplated to be paid or received or contemplated to be received by the Company or its security holders, as the case may be, pursuant to a transaction contemplated by the engagement (whether or not consummated) for which Evercore has been engaged to perform financial advisory services bears to (ii) the fees paid or payable to Evercore in connection with such engagement; provided, however, that, to the extent permitted by applicable law, in no event shall Evercore or any other Indemnified Person be required to contribute an aggregate amount in excess of the aggregate fees actually paid to Evercore for such financial advisory services. The Company and Evercore agree that it would not be just and equitable if contribution hereunder were determined by pro rata allocation or by any other method that does not take into account the equitable considerations referred to herein. The Company's reimbursement, indemnity and contribution obligations under this Agreement shall be in addition to any liability which the Company may otherwise have, shall not be limited by any rights Evercore or any other Indemnified Person may otherwise have and shall be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of the Company, Evercore, and any other Indemnified Persons.

If any claim, action, proceeding or investigation shall be brought, threatened or asserted against an Indemnified Person in respect of which indemnity may be sought against the Company, Evercore shall promptly notify the Company in writing, and the Company shall be entitled, at its expense, and upon delivery of written notice to Evercore, to assume the defense thereof with counsel reasonably satisfactory to Evercore. Such Indemnified Person shall have the right to employ separate counsel in any such claim, action, proceeding or investigation and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnified Person unless (i) the Company has agreed in writing to pay such fees and expenses,

(ii) the Company has failed to assume the defense, pursue the defense diligently or to employ counsel in a timely manner or (iii) in such action, claim, suit, proceeding or investigation there is, in the reasonable belief of such Indemnified Person, a conflict of interest or a conflict on any material issue between the Company's position and the position of the Indemnified Person. It is understood, however, that in the situation in which an Indemnified Person is entitled to retain separate counsel pursuant to the preceding sentence, the Company shall, in connection with any one such claim, action, proceeding, investigation or separate but substantially similar or related claims, actions, proceedings or investigations in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the reasonable fees and expenses of only one separate firm of attorneys at any time for all such Indemnified Persons (unless in the reasonable belief of such Indemnified Persons, there is a conflict of interest or a conflict on any material issue between the positions of such Indemnified Persons), which firm shall be designated in writing by Evercore. The Company shall not be liable for any settlement or compromise of any claim, action, proceeding or investigation (or for any related losses, claims, damages, liabilities or expenses) if such settlement or compromise is affected without the Company's prior written consent (which will not be unreasonably withheld).

The Company agrees that, without Evercore's prior written consent, it will not settle, compromise or consent to the entry of any judgment in any pending or threatened claim, action, proceeding or investigation in respect of which indemnification or contribution is reasonably likely to be sought hereunder (whether or not Evercore or any other Indemnified Person is an actual or potential party to such claim, action, proceeding or investigation), unless such settlement, compromise or consent includes an unconditional release from the settling, compromising or consenting party of each Indemnified Person from all liability arising out of such claim, action, proceeding or investigation. No waiver, amendment or other modification of this Agreement shall be effective unless in writing and signed by each party to be bound thereby.

For the convenience of the parties hereto, any number of counterparts of this Agreement may be executed by the parties hereto, each of which shall be an original instrument and all of which taken together shall constitute one and the same Agreement. Delivery of a signed counterpart of this Agreement by facsimile transmission shall constitute valid sufficient delivery thereof.

This Agreement and any claim related directly or indirectly to this Agreement shall be governed by and construed in accordance with the laws of the State of New York (without regard to conflicts of law principles that would result in the application of any law other than the law of the State of New York). No such claim shall be commenced, prosecuted or continued in any forum other than the courts of the State of New York located in the City and County of New York or in the United States District Court for the Southern District of New York. Evercore and the Company (on its own behalf and, to the extent permitted by applicable law, on behalf of its stockholders and creditors) waive all right to trial by jury in any claim, action, proceeding or counterclaim (whether based upon contract, tort or otherwise) related to or arising out of or in connection with this Agreement.

Each party has all necessary corporate or limited liability company, as applicable, power and authority to enter into this Agreement. All corporate or limited liability company, as applicable, action has been taken by each party necessary for the authorization, execution, delivery of, and the performance of all obligations of each of the parties under the Agreement, and each signatory below is duly authorized to sign this Agreement on behalf of the party it represents.

This Agreement shall remain in effect indefinitely, notwithstanding any termination of Evercore's engagement.

Very truly yours,

Evercore Group L.L.C.

By: ______________________
Mark Hanson
Senior Managing Director

By: ______________________
Stephen Goldstein
Senior Managing Director

Agreed to and Accepted as of the Date
July 2, 2025:

The Villages Health System, LLC

By: ______________________
Neil F. Luria
Chief Restructuring Officer

<u>EXHIBIT B</u>

Berens Declaration

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

In Re:	**Case No.: 6:25-bk-04156-LVV**
THE VILLAGES HEALTH SYSTEM, LLC,[1]	**Chapter 11**
Debtor.	

DECLARATION OF A.J. BERENS IN SUPPORT OF DEBTOR'S APPLICATION FOR ENTRY OF AN ORDER (I) AUTHORIZING THE RETENTION AND EMPLOYMENT OF EVERCORE GROUP L.L.C. AS INVESTMENT BANKER FOR THE DEBTOR PURSUANT TO 11 U.S.C. §§ 327(a) AND 328(a), *NUNC PRO TUNC* TO THE PETITION DATE AND (II) WAIVING CERTAIN TIME-KEEPING REQUIREMENTS

I, A.J. Berens, hereby declare under penalty of perjury that, to the best of my knowledge and belief, and after reasonable inquiry, the following is true and correct:

1. I am a Managing Director at Evercore Group L.L.C. ("Evercore") and am duly authorized to execute this Declaration (this "Declaration") on behalf of Evercore. I am familiar with the matters set forth herein and, if called as a witness, could and would testify thereto.

2. I submit this Declaration in support of the application (the "Application")[2] of the above-captioned debtor and debtor in possession in these proceedings (the "Debtor") for an order authorizing the Debtor to retain and employ Evercore as its investment banker, *nunc pro tunc* to July 3, 2025, pursuant to the terms and subject to the conditions of the Engagement Letter.

[1] The address of the Debtor is 600 Sunbelt Road, The Villages, Florida 32159. The last four digits of the Debtor's federal tax identification number is 6436.

[2] Capitalized terms used in this Declaration and not immediately defined have the meanings given to such terms in the Application.

3. Except as otherwise noted, I have personal knowledge of the matters set forth herein, and, if called as a witness, I would testify thereto. Certain of the disclosures herein, however, relate to matters within the personal knowledge of other professionals at and representatives of Evercore and are based on information provided by such professionals.

Evercore's Qualifications

4. I believe that Evercore and the professionals it employs are uniquely qualified to advise the Debtor on the matters for which Evercore is proposed to be employed in a cost-effective, efficient, and timely manner.

5. Evercore is a full-service investment banking advisory and investment management firm, with offices in New York Boston, Chicago, Los Angeles, Washington D.C., San Francisco, Houston, Minneapolis, Menlo Park, Dallas, Tampa, Wilmington, West Palm Beach, Singapore, Hong Kong, London, Beijing, Dubai, Frankfurt, Madrid, Tel Aviv, Tokyo, and Toronto, among other locations. Since the firm's inception, Evercore's corporate advisory and restructuring advisory groups have advised on over $4.5 trillion of transactions. Evercore restructuring professionals provide investment banking services in financially distressed situations, including advising debtors, creditors, and other constituencies in chapter 11 proceedings and out-of-court restructurings. Evercore and its professionals are providing or have provided investment banking, financial advisory, and other services in connection with the following recent cases, among others: *In re ZIPS Car Wash, LLC*, Case No. 25-80069 (MVL) (Bankr. N.D. Tex. 2025); *In re ConvergeOne Holdings, Inc.*, Case No. 24-90194 (CML) (Bankr. S.D. Tex 2024); *In re Mobileum, Inc.*, Case No. 24-90414 (Bankr. S.D. Tex 2024); *In re Lucky Bucks LLC*, Case No. 23-10758 (KBO) (Bankr. D. Del. 2023); *In re Western Global Airlines, Inc.*, Case No. 23-11093 (KBO)

(Bankr. D. Del. 2023); *In re Serta Simmons Bedding, LLC*, Case No, 23-90020 (DRJ) (Bankr. S.D. Tex. 2023); and *In re Avaya Inc.*, Case No. 23-90088 (DRJ) Bankr. S.D. Tex. 2023).

6. Evercore was engaged by the Debtor on July 2, 2025 to explore restructuring alternatives. Evercore is familiar with the Debtor's corporate and capital structure, management, business operations, and potential investor universe. Accordingly, Evercore is both well qualified and uniquely able to advise the Debtor in the Chapter 11 Case.

Evercore' Disinterestedness

7. In connection with its retention by the Debtor in this Chapter 11 Case, Evercore undertook to determine whether Evercore had any conflicts or other relationships that might cause it not to be disinterested or to hold or represent an interest adverse to the Debtor. Specifically, Evercore obtained from the Debtor and/or its representatives the names of individuals and entities that may be parties in interest in this Chapter 11 Case ("Potential Parties in Interest"), and such parties are listed on **Schedule 1** attached hereto.

8. To the best of my knowledge and belief, Evercore has not represented any Potential Parties in Interest in connection with matters relating to the Debtor, its estate, assets or businesses and will not represent other entities which are creditors of, or have other relationships to, the Debtor in matters relating to this Chapter 11 Case except as set forth herein and in **Schedule 2** attached hereto.

9. To the best of my knowledge and belief, no individual assignment described in Schedule 2 accounts for more than 1.00% of Evercore's gross revenue during the twelve month period prior to the date hereof.

10. During the 90 days immediately preceding the Petition Date, Evercore received fee payments totaling $600,000.00 and expense reimbursement payments totaling $559.04. Other than

as set forth herein, Evercore did not receive any payments from the Debtor during the 90 days immediately preceding the Petition Date.

11. As of the Petition Date, the Debtor did not owe Evercore for any fees or expenses incurred prior to the Petition Date.

12. Evercore provides financial advice and investment banking services to an array of clients on mergers and acquisitions, divestitures, special committee assignments, recapitalizations, restructurings and other strategic transactions. As a result, Evercore has represented, may currently be representing, and may in the future represent, certain Potential Parties-in-Interest in matters unrelated to this Chapter 11 Case, either individually or as part of representation of a committee of creditors or interest holders. To the best of my knowledge and belief, insofar as I have been able to ascertain after reasonable inquiry, none of these representations are materially adverse to the Debtor's interests.

13. To the best of my knowledge and belief, neither Evercore nor I, nor any other employee of Evercore that will work on the Debtor's engagement, has any connection with or holds any interest adverse to the Debtor, its estate or the Potential Parties-in-Interest, except (i) as set forth in **Schedule 2** and (ii) as otherwise set forth below:

a. Before the commencement of this case, Evercore rendered prepetition services to the Debtor and its majority shareholder, The Villages Health Holding Company, LLC. As noted above, although Evercore's records indicate that it is not owed any amounts in respect of prepetition services provided to the Debtor, or its affiliates, it is possible that certain expenses that were incurred by Evercore, and that are reimbursable under the terms of the Engagement Letter, were not yet reflected on Evercore's books and records as of the Petition Date. Upon entry of the Order approving the Application, Evercore will waive any claim for such unreimbursed expenses in excess of amounts paid to Evercore prepetition.

b. Evercore is a large investment banking firm and has likely provided services unrelated to the Debtor for companies and individuals that have conducted business in the past and/or currently conduct business with the Debtor, and who may be creditors of the Debtor. To the best of my knowledge and belief, Evercore's services to these parties did not and do not specifically relate to, or have any direct connection with, the Debtor, their estates or this Chapter 11 Case.

c. As part of its diverse practice, Evercore appears in numerous cases, proceedings and transactions involving attorneys, accountants, investment bankers, financial advisors and financial consultants, some of whom may represent claimants and Potential Parties-in-Interest in this Chapter 11 Case. Furthermore, Evercore has in the past been, and may in the future be, represented by attorneys and law firms in the legal community, some of whom may be involved in these proceedings. In addition, Evercore has in the past worked, and likely will work in the future, with or opposite other professionals involved in these cases in matters unrelated to this Chapter 11 Case. Based on my current knowledge of the professionals involved, and to the best of my knowledge, none of these business relationships constitute interests materially adverse to the Debtor in the matters upon which Evercore is to be employed.

d. Evercore also operates an institutional equities ("IE") business. As part of its regular business operations as an introducing broker, IE is engaged in sales, trading and research activities with its institutional clients, some of which may be creditors, equity holders or other parties-in-interest in this Chapter 11 Case. Some of these IE clients may now or in the future hold debt or equity securities of the Debtor or other parties-in-interest in this Chapter 11 Case. There are Information Barriers (as defined below) in place between the investment bank and IE, and professionals on one side of the wall have no knowledge of or control over the decisions being made by professionals on the other side of the wall (except for Compliance Personnel (as defined below)). Evercore has in place compliance procedures to ensure that no confidential or non-public information concerning the Debtor has or will be available to employees of IE.

"Informational Barriers" are physical and electronic barriers that restrict and monitor the flow of information among employees and business groups, including confidential information. At Evercore, these consist of, among other things, separate physical office spaces for private- and public-side employees, policies against discussing confidential information with unauthorized personnel and limiting access to shared drives only to authorized persons. Certain employees, including compliance, IT, legal and senior management, sit "above the wall" to administer and monitor the Information Barriers ("Compliance Personnel"). These policies and procedures are subject to regulatory oversight and audit by the SEC and FINRA, internal compliance monitoring, and internal and independent third-party audits.

e. Evercore has a U.S. affiliate that is in the asset management business: Evercore Wealth Management, LLC ("EWM"). As part of its regular business operations, EWM, a registered investment advisor with the U.S. Securities and Exchange Commission, acts as an investment advisor (whether on a discretionary or non-discretionary basis) for its clients. Such clients may be creditors, equity holders or other parties-in-interest in this Chapter 11 Case. Some of these client accounts may now or in the future hold debt or equity securities of the Debtor or other parties-in-interest in this Chapter 11 Case. Evercore and EWM are operated by completely separate teams of officers. There are Information Barriers in place between Evercore, on the one hand, and EWM, on the other, and Evercore has in place compliance procedures to ensure that no confidential or non-public information concerning the Debtor has or will be available to employees of EWM, and professionals on one side of the wall have no knowledge of or control over the decisions being made by professionals on the other side of the wall. Evercore's parent company also invests, directly or indirectly, in securities issued by various companies, which may include creditors, equity holders or other parties-in-interest in this Chapter 11 Case; however, the parent company does not hold any equity or debt securities issued by the Debtor or their affiliates, nor will it acquire any such securities while Evercore remains employed by the Debtor.

f. Certain professionals employed by Evercore may have mortgages, consumer loans, investment, brokerage accounts or other banking, brokerage or other customer relationships with institutions that are creditors, equity holders or other parties-in-interest in this Chapter 11 Case or with funds sponsored by or affiliated with such parties. Evercore does not believe that these relationships create a conflict of interest regarding the Debtor or this Chapter 11 Case.

g. Evercore pays taxes to, and has other ordinary course interactions with, taxing authorities in a number of different jurisdictions, some of which may be among the parties-in-interest. To the best of my knowledge, based on the process described herein and my current knowledge of the taxing authorities involved, none of these connections represent an interest materially adverse to the Debtor or their estates.

h. Certain professionals employed by Evercore may hold, directly or indirectly, debt or equity securities issued by, or other economic interests in, creditors, equity holders or other parties-in-interest in this Chapter 11 Case. To the best of my knowledge, none of these professionals' holdings would be considered material from the perspective of the issuers of such securities, and (ii) no professional employed by Evercore holds a material interest in debt or equity securities issued by the Debtor.

i. Certain professionals presently employed by Evercore may have been formerly employed by other investment banking, financial services, or other professional services firms that are among, or represent other parties that are among, the Debtor, creditors, equity holders, or other parties-in-interest in this Chapter 11 Case. While employed by other firms, such professionals may have represented creditors, equity holders, or other parties-in-interest in this Chapter 11 Case in connection with matters unrelated to the Debtor and this Chapter 11 Case. Evercore does not believe that these matters create a conflict of interest regarding the Debtor or this Chapter 11 Case.

14. To the best of my knowledge and belief, except as set forth above and subject to the information set forth elsewhere in this Declaration and in the attached schedules, Evercore has not been retained to assist any entity or person other than the Debtor on matters relating to, or in direct connection with, this Chapter 11 Case. Evercore will, however, continue to provide professional services to entities or persons that may be creditors or equity security holders of the Debtor or interested parties in this Chapter 11 Case, so long as such services do not relate to, or have any direct connection with, this Chapter 11 Case or the Debtor.

15. I am not related or connected to and, to the best of my knowledge, no other professional of Evercore who will work on this engagement is related or connected to, any United States Bankruptcy Judge for this District, any of the District Judges for this District who handle bankruptcy cases or any employee in the Office of the United States Trustee for this District.

16. Accordingly, except as otherwise set forth herein, insofar as I have been able to determine, none of Evercore, I nor any employee of Evercore who will work on the engagement holds or represents any interest adverse to the Debtor or its estate, and Evercore is a "disinterested person" as that term is defined in Bankruptcy Code section 101(14), as modified by section 1107(b), in that Evercore, and its professionals and employees who will work on the engagement:

a. are not creditors, equity security holders or insiders of the Debtor;

b. were not, within two years before the date of filing of the Debtor's chapter 11 petition, a director, officer or employee of the Debtor; and

c. do not have an interest materially adverse to the interest of the Debtor's estate or any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the Debtor or for any other reason.

17. To the extent that any new relevant facts or relationships bearing on the matters described herein during the period of Evercore's retention are discovered or arise, Evercore will

use reasonable efforts to file promptly a supplemental declaration, as required by Bankruptcy Rule 2014(a).

Professional Compensation

18. In consideration of the services to be provided by Evercore, and as more fully described in the Application, subject to the Court's approval, the Debtor have agreed to pay Evercore the proposed compensation described set forth in the Engagement Letter (the "Fee Structure").

19. As part of the Fee Structure, the Debtor agreed to reimburse Evercore for expenses incurred in connection with the matters contemplated by the Engagement Letter, including, without limitation, reasonable fees, disbursements and other charges of Evercore's counsel.

20. Evercore believes that the Fee Structure is reasonable. The Fee Structure appropriately reflects both the nature of the services to be provided by Evercore, and the fee structures typically utilized by leading investment banking firms of similar stature to Evercore for comparable engagements, both in and out of court. The Fee Structure is consistent with Evercore's normal and customary billing practices for cases of this size and complexity that require the level of scope and services outlined herein. Moreover, the Fee Structure is reasonable in light of: (a) industry practice; (b) market rates charged for comparable services both in and out of the chapter 11 context; (c) Evercore's substantial experience with respect to investment banking services; and (d) the nature and scope of work to be performed by Evercore in the Chapter 11 Case. The Fee Structure creates a proper balance between fixed monthly fees and contingency fees.

21. The Debtor and Evercore negotiated the Fee Structure to function as an interrelated, integrated unit, in correspondence with Evercore's services, which Evercore renders not in parts, but as a whole. It would be contrary to the intention of Evercore and the Debtor for any isolated

component of the Fee Structure to be treated as sufficient consideration for any isolated portion of Evercore's services. Instead, the Debtor and Evercore intend that Evercore's services be considered as a whole that is to be compensated by the Fee Structure in its entirety.

22. The Fee Structure has been agreed upon in anticipation that a substantial commitment of professional time and effort will be required of Evercore and its professionals and in light of the fact that (i) such commitment may foreclose other opportunities for Evercore and (ii) the actual time and commitment required of Evercore and its professionals to perform its services may vary substantially from week to week and month to month, creating "peak load" issues for Evercore.

Requirements Regarding Time Detail

23. Consistent with its ordinary practice and the practice of investment bankers in other chapter 11 cases whose fee arrangements are transaction-based, Evercore does not ordinarily maintain contemporaneous time records or provide or conform to a schedule of hourly rates for its professionals. Given the foregoing, and in light of the fact that Evercore's compensation is transaction-based, Evercore requests that, notwithstanding anything to the contrary in the Bankruptcy Code, the Bankruptcy Rules, any order of this Bankruptcy Court, or any other guidelines regarding the submission and approval of fee applications, Evercore's professionals be excused from maintaining time records as set forth in Bankruptcy Rule 2016(a) and the Trustee Guidelines in connection with the services to be rendered pursuant to the Engagement Letter.

24. Instead, notwithstanding that Evercore does not charge for its services on an hourly basis, Evercore will maintain time records in half-hour (0.50) increments setting forth, in a summary format, a reasonably detailed description of services rendered by each professional and

the amount of time spent on each date by each such individual in rendering services on behalf of the Debtor, and will present such records together with its fee applications filed with the Court.

25. Evercore will also maintain reasonably detailed records of any actual and necessary costs and expenses incurred in connection with the aforementioned services.

26. Other than as set forth above and in the Engagement Letter, there is no proposed arrangement between the Debtor and Evercore for compensation to be paid in this Chapter 11 Case. To the best of my knowledge, Evercore has no agreement with any other entity to share with such entity any compensation received by Evercore in connection with the Debtor's bankruptcy case, other than as permitted by Bankruptcy Code section 504.

27. The foregoing constitutes the statement of Evercore pursuant to section 504 of the Bankruptcy Code and Bankruptcy Rules 2014(a) and 5002.

In accordance with 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Dated: July 14, 2025

Respectfully submitted,

/s/ A.J. Berens

A.J. Berens
Managing Director
Evercore Group L.L.C.

Schedule 1

Potential Parties in Interest

Debtor

The Villages Health System LLC

Debtor's Board of Managers

Mark G. Morse
Elliot J. Sussman
W. Thomas Brooks
Thomas Menichino
Anthony Connelly
Anna Phillips

Debtor's Leadership Team

Elliot J. Sussman
Bob Trinh
Jeff Lowenkron
Braulio Vicente, Jr.
Emilio Noble
Patrick Chunn
Cheri D. Benedetti
Christina Steiner
Brian Hudson

Debtor's Professionals

BakerHostetler
Wachtell, Lipton, Rosen & Katz
Goodwin Procter LLP
FTI Consulting, Inc.
Alvarez & Marsal
Evercore, Inc.
Blue Highway
Johnson Pope Bokor Ruppel & Burns, LLP
GBH SOLIC Holdco, LLC (f/k/a SOLIC Capital Advisors)
Ford Harrison LLP
Guidehouse Inc.
Foley & Lardner LLP

Top 20 Largest Unsecured Creditors

McKesson Medical-Surgical (PO)
Oticon Inc.
Southern Scripts
Elliot Sussman
Bob Trinh
Cheri Benedetti
VISA
American Janitorial Inc
PC Connection Sales Corp
SLWM (Webb Mason)
The Baldwin Group
Veytec, Inc
R Systems International Limited
Dell Financial Services LLC
ADP
ABBVIE US LLC
SECO ENERGY
Here to There Moving LLC
Sonova USA Inc
Provident Life & Accident Ins.

Secured Creditors

The Villages of Lake-Sumter, Inc.
Connection Financial Services
Dell Financial Services LLC

United States Bankruptcy Judges in the M.D. of Florida

Chief Judge Caryl E. Delano
Judge Grace E. Robson
Judge Tiffany Geyer
Judge Lori V. Vaughan
Judge Roberta A. Colton
Judge Catherine Peek McEwen
Judge Jacob A. Brown
Judge Jason A. Burgess

Judge Jerry A. Funk

United States Trustee for M.D. of FL and Key Staff

William J. Simonitsch, Assistant U.S. Trustee
Audrey Aleskovsky
Michael W. Aponte
Scott E. Bonkamp
Bryan Buenaventura
Maureen E. Gimenez
Jill Kelso
Lori Luce
Allysan McGuire-Gonzalez
Daniel Munoz
Wanda Murray
Heidi O'Brien
Ana Rosa Rodriguez
Ileraine F. Salloum
Maxie Sellers
Patrica A. Sinclair
J. Leila Singh

Clerk of Court and Deputy for the Middle District of Florida

Jose A. Rodriguez
Nancy Hodges
Jodie Hollingsworth
Carli Frederick
Kate Menard
Kristyn Leedekerken
Taylor King
Wendy Chatham
Tim Fox
Jennfier Deeb
Lisa McCain
Laura Stevenson
Edward Comey
Alison Hale
Megan Bittakis
Pam Arciola
Sabrina Mallow
Lisa Scotten
Chelsea Moore
Wendy Townsend
Jeanne Kraft
Andre Festekjan

All Unsecured Creditors

McKesson Medical-Surgical (PO)
Oticon Inc.
Southern Scripts
Elliot Sussman
Bob Trinh
Cheri Benedetti
VISA
American Janitorial Inc
PC Connection Sales Corp
SLWM (Webb Mason)
The Baldwin Group
Veytec, Inc
R Systems International Limited
Dell Financial Services LLC
ADP
ABBVIE US LLC
SECO ENERGY
Here to There Moving LLC
Sonova USA Inc
Provident Life & Accident Ins.
Vaco Orlando LLC
The Sourcing Group Inc
Solventum Health Information Systems, Inc.
Staples (Atlanta-PO)
ASSA ABLOY Entrance Systems US Inc.
Suddath Relocation Systems
Business Techs Inc.
Matheson Tri-Gas Inc.
Amazon Capital Services, Inc
Henry Schein, Inc.
Estochen, Samuel
CSU
LifeSource Medical
The Villages Operating Company

Siemens Medical Solutions USA Inc
LSSA
Comcast
Marts, Linda
Miguel Mantilla
Comfort Care Medical Equipment & Uniforms Inc
Screen Vision Media
NSU
Laboratory Corp of America Hdg
Jim Besong, MD
RLS (USA) Inc
Jodie Geller
United Refrigeration, Inc.
Skipper-Resendiz, Tila
The Brownwood Hotel & Spa
Nupur Technologies, LLC
DynaFire
Urgo Medical North America
Petty Cash - CAHB
WEX Health, Inc
Sudduth, Julie
Advanced Bionics LLC
Siddell, Steven
City of Wildwood
ImageFirst
M&S Air Conditioning
All-Secure Graphics LLC
That Party Girl
Wells Fargo Vendor Fin Serv
Ojha, Ashok MD
SFT Facilities Inc.
Petty Cash - Brownwood
United Healthcare Insurance Company
Nichols Construction Services
MBK Electric, Inc.
Widex USA Inc
Nuance Communications Inc
ZLOTEK, LAURIE
Duff, Sandra
Laboratory Corp of America

<u>Equity Owners in the Debtor</u>

Villages Health Holding Company
T. Menichino, Inc.
Lawrence Howard, M.D.
E. J. Sussman, Inc.
S. Rosenblum, Inc.
R. C. Reilly, Inc.
C. S. Pead, Inc.
D. Whinnen, Inc.
B. Betts, Inc.
U. Nguyen, Inc.
D. Olliverre, Inc.
T. Perez, Inc.
M. Roethlisberger, Inc.
S. Ojha, Inc.
A. Ojha, Inc.
K. Giovannelli, Inc.
L. Cloukey, Inc.
D. Sullivan, Inc.
C. Collins, Inc.
J. Pavlik, Inc.
J. Flaherty, Inc.
F. Melidona, Inc.
S. Gulati, Inc.
R. Herman, Inc
E. Lewis, Inc.
A. Wood TVH, Inc.
J. Sudduth, Inc.
P. Luzynski, Inc.
A. Turri, Inc.
B. Trinh
D. Thompson
C. Benedetti
D. Sutherland
A. Wixted
K. Tobin
L. Collinsworth
D. Bagwell
S. Graham-Hooker
E. Martin Low

4904-7287-2789.2
4930-3806-3445.1

E. Noble
H. Rajashekar
S. Ahmad
W. Burgess
R. Mis
J. Rizzi
A. Sonsky
C. Sullivan
S. Thomas
J. Wrobel
G. Jun
T. Naran
J. Crites
M. Clifford
B. Stabler
Brian Hoffar
Jessica Kubis

Pranav Ravi
Carla Marinoni
Roland More
Allison Yow
Lisa Edwards
Kayla Music
Matthew Shlapack
Latifah Sabree
Jimmy Ester
Patrick Chunn

Schedule 2

Relationships with Potential Parties in Interest

1. Evercore Group L.L.C. or one of its investment banking affiliates has provided, within the preceding two years, or is currently providing financial advisory or other services to the following Potential Parties in Interest or related parties thereto, in each case in matters unrelated to the Debtor and this chapter 11 case (unless otherwise noted):[1]

Party of Interest	Party of Interest Group
ASSA ABLOY Entrance Systems US Inc.	Unsecured Creditors
Henry Schein, Inc.	Unsecured Creditors
Siemens Medical Solutions USA Inc	Unsecured Creditors

[1] Although certain of the Potential Parties in Interest may appear in more than one category on Schedule 1, they are only listed once on this Schedule.

2. The following entities are vendors of Evercore Group L.L.C. or one of its investment banking affiliates:

Party of Interest	Party of Interest Group
ADP	Top 20 Largest Unsecured Creditors
Amazon Capital Services, Inc	Unsecured Creditors
Staples (Atlanta-PO)	Unsecured Creditors
United Healthcare Insurance Company	Unsecured Creditors
Alvarez & Marsal	Debtor's Professionals
BakerHostetler	Debtor's Professionals
FTI Consulting, Inc.	Debtor's Professionals
Goodwin Procter LLP	Debtor's Professionals

3. Associated persons of Evercore Group L.L.C. or one of its investment banking affiliates have the following connections to Interested Parties:

- N/A