

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:

CANO HEALTH INC., et al,¹

Debtors.

Chapter 11

Case No. 24-10164 (KBO)

Re. Dkts.857

**PEARL HEALTH INC.'S MOTION FOR LEAVE TO FILE AN OBJECTION TO THE
FOURTH AMENDED JOINT CHAPTER 11 PLAN OF REORGANIZATION OF CANO
HEALTH, INC. AND ITS AFFILIATED DEBTORS**

Pearl Health, Inc., formerly known as Latitude Health Inc. d/b/a Pearl Health, ("Pearl"), hereby moves (this "Motion for Leave") the Court for entry of an order, substantially in the form attached hereto as **Exhibit A** (the "Proposed Order"), pursuant to rule 9006-1(d) of the Local Rules for the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), granting Pearl leave to file its *Objection of Pearl Health, Inc. to the Fourth Amended Joint Chapter 11 Plan of Reorganization of Cano Health, Inc., and its Affiliated Debtors* (the "Plan Objection"). In support of this Motion for Leave, Pearl respectfully states as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction over this Motion for Leave pursuant to 28 U.S.C. § 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012. Consideration of this Motion is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).² Venue of this proceeding and this Motion for Leave is

¹ The last four digits of Cano Health, Inc.'s tax identification number are 4224. A complete list of the Debtors in the chapter 11 cases may be obtained on the website of the Debtors' claims and noticing agent at <https://www.kccclcc.net/CanoHealth>. The Debtors' mailing address is 9725 NW 117th Avenue, Miami, Florida 33178.

² Pursuant to Local Rule 9013-1(f), Pearl hereby consents to the entry of a final judgment or order in connection with this Motion if it is determined that this Court cannot—absent the consent of the parties—enter such final judgment or order consistent with Article III of the United States Constitution.



proper in this judicial district pursuant to 28 U.S.C. §§ 1408 and 1409. The predicate for the relief requested herein is Local Rule 9006-1(d).

BACKGROUND

2. On February 4, 2024, (the “Petition Date”), Cano Health, Inc. and its subsidiaries (collectively, “Debtors”) filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code (the “Chapter 11 Case”). The Debtors continue to operate their businesses and manage their properties as debtors and debtors-in-possession pursuant to Bankruptcy Code §§ 1107(a) and 1108. No trustee or examiner has been appointed in this Chapter 11 Case.

3. Prior to the Petition Date, Debtor American Choice Healthcare, LLC (“ACH”) and Pearl entered into a Network Administrator Agreement (as subsequently amended, modified, or supplemented, the “Agreement”) pursuant to which Pearl provided ACH with management and other services in connection with the administration of a network of physicians providing services to patients aligned with ACH.

4. On August 2, 2022, ACH and Pearl executed a Mutual Termination of Network Administrator Agreement (“Termination Agreement”), in which the parties agreed to terminate the Agreement as of December 31, 2022.

5. Pearl received service of no documents in the Chapter 11 case until June 14, 2024. While the Agreement provided a notice address for Pearl at 520 Broadway, 4th Floor, New York, NY 10012 (the “Old Address”), Pearl moved its offices in July 2022 to 220 5th Avenue, 17th Floor, New York, NY 10001 (the “Current Address”). As of the Petition Date, Debtors were well aware of Pearl’s Current Address. In fact, just weeks prior to the Petition Date, Debtor Cano Health Inc. sent correspondence signed by Cano Health Inc.’s general counsel to Pearl with the Current Address prominently displayed. Moreover, for approximately a year-and-a-half leading up to the

Petition Date the Current Address was displayed in e-mail communications between Pearl and Debtors. Accordingly, prior to and during the Chapter 11 Case, Debtors knew that Pearl had moved its offices to the Current Address.

6. On March 22, 2024, Debtors filed, among other things, (1) the *Proposed Joint Chapter 11 Plan of Reorganization of Cano Health Inc. and its Affiliated Debtors* [Dkt. 498] (the “Plan”), (2) the *Proposed Disclosure Statement for Joint Chapter 11 Plan of Reorganization of Cano Health Inc. and its Affiliated Debtors* [Dkt. 499] (the “DS”), (3) *Motion of Debtors for Entry of Order (I) Approving Proposed Disclosure Statement and Form and Manner of Notice of Disclosure Statement Hearing, (II) Establishing Solicitation and Voting Procedures, (III) Scheduling Confirmation Hearing, (IV) Establishing Notice and Objection Procedures for Confirmation of Proposed Plan, and (V) Granting Related Relief* [Dkt. 501] (the “DS Motion”), and (4) the *Notice of Hearing to Consider Approval of Proposed Disclosure Statement for Joint Chapter 11 Plan of Reorganization of Cano Health, Inc. and its Affiliated Debtors* [Dkt. 502] (the “DS Hearing Notice”). According to the relevant certificates of service, none of the foregoing was served on Pearl at the New Address. *See* Dkts. 526, 610.³

7. On April 22, 2024, May 6, 2024, and May 22, 2024, Debtors filed amended versions of the Plan and the DS. According to the certificates of service filed with each respective amendment, Pearl was not served of any of the foregoing amendments at its Current Address. *See* Dkts. 682, 791, 834.

8. On May 21, 2024, Debtors filed the *Fourth Amended Joint Chapter 11 Plan of Reorganization of Cano Health, Inc. and its Affiliated Debtors* [Dkt. 857] (the “Fourth Amended Plan”) and the *Proposed Disclosure Statement for Fourth Amended Joint Chapter 11 Plan of*

³ There are various supplemental certificates of service that also indicate the Old Address or no service to Pearl.

Reorganization of Cano Health, Inc. and its Affiliated Debtors [the “Amended DS”). That same day, the Court entered its *Order (I) Approving Proposed Disclosure Statement and Form and Manner of Notice of Disclosure Statement Hearing, (II) Establishing Solicitation and Voting Procedures, (III) Scheduling Confirmation Hearing, (IV) Establishing Notice and Objection Procedures for Confirmation of Proposed Plan, and (V) Granting Related Relief* [Dkt. 865], and the Debtors subsequently filed the *Notice of (I) Approval of Disclosure Statement, (II) Establishment of Voting Record Date, (III) Hearing on Confirmation of the Proposed Plan, (IV) Procedures for Objection to the Confirmation of the Proposed Plan, (V) Procedures and Deadline for Voting on the Proposed Plan* [Dkt. 868] (the “Confirmation Hearing Notice”).

9. On June 14, 2024, Debtors for the first time sent papers in this Chapter 11 Case to Pearl at the Current Address – namely, the Fourth Amended Plan, the Amended DS, and the Confirmation Hearing Notice. *See* Dkt. 1006.

10. According to the Confirmation Hearing Notice, the deadline for any party to object to the Fourth Amended Plan was June 21, 2024 at 5:00 p.m. (the “Confirmation Objection Deadline”).

11. On June 18, 2024, Pearl received a letter from special counsel for the Debtor demanding that Pearl pay approximately \$1.6 million to the Debtor in connection with the termination of the Agreement (the “Demand Letter”). The claims in the Demand Letter are invalid and Pearl has various defenses including, without limitation, a right to setoff amounts owed to Pearl in connection with the termination of the Agreement. And the temporal correlation of the first service of Pearl at its Current Address and Debtors’ sending of the Demand letter is hardly a coincidence, but, rather, an unjust and transparent attempt to cut off any potential rights Pearl may have to assert setoff as a defense to Debtor’s alleged \$1.6 million claim.

12. Upon first receipt of service in this Chapter 11 Case, Pearl worked diligently to get up to speed on the matter and retain counsel, particularly in light of the Demand Letter, but the time for Pearl to timely respond to the Fourth Amended Plan before the Confirmation Objection Deadline passed.

RELIEF REQUESTED

13. Pursuant to Federal Rule of Bankruptcy Procedure 3015.1(f) “an objection to confirmation of a plan shall be filed and served... at least seven days before the date set for the hearing on confirmation.” Fed. R. Bankr. P. 3015.1(f). Additionally, Local Rule 9006-1(c) provides that, “[w]here a motion is filed and served in accordance with Local Rule 9006-1(c)(i) less than twenty-one days prior to the hearing date, the deadline for objection(s) shall be seven (7) days before the hearing date... In all instances, any objection must be filed on or before the applicable objection deadline.” *See* Del. Bankr. L.R. 9006-1(c)(ii).

14. Accordingly, pursuant to the Confirmation Hearing Notice, the Confirmation Objection Deadline was set for June 21, 2024, seven days before the scheduled hearing on June 28, 2024, to consider confirmation of the Fourth Amended Plan (the “Confirmation Hearing”). As a result, leave of the Court is required for Pearl to file its Plan Objection in compliance with the Local Rules of this Court and the Federal Rules of Bankruptcy Procedure.

15. Ample cause exists to grant Pearl’s request. Pearl was first served with any papers concerning this bankruptcy case only twelve (12) days ago, when it was served with the Confirmation Hearing Notice. Prior to service of the Confirmation Hearing Notice, Debtors were serving papers upon Pearl at an incorrect address, notwithstanding their documented knowledge of the Current Address. Pearl worked diligently to get up to speed on the matter and retain the undersigned counsel, particularly in light of the Demand Letter, and to move to assert and preserve

its rights in connection with the Fourth Amended Plan. However, Pearl did not have reasonable time to file an accurate recitation of its rights and issues before the Confirmation Objection Deadline.

16. The Plan Objection provides the Court with substantive information and arguments for consideration in connection with the confirmation of the Fourth Amended Plan. The Court's and the parties' consideration of Pearl's position may streamline these matters at the Confirmation Hearing.

NOTICE

17. Notice of this Motion for Leave shall be given to (a) the Debtors; (b) counsel for the Debtors; (c) the office of the United States Trustee for the District of Delaware; (d) counsel to the ad Hoc First Lien Group; (e) counsel to the DIP Agent; (f) counsel to Credit Suisse AG, Cayman Islands Branch, Administrative Agent and Collateral Agent under the CS Credit Agreement, (g) counsel to JPMorgan Chase Bank, N.A., administrative agent and collateral agent under Side-Car Credit Agreement; (h) counsel to US Bank National Association Indenture Trustee for the Senior Notes; (i) counsel to the Official Committee of Unsecured Creditors; and [(j) all parties who have filed a notice of appearance and request for service of papers pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested in this Motion to Leave, Pearl submits no other or further notice is necessary.

WHEREFORE, Pearl respectfully requests that the Court enter the Proposed Order, substantially in the form attached hereto as **Exhibit A**, granting the relief requested herein and granting such other and further relief as is appropriate under the circumstances.

Dated: June 26, 2024

BLANK ROME LLP

/s/ Jordan L. Williams

Jordan L. Williams (DE No. 7128)
1201 Market Street, Suite 800
Wilmington, DE 19801
Telephone: 302.425.6400
Facsimile: 302.425.6464
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-and-

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One Logan Square
130 N. 18th Street
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Facsimile: 215-569-5500
Email: gregory.vizza@blankrome.com

Counsel to Pearl Health, Inc.

EXHIBIT A
PROPOSED ORDER

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

CANO HEALTH INC., et al,¹

Debtors.

Chapter 11

Case No. 24-10164 (KBO)

Re. Dkts. _____

**ORDER GRANTING PEARL HEALTH INC.'S MOTION FOR LEAVE TO FILE AN
OBJECTION TO THE FOURTH AMENDED JOINT CHAPTER 11 PLAN OF
REORGANIZATION OF CANO HEALTH, INC.
AND ITS AFFILIATED DEBTORS**

The Court has considered *Pearl Health Inc. 's Motion for Leave to File an Objection to the Fourth Amended Joint Chapter 11 Plan of Reorganization of Cano Health, Inc., and its Affiliated Debtors* (the "Motion")², attached as Exhibit 1 to the proposed form of order attached hereto as Exhibit A. The Court has reviewed the Motion and the Court has found that (i) the Court has jurisdiction over this matter pursuant to 28 U.S.C. sections 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012, and that this Court may enter a final order consistent with Article III of the United States Constitution; (ii) venue is proper in this district pursuant to 28 U.S.C. sections 1408 and 1409; (iii) this Motion involves a core proceeding pursuant to 28 U.S.C. section 157(b); and (iv) notice of the Motion and the Hearing was sufficient under the circumstances. After due deliberation, the Court has determined that the relief requested in the Motion is necessary and appropriate under the circumstances; and good and sufficient cause having been shown;

IT IS HEREBY FOUND AND DETERMINED THAT:

¹ The last four digits of Cano Health, Inc.'s tax identification number are 4224. A complete list of the Debtors in the chapter 11 cases may be obtained on the website of the Debtors' claims and noticing agent at <https://www.kccclcc.net/CanoHealth>. The Debtors' mailing address is 9725 NW 117th Avenue, Miami, Florida 33178

² Capitalized terms not otherwise defined herein shall have the meanings given to them in the Motion.

1. The Motion is hereby GRANTED.
2. Pearl is permitted to file the Plan Objection, which is attached hereto as **Exhibit 1** and is hereby deemed to be timely filed.
3. This Court shall retain exclusive jurisdiction to interpret and enforce the provisions of this Order in all respects and further to hear and determine all matters arising from or related to the construction and implementation of this Order.

EXHIBIT 1

(Plan Objection)

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

CANO HEALTH INC., et al,¹

Debtors.

Chapter 11

Case No. 24-10164 (KBO)

(Jointly Administered)

Re. Dkt. 857; __

**OBJECTION OF PEARL HEALTH, INC. TO THE FOURTH AMENDED JOINT
CHAPTER 11 PLAN OF REORGANIZATION OF CANO HEALTH, INC. AND ITS
AFFILIATED DEBTORS**

Pearl Health, Inc., formerly known as Latitude Health Inc. d/b/a Pearl Health, (“Pearl”) submits this objection (the “Objection”) to the *Fourth Amended Joint Chapter 11 Plan of Reorganization of Cano Health, Inc., and its Affiliated Debtors* [Dkt. 857] (the “Fourth Amended Plan”) and states as follows in support thereof:

PRELIMINARY STATEMENT

1. On August 20, 2021, Debtor American Choice Healthcare, LLC (“ACH”) and Pearl entered into a Network Administrator Agreement (as subsequently amended, modified, or supplemented, the “Agreement”) pursuant to which Pearl provided ACH with management and other services in connection with the administration of a network of physicians providing services to patients aligned with ACH.

2. On August 2, 2022, ACH and Pearl executed a Mutual Termination of Network Administrator Agreement (“Termination Agreement”), in which the parties agreed to terminate

¹ The last four digits of Cano Health, Inc.’s tax identification number are 4224. A complete list of the Debtors in the chapter 11 cases may be obtained on the website of the Debtors’ claims and noticing agent at <https://www.kccclcc.net/CanoHealth>. The Debtors’ mailing address is 9725 NW 117th Avenue, Miami, Florida 33178

the Agreement as of December 31, 2022. The Termination Agreement is attached hereto as **Exhibit 1**.²

3. Pearl received service of no documents in the Chapter 11 Case (defined below) until June 14, 2024. While the Agreement provided a notice address for Pearl at 520 Broadway, 4th Floor, New York, NY 10012 (the “Old Address”), Pearl moved its offices in July 2022 to a new location at 220 5th Avenue, 17th Floor, New York, NY 10001 (the “Current Address”).

4. Debtors were well aware of Pearl’s Current Address. For example, less than a month prior to the Petition Date, Pearl received correspondence from ACH with the Current Address displayed prominently. *See* **Exhibit 2** attached hereto.³ The Current Address had been displayed in e-mail communications between Pearl and ACH as far as a year-and-a-half in advance of the Petition Date. An example of such an e-mail communication is attached hereto as **Exhibit 3**. Accordingly, prior to and during the Chapter 11 Case, ACH knew that Pearl’s had moved its offices to the Current Address.

5. On February 4, 2024, (the “Petition Date”), Cano Health, Inc. and its subsidiaries, including ACH, (collectively, “Debtors”) filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code (the “Chapter 11 Case”). The Debtors continue to operate their businesses and manage their properties as debtors and debtors-in-possession pursuant to Bankruptcy Code §§ 1107(a) and 1108. No trustee or examiner has been appointed in this Chapter 11 Case.

6. On March 22, 2024, Debtors filed, among other things, (1) the *Proposed Joint Chapter 11 Plan of Reorganization of Cano Health Inc. and its Affiliated Debtors* [Dkt. 498] (the

² The Termination Agreement references two exhibits, each of which are proprietary and confidential. Accordingly, copies are not attached. If necessary, in advance of any hearing on this Objection, copies of the exhibits will be provided to the Court for *in camera* review.

³ The contents of the correspondence have been redacted as a result of confidentiality provisions, but it is clearly addressed to Pearl at the Current Address and is executed by Cano Health, Inc.’s general counsel.

“Plan”), (2) the *Proposed Disclosure Statement for Joint Chapter 11 Plan of Reorganization of Cano Health Inc. and its Affiliated Debtors* [Dkt. 499] (the “DS”), (3) *Motion of Debtors for Entry of Order (I) Approving Proposed Disclosure Statement and Form and Manner of Notice of Disclosure Statement Hearing, (II) Establishing Solicitation and Voting Procedures, (III) Scheduling Confirmation Hearing, (IV) Establishing Notice and Objection Procedures for Confirmation of Proposed Plan, and (V) Granting Related Relief* [Dkt. 501] (the “DS Motion”), and (4) the *Notice of Hearing to Consider Approval of Proposed Disclosure Statement for Joint Chapter 11 Plan of Reorganization of Cano Health, Inc. and its Affiliated Debtors* [Dkt. 502] (the “DS Hearing Notice”). According to the relevant certificates of service, none of these were served on Pearl at the Current Address. *See* Dkts. 526, 610.⁴

7. On April 22, 2024, May 6, 2024, and May 22, 2024, Debtors filed amended versions of the Plan and the DS. According to the certificates of service filed with each respective amendment, Pearl was not served any of the foregoing amendments at the Current Address. *See* Dkts. 682, 791, 834.

8. On May 21, 2024, Debtors filed the *Fourth Amended Joint Chapter 11 Plan of Reorganization of Cano Health, Inc. and its Affiliated Debtors* [Dkt. 857] (the “Fourth Amended Plan”) and the *Proposed Disclosure Statement for Fourth Amended Joint Chapter 11 Plan of Reorganization of Cano Health, Inc. and its Affiliated Debtors* (the “Amended DS”). That same day, the Court entered its *Order (I) Approving Proposed Disclosure Statement and Form and Manner of Notice of Disclosure Statement Hearing, (II) Establishing Solicitation and Voting Procedures, (III) Scheduling Confirmation Hearing, (IV) Establishing Notice and Objection Procedures for Confirmation of Proposed Plan, and (V) Granting Related Relief* [Dkt. 865], and

⁴ There are various supplemental certificates of service that also indicate the Old Address or no service to Pearl.

the Debtors subsequently filed the *Notice of (I) Approval of Disclosure Statement, (II) Establishment of Voting Record Date, (III) Hearing on Confirmation of the Proposed Plan, (IV) Procedures for Objection to the Confirmation of the Proposed Plan, (V) Procedures and Deadline for Voting on the Proposed Plan* [Dkt. 868] (the “Confirmation Hearing Notice”).

9. On June 14, 2024, Pearl received the Fourth Amended Plan, the Amended DS, and the Confirmation Hearing Notice at the Current Address. These were the first documents that the Debtors served on Pearl at the Current Address in the Chapter 11 Case. *See* Dkt. 1006.

10. Prior to such date, and notwithstanding Debtors’ knowledge of Pearl’s Current Address, Debtors served Pearl with bankruptcy papers, including the notice of the bar date, at the Old Address. *See* 452, 624.⁵ Pearl did not receive any notices or papers sent to the Old Address. Mail had been forwarded from the Old Address to the Current Address for a period of a year and a half, which ended before the filing of the Chapter 11 Case. According to the Confirmation Hearing Notice, the deadline for any party to object to the Fourth Amended Plan was June 21, 2024 at 5:00 p.m. (the “Confirmation Objection Deadline”).

11. On June 18, 2024, Pearl received a letter from special counsel for Debtors demanding that Pearl pay approximately \$1.6 million to Debtors relating to the termination of the Agreement (the “Demand Letter”). The claims in the Demand Letter are invalid and Pearl has various defenses including, without limitation, a right to setoff amounts owed to Pearl relating to the termination of the Agreement.

OBJECTION

12. Pearl objects to confirmation of the Debtors’ plan based on the violation of its due process rights, including Pearl’s inability to file a timely proof of claim and a timely objection to

⁵ *Supra* FN. 4.

confirmation of the Fourth Amended Plan. Section 10.5(b)(iv) of Debtors' plan of reorganization seeks to enjoin parties from asserting any right of setoff against Debtors or its property except "(x) as contemplated or allowed by the Plan or (y) to the extent asserted in a timely filed Proof of Claim or timely filed objection to the confirmation of the Plan." Pearl was prevented from asserting a setoff claim or any other claim against Debtors because it did not receive notice of the bankruptcy case until after the bar date. Notwithstanding Debtors and their professionals being aware of Pearl's Current Address since August 2022, Debtors continued to serve Pearl at the Old Address.

13. The sudden, recent service on Pearl at the Current Address coincided with Pearl's receipt of the Demand Letter, a transparent attempt to cut off any potential rights Pearl may have to assert setoff as a defense to Debtor's alleged \$1.6 million claim.⁶ This attempt should fail as Pearl's due process rights have been violated by its inability to meaningfully participate in Debtor's bankruptcy case. Pearl was unable to protect itself by filing a proof of claim because it was not provided with proper notice of the bankruptcy case, let alone the bar date, until approximately 12 days ago. Debtor's recent attempt to rectify its prior service errors by serving Pearl with the plan papers at the Current Address does not change this fact and is too late to resolve the underlying due process violations.

14. For these reasons, Pearl objects to confirmation to the extent Pearl is unable to preserve its setoff rights and any other defensive claims it may have to Debtor's claims described in the Demand Letter or otherwise. Pearl respectfully requests that the Court allow this Objection to serve as the assertion of Pearl's setoff rights arising out of, relating to, and in connection with

⁶ Absent Section 10.5(b) of the plan, Pearl would retain its right to assert its setoff claims as an affirmative defense to any claims brought by Debtor regardless of whether Pearl's claims were discharged through the plan. *See In re Phillip Services (Delaware) Inc.*, 267 B.R. 62, 69 (Bankr. D. Del. 2001) (while failing to file a proof of claim precludes a creditor from asserting that claim affirmatively, it is not barred from raising its claim as a setoff or defense to an action by the debtor); *also In re Davidovich*, 901 F.2d 1533, 1539 (10th Cir. 1990) (proof of claim not prerequisite to retention of setoff right); *In re Calderone*, 166 B.R. 825, 830 (Bankr. W.D. Pa. 1994) (same).

the Agreement and deem the Objection to be timely filed as required by Section 10.5(b)(iv)(y) in order to preserve Pearl's setoff rights.

Dated: June 26, 2024

BLANK ROME LLP

/s/ Jordan L. Williams

Jordan L. Williams (DE No. 7128)

1201 Market Street, Suite 800

Wilmington, DE 19801

Telephone: 302.425.6400

Facsimile: 302.425.6464

Email: Jordan.williams@blankrome.com

-and-

Gregory F. Vizza (*pro hac vice pending*)

One Logan Square

130 N. 18th Street

Philadelphia, PA 19103

Telephone: 215-569-5000

Facsimile: 215-569-5500

Email: gregory.vizza@blankrome.com

Counsel to Pearl Health, Inc.

EXHIBIT 1

MUTUAL TERMINATION OF NETWORK ADMINISTRATOR AGREEMENT

This MUTUAL TERMINATION OF NETWORK ADMINISTRATOR AGREEMENT (this “**Termination Agreement**”) is made as of the 2nd day of August, 2022, by and between PEARL HEALTH, INC. (formerly known as **LATITUDE HEALTH, INC., D/B/A PEARL HEALTH**) (“**Pearl**”), and **AMERICAN CHOICE HEALTHCARE, LLC** (“**DCE**”). Both Pearl and DCE are each sometimes called a “Party” or collectively the “Parties.”

RECITALS

A. Effective as of August 20, 2021, the Parties entered into that certain Network Administrator Agreement (“NAA”), a copy of which is attached as “**EXHIBIT A,**” and the NAA was **subsequently amended pursuant to an Amendment executed by the Parties as of August 20, 2021.**

B. DCE has entered into numerous DCE Participant Agreements with Pearl providers of health services (“Providers”, and each DCE Participant Agreement a “DPA”), a copy of one of which is attached as “**EXHIBIT B.**” All DPAs are substantially identical.

C. Pursuant to Section 5.b of the NAA the Parties may mutually agree to terminate the NAA, with or without cause, upon thirty (30) days’ prior written notice.

D. Pursuant to Section 5.d of the NAA and Exhibit A, Sections 5.a(v) and 5.d of each DPA, upon the termination of the NAA, each DPA will also terminate, as and in the manner set forth at Section 5 of this Termination Agreement.

E. The purpose of this Termination Agreement is to set forth the terms and conditions of the mutual termination.

TERMS


1. Recitals. The Recitals are true and correct. All capitalized terms contained in this Termination Agreement shall have the meaning ascribed to them in the NAA or DPA, as appropriate, unless otherwise defined herein.
2. NAA Termination. The Parties agree that the NAA will terminate as of December 31, 2022 (the "Termination Date"). For the avoidance of doubt, this termination shall not be considered a mid-year termination under the NAA.
3. DPA Termination. The Parties agree that, upon the termination of the NAA, all DPAs will terminate pursuant to their terms.
4. Effects of NAA Termination. Upon termination of the NAA, the rights of each Party shall terminate, except those rights expressly provided to survive termination in the NAA (including but not limited to Sections 6 and 8(t)). For the avoidance of doubt, Section 7 of the NAA shall not apply after the Termination Date. The termination will not release either Party from its respective obligations under the NAA accruing prior to the date of termination, including in particular, the obligation of Pearl to furnish to DCE all data necessary to complete the annual assessment of DCE's quality of care and other relevant matters. If at the Termination Date compensation for Services rendered under the NAA is otherwise payable to Pearl, but the annual assessment of DCE's quality of care has not been completed by CMS for the 2022 measurement period, then the payment of such amount to Pearl shall be withheld until the successful completion of Pearl's responsibilities to ensure the annual assessment (quality reporting) processes of CMS for PY 2022. Such amount will be paid after final reconciliation for PY 2022.
5. DPA Amendments and Obligations. Pearl shall notify each Provider to continue and cause its Practice Providers to continue their respective obligations under the DPA until the effective date of the termination of the DPA.
6. Inconsistencies. If there are any actual or perceived inconsistencies between this Termination Agreement and the NAA, the provisions of this Termination Agreement will govern.
7. Counterparts. This Termination Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute but one and the same instrument. An electronic signature shall be deemed to constitute an original signature for the purposes of this Termination Agreement.

[SIGNATURES APPEAR ON THE SUBSEQUENT PAGE]

[SIGNATURE PAGE TO TERMINATION AGREEMENT]

The undersigned have executed this Agreement of the date set forth above.

PEARL HEALTH, INC. (F/K/A LATITUDE HEALTH, INC., D/B/A PEARL HEALTH)

DocuSigned by:
By: 
8553DE90C86F49D...

Name: Drapos, Gabriel

Title: COO and Council

AMERICAN CHOICE HEALTHCARE, LLC

DocuSigned by:
By: 
6636B0B4A1F6405...

Name: Frank Exposito

Title: President

EXHIBIT A

NETWORK ADMINISTRATOR AGREEMENT

(see attached)

EXHIBIT B

FORM OF DCE PARTICIPANT AGREEMENT

(see attached)

EXHIBIT 2

STRICTLY CONFIDENTIAL

January 6, 2024
Pearl Health, Inc.
220 Fifth Avenue, 17th Floor
New York, NY 10001

Attention: Jonathan Goldin
Chief Legal Officer

Dear Mr. Goldin:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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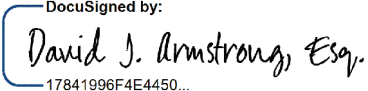
[REDACTED]

[REDACTED]

(signature page to follow)



Cano Health Inc.

By:  _____

Name: David J. Armstrong, Esq.

Title: General Counsel & Chief Compliance Officer

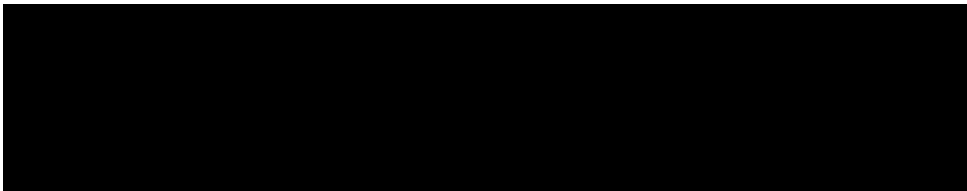
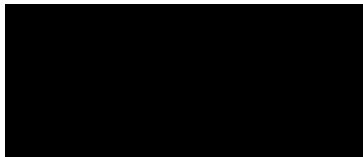


EXHIBIT 3

From: **Michael Monsegur** <michael.monsegur@pearlhealth.com>
Date: Tue, Aug 2, 2022 at 11:52 AM
Subject: Friday ACH Pearl Meeting
To: Frank Exposito <frank.exposito@orangecaregroup.com>, Christie Falcon
<christie.falcon@canohealth.com>, Gabriel Drapos <gabriel.drapos@pearlhealth.com>
Cc: Molly Minieri <molly.minieri@pearlhealth.com>

Hi Frank and Christie,

Can we move this meeting to early next week? Friday will not work for us unfortunately.
Thank you!

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Michael Monsegur

Head of ACO Operations

(978) 772-9736 | michael.monsegur@pearlhealth.com

220 5th Avenue, 17th Floor, NY, NY 10001

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CERTIFICATE OF SERVICE

I hereby certify that on June 26, 2024, the foregoing *Pearl Health Inc.'s Motion for Leave to File Late Objection to the Fourth Amended Joint Chapter 11 Plan of Reorganization of Cano Health, Inc., and its Affiliated Debtors* was served via CM/ECF upon those persons registered to receive such notifications in this case and upon the persons or entities listed on the attached Service List via electronic mail.

/s/ Jordan L. Williams
Jordan L. Williams (DE No. 7128)

Service List

<p>Cano Health, Inc., et al. Attn: Mark Kent, Chief Executive Officer David Armstrong, General Counsel 9725 NW 117th Avenue Miami, Florida 33178</p>	<p>Office of the U.S. Trustee for the District of Delaware Benjamin A. Hackman, Esq. Jon Lipshie, Esq. 844 King Street Suite 2207, Lockbox 35 Wilmington, Delaware 19801 Benjamin.A.Hackman@usdoj.gov Jon.Lipshie@usdoj.gov</p>
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