

1 SAMUEL R. MAIZEL (SBN 189301)  
samuel.maizel@dentons.com  
2 TANIA M. MOYRON (SBN 235736)  
tania.moyron@dentons.com  
3 DENTONS US LLP  
601 South Figueroa Street, Suite 2500  
4 Los Angeles, CA 90017-5704  
Telephone: 213 623 9300  
5 Facsimile: 213 623 9924

6 Proposed Attorneys for Chapter 11 Debtor and  
Debtor In Possession

7 UNITED STATES BANKRUPTCY COURT  
8 SOUTHERN DISTRICT OF CALIFORNIA  
9

10 In re

Case No. 22-02384-11

11 BORREGO COMMUNITY HEALTH  
FOUNDATION,

Chapter 11 Case

12 Debtor and Debtor In Possession.

**DEBTOR’S APPLICATION TO  
EMPLOY ANKURA CONSULTING  
GROUP, LLC TO (I) PROVIDE THE  
DEBTOR A CHIEF  
RESTRUCTURING OFFICER AND  
CERTAIN OTHER PERSONNEL;  
AND (II) DESIGNATING ISAAC LEE  
AS CHIEF RESTRUCTURING  
OFFICER FOR THE DEBTOR**

**DECLARATION OF ISAAC LEE**

Judge: Honorable Laura S. Taylor

21  
22 **APPLICATION**

23 Borrego Community Health Foundation (the “Debtor”), the debtor and debtor  
24 in possession in the above-captioned chapter 11 bankruptcy case (the “Case”), hereby  
25 submits this application (“Application”), pursuant to §§ 105(a) and 363(b) of title 11  
26  
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(213) 623-9300

1 of the United States Code (the “Bankruptcy Code”),<sup>1</sup> for entry of an order,  
2 substantially in the form attached hereto as **Exhibit C**, authorizing the Debtor to  
3 employ Ankura Consulting Group, LLC (“Ankura”) to provide the Debtor with a  
4 Chief Restructuring Officer (“CRO”), and certain other personnel, and designating  
5 Isaac Lee as CRO, effective as of the Petition Date (defined below). In support of the  
6 Application, the Debtor concurrently herewith submits the accompanying Declaration  
7 of Isaac Lee and incorporates by reference the previously filed *Declaration of Isaac*  
8 *Lee, Chief Restructuring Officer, in Support of Debtor’s Emergency First Day*  
9 *Motions* [Docket No. 7] (the “Lee Declaration”). In further support of the  
10 Application, the Debtor respectfully submits as follows:

11 **I.**

12 **JURISDICTION**

13 The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and  
14 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). The venue of this  
15 Case is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

16 **II.**

17 **STATEMENT OF FACTS**

18 **A. GENERAL BACKGROUND**

19 1. On September 12, 2022 (“Petition Date”), the Debtor filed a voluntary  
20 petition for relief under chapter 11 of the Bankruptcy Code.

21 2. The Debtor is a nonprofit federally qualified health center (“FQHC”) that  
22 provides health care services to low income and rural patients (collectively,  
23 “Patients”) in San Diego and Riverside Counties through a system of eighteen clinics,  
24 two pharmacies, and six mobile units. In 2021, the Debtor provided approximately  
25 386,000 patient care visits to over 94,000 patients. The Debtor’s services include  
26

27 \_\_\_\_\_  
28 <sup>1</sup> All references to “§” or “sections” herein are to sections of the Bankruptcy Code, 11 U.S.C. §  
101 et seq., as amended.

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601 SOUTH FIGUEROA STREET, SUITE 2500  
LOS ANGELES, CALIFORNIA 90017-5704  
(213) 623-9300

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(213) 623-9300

1 comprehensive primary care, urgent care, behavioral health, dental services, specialty  
2 care, transgender health, women’s health, prenatal care, veteran’s health, chiropractic  
3 services, tele-health, and pharmacy.

4 3. FQHCs are federally designated entities that receive higher state  
5 payments to provide health care services to poor and rural families and families with  
6 incomes below 200% of the poverty level. As an FQHC, the Debtor strives to deliver  
7 high quality, comprehensive, compassionate primary health care to people in the  
8 surrounding area, regardless of ability to pay.

9 4. Additional background regarding the Debtor, including an overview of  
10 the Debtor’s business and additional events leading up to this Case, is set forth in the  
11 Lee Declaration.

12 5. Since the commencement of the Case, the Debtor has been operating its  
13 business as debtor in possession pursuant to §§ 1107 and 1108 of the Bankruptcy  
14 Code.

15 6. On September 26, 2022, the Office of the United States Trustee  
16 appointed an Official Committee of Unsecured Creditors (the “Committee”) [Docket  
17 No. 49].

18 **B. RELEVANT BACKGROUND TO THE APPLICATION**

19 7. Prior to the commencement of the Case, the Debtor retained Ankura to  
20 provide the Debtor (i) with consulting services in connection with a potential  
21 restructuring, and (ii) with a CRO, Isaac Lee. Pursuant to §§ 105(a) and 363(b), the  
22 Debtor now seeks to retain Ankura to provide the Debtor with a CRO and certain  
23 other professional staff to assist it in navigating the chapter 11 process.

24 8. The Debtor requires such services to support its operations and satisfy  
25 the requirements of the Case, the Bankruptcy Code, and the requirements set by the  
26 Office of the United States Trustee while operating in chapter 11. A true and correct  
27 copy of the engagement agreement by and between the Debtor and Ankura is attached  
28 hereto as **Exhibit A** (the “Engagement Agreement”).

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1           9.       The Debtor proposes to retain multiple professionals in this Case. Each  
2 retention is necessary to the success of this chapter 11 process and there will be no  
3 duplication of services.

4           ***i. Ankura’s and Isaac Lee’s Qualifications***

5           10.       The Debtor has selected Ankura because of its extensive experience in  
6 the commercial insolvency arena. Ankura provides professional services to corporate  
7 debtors, creditors’ committees, court-appointed fiduciaries, banks and other secured  
8 creditors, trade creditors, asset purchasers, and other parties in interest. Ankura has  
9 extensive expertise in chapter 11 bankruptcies, including in the healthcare context.  
10 The Debtor submits that the ability to draw on such experience makes Ankura  
11 especially qualified for this retention.

12           11.       Ankura’s professionals have advised management and boards of  
13 directors in numerous recent restructurings and turnarounds, including: *In re Country*  
14 *Fresh Holding Co. Inc.*, Case No. 21-30574 (MI) (Bankr. S.D. Tex. Mar. 31, 2021)  
15 [Docket No. 451 ]; *In re MTE Holdings LLC*, Case No. 19-12269 (CSS) (Bankr. D.  
16 Del. Feb. 26, 2020) [Docket No. 663]; *In re Furie Operating Alaska, LLC*, Case No.  
17 19-11781 (LSS) (Bankr. D. Del. Nov. 1, 2019) [Docket No. 251]; *In re Emerge*  
18 *Energy Services LP*, Case No. 19-11563 (KBO) (Bankr. D. Del. Aug. 13, 2019)  
19 [Docket No. 200]; *In re 4 West Holdings, Inc.*, Case No. 18-30777 (HDH) (Bankr.  
20 N.D. Tex. Apr. 18, 2018) [Docket No. 263]; *In re Foundation Healthcare, Inc.*, Case  
21 No. 17-42571 (RFN) (Bankr. N.D. Tex. Jul. 20, 2017) [Docket No. 68].<sup>2</sup>

22           12.       Isaac Lee, who will serve as CRO to the Debtor, is a Managing Director  
23 at Ankura with more than 20 years of operational and financial restructuring  
24 experience. He has advised numerous companies on turnaround plan development  
25 and evaluation, liquidity improvement initiatives, asset dispositions, liability  
26

27 <sup>2</sup> Because of the voluminous nature of the orders cited herein, such orders have not been attached  
28 to the Application. Copies of these orders are available upon request to the Debtor’s proposed  
counsel.

1 management and bankruptcy filing preparation. Mr. Lee has also assisted in  
2 managing and administering companies during chapter 11 cases. Additionally, he has  
3 prior experience with health care providers, including a nine surgical center system  
4 and he had senior level responsibilities on two prior engagements where Ankura was  
5 involved as CRO. A copy of Isaac Lee's bio, summarizing his experience and  
6 credentials, is attached hereto as **Exhibit B**.

7 13. Through the services Ankura has provided the Debtor to date, Ankura is  
8 highly qualified to serve the Debtor in this Case. Isaac Lee and the herein-referenced  
9 staff at Ankura are intimately familiar with the Debtor's business and financial affairs.  
10 Since Ankura's initial engagement relating to the Debtor, Ankura has worked closely  
11 with the Debtor's management and other professionals in assisting with the myriad  
12 requirements of this Case. Consequently, the Debtor believes that Ankura has  
13 developed significant relevant experience and expertise regarding the Debtor, its  
14 operations, and the unique circumstances of this Case.

15 ***ii. Ankura's Prepetition Compensation and Retainer***

16 14. As mentioned above, prior to the Petition Date, the Debtor contracted  
17 with Ankura to provide it with consulting services in connection with a potential  
18 restructuring, as well as to provide it with a CRO and certain other professional staff.  
19 Prior to the Petition Date, the Debtor paid Ankura a total of \$2,057,531 in fees and  
20 costs for various pre-petition financial services, including tasks associated with CRO  
21 services, and well as tasks related to the filing of this Case, including the Debtor's  
22 first-day motions and related activities. In addition, the Debtor paid Ankura a  
23 \$250,000 retainer for services to be provided from and after the Petition Date.

24 ***iii. Ankura is Disinterested***

25 15. To the best, of the Debtor's knowledge, information, and belief, other  
26 than as set forth in the accompanying Declaration of Isaac Lee, Ankura: (a) has no  
27 connection with the Debtor, its creditors, other parties-in-interest, or the attorneys or  
28 accountants of any of the foregoing, or the U.S. Trustee or any person employed in

1 the Office of the U.S. Trustee; and (b) does not hold an interest adverse to the Debtor’s  
2 estate. Ankura may advise and/or provide services, or have formerly advised and/or  
3 provided services, to certain parties-in-interest in this Case. No such engagement  
4 constitutes an interest adverse to the estate, or prevents Ankura from being  
5 “disinterested” within the meaning of § 327(a) of the Bankruptcy Code. Ankura will  
6 submit a supplemental declaration disclosing such engagements and/or connections.

7 ***iv. Fees and Reporting***

8 16. If the Court approves the relief requested herein, Ankura will be retained  
9 to provide the Debtor with a CRO and related staff and Isaac Lee will be designated  
10 as CRO pursuant to § 363 of the Bankruptcy Code. Because Ankura is not being  
11 employed as a professional under § 327 of the Bankruptcy Code, Ankura will not be  
12 required to submit fee applications pursuant to §§ 330 and 331 of the Bankruptcy  
13 Code. Instead, Ankura will file with the Court and provide notices to the Office of  
14 the United States Trustee and all official committees appointed in this Case (together,  
15 the “Notice Parties”), reports of compensation earned, expenses incurred, and staffing  
16 in the Case (the “Compensation and Staffing Report”) by the 30<sup>th</sup> of each month for  
17 the previous month, which will include summary charts describing the name, hourly  
18 rate, number of hours billed, and role filled by each Ankura professional; the  
19 aggregate compensation earned by Ankura; the hours worked and fees by activity  
20 category; and the expenses incurred by Ankura. In addition, each Ankura professional  
21 will maintain during the Case and the Compensation and Staffing Report will include  
22 (i) detailed time entry records identifying activities or issues that individual addressed  
23 on a daily basis, grouped to the nearest one-tenth of an hour (0.1 hour) for each activity  
24 category each day and (ii) detailed expense records. The first Compensation and  
25 Staffing Report shall cover the period from the Petition Date until the end of the month  
26 in which the Proposed Order is entered and shall be submitted within thirty (30) days  
27 thereafter.

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LOS ANGELES, CALIFORNIA 90017-5704  
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1 17. The Compensation and Staffing Reports will be subject to review by the  
2 Court if an objection is filed by any of the Notice Parties and served on the Debtor,  
3 the Debtor's undersigned counsel, and Ankura within twenty-one (21) days after the  
4 date each Compensation and Staffing Report is filed and served (the "Objection  
5 Period"). The Debtor respectfully request that it be authorized, but not directed, to  
6 pay, in the ordinary course of business, all amounts invoiced by Ankura for fees and  
7 expenses incurred in connection with Ankura's retention. In the event an objection is  
8 filed and served during the Objection Period and not consensually resolved, the  
9 Debtor shall deduct an amount equal to the amount objected to from the next payment  
10 to Ankura until such objection is resolved, either consensually or by Court order.

11 **v. *Engagement Agreement***

12 18. The Engagement Agreement provides for the terms of Ankura's  
13 retention, including a 10% discount of fees for Ankura's services. The Engagement  
14 Agreement also includes certain indemnification provisions. These indemnification  
15 provisions are reasonable, and only apply absent gross negligence, willful  
16 misconduct, or bad faith, as finally determined by a court of competent jurisdiction.  
17 The indemnification provisions are a critical component of Ankura's conditions for  
18 providing its services. The Debtor submits that the terms set forth in the Engagement  
19 Agreement are fair and reasonable.

20 **III.**

21 **DISCUSSION**

22 The Debtor seeks to employ Ankura and designate Isaac Lee as CRO pursuant  
23 to § 363 of the Bankruptcy Code effective as of the Petition Date. Section 363(b)(1)  
24 of the Bankruptcy Code provides in relevant part that "[t]he trustee, after notice and  
25 a hearing, may use, sell, or lease, other than in the ordinary course of business,  
26 property of the estate. 11 U.S.C. § 363(b)(1). Further, pursuant to § 105(a) of the  
27 Bankruptcy Code, the "court may issue any order process or judgment that is  
28 necessary to carry out the provisions of this title." 11 U.S.C. § 105(a).

1 If a debtor’s proposed use of its assets pursuant to § 363(b) of the Bankruptcy  
2 Code represents a reasonable business judgment on the part of the debtor, such use  
3 should be approved. *See In re Ernst Home Center, Inc.*, 209 B.R. 974, 979 (Bankr.  
4 W.D. Wa. 1997) (providing that a debtor’s decision to enter into a transaction outside  
5 of the normal course of business under 11 U.S.C. § 363(b)(1) must be based on the  
6 debtor’s reasonable business judgment).

7 The relief requested herein represents a sound exercise of the Debtor’s business  
8 judgment. First, Isaac Lee has extensive experience as advisor for many troubled  
9 companies. The Debtor submits that Isaac Lee and related staff will provide services  
10 that substantially benefit the Debtor’s estate and its creditors.

11 Second, Isaac Lee and related staff, working in conjunction with the Debtor’s  
12 senior management, have already proved to be of invaluable assistance to the Debtor  
13 in developing financial projections, assisting in short-term cash management  
14 activities, evaluating strategic alternatives, and coordinating the Debtor’s efforts to  
15 prepare and operate in chapter 11.

16 Finally, through negotiations, the Debtor has been able to retain Ankura and  
17 secure the services of Isaac Lee and related staff during this Case on economic terms  
18 that are fair, reasonable, and beneficial to the Debtor’s estate.

19 In view of the foregoing, the Debtor submits that the retention of Ankura and  
20 the employment of Isaac Lee and related staff is a sound exercise of the Debtor’s  
21 business judgment and is in the best interests of all parties-in-interest in this Case. As  
22 such, the Debtor respectfully requests that the Court enter an order authorizing the  
23 Debtor to employ Ankura to provide the Debtor with a CRO and certain other  
24 personnel, and designating Isaac Lee as CRO, effective as of the Petition Date.

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LOS ANGELES, CALIFORNIA 90017-5704  
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IV.

**COMPLIANCE WITH THE LOCAL RULES**

Pursuant to Rule 2014-1(a) of the Local Bankruptcy Rules and Administrative Procedures for the United States Bankruptcy Court for the Southern District of California (the “Local Rules”), this Application is filed within 30 days from the Petition Date and is supported by a sworn statement of disinterestedness, contained in the accompanying declaration of Isaac Lee. Pursuant to Local Rule 2014-1(c), the Debtor has submitted this Application to the Office of the United States Trustee as provided in Local Rule 9034-1. The Debtor has also provided notice of this Application to the parties appearing on the Proof of Service relating to this Application. The Debtor submits that, in light of the nature of the relief requested, no other or further notice is necessary or required. Pursuant to Local Rule 2014-1(d), a copy of the Engagement Agreement, which provides for the retainer discussed above, is attached to hereto as **Exhibit A**.

V.

**CONCLUSION**

WHEREFORE, the Debtor respectfully requests that the Court enter an order (i) authorizing Ankura’s employment as set forth in the Engagement Agreement and herein, to provide the Debtor with a CRO and certain other personnel, and designating Isaac Lee as CRO, effective as of the Petition Date, and (ii) granting such other and further relief warranted under the circumstances.

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601 SOUTH FIGUEROA STREET, SUITE 2500  
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(213) 623-9300

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Dated: October 12, 2022

By:  \_\_\_\_\_

Rose MacIsaac  
Chief Executive Officer  
Borrego Health Community Foundation

DENTONS US LLP  
601 SOUTH FIGUEROA STREET, SUITE 2500  
LOS ANGELES, CALIFORNIA 90017-5704  
(213) 623-9300

**DECLARATION OF ISAAC LEE**

I, Isaac Lee, submit this Declaration in support of the *Debtor’s Application to Employ Ankura Consulting Group, LLC to (I) Provide the Debtor with a Chief Restructuring Officer and Certain other Personnel; and (II) Designating Isaac Lee as Chief Restructuring Officer for the Debtor* (the “Application”),<sup>3</sup> and hereby state and declare as follows:

1. I am an individual over the age of majority and am competent to testify as to the facts set forth in this declaration. If called upon to testify, I could and would testify to the facts set forth herein. I am authorized by the Debtor to submit this declaration.

2. I am a Managing Director at Ankura Consulting Group, LLC (“Ankura”), with more than 20 years of operational and financial restructuring experience. I have advised numerous companies on turnaround plan development and evaluation, liquidity improvement initiatives, asset dispositions, liability management and bankruptcy filing preparation. I have also assisted in managing and administering companies during chapter 11 cases. Additionally, I have prior experience with health care providers, including a nine surgical center system and had senior level responsibilities on two prior engagements where Ankura has been involved as Chief Restructuring Officer (“CRO”). A copy of Isaac Lee’s bio, summarizing his experience and credentials, is attached hereto as **Exhibit B**.

3. I received my MBA from the Tuck School at Dartmouth College and my BS in Business Administration from the University of Southern California.

4. In January 2022, Borrego Community Health Foundation (the “Debtor”) engaged Ankura to, among other things, provide financial advisory services. I was

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<sup>3</sup> All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Application.

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601 SOUTH FIGUEROA STREET, SUITE 2500  
LOS ANGELES, CALIFORNIA 90017-5704  
(213) 623-9300

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LOS ANGELES, CALIFORNIA 90017-5704  
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1 appointed CRO in connection with the Debtor’s chapter 11 case (the “Case”), and I  
2 am supported by a team at Ankura.

3 5. Prior to the commencement of this Case, the Debtor contracted with  
4 Ankura to provide it with consulting services in connection with a potential  
5 restructuring, as well as to provide it with a CRO, Isaac Lee. The Debtor now seeks  
6 to retain Ankura to provide the Debtor with a CRO and certain other professional staff  
7 to assist it in navigating the chapter 11 process. The Debtor requires such services to  
8 satisfy the requirements of the Bankruptcy Code and the requirements set by the  
9 Office of the United States Trustee while operating in chapter 11. A true and correct  
10 copy of the engagement agreement by and between the Debtor and Ankura is attached  
11 hereto as **Exhibit A** (the “Engagement Agreement”).

12 6. The Debtor selected Ankura because of its extensive experience in the  
13 commercial insolvency arena. Ankura provides professional services to corporate  
14 debtors, creditors’ committees, court-appointed fiduciaries, banks and other secured  
15 creditors, trade creditors, asset purchasers, and other parties in interest. Ankura has  
16 extensive expertise in chapter 11 bankruptcies, including in the healthcare context.  
17 The Debtor submits that the ability to draw on such experience makes Ankura  
18 especially qualified for this retention.

19 7. Ankura’s professionals have advised management and boards of  
20 directors in numerous recent restructurings and turnarounds including: *In re Country*  
21 *Fresh Holding Co. Inc.*, Case No. 21-30574 (MI) (Bankr. S.D. Tex. Mar. 31, 2021)  
22 [Docket No. 451 ]; *In re MTE Holdings LLC*, Case No. 19-12269 (CSS) (Bankr. D.  
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27 N.D. Tex. Apr. 18, 2018) [Docket No. 263]; *In re Foundation Healthcare, Inc.*, Case  
28 No. 17-42571 (RFN) (Bankr. N.D. Tex. Jul. 20, 2017) [Docket No. 68].

1 **I. DISINTERESTEDNESS AND ELIGIBILITY**

2 8. Ankura utilizes certain procedures (“Firm Procedures”) to determine the  
3 Firm’s relationships, if any, to parties that may have a connection to the Debtor. In  
4 implementing the Firm Procedures, the following actions were taken to identify  
5 parties that may have connections to the Debtor, and Ankura’s relationship with such  
6 parties:

- 7 a. Ankura requested and obtained from the Debtor extensive lists of  
8 interested parties and significant creditors (the “Potential Parties-in-  
9 Interest”). The Potential Parties-in-Interest reviewed include, among  
10 others, the Debtor, current and former officers, bankruptcy professionals,  
11 judges for the United States Bankruptcy Court for the Southern District  
12 of California, banks, lenders, contract counterparties,  
13 governmental/regulatory agencies, insurance carriers, landlords, parties  
14 to significant actual or known litigation with Debtor/adverse parties, top  
15 40 creditors, U.S. Trustee personnel, utility providers, and vendors.
- 16 b. Ankura then compared the names of each of the Potential Parties-in-  
17 Interest to the names in its master electronic database of the Ankura  
18 Entities’ clients and vendors (the “Database”).<sup>4</sup> For clients, the Database  
19 generally includes the name of each client of the Ankura Entities, the  
20 name of each party that has, or had, a substantial role with regard to the  
21 subject matter of the Ankura Entity’s retention, and the names of the  
22 Ankura Entity professionals who are, or were, primarily responsible for  
23 matters for such clients. For vendors, the Database generally includes the  
24 name of the vendor.
- 25 c. An email was sent to all of the Ankura Entities’ Senior Managing  
26 Directors, Managing Directors, and all Turnaround & Restructuring  
27

28 <sup>4</sup> Ankura is affiliated with certain other Ankura-branded entities, including its affiliates, subsidiaries, and parent entities, which entities are managed by the same executive team (such entities the “Ankura Entities”). The Database maintained by the Ankura Entities includes information for all of the Ankura Entities. For companies and businesses acquired by any Ankura Entity, the Database captures engagements that were active at the time of such acquisition, as well as any post-acquisition engagements. Otherwise, the Database includes all clients and vendors of the Ankura Entities since Ankura’s inception. The Ankura Entities include a trust company (Ankura Trust Company, LLC) and a broker-dealer (Ankura Capital Advisors, LLC). Neither of these entities hold or trade securities for their own account and, as with the other Ankura Entities, the clients of the trust company and broker-dealer entities are included in the Database.

DENTONS US LLP  
601 SOUTH FIGUEROA STREET, SUITE 2500  
LOS ANGELES, CALIFORNIA 90017-5704  
(213) 623-9300

DENTONS US LLP  
601 SOUTH FIGUEROA STREET, SUITE 2500  
LOS ANGELES, CALIFORNIA 90017-5704  
(213) 623-9300

1 practice professionals requesting disclosure of information regarding: (i)  
2 any known personal connections between the respondent and/or the  
3 Ankura Entities on the one hand, and the Potential Parties-in-Interest, on  
4 the other hand,<sup>5</sup> (ii) any known connections or representation by the  
5 respondent and/or the Firm of any of those Potential Parties-in-Interest  
6 in matters relating to the Debtor; and (iii) any other conflict or reason  
7 why Ankura may be unable to represent the Debtor.

8 d. Known connections between former or recent client and vendors of the  
9 Ankura Entities and the Potential Parties-in-Interest were reviewed for  
10 purposes of preparing this Declaration.

11 9. To provide further detail on the Database and the Firm Procedures, I note  
12 that Ankura is a portfolio company of private funds affiliated with Madison Dearborn  
13 Partners, LLC (“MDP” and such funds together with MDP, the “MDP Entities”). As  
14 such, the Firm Procedures include a review of MDP and its affiliated funds that have  
15 an ownership interest in Ankura, as well as MDP’s other portfolio companies (the  
16 “Portfolio Companies”) to determine if such entities appear on the list of Potential  
17 Parties-in-Interest.

18 10. The Portfolio Companies are under separate managerial control from the  
19 Ankura Entities and do not share any internal systems with any Ankura Entity. The  
20 Ankura Entities have no ability to access the Portfolio Companies’ or MDP Entities’  
21  
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23 <sup>5</sup> In reviewing its records and the relationships of its professionals, Ankura did not seek  
24 information as to whether any Ankura Entity professional or member of such professional’s  
25 immediate family: (a) indirectly owns, through a public mutual fund or through partnerships in  
26 which certain Ankura Entity professionals have invested but as to which such professionals have  
27 no control over or knowledge of investment decisions, securities of the Debtor, or any other  
28 party-in-interest; or (b) has engaged in any ordinary course consumer transaction with any party-  
in-interest. If any such relationship does exist, I do not believe it would impact Ankura’s  
disinterestedness or otherwise give rise to a finding that Ankura holds or represents an interest  
adverse to the estate.

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1 systems or confidential information,<sup>6</sup> nor do the Portfolio Companies<sup>7</sup> or the MDP  
2 Entities have the ability to access the Ankura Entities’ systems or confidential  
3 information. Certain MDP personnel serve as members of the Ankura Entities’ board  
4 of directors (the “MDP Directors”) and the MDP Directors serve on boards of  
5 directors for certain of the Portfolio Companies. However, the MDP Directors are  
6 subject to confidentiality obligations and fiduciary duties, which prohibit and prevent  
7 the sharing of confidential information between companies for which they have board  
8 of director responsibilities. Despite the separation between the Ankura Entities and  
9 the Portfolio Companies, the Portfolio Companies and MDP Entities are included in  
10 the Database and reviewed as part of the Firm Procedures.

11 11. HPS Investment Partners, LLC (“HPS”), through certain investment  
12 funds, has a minority, non-controlling interest in Ankura. The Database therefore  
13 includes HPS and the above-referenced investment funds. HPS has one board seat  
14 and one board observer seat on the Ankura Entities’ board of directors. These board  
15 participants are subject to confidentiality obligations and fiduciary duties, and  
16 information walls exist to prevent the sharing of confidential information among  
17 HPS’s investments. Further, the Ankura Entities have no access to HPS’s or its  
18 investments’ systems or confidential information. As such, while HPS is included in  
19 the Database and reviewed as part of the Firm Procedures, HPS’s affiliates and the  
20 entities in which they invest are not.<sup>8</sup>

21 \_\_\_\_\_  
22 <sup>6</sup> To the extent an Ankura Entity is engaged by another MDP portfolio company to perform  
23 services for such company, the Ankura Entities will have access to information from such  
24 company applicable to the work being performed. Such information will be subject to  
25 confidentiality agreements.

25 <sup>7</sup> NFP Corp., another portfolio company of MDP, serves as the Ankura Entities’ insurance broker.  
26 In connection therewith, NFP Corp. has access to certain Ankura Entity information. Such  
27 information is shared pursuant to a confidentiality agreement.

27 <sup>8</sup> The Northwestern Mutual Life Insurance Company and an affiliate thereof (together,  
28 “Northwestern”) own less than two percent of the Ankura Entities’ equity. Northwestern has no  
board seats or ability to control the activities of the Ankura Entities.

1 12. As a result of the Firm Procedures, I have thus far ascertained that, except  
2 as may be set forth herein, upon information and belief, if retained, Ankura:

- 3 a. is not a creditor of the Debtor (including by reason of unpaid fees for  
4 prepetition services) or an equity security holder of the Debtor;
- 5 b. is not, and has not been, within two years before the Petition Date, a  
6 director, officer (other than by virtue of Ankura's retention, including as  
7 to providing a CRO, (pre- and post-petition) as described in the  
8 Application), or an employee of the Debtor; and
- 9 c. does not have an interest materially adverse to the interests of the  
10 Debtor's estate, or of any class of creditors or equity security holders, by  
11 reason of any direct or indirect relationship to, connection with, or  
12 interest in, the Debtor, or for any other reason.

13 13. Ankura may advise and/or provide services, or have formerly advised  
14 and/or provided services, to certain parties-in-interest in this Case. No such  
15 engagement constitutes an interest adverse to the estate, or prevents Ankura from  
16 being "disinterested" within the meaning of § 327(a) of the Bankruptcy Code. Ankura  
17 will submit a supplemental declaration disclosing such engagements and/or  
18 connections.

19 14. Further, as part of its diverse practice, the Ankura Entities appear in  
20 numerous cases and proceedings, and participate in transactions that involve many  
21 different professionals, including attorneys, accountants, and financial consultants,  
22 who represent claimants and parties-in-interest in this Case. Further, the Ankura  
23 Entities performed in the past, and may perform in the future, advisory consulting  
24 services for various attorneys and law firms, and have been represented by several  
25 attorneys and law firms, some of whom may be involved in these proceedings. Based  
26 on our current knowledge of the professionals involved, and to the best of my  
27 knowledge, none of these relationships create interests materially adverse to the  
28 Debtor's estate in matters upon which Ankura is to be employed, and none are in  
connection with this Case.

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1 15. If additional Potential Parties-in-Interest are provided to Ankura and any  
2 new material relevant facts or relationships are discovered or identified, Ankura will  
3 promptly file a supplemental declaration.

4 **II. PROFESSIONAL COMPENSATION**

5 16. Subject to Court approval and in accordance with the applicable  
6 provisions of the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules, and  
7 any applicable orders of this Court, Ankura will seek from the Debtor payment for  
8 compensation on a monthly basis for the services described herein, in the Application,  
9 and in the Engagement Agreement. Ankura’s customary hourly rates as charged in  
10 bankruptcy and non-bankruptcy matters of this type by the professionals assigned to  
11 this engagement are below. These hourly rates are adjusted annually.

Professional	Title	Hourly Rate
Isaac Lee	Managing Director	\$990
Sarah Hull	Managing Director	\$500
Charles Pease	Director	\$605
Jared Rapoport	Director	\$605
Trevor Cazares	Senior Associate	\$495
Rhonda Smith	Associate	\$305
Michelle Petruolo	Paraprofessional	\$325

18 Ankura has agreed to apply a 10% discount for all fees billed on this engagement.

19 17. Ankura will work with the other professionals retained by the Debtor in  
20 this Case to ensure there is no duplication of services.

21 18. To the best of my knowledge, except as set forth above, (a) no  
22 commitments have been made or received by Ankura with respect to compensation  
23 or payment in connection with this Case other than in accordance with applicable  
24 provisions of the Bankruptcy Code and the Bankruptcy Rules, and (b) Ankura has no  
25 agreement with any other entity to share with such entity any compensation received  
26 by Ankura in connection with this Case.

27 19. Prior to the commencement of the Case, the Debtor contracted with  
28 Ankura to provide it with consulting services in connection with a potential

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1 restructuring, as well as to provide it with a CRO and certain other professional staff.  
2 Prior the Petition Date, the Debtor paid Ankura a total of \$2,057,531 in fees and costs  
3 for various pre-petition financial services, including tasks associated with CRO  
4 services, and well as tasks related to the filing of this Case, including the Debtor's  
5 first day motions and related activities. In addition, the Debtor paid Ankura a  
6 \$250,000 retainer for services to be provided from and after the Petition Date.

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1 I declare under penalty of perjury that, to the best of my knowledge and after  
2 reasonable inquiry, the foregoing is true and correct.

3  
4 Dated: October 12, 2022

ANKURA CONSULTING GROUP, LLC

5  
6 By: Isaac Lee  
7 Isaac Lee  
8 Managing Director  
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**EXHIBIT A**  
**(Engagement Agreement)**

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**ADDENDUM TO**  
**ANKURA BORREGO CRO ENGAGEMENT LETTER**

This Addendum (this “**Addendum**”) to the Agreement between Ankura Consulting Group, LLC (“**Ankura**”) and Borrego Community Health Foundation (“**Client**”), dated April 6, 2022 (the “**Underlying Agreement**”), attached hereto as Exhibit 1, is effective as of September 1, 2022 (the “**Effective Date**”) and modifies that certain Underlying Agreement as set forth herein. Unless otherwise defined in this Addendum, capitalized terms used in this Addendum but not otherwise defined in this Addendum shall have the meanings ascribed to such terms in the Underlying Agreement.

WHEREAS, pursuant to the Underlying Agreement, Client engaged Ankura for restructuring advisory and interim management services; and

WHEREAS, Ankura and Client mutually desire to modify the Underlying Agreement to amend certain terms in the manner set forth in this Addendum;

THEREFORE, in consideration of the mutual covenants in this Addendum and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Ankura and Client agree as follows, effective as of the Effective Date:

1. Addendum. The Underlying Agreement shall be modified as follows:
  - a. *Fees*. A 10% discount shall be applied to all Fees described in Section 2 of the Underlying Agreement that are incurred on or after the Effective Date. For the avoidance of doubt, no discount will be applied to Expenses.
  - b. *Retainer*. The Retainer described in Section 3 of the Underlying Agreement shall be increased to \$250,000. Client shall pay to Ankura in immediately available funds the amount that is the difference between the amount of the Retainer currently held by Ankura and \$250,000 on the Effective Date.
  - c. *Timing of Payment*. Notwithstanding the 30-day time period set forth in Section 4 of the Underlying Agreement, Client agrees to pay all Fees, Expenses and any other amounts owing pursuant to the Underlying Agreement immediately upon receipt of an invoice by the Client for such amounts.
2. Miscellaneous. This Addendum may be executed in counterpart by the parties, each of which shall be deemed an original and which, when taken together, shall constitute a single instrument. Except as provided herein, all terms and conditions contained in the Underlying Agreement are restated and ratified and shall remain in full force and effect in all respects. This Addendum shall be governed in accordance with laws of the state of Delaware.

[Signature pages follow.]



The parties have authorized their representatives to execute this Addendum to be effective as of the Effective Date.

**ANKURA CONSULTING GROUP, LLC**

A handwritten signature in black ink, appearing to read "L. Robichaux IV".

---

**Louis E. Robichaux IV**  
**Senior Managing Director**

**BORREGO COMMUNITY HEALTH  
FOUNDATION**

A handwritten signature in black ink, appearing to read "Rose MacIsaac".

---

**Rose MacIsaac**  
**Interim Chief Executive Officer**

Sept. 1, 2022

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**(Date)**

9/8/2022

---

**(Date)**



**EXHIBIT 1**

**ANKURA BORREGO CRO ENGAGEMENT LETTER**



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APRIL 6, 2022

Sandy Hansberger  
Chair of the Board of Trustees  
Borrego Community Health Foundation  
P.O. Box 2369  
Borrego Springs, CA 92004-2369

Re: Restructuring Advisory & Interim Management Services

Dear Ms. Hansberger:

This letter agreement (the “*Agreement*”), entered into as of April 6, 2022 (the “*Effective Date*”), confirms the terms of the agreement among Ankura Consulting Group, LLC (“*Ankura*”) and Borrego Community Health Foundation (“*BCHF*”, the “*Client*” or “*you*”) pursuant to which Ankura has been engaged to act as the advisor to BCHF to provide Chief Restructuring Officer and restructuring advisory services as set forth below. This Agreement is intended to supersede the agreement between the parties dated January 17, 2022 (the “*Original Agreement*”), provided that all provisions of the Original Agreement that were intended to survive shall be preserved and shall continue.

We have been retained by BCHF and will report to the Chief Executive Officer (“*CEO*”) and the Board of Trustees.

1. Scope of Engagement: On the terms and subject to the conditions of this Agreement, Ankura will provide to BCHF the following Chief Restructuring Officer and restructuring advisory services (the “*Services*”), as requested by BCHF and agreed to by Ankura:

- A. Provide Isaac Lee to serve as Chief Restructuring Officer (“*CRO*”) of BCHF which position would be a duly appointed officer of BCHF and a temporary member of BCHF’s senior executive team;
- B. The CRO will report to CEO and the Board of Trustees (the “*Board*”) or any designated committee of the Board delegated with oversight of the financial and operational restructuring of BCHF (the “*Committee*”);
- C. The CRO would be responsible for the following:
  - i) Leading BCHF’s Turnaround and Transaction Activities – Serve as BCHF’s designated officer in coordinating BCHF’s turnaround, restructuring and transaction activities, including the Services set forth below in E. - F.). The CRO would be supported by the Ankura team, as well as BCHF’s legal and other advisors, to explore, evaluate, and analyze BCHF’s available restructuring and transaction options. The CRO would also be supported by the Ankura team, as well as BCHF’s management in the execution of an operational turnaround plan and financial restructuring. To the extent possible, the CRO shall rely primarily on the skills and resources of BCHF’s existing management team prior to engaging Ankura staff.





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- ii) Board Advisory – Lead BCHF’s management and advisors in informing and advising the Committee and the Board and / or their designees, on transaction options and recommendations. The Board is the ultimate decision-making body responsible for determining the transaction path and method of implementation. The CRO would serve as the BCHF’s designated officer responsible for leading the execution of the Board’s transaction decisions, subject to coordination with the CEO in order avoid conflicts in delegated authorities. The CRO would not serve as a member of the Board or Committee and would have no voting authority respecting Board or Committee decisions.
  - iii) Stakeholder Communication – Serve as BCHF’s designee regarding engagement with internal and external stakeholders such as creditors, landlords, the DHCS-appointed monitor and transaction-related interested parties. If any such stakeholders are involved in litigation with BCHF, the CRO shall consult and coordinate with the Chief Legal Officer (“**CLO**”).
  - iv) Liquidity – Provide oversight and guidance regarding actions to enhance and preserve BCHF’s available liquidity.
- D. Provide additional resources as required and approved by BCHF;
- E. Ankura would provide the following turnaround and transaction advisory services:
- i) Advise and assist BCHF in connection with BCHF’s identification, evaluation, development, and implementation of financial and operational performance improvement and restructuring strategies;
  - ii) Advise and assist BCHF in BCHF’s efforts to monitor, measure and track the results of its performance improvement and restructuring implementation;
  - iii) Advise and assist BCHF in BCHF’s continued efforts to develop a short-term and long-term financial projection model and liquidity forecast;
  - iv) Advise and assist BCHF in connection with BCHF’s communications and negotiations with other parties including, but not limited to, landlords, creditors, vendors, DHCS appointed monitor and transaction-related interested parties;
  - v) Advise and assist management regarding responding to the information requests from BCHF’s monitor and other stakeholders;
  - vi) Advise and assist BCHF in connection with BCHF’s preparation of various stakeholder presentations and financial reports required to support stakeholder negotiations and coordination;
  - vii) Advise and assist BCHF in its review and assessment of vendor relationships and other executory contracts; and
  - viii) Provide advice to BCHF concerning employee retention issues.
  - ix) Provide advice on BCHF’s internal and external communications concerning the restructuring plan and implementation.



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- F. Perform such other professional services as may be requested by BCHF and agreed to by Ankura in writing.

In the event there is a disagreement as to any direction, guidance or instruction to be given to Ankura in connection with the foregoing Services, Ankura shall take such direction, guidance or instruction from the Board or the Committee.

It is our intention to work closely with the Committee and the Board, BCHF’s management team and BCHF’s other outside advisors throughout the course of our engagement. The CRO shall become familiar with and comply with BCHF’s key governing documents and policies and shall seek input from BCHF’s CEO, CLO and Board with respect to any questions regarding the authority the Board has delegated to management. Regular discussions with you regarding our progress should provide you with an opportunity to confirm or request that we modify the scope of our engagement to best serve your needs. The Services and compensation arrangements set forth herein do not encompass other advisory services not set forth in this Section 1. If BCHF and Ankura later determine to expand the scope of Services to include other services not otherwise set forth herein, such future agreement will be the subject of a further and separate written agreement of the parties.

2. Fees and Expenses: For Ankura’s Services hereunder, BCHF agrees to pay to Ankura the non-refundable fees (the “*Fee*”) based on the actual hours expended at our standard hourly rates that are in effect when the Services are rendered. Our rates generally are revised annually. The current hourly rates for the core team on this engagement are as follows:

Professional	Title	Hourly Rate
Louis Robichaux (as needed)	Senior Managing Director	\$1,155
Isaac Lee	Managing Director	\$990
Sarah Hull (as needed)	Managing Director	\$550
Charles (CJ) Pease	Director	\$575
(To be determined)	Associate or Senior Associate	\$410 – \$500

- A. Expense Reimbursement: Ankura shall be entitled to reimbursement of reasonable out-of-pocket and direct expenses incurred in connection with the Services to be provided under this Agreement (including for Ankura’s reasonable out-of-pocket fees and expenses for outside legal counsel and other third-party advisors, only if needed, and only with pre-approval from the Client to retain such advisors) incurred in connection with this Agreement, including the negotiation and performance of this Agreement and the matters contemplated hereby (collectively, “*Expenses*”). Any airfare Expenses will be reimbursed at coach class rates. Any lodging related Expenses will be reimbursed from Client approved hotels.
- B. Reasonableness of Fees: BCHF acknowledges that it believes that Ankura’s general restructuring experience and expertise will inure to the benefit of the parties hereto, that the value to the parties hereto of Ankura’s Services derives in substantial part from that experience and expertise and that,



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accordingly, the structure and amount of the Fees to be paid to Ankura hereunder are reasonable. BCHF acknowledges that a substantial professional commitment of time and effort will be required of Ankura and its professionals hereunder, and that such commitment may foreclose other opportunities for Ankura. Given the numerous issues that may arise in engagements such as this, Ankura's commitment to the variable level of time and effort necessary to address such issues, the expertise and capabilities of Ankura that will be required in this engagement, and the market rate for Ankura's services of this nature, whether in-court or out-of-court, the parties agree that the fee arrangement provided for herein is reasonable, fairly compensates Ankura, and provides the requisite certainty to the parties hereto.

- C. Testimony; Subpoena Requests. If Ankura is requested or required to appear as a witness in any action that is brought by, on behalf of, or against you or that otherwise relates to this Agreement or the Services rendered by Ankura hereunder, you agree to (i) compensate Ankura for its associated time charges at our regular rates in effect at the time and (ii) reimburse Ankura for all documented, actual out-of-pocket expenses incurred by Ankura in connection with such appearance or preparing to appear as a witness, including without limitation, the fees and disbursements of legal counsel of Ankura's choosing. In addition, Ankura will be compensated and reimbursed for any time and expense (including without limitation, fees and expenses of legal counsel of Ankura's choosing) that Ankura may incur in considering or responding to discovery requests or other formal information requests for documents or information made in connection with any action or in connection with the Services.

### 3. Retainer

- A. In connection with the foregoing, it is Ankura's policy to receive an advance retainer for the Fees and Expenses. Ankura holds a \$145,000 retainer (the "**Retainer**") for fees and expenses related to the Original Agreement and will carry over any net Retainer for fees and expenses related to this Agreement. BCHF agrees to replenish the Retainer upon the request of Ankura. BCHF understands and acknowledges that any Retainer becomes the property of Ankura when it is earned and BCHF no longer has a property interest in any Retainer upon Ankura's earning of the Retainer, any Retainer will be placed in Ankura's general account and will not be held in a client trust account, and BCHF will not earn any interest on any Retainer; *provided, however*, that at the conclusion of the Services, if the amount of any Retainer held by Ankura is in excess of the amount of Ankura's outstanding and estimated Fees and Expenses, any such excess Retainer amount will be returned to BCHF.
- B. If any of BCHF's entities file a petition or any proceedings are commenced against such entities under Title 11 of the United States Code (the "**Bankruptcy Code**"), some Fees and Expenses (whether or not billed) incurred before the filing of bankruptcy petitions (voluntary or involuntary) might remain unpaid as of the date of the filing. The unused portion, if any, of the Retainer will be applied to any such unpaid pre-petition Fees and Expenses. Ankura will hold any portion of the Retainer not otherwise properly applied for payment of any such unpaid pre-filing Fees and Expenses (whether or not billed) to be applied to Ankura's final invoice.



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4. Invoices and Payment: The obligations of BCHF under this Agreement shall be joint and several obligations. The payment of the Fees and Expenses hereunder are the exclusive obligations of BCHF. Invoices shall include a description of work performed by Ankura professionals set forth in one-hour increments and shall be provided by to BCHF's CEO, CFO, Board Chair and Board Treasurer. BCHF agrees to pay all Fees and Expenses within 30 days of an invoice for all Services rendered and Expenses incurred. Notwithstanding the foregoing, BCHF agrees to pay all invoiced amounts, whether for Fees or Expenses or otherwise, to Ankura by wire transfer of immediately available funds prior to commencing any proceedings under any insolvency regime. In the event that BCHF does not pay Ankura's invoices in accordance with their terms, Ankura has the discretion to (i) terminate or suspend the engagement and the performance of Services, and (ii) deduct any outstanding amounts owed from monies held on BCHF's behalf. Under these circumstances, BCHF will also be responsible for any costs, including legal fees, associated with the collection of outstanding and overdue fees and expenses.

5. Term of Agreement: If either party hereto desires to terminate its relationship with the other or the engagement, it may do so at any time for any reason by giving two weeks written notice to the other party. In such event, Ankura will be paid for fees and expenses incurred through the termination date, as well as for reasonable engagement closing costs.

6. Nature of Services; Use of Advice:

- A. The Services, including the deliverables and reports, are provided for BCHF's use in its sole discretion for the purposes set forth herein and subject to Section 9, except to the extent that Ankura asserts in good faith that deliverables and reports contain proprietary information as Intellectual Property as set forth in Section 7 herein. The Services and all deliverables are not for a third party's use, benefit or reliance and Ankura disclaims any contractual or other responsibility or duty of care to any third party based upon the Services or deliverables. BCHF will indemnify and hold Ankura harmless from any and all claims asserted by a third party as a result of such unauthorized release of any deliverables or reliance on the Services not authorized in accordance with this Agreement. Nothing in this Agreement, express or implied, is intended to confer or does confer on any person or entity, other than the parties hereto, the Indemnified Persons (as such term is defined in Schedule I) and each of their respective successors, heirs and assigns, any rights or remedies under or by reason of this Agreement or as a result of the services to be rendered by Ankura hereunder.
- B. The Services and any deliverables, including any oral advice or comments, should not be associated with, referred to or quoted in any manner in any financial statements or any offering memorandum, prospectus, registration statement, public filing, loan or other agreements, except as required by law.

7. Intellectual Property:

Ankura owns the intellectual property rights in the deliverables and reports and any materials created under this Agreement. Ankura agrees that upon payment in full for the Services, you will have a non-exclusive, non-transferable license to use the deliverables for your own internal use in accordance with the terms of this Agreement. Ankura agrees that work product related to this engagement can be shared with the California Department of Health Care Services ("**DHCS**"), the Independent Compliance Monitor, the



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Health Resources & Services Administration (“*HRSA*”) and its auditors, and if necessary, with BCHF’s consultants and attorneys.. Notwithstanding the foregoing, (i) any patent, copyright, trademark and other intellectual property rights of Ankura contained in any deliverable or report shall remain the sole and exclusive property of Ankura, and (ii) all methodologies, processes, techniques, ideas, concepts, trade secrets and know-how and other intellectual property embedded in the deliverable or reports that we may develop or supply in connection with our Services shall remain the sole and exclusive property of Ankura (such property of Ankura described in (i) and (ii) of this Section, the “*Ankura Property*”). Subject to Ankura’s ownership of the Ankura Property, the financial reports and business plans of BCHF that may be worked on or contributed to by Ankura are not the intellectual property of Ankura and shall not be subject to this provision.

8. Court Approval:

In the event that a filing under the Bankruptcy Code is necessary or required, BCHF will use its best efforts to ensure that the court authorizes BCHF to continue to honor its obligations under this Agreement, including all indemnification obligations hereunder and payment by BCHF of all Fees and Expenses in accordance with the terms hereunder (including Ankura’s counsel’s fees and expenses) and, if necessary, approves this Agreement, *nunc pro tunc* to the date the insolvency proceeding was commenced.

9. Confidentiality:

- A. Generally. In connection with this engagement, either party (the “*Receiving Party*”) may come into the possession, whether orally or in writing, of Confidential Information (as defined below) of the other party (the “*Disclosing Party*”). The Receiving Party hereby agrees that it will not disclose, publish or distribute such Confidential Information to any third party without the Disclosing Party’s consent, which consent shall not be unreasonably withheld other than (i) to the Receiving Party’s affiliates and its and their employees, officers, directors, auditors, attorneys and advisors; (ii) if such disclosure is requested or required by a governmental agency having regulatory authority or other authority over the Receiving Party; (iii) pursuant to court order, subpoena or legal process requiring disclosure, provided that Receiving Party shall use its best efforts to promptly give Disclosing Party written prior notice (if legally permissible) of any disclosure under this clause (iii) so that Disclosing Party can seek a protective order; or (iv) to tax advisors regarding the tax treatment or tax structure of any transaction; provided that such advisors are informed of the confidential obligations hereunder.
- B. Definition of Confidential Information. “*Confidential Information*” means any and all non-public, confidential or proprietary knowledge, data, or information of or concerning the Disclosing Party. For the avoidance of doubt, Confidential Information includes without limitation, research, analyses, names, business plans, valuations, databases and management systems. For clarity, the financial reports and business plans of BCHF are the Confidential Information of BCHF regardless of whether they were worked on or contributed to by Ankura. Confidential Information shall not include information that: (i) was publicly known and made generally available in the public domain prior to the time of disclosure; (ii) is already in the lawful possession of the Receiving Party at the time of disclosure; (iii) is lawfully obtained from a third party lawfully in possession of such



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information and without a breach of such third party's obligations of confidentiality; or (iv) is independently developed without use of or reference to any Confidential Information.

10. BCHF Access and Information:

In order to fulfill the Services under this Agreement, it will be necessary for Ankura personnel to have access to BCHF's facilities and certain books, records and reports of BCHF. In addition, Ankura will need to have discussions with BCHF's management and certain other personnel. Ankura will perform the Services in a manner that will permit the business operations of BCHF to proceed in an orderly fashion, subject to the requirements of this engagement. We understand that BCHF has agreed it will furnish Ankura with such information as Ankura believes appropriate to its assignment (all such information so furnished being the "**Information**"). BCHF recognizes and confirms that Ankura (i) will use and rely on the accuracy and completeness of the Information and on Information available from generally recognized public sources without independently verifying the same, (ii) does not assume responsibility for the accuracy, completeness or reasonableness of the Information and such other Information, and (iii) will not make an appraisal of any assets or liabilities (contingent or otherwise) of BCHF. BCHF shall advise Ankura promptly upon obtaining any actual knowledge of the occurrence of any event or any other change in fact or circumstance upon which Ankura formed part or all of its opinions, advice, or conclusions, or which could reasonably be expected to result in some or all of the Information being incorrect, inaccurate, or misleading. To the best of BCHF's knowledge, the Information to be furnished by or on behalf of BCHF, when delivered, will be true and correct in all material respects and will not contain any material misstatement of fact or omit to state any material fact necessary to make the statements contained therein not misleading.

Ankura will submit oral reports highlighting our findings and observations based upon the Services we perform pursuant to this Agreement. Our reports will encompass only matters that come to our attention in the course of our work that we perceive to be significant in relation to the objectives of our engagement. The depth of our analyses and extent of our authentication of the information on which our advice to you will be based may be limited in some respects due to the extent and sufficiency of available Information, time constraints dictated by the circumstances of our engagement, and other factors. We do not contemplate examining any such Information in accordance with generally accepted auditing or attestation standards. It is understood that, in general, we are to rely on Information disclosed or supplied to us by employees and representatives of BCHF without audit or other detailed verification of their accuracy and validity. Accordingly, we will be unable to and will not provide assurances in our reports concerning the integrity of the Information used in our analyses and on which our findings and advice to you may be based. In addition, we will state that we have no obligation to, and will not update our reports or extend our activities beyond the scope set forth herein unless you request, and we agree to do so.

11. Indemnification; Limitation of Liability: BCHF shall provide indemnification, contribution and reimbursement as set forth in Schedule I hereto. The terms and provisions of Schedule I are an integral part hereof, are hereby incorporated by reference, are subject in all respects to the provisions hereof and shall survive any termination or expiration of this Agreement. Further, if an Indemnified Person (as defined in Schedule I) is requested or required to appear as a witness in any Action (as defined in Schedule I) that is



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brought by or on behalf of or against BCHF or that otherwise relates to this Agreement or the Services rendered by Ankura hereunder, BCHF shall, jointly and severally, reimburse Ankura and the Indemnified Person for all documented, actual out-of-pocket expenses incurred by them in connection with such Indemnified Person appearing or preparing to appear as such a witness, including without limitation, the fees and disbursements of legal counsel. Neither BCHF nor any other party acting on their behalf shall hold Ankura liable for any matter in connection with the engagement or the Agreement, absent gross negligence, willful misconduct or bad faith as finally determined by a judgment of a court of competent jurisdiction.

12. Entire Agreement; Amendments: This Agreement represents the entire agreement between the parties in relation to the Services, supersedes all previous agreements relating to the subject matter hereof (should they exist) and may not be modified or amended except in writing signed by all of the parties hereto.

13. Counterparts: This Agreement may be executed in counterparts (and by facsimile or other electronic means), each of which shall constitute an original and all of which together will be deemed to be one and the same document.

14. Severability: The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision.

15. Announcements: Upon written approval of BCHF, Ankura may identify BCHF and use BCHF's name and logo in connection with marketing and pitch materials upon conclusion of the Services. In addition, if requested by Ankura, BCHF agrees that in any press release related to the Services or outcome of the Services provided hereunder, BCHF will include in such press release a mutually acceptable reference to Ankura's role as CRO and restructuring advisor to the BCHF.

16. Governing Law; Jury Trial Waiver; Jurisdiction: THIS AGREEMENT WILL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF DELAWARE APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED ENTIRELY IN SUCH STATE. ANKURA AND BCHF KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED UPON CONTRACT, TORT OR OTHERWISE) RELATED TO OR ARISING OUT OF OR IN CONNECTION WITH THE ENGAGEMENT OF ANKURA PURSUANT TO, OR THE PERFORMANCE BY ANKURA OF THE SERVICES CONTEMPLATED BY, THIS AGREEMENT. REGARDLESS OF ANY PRESENT OR FUTURE DOMICILE OR PRINCIPAL PLACE OF BUSINESS OF THE PARTIES HERETO, EACH PARTY HEREBY IRREVOCABLY CONSENTS AND AGREES THAT ANY CLAIMS OR DISPUTES BETWEEN OR AMONG THE PARTIES HERETO ARISING OUT OF OR RELATED TO THIS AGREEMENT SHALL BE BROUGHT AND MAINTAINED EXCLUSIVELY IN ANY FEDERAL COURT OF COMPETENT JURISDICTION SITTING IN CALIFORNIA OR, IF SUCH COURTS DO NOT HAVE JURISDICTION, THEN THE COMMERCIAL DIVISION OF THE STATE COURTS SITTING IN THE COUNTY OF SAN DIEGO IN THE STATE OF CALIFORNIA, WHICH COURTS SHALL HAVE EXCLUSIVE JURISDICTION OVER THE ADJUDICATION OF SUCH MATTERS; PROVIDED HOWEVER, THAT IF ANY ENTITY



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COMPRISING BCHF BECOMES A DEBTOR UNDER CHAPTER 11 OF THE BANKRUPTCY CODE, AND IF BCHF IS A PARTY TO SUCH DISPUTE WITH RESPECT TO THIS AGREEMENT, ANKURA AND BCHF IRREVOCABLY AGREE TO SUBMIT TO THE EXCLUSIVE JURISDICTION AND FORUM OF THE BANKRUPTCY COURT IN WHICH SUCH CHAPTER 11 CASE IS PENDING. BY EXECUTION AND DELIVERY OF THIS AGREEMENT, EACH PARTY HERETO FURTHER IRREVOCABLY SUBMITS AND CONSENTS IN ADVANCE TO SUCH JURISDICTION IN ANY ACTION OR SUIT COMMENCED IN ANY SUCH COURT, AND HEREBY WAIVES IN ALL RESPECTS ANY CLAIM OR OBJECTION THAT IT MAY HAVE BASED UPON LACK OF PERSONAL JURISDICTION, IMPROPER VENUE OR FORUM NON-CONVENIENS. EACH PARTY HERETO AGREES THAT A FINAL NON-APPEALABLE JUDGMENT IN ANY SUCH ACTION BROUGHT IN ANY SUCH COURT SHALL BE CONCLUSIVE AND BINDING UPON IT AND MAY BE ENFORCED IN ANY OTHER COURT(S) HAVING JURISDICTION OVER IT BY SUIT UPON SUCH JUDGMENT. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN ALL SUCH DISPUTES BY THE MAILING OF COPIES OF SUCH PROCESS TO THE NOTICE ADDRESS FOR EACH SUCH PERSON AS SET FORTH IN THIS AGREEMENT. EACH OF THE PARTIES HERETO HEREBY CERTIFIES THAT NO REPRESENTATIVE OR AGENT OF ANY OTHER PARTY HERETO HAS REPRESENTED EXPRESSLY OR OTHERWISE THAT SUCH PARTY WOULD NOT SEEK TO ENFORCE THE PROVISIONS OF THIS WAIVER. EACH OF THE PARTIES HERETO HEREBY ACKNOWLEDGES THAT IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY AND IN RELIANCE UPON, AMONG OTHER THINGS, THE PROVISIONS OF THIS SECTION.

17. Notices: Notice given pursuant to any of the provisions of this Agreement shall be in writing and shall be mailed or delivered (including via email so long as the recipient acknowledges receipt) at the address set forth in the signature blocks of each such person below. Notices shall be deemed provided on the date sent.

18. Miscellaneous:

(a) Conflicts:

- i. Ankura is involved in a wide range of other activities from which conflicting interests, or duties, may arise. We have undertaken an inquiry of our records in accordance with our standard business practices based on the parties identified to us and have determined that we may proceed. Due to the diversity of Ankura's experts and advisory services, Ankura cannot be certain all relationships have or will come to light. Should an actual conflict come to the attention of Ankura during the course of this engagement, we will notify you immediately and take appropriate actions, as necessary. BCHF represents and warrants that it has informed Ankura of the parties-in-interest to this matter and agrees that it will inform Ankura of additions to, or name changes for, those parties-in-interest. Ankura is not restricted from working on other engagements involving the parties in this matter; however, during the course of this engagement, services of the nature described in this Agreement that are directly adverse to BCHF shall not be provided by personnel working on this engagement without prior written consent of BCHF.





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- ii. BCHF acknowledges that Ankura and its affiliates may have provided professional services to, may currently provide professional services to, or may in the future provide such services to other parties-in-interest. BCHF agrees that Ankura, its affiliates, subsidiaries, subcontractors and their respective personnel will have no responsibility to BCHF in relation to such professional services, nor any responsibility to use or disclose information Ankura possesses by reason of such services, whether or not such information might be considered material to BCHF. Information which is held elsewhere within Ankura but is not publicly available will not for any purpose be taken into account in determining Ankura's responsibilities to BCHF under this engagement. Ankura will not have any duty to disclose to BCHF or any other party or utilize for the benefit of any such party's or any other party any non-public information, or the fact that Ankura is in possession of such information, acquired in the course of providing services to any other person, engaging in any transaction (on its own account or otherwise) or otherwise carrying on its business.
- (b) Exculpation: You agree not to bring any claim against a direct or indirect holder of any equity interests or securities of Ankura whether such holder is a limited or general partner, member, stockholder or otherwise, affiliate of Ankura, or director, officer, employee, representative, or agent of Ankura, or of an affiliate of Ankura or of any such direct or indirect holder of any equity interests or securities of Ankura (collectively, the "**Party Affiliates**"). You further agree that no Party Affiliate shall have any liability or obligation of any nature whatsoever in connection with or under this Agreement or the Services contemplated thereby, and you waive and release all claims against such Party Affiliates related to any such liability or obligation.
- (c) Authority; Due Authorization; Enforceability: BCHF represents and warrants that the Board has duly approved the retention of Ankura and approved the terms of this Agreement, including the appointment and authorization of the CRO. Each party hereto represents and warrants that it has all requisite power and authority to enter into this Agreement and to perform its obligations hereunder. Each party hereto further represents and warrants that this Agreement has been duly and validly authorized by all necessary corporate action and has been duly executed and delivered by each such party and constitutes the legal, valid and binding agreement of each such party, enforceable in accordance with its terms.
- (d) Independent Contractors: In connection with the Services, Ankura may utilize employees, agents or independent contractors or its own affiliates (each of which is a separate and independent legal entity) or its own agents or independent contractors. References in this Agreement to Ankura personnel shall apply equally to employees, agents or independent contractors of Ankura and its affiliates. Ankura shall act as an independent contractor under this Agreement, and not in any other capacity including as a fiduciary, and any obligations arising out of its engagement shall be owed solely to you, except to the extent required by law. As an independent contractor, Ankura will have complete and exclusive charge of the management and operations of its business, including hiring and paying the wages and other compensation of all its employees and agents, and paying all bills,



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expenses and other charges incurred or payable with respect to the operations of its business. Ankura will remain solely responsible for the Services.

- (e) Limitations of Engagement: BCHF acknowledges that Ankura is being retained solely to assist BCHF as described in this Agreement. BCHF agrees that it will be solely responsible implementing any advice or recommendations and for ensuring that any such implementation complies with applicable law. BCHF understands that Ankura is not undertaking to provide any legal, regulatory, accounting, insurance, tax or other similar professional advice and BCHF confirms that it is relying on its own counsel, accountants and similar advisors for such advice. This engagement shall not constitute an audit or review, or any other type of financial statement reporting engagement. It is expressly agreed that, other than as set forth in this Agreement, Ankura will not evaluate or attest to BCHF's internal controls, financial reporting, illegal acts or disclosure deficiencies and Ankura shall be under no obligation to provide formal fairness or solvency opinions with respect to any bankruptcy case or otherwise, or any transaction contemplated thereby or incidental thereto. In rendering its Services pursuant to this Agreement, and notwithstanding anything to the contrary herein, Ankura is not assuming any responsibility for any decision to pursue (or not to pursue) any business strategy or to effect (or not to effect) any transaction. Ankura shall not have any obligation or responsibility to provide legal, regulatory, accounting, tax, audit, "crisis management" or business consultant advice or services hereunder and shall have no responsibility for designing or implementing operating, organizational, administrative, cash management or liquidity improvements.
- (f) Limitations on Actions. Except for an action for nonpayment of Fees and Expenses, no action, regardless of form, relating to the Engagement Letter or the Services provided thereunder, may be brought by either party more than one (1) year after the cause of action has accrued.
- (g) Counsel Representation: The terms of this Agreement have been negotiated by the parties hereto, who have each been represented by counsel. There shall be no presumption that any of the provisions of this Agreement shall be construed adverse to any party as "drafter" in the event of a contention of ambiguity in this Agreement, and the parties waive any statute or rule of law to such effect.
- (h) Assignment: This Agreement may not be assigned by any party hereto without the prior written consent of the other parties. Any attempted assignment of this Agreement made without such consent shall be void and of no effect, at the option of the non-assigning parties. Notwithstanding the foregoing, Ankura may assign or novate this Agreement to a transferee of all or part of its business upon written notice. Ankura may also transfer or deal with our rights in any unpaid invoice without notice.
- (i) Headings: Headings used herein are for convenience of reference only and shall not affect the interpretation or construction of this Agreement.



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- (j) Survival: Those provisions that by their nature are intended to survive termination or expiration of this Agreement and any right or obligation of the parties in this Agreement which, by its express terms of nature and context is intended to survive termination or expiration of this Agreement, shall so survive any such termination or expiration. For the avoidance of doubt, upon any termination of this Agreement, Sections 2-12 and 14-18 shall survive such termination and shall remain in effect. Notwithstanding the foregoing, the obligations under Section 9 shall survive for two (2) years after termination of this Agreement.
- (k) Force Majeure: Ankura shall not be liable for any delays or nonperformance directly or indirectly resulting from circumstances or causes beyond its reasonable control, including but not limited to, fire, epidemic or other casualty, act of God, strike or labor dispute, war or other violence, or any law, order or requirement of any governmental agency or authority.
- (l) Non-Solicitation: The Client will not, during the term of the engagement or for twelve (12) months thereafter, solicit (directly or indirectly) any employee of Ankura or attempt to induce or cooperate with any other firm in an attempt to induce any employee to leave the employ of Ankura. In the event that an employee of Ankura is hired by the Client during the above-mentioned period, the Client agrees to pay to Ankura, no later than ten (10) days after the employees accepts a position with the Client, an amount equal to one hundred percent (100%) of the employee's annualized compensation; provided that the foregoing shall not be violated by general advertising not targeted at Ankura employees.
- (m) Insurance: BCHF shall maintain directors, officers and corporate liability insurance policy (the "**Policy**"), with at least \$5.0 million in coverage (including both primary and excess policies) to cover the CRO in addition to the existing officers and trustees serving in such positions. BCHF shall cause its insurance broker to send copies of all documentation and other communications regarding the Policy, including without limitation any renewal or cancellation thereof to the attention of the CRO. Upon any cancellation or nonrenewal of the Policy by the insurer, BCHF shall exercise their rights to extend the claim period to a six-year "discovery period" and shall exercise such rights and pay the premium required thereunder.
- (n) Money Laundering. Ankura may, in addition to making searches of appropriate databases, request from you, your affiliates or your advisors, certain information and documentation for the purposes of verifying your identity in order to comply with our obligations under applicable money-laundering regulation, legislation and our internal policies. When you are acting on behalf of a third-party client, we may request from you, copies of any documentation you have obtained in relation to your client. If satisfactory evidence of identity is not provided within a reasonable time, it may be necessary for us to cease work. Where we believe that there are circumstances which may give rise to a money laundering offence under applicable legislation, we may consider it necessary to make a report to the appropriate authorities. We may not be able to discuss such reports with you and we will not be liable to you for any loss or damage which you may suffer or incur as a result of our making such a report, including, without limitation, as a result of any delay to any stage of a matter or as a result of completion being prohibited by such authorities.



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[Signature pages follow.]



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If the foregoing correctly sets forth our understanding, please indicate your acceptance thereof in the space provided below, whereupon this Agreement and your acceptance shall constitute a binding agreement between us.

If you have any questions, please call Louis E. Robichaux IV at (214) 924-1575. We look forward to working with you on this matter.

**Ankura Consulting Group, LLC**


By: 

\_\_\_\_\_  
Name: Louis E. Robichaux IV  
Title: Senior Managing Director  
Email: louis.robichaux@ankura.com  
Address: 2021 McKinney Avenue, Suite 340  
Dallas, TX 75201

With a copy to  
485 Lexington Avenue, 10<sup>th</sup> Floor  
New York, NY 10017  
Attn.: General Counsel

Accepted and agreed:

**BORREGO COMMUNITY HEALTH FOUNDATION:**

By: 

\_\_\_\_\_  
Name: Sandy Hansberger  
Title: Chair of the Board of Trustees  
Address: Borrego Community Health Foundation  
P.O. Box 2369  
Borrego Springs, CA 92004-2369

E-mail: s.hansberger@gmail.com

With a copy to:  
Douglas Habig, General Counsel  
dhabig@borregohealth.org

Date:



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### Schedule I

This Schedule I is a part of and incorporated into the Agreement, dated as of April 6, 2022 between Ankura, and BCHF pursuant to which Ankura has been engaged to Services as set forth in the Agreement. Capitalized terms not defined herein shall have the same meaning assigned in the Agreement.

As a material part of the consideration for the agreement of Ankura to furnish its Services under the Agreement, BCHF, jointly and severally, agrees that it shall indemnify and hold harmless Ankura and its affiliates and their respective directors, officers, employees, attorneys and other agents appointed by any of the foregoing and each other person, if any, controlling Ankura or any of its affiliates (Ankura and each such person and entity being referred to as an “*Indemnified Person*”), from and against any losses, claims, damages, judgments, assessments, costs and other liabilities (collectively, “*Liabilities*”), and will reimburse each Indemnified Person for all reasonable fees and expenses (including the reasonable fees and expenses of counsel) (collectively, “*Indemnified Expenses*”) as they are incurred in investigating, preparing, pursuing or defending any claim, action, proceeding or investigation, whether or not in connection with pending or threatened litigation and whether or not any Indemnified Person is a party (collectively, “*Actions*”), in each case, related to or arising out of or in connection with the Services rendered or to be rendered by an Indemnified Person pursuant to the Agreement or any Indemnified Persons’ actions or inactions in connection with any such Services; provided that BCHF will not be responsible for any Liabilities or Indemnified Expenses of any Indemnified Person that are determined by a judgment of a court of competent jurisdiction, which judgment is no longer subject to appeal or further review, to have resulted primarily from such Indemnified Person’s gross negligence or willful misconduct in connection with any of the Services. BCHF shall also reimburse such Indemnified Person for all Indemnified Expenses as they are incurred in connection with enforcing such Indemnified Persons’ rights under the Agreement (including without limitation its rights under this Schedule I). Such Indemnified Person shall reasonably cooperate with the defense of any Actions.

BCHF shall, if requested by Ankura, assume the defense of any such Action including the employment of counsel reasonably satisfactory to Ankura. BCHF will not, without prior written consent of Ankura (which shall not be unreasonably withheld), settle, compromise or consent to the entry of any judgment in or otherwise seek to terminate any pending or threatened Action in respect of which indemnification or contribution may be sought hereunder (whether or not any Indemnified Person is a party thereto) unless such settlement, compromise, consent or termination (i) includes an unconditional release of such Indemnified Person from all Liabilities arising out of such Action and (ii) does not include any admission or assumption of fault or culpability on the part of any Indemnified Person.

Prior to entering into any agreement or arrangement with respect to, or effecting, any (i) merger, statutory exchange or other business combination or proposed sale, exchange, dividend or other distribution or liquidation of all or a significant portion of its assets, or (ii) significant recapitalization or reclassification of its outstanding securities that does not directly or indirectly provide for the assumption of the obligations of the Company set forth in this Agreement, BCHF will notify Ankura in writing thereof, if not previously so notified, and shall use best efforts to arrange in connection therewith alternative means of providing for the obligations of the Company set forth in this Agreement, including the assumption of such obligations



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by another party, insurance, surety bonds, the creation of an escrow, or other credit support arrangements, in each case in an amount and upon terms and conditions reasonably satisfactory to Ankura.

These indemnification, contribution and other provisions of this Schedule I shall (i) remain operative and in full force and effect regardless of any termination of the Agreement or completion of the engagement by Ankura; (ii) inure to the benefit of any successors, assigns, heirs or personal representative of any Indemnified Person; and (iii) be in addition to any other rights that any Indemnified Person may have.

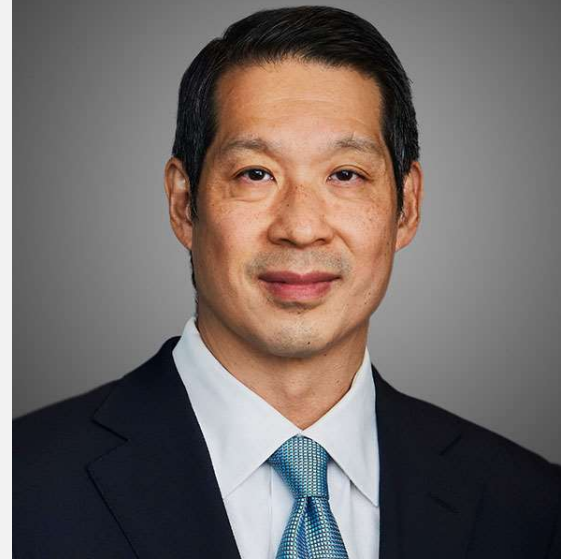
**EXHIBIT B**

**(Isaac Lee Bio)**

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DENTONS US LLP  
601 SOUTH FIGUEROA STREET, SUITE 2500  
LOS ANGELES, CALIFORNIA 90017-5704  
(213) 623-9300





# Isaac Lee

## Managing Director

515 South Flower Street, Suite 3650 | Los Angeles, CA 90071

### Contact

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Direct +1.213.204.5819  
Mobile +1.917.796.0044  
[isaac.lee@ankura.com](mailto:isaac.lee@ankura.com)

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### Education

MBA, Tuck School at Dartmouth College  
BS, Business Administration-Finance, University of Southern California

### Certifications

NASD Series 7 and 63 (inactive)

### Affiliations

American Bankruptcy Institute  
Association of Insolvency & Restructuring Advisors  
Turnaround Management Association

Isaac Lee is a Managing Director at Ankura with more than 25 years of experience executing a broad range of recapitalization, restructuring, mergers and acquisitions, and corporate finance transactions as well as advising on operational restructuring and liquidity management initiatives. He has significant experience advising various constituencies, including companies, debtors, lenders, creditors, financial sponsors, and hedge funds in both out-of-court and in-court situations. He is based in Los Angeles.

Isaac has significant healthcare industry experience which include:

- Chief Restructuring Officer of a system of 26 health clinics based in Southern California. Services include medical, dental, pharmacy, women's health and behavioral health.
- Advisor to creditors of Victory Medical Centers - \$230 million in revenue surgical center system.

Before joining Ankura, Isaac was the western region market leader for PricewaterhouseCoopers's restructuring group, where he was responsible for senior execution of advisory engagements, including developing and negotiating restructuring plans, running sale auctions, and advising on operational restructuring and liquidity management initiatives. His experience also includes preparing business plans, projections, liquidation analyses, strategic alternatives analyses, and analyses of creditor claims and recoveries.

Prior to PwC, he was in the recapitalization and restructuring group at Moelis & Company, an investment banking advisory firm. Isaac was responsible for deal execution including structuring and negotiating recapitalization, restructuring, mergers and acquisitions, and financing transactions. He advised a variety of clients, including management teams, boards of directors, financial sponsors, distressed hedge funds, senior lenders, and creditor committees. Isaac's responsibilities also included preparing cash flow projections, business plans, and valuations; providing court testimony; and managing client relationships.

His restructuring and investment banking experience includes positions at Jefferies; Donaldson Lufkin & Jenrette; Salomon Smith Barney; and Chanin & Company. Isaac's experience also includes private equity at the Kenwood Opportunity Fund.

**EXHIBIT C**  
**(Proposed Order)**

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DENTONS US LLP  
601 SOUTH FIGUEROA STREET, SUITE 2500  
LOS ANGELES, CALIFORNIA 90017-5704  
(213) 623-9300

CSD 1001A [07/01/18]

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Name, Address, Telephone No. & I.D. No.

Samuel R. Maizel (SBN 189301)  
Tania M. Moyron (SBN 235736)  
DENTONS US LLP  
601 S. Figueroa Street, Suite 2500  
Los Angeles, CA 90017-5704  
Telephone: 213 623 9300

**UNITED STATES BANKRUPTCY COURT**

SOUTHERN DISTRICT OF CALIFORNIA  
325 West F Street, San Diego, California 92101-6991

In Re  
BORREGO COMMUNITY HEALTH FOUNDATION,  
Debtor and Debtor In Possession.

Debtor.

BANKRUPTCY NO. 22-02384-11

Date of Hearing:  
Time of Hearing:  
Name of Judge: Honorable Laura S. Taylor

**ORDER ON**

**DEBTOR'S APPLICATION TO EMPLOY ANKURA CONSULTING GROUP, LLC AND DESIGNATE ISAAC LEE AS CHIEF RESTRUCTURING OFFICER**

The court orders as set forth on the continuation pages attached and numbered   2   through   2   with exhibits, if any, for a total of   2   pages. Motion/Application Docket Entry No. \_\_\_\_\_.

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DATED:

\_\_\_\_\_  
Judge, United States Bankruptcy Court

Debtor and Debtor In Possession.

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The Court having considered the Debtor's Application to Employ Ankura Consulting Group, LLC to (I) Provide the Debtor a Chief Restructuring Officer and Certain Other Personnel; and (II) Designating Isaac Lee as Chief Restructuring Officer for the Debtor ("Application") filed by Borrego Community Health Foundation ("Debtor"), the Debtor and debtor in possession herein, the files and records in this Case, and the arguments presented at the hearing before the Court (if any); the Court having found that good and sufficient cause exists for granting the Application; it appearing that the relief requested is in the best interest of the Debtor's estate, its creditors, and other parties in interest; and it appearing that notice of the Application was adequate and proper under the circumstances of the Case and that no further or other notice need be given,

IT IS HEREBY ORDERED that:

1. The Application is granted as set forth herein. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Application.
2. The Debtor is authorized to employ and compensate Ankura Consulting Group on the terms set forth in the Application, effective as of the Petition Date.
3. Isaac Lee is designated as the Chief Restructuring Officer of the Debtor, effective as of the Petition Date.
4. The terms and conditions of this Order shall be immediately effective upon entry of this Order.
6. The Debtor is authorized and directed to take all actions necessary to implement the relief granted in this Order.
7. Notice of the Application as provided therein shall be deemed good and sufficient notice and the requirements of Bankruptcy Rule 2002 are waived and/or satisfied by such notice.
8. The Court shall retain jurisdiction with respect to all matters arising from or related to the implementation and/or interpretation of this Order.