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15 Proposed Counsel to Debtors and Debtors in Possession
16 UNITED STATES BANKRUPTCY COURT
17 CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION

18 In re:

19 BEVERLY COMMUNITY HOSPITAL
20 ASSOCIATION, dba BEVERLY HOSPITAL (A
21 NONPROFIT PUBLIC BENEFIT
22 CORPORATION), *et al.*¹

23 Debtors,

- 24 Affects all Debtors
25 Affects Beverly Community
26 Hospital Association
27 Affects Montebello Community Health
28 Services, Inc.
 Affects Beverly Hospital Foundation

Lead Case No.: 2:23-bk-12359-SK

Jointly administered with:

Case No.: 2:23-bk-12360-SK

Case No. 2:23-bk-12361-SK

Chapter 11 Case

STATEMENT OF FINANCIAL AFFAIRS

[No Hearing Required]

¹ The Debtors in these chapter 11 cases, along with the last four digits of each debtor's federal tax identification number, are: Beverly Community Hospital Association d/b/a Beverly Hospital (6005), Montebello Community Health Services, Inc. (3550), and Beverly Hospital Foundation (9685). The mailing address for the Debtors is 309 W. Beverly Blvd., Montebello, California 90640.



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Hon. Sandra R. Klein
Chapter 11 Case

**GLOBAL NOTES AND STATEMENT OF
LIMITATIONS, METHODOLOGY, AND
DISCLAIMERS REGARDING THE
DEBTORS' SCHEDULES OF ASSETS
AND LIABILITIES AND STATEMENTS
OF FINANCIAL AFFAIRS**

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28 number, are: Beverly Community Hospital Association d/b/a Beverly Hospital (6005), Montebello Community
Health Services, Inc. (3550), and Beverly Hospital Foundation (9685). The mailing address for the Debtors is 309
W. Beverly Blvd., Montebello, California 90640.

I.

INTRODUCTION

The Schedules of Assets and Liabilities (collectively, the “Schedules”) and the Statements of Financial Affairs (collectively, the “Statements” and, together with the Schedules, the “Schedules and Statements”) filed by Beverly Community Hospital Association (the “Hospital”) and each of its debtor affiliates, as chapter 11 debtors and debtors in possession (collectively, the “Debtors”), pending in the United States Bankruptcy Court for the Central District of California (the “Bankruptcy Court”) were prepared, pursuant to section 521 of title 11 of the United States Code (the “Bankruptcy Code”) and Rule 1007 of the Federal Rules of Bankruptcy Procedure, by the Debtors’ management, with the assistance of the Debtors’ advisors, and are unaudited.

These Global Notes and Statement of Limitations, Methodology, and Disclaimers Regarding the Debtors’ Schedules and Statements (the “Global Notes”) are incorporated by reference in, and comprise an integral part of, all of the Schedules and Statements, and should be referred to and considered in connection with any review of the Schedules and Statements.¹

The Schedules and Statements have been signed by Houshang Abd, Chief Financial Officer of each of the Debtors. Accordingly, in reviewing and signing the Schedules and Statements, Mr. Abd necessarily relied upon the efforts, statements, and representations of the Debtors’ other personnel and professionals. Mr. Abd has not (and could not have) personally verified the accuracy of each such statement and representation, including, but not limited to, statements and representations concerning amounts owed to creditors, classification of such amounts, and their addresses.

In preparing the Schedules and Statements, the Debtors relied on financial data derived from their books and records that was available at the time of such preparation. Although the Debtors have made every reasonable effort to ensure the accuracy and completeness of the Schedules and Statements, subsequent information or discovery may result in material changes to the Schedules

¹ These Global Notes supplement and are in addition to any specific notes contained in each Debtor’s Schedules or Statements. The fact that the Debtors have prepared a Global Note with respect to any individual Debtor’s Schedules and Statements and not to those of another should not be interpreted as a decision by the Debtors to exclude the applicability of such Global Note to any of the Debtors’ other Schedules and Statements, as appropriate.

1 and Statements. As a result, inadvertent errors or omissions may exist. Accordingly, the Debtors
2 and their agents, attorneys and financial advisors do not guarantee or warrant the accuracy or
3 completeness of the data that is provided herein, and shall not be liable for any loss or injury arising
4 out of or caused in whole or in part by the acts, errors, or omissions, whether negligent or otherwise,
5 in procuring, compiling, collecting, interpreting, reporting, communicating, or delivering the
6 information contained herein or the Schedules and Statements. In no event shall the Debtors or their
7 agents, attorneys or financial advisors be liable to any third party for any direct, indirect, incidental,
8 consequential, or special damages (including, but not limited to, damages arising from the
9 disallowance of a potential claim against the Debtors or damages to business reputation, lost
10 business, or lost profits), whether foreseeable or not and however caused, even if the Debtors or
11 their agents, attorneys, and financial advisors are advised of the possibility of such damages.

12 For the avoidance of doubt, the Debtors reserve all of their rights to amend and supplement
13 the Schedules and Statements as may be necessary or appropriate, but the Debtors and their agents,
14 attorneys and financial advisors expressly do not undertake any obligation to update, modify, revise,
15 or re-categorize the information provided herein, or to notify any third party should the information
16 be updated, modified, revised, or re-categorized, except as required by applicable law or order of
17 the Bankruptcy Court.

18 II.

19 GLOBAL NOTES AND OVERVIEW OF METHODOLOGY

20 1 **Description of the Cases.** On April 19, 2023 (the “Petition Date”), the Debtors filed
21 voluntary petitions for relief under chapter 11 of the Bankruptcy Code in the Bankruptcy Court. The
22 chapter 11 cases are being jointly administered under Case No. 21-12359-SK. The Debtors continue
23 to operate their businesses and manage their properties as debtors-in-possession pursuant to sections
24 1107(a) and 1108 of the Bankruptcy Code. On April 21, 2023, an order was entered directing joint
25 administration of these chapter 11 cases [Docket No. 63]. Notwithstanding the joint administration
26 of the Debtors’ cases for procedural purposes, each Debtor has filed its own Schedules and
27 Statements. The asset and liability information provided herein, except as otherwise noted,
28 represents the data of the Debtors as of March 31, 2023.

1 2 **Global Notes Control.** Disclosure of information in one or more Schedules, one or
2 more Statements, or one or more exhibits or attachments to the Schedules or Statements, even if
3 incorrectly placed, shall be deemed to be disclosed in the correct Schedules, Statements, exhibits,
4 or attachments. In the event that the Schedules and Statements differ from the Global Notes, the
5 Global Notes shall control.

6 3 **Reservations and Limitations.** Reasonable efforts were made to prepare and file
7 complete and accurate Schedules and Statements but, as noted above, inadvertent errors or
8 omissions may exist. The Debtors reserve all rights to amend and supplement the Schedules and
9 Statements as may be necessary or appropriate. Nothing contained in the Schedules and Statements
10 constitutes a waiver of any of the Debtors' rights or an admission of any kind with respect to these
11 chapter 11 cases, including, but not limited to, any rights or claims of the Debtors against any third
12 party or issues involving substantive consolidation, equitable subordination, or defenses or causes
13 of action arising under the provisions of chapter 5 of the Bankruptcy Code or any other relevant
14 applicable bankruptcy or non-bankruptcy laws to recover assets or avoid transfers. Any specific
15 reservation of rights contained elsewhere in the Global Notes does not limit in any respect the
16 general reservation of rights contained in this paragraph.

17 (a) **No Admission.** Nothing contained in the Schedules and Statements is
18 intended as, or should be construed as, an admission or stipulation of the validity of any claim
19 against the Debtors, any assertion made therein or herein, or a waiver of the Debtors' rights to
20 dispute any claim or assert any cause of action or defense against any party.

21 (b) **Recharacterization.** The Debtors have made reasonable efforts to correctly
22 characterize, classify, categorize, and designate the claims, assets, executory contracts, unexpired
23 leases, and other items reported in the Schedules and Statements. However, the Debtors may have
24 improperly characterized, classified, categorized, designated or omitted certain items due to the
25 complexity and size of the Debtors' business. Accordingly, the Debtors reserve all of their rights to
26 recharacterize, reclassify, recategorize, or re-designate items reported in the Schedules and
27 Statements at a later time as necessary or appropriate, including, without limitation, whether
28

1 contracts or leases listed herein were deemed executory or unexpired as of the Petition Date and
2 remain executory and unexpired postpetition.

3 (c) **Classifications.** Listing (i) a claim on Schedule D as “secured,” (ii) a claim
4 on Schedule E/F as “priority” or “unsecured,” or (iii) a contract on Schedule G as “executory” or
5 “unexpired” does not constitute an admission by the Debtors of the legal rights of the claimant or
6 contract counterparty or a waiver of the Debtors’ rights to recharacterize or reclassify such claim or
7 contract.

8 (d) **Claims Description.** Any failure to designate a claim in the Schedules and
9 Statements as “contingent,” “unliquidated,” or “disputed” does not constitute an admission by the
10 Debtors that such claim or amount is not “contingent,” “unliquidated,” or “disputed.” The Debtors
11 reserve all of their rights to dispute, or to assert offsets or defenses to, any claim reflected on their
12 Schedules or Statements on any grounds, including, but not limited to, amount, liability, priority,
13 status, or classification, or to otherwise subsequently designate any claim as “contingent,”
14 “unliquidated,” or “disputed.” Moreover, the Debtors reserve all of their rights to amend their
15 Schedules and Statements as necessary and appropriate. Listing a claim does not constitute an
16 admission of liability by the Debtors.

17 (e) **Estimates and Assumptions.** To prepare and file the Schedules as close to
18 the Petition Date as possible, management was required to make certain estimates and assumptions
19 that affected the reported amounts of these assets and liabilities. The Debtors reserve all rights to
20 amend the reported amounts of assets and liabilities to reflect changes in those estimates or
21 assumptions.

22 (f) **Causes of Action.** Despite their reasonable efforts to identify all known
23 assets, the Debtors may not have listed all of their causes of action or potential causes of action
24 against third parties as assets in their Schedules and Statements, including, without limitation,
25 avoidance actions arising under chapter 5 of the Bankruptcy Code and/or other applicable law. The
26 Debtors reserve all of their rights with respect to any cause of action (including avoidance actions),
27 controversy, right of setoff, cross claim, counterclaim, or recoupment and any claim on contracts or
28 for breaches of duties imposed by law or in equity, demand, right, action, lien, indemnity, guaranty,

1 suit, obligation, liability, damage, judgment, account, defense, power, privilege, license, and
2 franchise of any kind or character whatsoever, known, unknown, fixed or contingent, matured or
3 unmatured, suspected or unsuspected, liquidated or unliquidated, disputed or undisputed, secured or
4 unsecured, assertable directly or derivatively, whether arising before, on, or after the Petition Date,
5 in contract or in tort, in law or in equity, or pursuant to any other theory of law (collectively, “Causes
6 of Action”) they may have, and neither these Global Notes nor the Schedules and Statements shall
7 be deemed a waiver of any claims or Causes of Action or in any way prejudice or impair the assertion
8 of such claims or Causes of Action.

9 (g) **Intellectual Property Rights.** Exclusion of certain intellectual property shall
10 not be construed to be an admission that such intellectual property rights have been abandoned, have
11 been terminated, or otherwise have expired by their terms, or have been assigned or otherwise
12 transferred pursuant to a sale, acquisition, or other transaction. Conversely, inclusion of certain
13 intellectual property shall not be construed to be an admission that such intellectual property rights
14 have not been abandoned, have not been terminated, or otherwise have not expired by their terms,
15 or have not been assigned or otherwise transferred pursuant to a sale, acquisition, or other
16 transaction. The Debtors have made every effort to attribute intellectual property to the rightful
17 Debtor owner, however, in some instances, intellectual property owned by one Debtor may, in fact,
18 be owned by another. Accordingly, the Debtors reserve all of their rights with respect to the legal
19 status of any and all intellectual property rights.

20 (h) **Insiders.** The listing of a party as an insider for purposes of the Schedules
21 and Statements is not intended to be, nor should it be, construed as an admission of any fact, right,
22 claim, or defense, and all such rights, claims, and defenses are hereby expressly reserved. Persons
23 listed as “insiders” have been included for informational purposes only. The Debtors do not take
24 any position with respect to: (i) such person’s influence over the control of the Debtors; (ii) the
25 management responsibilities or functions of such individual; (iii) the decision-making or corporate
26 authority of such individual; or (iv) whether such individual could successfully argue that he or she
27 is not an “insider” under applicable law, including the Bankruptcy Code, or with respect to any
28 theories of liability or for any other purpose.

1 4 **Methodology.**

2 (a) **Basis of Presentation.** For financial reporting purposes, prior to the Petition
3 Date, the Debtors prepared financial statements that were consolidated by Beverly Community
4 Hospital Association. Combining the assets and liabilities set forth in the Debtors' Schedules and
5 Statements would result in amounts that would be substantially different from financial information
6 that would be prepared on a consolidated basis under Generally Accepted Accounting Principles
7 ("GAAP"). Therefore, these Schedules and Statements do not purport to represent financial
8 statements prepared in accordance with GAAP, nor are they intended to fully reconcile to the
9 financial statements prepared by the Debtors. Unlike the consolidated financial statements, these
10 Schedules and Statements reflect the assets and liabilities of each separate Debtor, except where
11 otherwise indicated. Information contained in the Schedules and Statements has been derived from
12 the Debtors' books and records and historical financial statements.

13 Moreover, given, among other things, the uncertainty surrounding the collection and
14 ownership of certain assets and the valuation and nature of certain liabilities, to the extent that a
15 Debtor shows more assets than liabilities, this is not an admission that the Debtor was solvent as of
16 the Petition Date or at any time prior to the Petition Date. Likewise, to the extent a Debtor shows
17 more liabilities than assets, this is not an admission that the Debtor was insolvent at the Petition
18 Date or any time prior to the Petition Date.

19 (b) **Confidential or Sensitive Information.** There may be instances in which
20 certain information in the Schedules and Statements intentionally has been redacted due to the nature
21 of an agreement between a Debtor and a third party, concerns about the confidential or commercially
22 sensitive nature of certain information, or concerns for the privacy of an individual (including as
23 authorized by the *Order Granting Debtors' Emergency Motion for Order (A) Extending Time for*
24 *Debtors to File Schedules and Statements, (B) Authorizing the Debtors to File a Consolidated List*
25 *of Creditors in Lieu of Submitting a Separate Mailing List for Each Debtor, (C) Authorizing the*
26 *Debtors to File a Consolidated List of the Top Thirty Largest Unsecured Creditors, (D) Authorizing*
27 *the Debtors to Redact Certain Personal Identification Information, and (E) Related Relief* [Docket
28 No. 72]. The alterations will be limited to only what is necessary to protect the Debtor or third party.

1 (c) **Duplication.** Certain of the Debtors' assets, liabilities, and prepetition
2 payments may properly be disclosed in multiple parts of the Statements and Schedules. To the extent
3 these disclosures would be duplicative, the Debtors have endeavored to only list such assets,
4 liabilities, and prepetition payments once. However, given the amount of information presented, the
5 Debtors may have inadvertently duplicated certain data in the Statements and Schedules.

6 (d) **Umbrella or Master Agreements.** Contracts listed in the Schedules and
7 Statements may be umbrella or master agreements that cover relationships with some or all of the
8 Debtors. Where relevant, such agreements have been listed in the Schedules and Statements only of
9 the Debtor that signed the original umbrella or master agreement.

10 (e) **Executory Contracts.** Although the Debtors made diligent efforts to
11 attribute an executory contract to its rightful Debtor, in certain instances, the Debtors may have
12 inadvertently failed to do so. Accordingly, the Debtors reserve all of their rights with respect to the
13 named parties of any and all executory contracts, including the right to amend Schedule G.

14 (f) **Leases.** The Debtors have not included in the Schedules and Statements the
15 future obligations of any capital or operating leases. To the extent that there was an amount
16 outstanding as of the Petition Date, the creditor has been included on Schedule F of the Schedules.

17 (g) **Valuation.** It would be prohibitively expensive, unduly burdensome, and an
18 inefficient use of estate assets for the Debtors to obtain current market valuations of all of their
19 assets. Accordingly, unless otherwise indicated, net book values as of March 30, 2023 are reflected
20 on the Schedules and Statements. Certain assets, such as intangible assets, are listed at undetermined
21 amounts, as the net book values may differ materially from fair market values. Amounts ultimately
22 realized may vary from net book value (or whatever value was ascribed) and such variance may be
23 material. Accordingly, the Debtors reserve all of their rights to amend or adjust the value of each
24 asset set forth herein. In addition, the amounts shown for total liabilities exclude items identified as
25 "unknown" or "undetermined," and, thus, ultimate liabilities may differ materially from those stated
26 in the Schedules and Statements. Also, assets that have been fully depreciated or that were expensed
27 for accounting purposes either do not appear in these Schedules and Statements or are listed with a
28 zero-dollar value, as such assets have no net book value. The omission of an asset from the

1 Schedules and Statements does not constitute a representation regarding the ownership of such asset,
2 and any such omission does not constitute a waiver of any rights of the Debtors with respect to such
3 asset. Given, among other things, the current market valuation of certain assets and the valuation
4 and nature of certain liabilities, nothing in the Debtors' Schedules and Statements shall be, or shall
5 be deemed to be an admission that any Debtor was solvent or insolvent as of the Petition Date.

6 (h) **Property and Equipment.** Unless otherwise indicated, owned property and
7 equipment are stated at net book value. The Debtors may lease furniture, fixtures, and equipment
8 from certain third party lessors. Any such leases are set forth in the Schedules and Statements.
9 Nothing in the Schedules and Statements is or shall be construed as an admission as to the
10 determination as to the legal status of any lease (including whether any lease is a true lease or a
11 financing arrangement), and the Debtors reserve all of their rights with respect to same. The Debtors
12 have listed property and equipment under the specific Debtor entity that they believe owns the
13 respective property and equipment as per their books and records. In cases where ownership is
14 uncertain, the Debtors have listed Beverly Community Hospital Association. Moreover, there may
15 be cases in which the Debtors records show ownership resting at one Debtor entity when in fact
16 ultimate title lies with Beverly Community Hospital Association. The Debtors reserve the right to
17 amend the Schedules and Statements as they deem appropriate in this regard.

18 (i) **Farming and Fishing Related Assets.** The Debtors do not have any assets
19 that are related to farming and fishing given the nature of the healthcare industry.

20 (j) **Contingent Assets.** The Debtors believe that they may possess certain claims
21 and causes of action against various parties. Additionally, the Debtors may possess contingent
22 claims in the form of various avoidance actions they could commence under the provisions of
23 chapter 5 of the Bankruptcy Code and other relevant non-bankruptcy laws. The Debtors, despite
24 reasonable efforts, may not have set forth all of their causes of action against third parties as assets
25 in their Schedules and Statements. The Debtors reserve all of their rights with respect to any claims,
26 causes of action, or avoidance actions they may have and nothing contained in these Global Notes
27 or the Schedules and Statements shall be deemed a waiver of any such claims, avoidance actions,
28 or causes of action or in any way prejudice or impair the assertion of such claims.

1 Additionally, prior to the relevant Petition Date, each Debtor, as plaintiff, may have
2 commenced various lawsuits in the ordinary course of its business against third parties seeking
3 monetary damages. Refer to each Statement, item 4(a)(i), for lawsuits commenced prior to the
4 relevant Petition Date in which the Debtor was a plaintiff.

5 (k) **Unliquidated Claim Amounts.** Claim amounts that could not be readily
6 quantified by the Debtors are scheduled as “unliquidated.”

7 (l) **Undetermined Amounts.** The description of an amount as “undetermined”
8 is not intended to reflect upon the materiality of such amount.

9 (m) **Totals.** All totals that are included in the Schedules and Statements represent
10 totals of all the known amounts included in the Schedules and Statements. To the extent there are
11 unknown or undetermined amounts, the actual total may be different than the listed total. The
12 description of an amount as “unknown” or “undetermined” is not intended to reflect upon the
13 materiality of such amount.

14 (n) **Allocation of Liabilities.** The Debtors have sought to allocate liabilities
15 between the prepetition and postpetition periods based on the information and research that was
16 conducted in connection with the preparation of the Schedules and Statements. As additional
17 information becomes available and further research is conducted, the allocation of liabilities
18 between prepetition and postpetition periods may change. The Debtors reserve the right to amend
19 the Schedules and Statements as they deem appropriate in this regard.

20 (o) **Paid Claims.** Pursuant to certain orders of the Bankruptcy Court entered in
21 the Debtors’ chapter 11 cases entered on or about April 21, 2023 (collectively, the “First Day
22 Orders”), the Debtors were authorized (but not directed) to pay certain prepetition claims.
23 Accordingly, these liabilities may have been or may be satisfied in accordance with the orders
24 authorizing their payment. Regardless of whether such claims are listed in the Schedules and
25 Statements, to the extent such claims are paid pursuant to an order of the Bankruptcy Court
26 (including the First Day Orders), the Debtors reserve all rights to amend or supplement their
27 Schedules and Statements.

28

1 (p) **Other Paid Claims.** To the extent the Debtors have reached any postpetition
2 stipulation or settlement with a creditor, the terms of such settlement will prevail, supersede amounts
3 listed in the Debtors' Schedules and Statements, and shall be enforceable by all parties, subject to
4 any necessary Bankruptcy Court approval. To the extent the Debtors pay any of the claims listed in
5 the Schedules and Statements pursuant to any orders entered by the Bankruptcy Court, the Debtors
6 reserve all rights to amend and supplement the Schedules and Statements and take other action, such
7 as filing claims objections, as is necessary and appropriate to avoid overpayment or duplicate
8 payment for such liabilities.

9 (q) **Credits and Adjustments.** The claims of individual creditors for, among
10 other things, goods, products, services, or taxes are listed as the amounts entered on the Debtors'
11 books and records and may not reflect credits, allowances, or other adjustments due from such
12 creditors to the Debtors. The Debtors reserve all of their rights with regard to such credits,
13 allowances, and other adjustments, including the right to assert claims objections and/or setoffs with
14 respect to the same.

15 (r) **Intercompany Claims.** Receivables and payables among and between the
16 Debtors are reported on Schedule A/B per the Debtors' unaudited books and records. The listing of
17 any amounts with respect to such receivables and payables is not, and should not be construed as,
18 an admission of the characterization of such balances as debt, equity, or otherwise or an admission
19 as to the validity of such receivables and payables. For the avoidance of doubt, the Debtors reserve
20 all rights, claims, and defenses in connection with any and all intercompany receivables and
21 payables, including, but not limited to, with respect to the characterization of intercompany claims,
22 loans, and notes. Without limiting the generality of the foregoing, certain intercompany receivables
23 and payables among and between the Debtors have been consolidated and netted in the Debtors'
24 books and records. Such treatment is not, and should not be construed as, an admission of the amount
25 and/or validity of any such intercompany receivables and payables or the validity of any netting or
26 offset per the Debtors' books and records. The Debtors take no position in these Schedules and
27 Statements as to whether any such amounts would be allowed as a claim or an interest, or not all
28 allowed at all. The listing of these amounts is not necessarily indicative of the ultimate recovery, if

1 any, on any intercompany asset account or the impairment or claim status of any intercompany
2 liability account. The Debtors reserve all rights to later change the amounts, characterization,
3 classification, categorization or designation of intercompany accounts reported in the Schedules and
4 Statements.

5 In addition, certain of the Debtors act on behalf of other Debtors. Reasonable efforts
6 have been made to indicate the ultimate beneficiary of a payment or obligation. Whether a particular
7 payment or obligation was incurred by the entity actually making the payment or incurring the
8 obligation is a complex question of applicable non-bankruptcy law, and nothing herein constitutes
9 an admission that any Debtor entity is an obligor with respect to any such payment. The Debtors
10 reserve all rights to reclassify any payment or obligation as attributable to another entity and all
11 rights with respect to the proper accounting and treatment of such payments and liabilities.

12 (s) **Guarantees and Other Secondary Liability Claims.** The Debtors have
13 used reasonable efforts to locate and identify guarantees and other secondary liability claims
14 (collectively, “Guarantees”) in each of their executory contracts, unexpired leases, secured
15 financings, debt instruments, and other such agreements. Where such Guarantees have been
16 identified, they have been included in the relevant Schedule H for the Debtor or Debtors affected by
17 such Guarantees. However, certain Guarantees embedded in the Debtors’ executory contracts,
18 unexpired leases, secured financings, debt instruments, and other such agreements may have been
19 inadvertently omitted. Thus, the Debtors reserve all of their rights to amend the Schedules to the
20 extent that additional Guarantees are identified.

21 (t) **Claims of Third-Party Related Entities.** While the Debtors have made
22 every effort to properly classify each claim listed in the Schedules as being either disputed or
23 undisputed, liquidated or unliquidated, and contingent or noncontingent, the Debtors have not been
24 able to fully reconcile all payments made to certain third parties and their related entities on account
25 of the Debtors’ obligations to same. Therefore, to the extent that the Debtors have classified their
26 estimate of claims of a creditor as disputed, all claims of such creditor’s affiliates listed in the
27 Schedules and Statements shall similarly be considered as disputed, whether or not they are
28 designated as such.

1 (u) **Excluded Assets and Liabilities.** The Debtors have excluded certain
2 categories of assets, tax accruals, and liabilities from the Schedules and Statements, including
3 without limitation, accrued salaries, employee benefit accruals and accrued accounts payable. In
4 addition and as set forth above, the Debtors may have excluded amounts for which the Debtors have
5 been granted authority to pay pursuant to a First Day Order or other order that may be entered by
6 the Bankruptcy Court. Also, certain immaterial assets and liabilities may have been excluded.

7 (v) **Liens.** The inventories, property, and equipment listed in the Statements and
8 Schedules are presented without consideration of any asserted mechanics', materialmen, or similar
9 liens that may attach (or have attached) to such inventories, property, and equipment.

10 (w) **Currency.** Unless otherwise indicated, all amounts are reflected in U.S.
11 dollars.

12 (x) **Setoffs.** The Debtors incur certain setoffs and other similar rights during the
13 ordinary course of business. Offsets in the ordinary course can result from various items, including,
14 without limitation, intercompany transactions, pricing discrepancies, returns, warranties, and other
15 disputes between the Debtors and their suppliers. These offsets and other similar rights are consistent
16 with the ordinary course of business in the Debtors' industry and are not tracked separately.
17 Therefore, although such offsets and other similar rights may have been accounted for when certain
18 amounts were included in the Schedules, offsets are not independently accounted for, and as such,
19 are excluded from the Schedules.

20 5 **Specific Schedules Disclosures**

21 (a) **Schedule A/B-3 – Checking, savings, or other financial accounts, CDs,**
22 **etc.** Schedule A/B-3 lists closing bank balances as of April 18, 2023. The Debtors' bank accounts
23 are described in additional detail in the *Debtors' Emergency Motion for Interim and Final Orders*
24 *(I) Authorizing the Debtors to (A) Continue to Operate Their Cash Management System, (B) Honor*
25 *Certain Prepetition Obligations Related Thereto, (C) Maintain Existing Business Forms, and (D)*
26 *Perform Intercompany Transactions, and (II) Granting Related Relief* (the "Cash Management
27 Motion") [Docket No. 5].

1 (b) **Schedules A/B-39, A/B-40, A/B-41, and A/B-42 – Office furniture, office**
2 **fixtures and business equipment.** The Beverly Hospital Foundation’s office and business
3 equipment, fixtures, and supplies are not reported separately but consolidated into Debtor Beverly
4 Hospital. Additionally, the Debtors do not report office fixtures separately.

5 (c) **Schedule A/B 50 – Other machinery, fixtures, and equipment.** The
6 information provided in Schedule A/B 50 has been consolidated for the purposes of reporting net
7 book value.

8 (d) **Schedule A/B 55 – Other machinery, fixtures, and equipment.** The
9 Debtors do not report net book value at the property level provided herein. As such, net book value
10 has been marked “Undetermined.”

11 (e) **Schedule A/B 71 – Notes Receivable.** The balance on the Debtor’s notes
12 receivable are presented as principal value plus accrued interest.

13 (f) **Schedule A/B 73 – Interests in insurance policies or annuities.** The details
14 of the Debtors’ various insurance policies are described in detail in the *Debtors’ Emergency Motion*
15 *for Entry of an Order (I) Authorizing the Debtors to Maintain, Renew, or Supplement Their*
16 *Insurance Policies and Honor All Obligations in Respect Thereof, and (II) Granting Related Relief*
17 [Docket No. 7].

18 (g) **Schedules A/B-74 and 75 – Causes of action against third parties**
19 **(whether or not a lawsuit has been filed) and other contingent and unliquidated claims or**
20 **causes of action of every nature, including counterclaims of the debtors and rights to set off**
21 **claims.** The Debtors attempted to list known causes of action and other claims. Potential avoidance
22 actions were not listed because the Debtors have not completed an analysis of such potential claims.
23 The Debtors’ failure to list any cause of action, claim, or right of any nature is not an admission that
24 such cause of action, claim, or right does not exist, should not be construed as a waiver of such cause
25 of action, claim, or right, and the Debtors reserve all rights in this regard.

26 (h) **Schedule D – Creditors Who Have Claims Secured by Property.** Except
27 as otherwise ordered by the Bankruptcy Court, the Debtors reserve their rights to dispute or
28 challenge the validity, perfection, or immunity from avoidance of any lien purported to be granted

1 or perfected in any specific asset for the benefit of a secured creditor listed on a Debtor's Schedule
2 D. Moreover, although the Debtors may have scheduled claims of various creditors as secured
3 claims, the Debtors reserve all rights to dispute or challenge the secured nature of any such creditor's
4 claim or the characterization of the structure of any such transaction or any document or instrument
5 (including without limitation, any intercompany agreement) related to such creditor's claim.
6 Notwithstanding anything contained in the Schedules and Statements regarding the amount, value,
7 or extent of any purported secured claim, the terms of the *Interim Order (I) Authorizing the Debtors*
8 *to Obtain Post-Petition Financing, (II) Granting Adequate Protection to Prepetition Secured*
9 *Creditors, and (III) Granting Related Relief* [Docket No. 182] shall govern.

10 No claim set forth on the Schedule D of any Debtor is intended to acknowledge
11 claims of creditors that are or may be otherwise satisfied or discharged.

12 The descriptions provided in Schedule D are intended only to be a summary.
13 Reference to the applicable loan agreements and related documents is necessary for a complete
14 description of the collateral and the nature, extent and priority of any liens. Nothing in these Global
15 Notes or the Schedules and Statements shall be deemed a modification or interpretation of the terms
16 of such agreements.

17 (i) **Schedule E/F – Creditors Who Hold Unsecured Claims**

18 (i) *Part 1 – Creditors with Priority Unsecured Claims.* The listing of a
19 claim on Schedule E/F, Part 1, does not constitute an admission by the Debtors that such claim or
20 any portion thereof is entitled to priority treatment under section 507 of the Bankruptcy Code. The
21 Debtors reserve all of their rights to dispute the amount and the priority status of any claim on any
22 basis at any time.

23 Pursuant to the *Interim Order (I) Authorizing the Debtors to (A) Pay*
24 *Prepetition Wages, Salaries, and Other Compensation, and (B) Continue Employee Benefits*
25 *Programs, and (II) Granting Related Relief* [Docket No. 77] (the "Wages Order"), the Debtors
26 received authority to pay certain prepetition obligations, including, without limitation, obligations
27 related to employee wages and other employee benefits, in the ordinary course of business.
28 Accordingly, no undisputed, prepetition claims of non-insiders related to employee wages and other

1 employee benefits that have been paid or may be paid pursuant to the Wages Order or pursuant to
2 further Bankruptcy Court order is listed in Schedule E/F Part 1.

3 (ii) *Part 2 – Creditors with Nonpriority Unsecured Claims.* The liabilities
4 identified in Schedule E/F, Part 2, are derived from the Debtors’ books and records. The Debtors
5 made a reasonable attempt to set forth their unsecured obligations, although the actual amount of
6 claims against the Debtors may vary from those liabilities represented on Schedule E/F, Part 2. The
7 listed liabilities may not reflect the correct amount of any unsecured creditor’s allowed claims or
8 the correct amount of all unsecured claims.

9 The Debtors generally allocate individual liabilities to particular Debtors.
10 However, in certain cases, it would be a time-consuming and inefficient use of estate resources, or
11 impracticable, to assign a given liability to a particular Debtor based on a contractual obligation.
12 Instead, the Schedules reflect the liability based on the Debtors’ books and records.

13 *Schedule E/F, Part 2 (Statements Part 3, Question 7),* contains information
14 regarding pending litigation involving the Debtors. The amounts for these potential claims are listed
15 as “undetermined” and are marked as contingent, unliquidated, and disputed in the Schedules and
16 Statements.

17 Schedule E/F, Part 2, reflects certain prepetition amounts owing to
18 counterparties to executory contracts and unexpired leases. Such prepetition amounts, however, may
19 be paid in connection with the assumption of an executory contract or unexpired lease. Schedule
20 E/F, Part 2 does not include claims that may arise in connection with the rejection of any additional
21 executory contracts or unexpired leases that may be rejected in these chapter 11 cases or potential
22 claims on account of the Debtors’ medical or workers compensation self-funded plans.

23 In many cases, the claims listed on Schedule E/F, Part 2, arose, accrued, or
24 were incurred on various dates or on a date or dates that are unknown to the Debtors or are subject
25 to dispute. Where the determination of the date on which a claim arose, accrued, or was incurred
26 would be unduly burdensome and costly to the Debtors’ estates, the Debtors have not listed a
27 specific date or dates for such claim.

28

1 As of the time of filing of the Schedules and Statements, the Debtors may not
2 have received or processed all invoices for payables, expenses, and other liabilities that may have
3 accrued prior to the Petition Date. Accordingly, the information contained in Schedules D and E/F
4 may be incomplete. The Debtors reserve their rights to, but undertake no obligations to, amend
5 Schedules D and E/F if and as they receive and/or process such invoices.

6 Certain liabilities listed on Schedules E/F reflect the Debtors' book and
7 records balances as of March 31, 2023. Trade and patient refunds claims reflect accounts payable
8 detail as of May 2023.

9 (j) **Schedule G – Executory Contracts and Unexpired Leases.** While
10 reasonable efforts have been made to ensure the accuracy of Schedule G, inadvertent errors,
11 omissions, and unintended duplication of items may have occurred.

12 Listing a contract or agreement on Schedule G does not constitute an admission that
13 such contract or agreement is an executory contract or unexpired lease or that such contract or
14 agreement was in effect on the Petition Date or is valid or enforceable. The Debtors hereby reserve
15 all their rights to dispute the validity, status, or enforceability of any contracts, agreements, or leases
16 set forth in Schedule G and to amend or supplement such Schedule as necessary. Certain of the
17 leases and contracts listed on Schedule G may contain renewal options, guarantees of payment,
18 indemnifications, options to purchase, rights of first refusal, and other miscellaneous rights. Such
19 rights, powers, duties, and obligations are not set forth separately on Schedule G. In addition, the
20 Debtors may have entered into various other types of agreements in the ordinary course of their
21 business, such as supplemental agreements and letter agreement, which documents may not be set
22 forth in Schedule G.

23 The Debtors reserve all rights to dispute or challenge the characterization of any
24 transaction or any document or instrument related to a creditor's claim.

25 In some cases, the same supplier or provider may appear multiple times in Schedule
26 G. Multiple listings, if any, may not reflect distinct agreements between the applicable Debtor and
27 such supplier or provider.

28

1 The listing of any contract on Schedule G does not constitute an admission by the
2 Debtors as to the validity of any such contract. The Debtors reserve the right to dispute the
3 effectiveness of any such contract listed on Schedule G or to amend Schedule G at any time to
4 remove any contract.

5 Omission of a contract or agreement from Schedule G does not constitute an
6 admission that such omitted contract or agreement is not an executory contract or unexpired lease,
7 including, but not limited to, the Debtors' numerous group purchasing agreements. The Debtors'
8 rights under the Bankruptcy Code with respect to any such omitted contracts or agreements are not
9 impaired by the omission.

10 (k) For the avoidance of doubt, listing a claim on Schedule D as "secured," on
11 Schedule E/F as "priority," on Schedule E/F as "unsecured nonpriority," or listing a contract or lease
12 on Schedule G as "executory" or "unexpired," does not constitute an admission by the Debtors of
13 the legal rights of the claimant, or a waiver of the Debtors' right to recharacterize or reclassify such
14 claim or contract. Failure to designate a claim on a given Debtor's Schedules as "disputed,"
15 "contingent," or "unliquidated" does not constitute an admission by the Debtor that such amount is
16 not "disputed," "contingent" or "unliquidated."

17 **6 Specific Statements Disclosures**

18 (a) **Statements, Part 1, Question 1 – Gross Revenue From Business.** Patient
19 revenue provided on SOFA 1 is on a net basis, which is consistent with the Debtors' financial
20 reporting practices. Additionally, with respect to Debtors Montebello Community Health Services,
21 Inc. and Beverly Hospital Foundation, the information provided on SOFA 1 includes de minimis
22 amounts of non-operating income, rather than be included in SOFA 2.

23 (b) **Statements, Part 3, Question 7 – Legal Actions or Assignments.**
24 Information provided on SOFA 7 includes only those legal disputes and administrative proceedings
25 that are formally recognized by an administrative, judicial, or other adjudicative forum. While the
26 Debtors believe they were diligent in their efforts, it is possible that certain suits and proceedings
27 may have been inadvertently excluded in the Debtors' response on SOFA 7.

28

1 The Debtors reserve all of their rights to amend or supplement their response to
2 SOFA 7. The listing of any such proceeding shall not be a binding representation of the Debtors'
3 liabilities with respect to any of the legal disputes and/or administrative proceedings identified
4 therein or an admission that the proceedings were correctly filed against the Debtors or any affiliates
5 of the Debtors. The actual amount of any recovery related to the proceedings listed in SOFA 7 is
6 contingent on the outcome of the cases. The Debtors also reserve their rights to assert that neither
7 any Debtor nor any non-Debtor is an appropriate party to such proceedings.

8 (c) **Statements, Part 10, Question 20 – Off-Premises Storage.** Individuals
9 who have access to these records have not been individually identified.

10 (d) **Statements, Part 11, Question 21 – Property the Debtor Holds or**
11 **Controls That the Debtor Does Not Own.** Information provided on SOFA 21 reflects property
12 that the Debtors have identified using best efforts; accordingly, the information may be incomplete.
13 The Debtors reserve their rights to, but undertake no obligations to, amend SOFA 21.

14 (e) **Statements, Part 13, Question 26 – Books, Records, and Financial**
15 **Statements.** The Debtors provide certain parties, such as banks, auditors, potential investors,
16 vendors, and financial advisors, with financial statements that may not be part of a public filing.
17 The Debtors do not maintain complete lists or other records tracking such disclosures. Therefore,
18 the Debtors have not provided full lists of these parties in their response to Statement Question 26.
19 Specific parties that may have received financial statements in association with the Debtors'
20 municipal bonds have not been separately listed.

21 (f) **Statements, Part 13, Question 28 – Current Partners, Officers, Directors,**
22 **and Shareholders.** In the case when a board members' address is an individual's home address,
23 Beverly Hospital's facility has been listed as the address of record.

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///
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1 Dated: May 24, 2023

2

SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

3

4

By

/s/ Jennifer L. Nassiri

Jennifer L. Nassiri

5

6

JUSTIN R. BERNBROCK

JENNIFER L. NASSIRI

CATHERINE JUN

7

8

ROBERT B. McCELLARN

ALEXANDRIA G. LATTNER

9

Proposed Counsel to Debtors and
Debtors in Possession

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Fill in this information to identify the case:

Debtor Name: In re : Montebello Community Health Services, Inc.
United States Bankruptcy Court for the: Central District Of California
Case number (if known): 23-12360 (SK)

Check if this is an amended filing

Official Form 207

Statement of Financial Affairs for Non-Individuals Filing for Bankruptcy 04/22

The debtor must answer every question. If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and case number (if known).

Part 1: Income

1. Gross revenue from business

None

Identify the beginning and ending dates of the debtor's fiscal year, which may be a calendar year		Sources of revenue Check all that apply	Gross revenue (before deductions and exclusions)
From the beginning of the fiscal year to filing date:	From <u>1/1/2023</u> MM / DD / YYYY	to Filing date	
		<input type="checkbox"/> Operating a business	
		<input checked="" type="checkbox"/> Other <u>Real Estate</u>	\$ <u>398,826.96</u>
For prior year:	From <u>1/1/2022</u> MM / DD / YYYY	to <u>12/31/2022</u> MM / DD / YYYY	
		<input type="checkbox"/> Operating a business	
		<input checked="" type="checkbox"/> Other <u>Real Estate</u>	\$ <u>1,515,000.00</u>
For the year before that:	From <u>1/1/2021</u> MM / DD / YYYY	to <u>12/31/2021</u> MM / DD / YYYY	
		<input type="checkbox"/> Operating a business	
		<input checked="" type="checkbox"/> Other <u>Real Estate</u>	\$ <u>1,657,000.00</u>

Name

2. Non-business revenue

Include revenue regardless of whether that revenue is taxable. Non-business income may include interest, dividends, money collected from lawsuits, and royalties. List each source and the gross revenue for each separately. Do not include revenue listed in line 1.

None

		Description of sources of revenue	Gross revenue from each source (before deductions and exclusions)
From the beginning of the fiscal year to filing date:	From _____ to Filing date MM / DD / YYYY	_____	\$ _____
For prior year:	From _____ to _____ MM / DD / YYYY MM / DD / YYYY	_____	\$ _____
For the year before that:	From _____ to _____ MM / DD / YYYY MM / DD / YYYY	_____	\$ _____

Name

Part 2: List Certain Transfers Made Before Filing for Bankruptcy

3. Certain payments or transfers to creditors within 90 days before filing this case

List payments or transfers-including expense reimbursements-to any creditor, other than regular employee compensation, within 90 days before filing this case unless the aggregate value of all property transferred to that creditor is less than \$7,575 . (This amount may be adjusted on 4/01/25 and every 3 years after that with respect to cases filed on or after the date of adjustment.)

None

Creditor's name and address	Dates	Total amount or value	Reasons for payment or transfer Check all that apply
3.1 See SOFA 3 Attachment Creditor's Name Street City State ZIP Code Country		\$	<input type="checkbox"/> Secured debt <input type="checkbox"/> Unsecured loan repayments <input type="checkbox"/> Suppliers or vendors <input type="checkbox"/> Services <input type="checkbox"/> Other

4. Payments or other transfers of property made within 1 year before filing this case that benefited any insider

List payments or transfers, including expense reimbursements, made within 1 year before filing this case on debts owed to an insider or guaranteed or cosigned by an insider unless the aggregate value of all property transferred to or for the benefit of the insider is less than \$7,575. (This amount may be adjusted on 4/01/25 and every 3 years after that with respect to cases filed on or after the date of adjustment.) Do not include any payments listed in line 3. Insiders include officers, directors, and anyone in control of a corporate debtor and their relatives; general partners of a partnership debtor and their relatives; affiliates of the debtor and insiders of such affiliates; and any managing agent of the debtor. 11 U.S.C. § 101(31).

None

Insider's Name and Address	Dates	Total amount or value	Reason for payment or transfer
4.1 Insider's Name Street City State ZIP Code Country Relationship to Debtor		\$	

Name _____

5. Repossessions, foreclosures, and returns

List all property of the debtor that was obtained by a creditor within 1 year before filing this case, including property repossessed by a creditor, sold at a foreclosure sale, transferred by a deed in lieu of foreclosure, or returned to the seller. Do not include property listed in line 6.

None

Creditor's Name and Address	Description of the Property	Date	Value of property
5.1 Creditor's Name _____ Street _____ City _____ State _____ ZIP Code _____ Country _____			\$ _____

6. Setoffs

List any creditor, including a bank or financial institution, that within 90 days before filing this case set off or otherwise took anything from an account of the debtor without permission or refused to make a payment at the debtor's direction from an account of the debtor because the debtor owed a debt.

None

Creditor's Name and Address	Description of the action creditor took	Date action was taken	Amount
6.1 Creditor's Name _____ Street _____ City _____ State _____ ZIP Code _____ Country _____	Last 4 digits of account number: XXXX- _____		\$ _____

Name

Part 3: Legal Actions or Assignments

7. Legal actions, administrative proceedings, court actions, executions, attachments, or governmental audits

List the legal actions, proceedings, investigations, arbitrations, mediations, and audits by federal or state agencies in which the debtor was involved in any capacity—within 1 year before filing this case.

None

Case title	Nature of case	Court or agency's name and address	Status of case
7.1 Ana Ventura v. Montebello Community Health Services, Inc. Does 1-10	ADA lawsuit	United States District Court for the Central District of California Name Street City State ZIP Code Country	<input type="checkbox"/> Pending <input type="checkbox"/> On appeal <input checked="" type="checkbox"/> Concluded
Case number 2:23-cv-00116-RSWL			
7.2 Orlando Garcia v. Montebello Community Health Services; HFFM 2017, LLC; Does 1-50 inclusive	ADA lawsuit	Superior Court of Los Angeles, Stanley Mosk Courthouse Name 111 Hill St Street Los Angeles CA 900212 City State ZIP Code Country	<input checked="" type="checkbox"/> Pending <input type="checkbox"/> On appeal <input type="checkbox"/> Concluded
Case number 23STCV06871			

8. Assignments and receivership

List any property in the hands of an assignee for the benefit of creditors during the 120 days before filing this case and any property in the hands of a receiver, custodian, or other court-appointed officer within 1 year before filing this case.

None

Custodian's name and address	Description of the Property	Value
8.1 Custodian's name Street City State ZIP Code Country	Case title Case number Date of order or assignment	\$ Court name and address Name Street City State ZIP Code Country

Name

Part 4: Certain Gifts and Charitable Contributions

9. List all gifts or charitable contributions the debtor gave to a recipient within 2 years before filing this case unless the aggregate value of the gifts to that recipient is less than \$1,000

None

Recipient's name and address	Description of the gifts or contributions	Dates given	Value
9.1 Creditor's Name <hr/> Street <hr/> City State ZIP Code <hr/> Country <hr/> Recipient's relationship to debtor <hr/>			\$

Name

Part 5: Certain Losses

10. All losses from fire, theft, or other casualty within 1 year before filing this case.

None

Description of the property lost and how the loss occurred	Amount of payments received for the loss If you have received payments to cover the loss, for example, from insurance, government compensation, or tort liability, list the total received. List unpaid claims on Official Form 106A/B (Schedule A/B: Assets – Real and Personal Property).	Date of loss	Value of property lost
10.1			\$

Name

Part 6: Certain Payments or Transfers

11. Payments related to bankruptcy

List any payments of money or other transfers of property made by the debtor or person acting on behalf of the debtor within 1 year before the filing of this case to another person or entity, including attorneys, that the debtor consulted about debt consolidation or restructuring, seeking bankruptcy relief, or filing a bankruptcy case.

None

Who was paid or who received the transfer?	If not money, describe any property transferred	Dates	Total amount or value
11.1			\$
Address			
Street			

City	State	ZIP Code	
Country			
Email or website address			

Who made the payment, if not debtor?			

12. Self-settled trusts of which the debtor is a beneficiary

List any payments or transfers of property made by the debtor or a person acting on behalf of the debtor within 10 years before the filing of this case to a self-settled trust or similar device. Do not include transfers already listed on this statement.

None

Name of trust or device	Describe any property transferred	Dates transfers were made	Total amount or value
12.1			\$
Trustee			

Name

13. Transfers not already listed on this statement

List any transfers of money or other property - by sale, trade, or any other means - made by the debtor or a person acting on behalf of the debtor within 2 years before the filing of this case to another person, other than property transferred in the ordinary course of business or financial affairs. Include both outright transfers and transfers made as security. Do not include gifts or transfers previously listed on this statement.

None

Who received transfer?	Description of property transferred or payments received or debts paid in exchange	Date transfer was made	Total amount or value
13.1			\$

Address

Street

City State ZIP Code

Country

Relationship to Debtor

Name _____

Part 7: Previous Locations

14. Previous addresses

List all previous addresses used by the debtor within 3 years before filing this case and the dates the addresses were used.

Does not apply

Address		Dates of occupancy	
14.1	_____	From _____	To _____
	Street _____		

	City _____ State _____ ZIP Code _____		
	Country _____		

Name

Part 8: Health Care Bankruptcies

15. Health Care bankruptcies

Is the debtor primarily engaged in offering services and facilities for:
 — diagnosing or treating injury, deformity, or disease, or
 — providing any surgical, psychiatric, drug treatment, or obstetric care?

- No. Go to Part 9.
- Yes. Fill in the information below.

Facility Name and Address	Nature of the business operation, including type of services the debtor provides	If debtor provides meals and housing, number of patients in debtor's care
15.1 Facility Name		
Street	Location where patient records are maintained (if different from facility address). If electronic, identify any service provider.	How are records kept?
City State ZIP Code		Check all that apply: <input type="checkbox"/> Electronically <input type="checkbox"/> Paper
Country		

Name

Part 9: Personally Identifiable Information

16. Does the debtor collect and retain personally identifiable information of customers?

- No.
- Yes. State the nature of the information collected and retained. Business contact information

Does the debtor have a privacy policy about that information?

- No
- Yes

17. Within 6 years before filing this case, have any employees of the debtor been participants in any ERISA, 401(k), 403(b), or other pension or profit-sharing plan made available by the debtor as an employee benefit?

- No. Go to Part 10.
- Yes. Does the debtor serve as plan administrator?

No. Go to Part 10.

Yes. Fill in below:

Name of plan	Employer identification number of the plan
17.1 _____	EIN: _____

Has the plan been terminated?

- No
- Yes

Name

Part 10: Certain Financial Accounts, Safe Deposit Boxes, and Storage Units

18. Closed financial accounts

Within 1 year before filing this case, were any financial accounts or instruments held in the debtor's name, or for the debtor's benefit, closed, sold, moved, or transferred? Include checking, savings, money market, or other financial accounts; certificates of deposit; and shares in banks, credit unions, brokerage houses, cooperatives, associations, and other financial institutions.

None

Financial institution name and address	Last 4 digits of account number	Type of account	Date account was closed, sold, moved, or transferred	Last balance before closing or transfer
18.1 Name Street City State ZIP Code Country	XXXX-	<input type="checkbox"/> Checking <input type="checkbox"/> Savings <input type="checkbox"/> Money market <input type="checkbox"/> Brokerage <input type="checkbox"/> Other		\$

19. Safe deposit boxes

List any safe deposit box or other depository for securities, cash, or other valuables the debtor now has or did have within 1 year before filing this case.

None

Depository institution name and address	Names of anyone with access to it	Description of the contents	Does debtor still have it?
19.1 Name Street City State ZIP Code Country			<input type="checkbox"/> No <input type="checkbox"/> Yes

Name

20. Off-premises storage

List any property kept in storage units or warehouses within 1 year before filing this case. Do not include facilities that are in a part of a building in which the debtor does business.

None

Facility name and address	Names of anyone with access to it	Description of the contents	Does debtor still have it?
20.1 Access Corp Name 13950 Cerritos Corporate Dr Street	Various Employees	Business records	<input type="checkbox"/> No
Cerritos CA 90703 City State ZIP Code Address 309 W. Beverly Blvd., Montebello, CA 90640 Country			<input checked="" type="checkbox"/> Yes

Name

Part 11: Property the Debtor Holds or Controls That the Debtor Does Not Own

21. Property held for another

List any property that the debtor holds or controls that another entity owns. Include any property borrowed from, being stored for, or held in trust. Do not list leased or rented property.

None

	Owner's name and address	Location of the property	Description of the property	Value
21.1	Name			\$
	Street			
	City State ZIP Code			
	Country			

Name

Part 12: Details About Environmental Information

For the purpose of Part 12, the following definitions apply:

- *Environmental law* means any statute or governmental regulation that concerns pollution, contamination, or hazardous material, regardless of the medium affected (air, land, water, or any other medium).
- *Site* means any location, facility, or property, including disposal sites, that the debtor now owns, operates, or utilizes or that the debtor formerly owned, operated, or utilized.
- *Hazardous material* means anything that an environmental law defines as hazardous or toxic, or describes as a pollutant, contaminant, or a similarly harmful substance.

Report all notices, releases, and proceedings known, regardless of when they occurred.

22. Has the debtor been a party in any judicial or administrative proceeding under any environmental law? Include settlements and orders.

- No
- Yes. Provide details below.

Case title	Court or agency name and address	Nature of the case	Status of case
22.1	Name Street		<input type="checkbox"/> Pending <input type="checkbox"/> On appeal <input type="checkbox"/> Concluded
	Case Number		
	City State ZIP Code		
	Country		

23. Has any governmental unit otherwise notified the debtor that the debtor may be liable or potentially liable under or in violation of an environmental law?

- No
- Yes. Provide details below.

Site name and address	Governmental unit name and address	Environmental law, if known	Date of notice
23.1 Name Street	Name Street		
City State ZIP Code	City State ZIP Code		
Country	Country		

Name

24. Has the debtor notified any governmental unit of any release of hazardous material?

No

Yes. Provide details below.

Site name and address	Governmental unit name and address	Environmental law, if known	Date of notice
24.1			
Name	Name		
Street	Street		
City State ZIP Code	City State ZIP Code		
Country	Country		

Name

Part 13: Details About the Debtor's Business or Connections to Any Business

25. Other businesses in which the debtor has or has had an interest

List any business for which the debtor was an owner, partner, member, or otherwise a person in control within 6 years before filing this case. Include this information even if already listed in the Schedules.

None

25.1	Business name and address	Describe the nature of the business	Employer Identification number
			Do not include Social Security number or ITIN.
	Name		EIN:
	Street		Dates business existed
			From _____ To _____
	City State ZIP Code		
	Country		

26. Books, records, and financial statements

26a. List all accountants and bookkeepers who maintained the debtor's books and records within 2 years before filing this case.

None

26a.1	Name and Address	Dates of service	
		From	To
	Daniel Way - Controller	4/19/2021	Present
	Name		
	309 W Beverly Blvd.		
	Street		
	Montebello CA 90640		
	City State ZIP Code		
	Country		
	Houshang Abd - CFO	9/13/2021	Present
	Name		
	309 W Beverly Blvd.		
	Street		
	Montebello CA 90640		
	City State ZIP Code		
	Country		
	Sabbir Dadabhai - CFO	4/19/2021	7/16/2021
	Name		
	309 W Beverly Blvd.		
	Street		
	Montebello CA 90640		
	City State ZIP Code		
	Country		

Name

26b. List all firms or individuals who have audited, compiled, or reviewed debtor's books of account and records or prepared a financial statement within 2 years before filing this case.

None

Name and Address		Dates of service	
26b.1	Moss Adams LLP	From	2010 To Present
	Name		
	2040 Main Street, Suite 900		
	Street		
	Irvine CA 92614		
	City State ZIP Code		
	Country		

26c. List all firms or individuals who were in possession of the debtor's books of account and records when this case is filed.

None

Name and address	If any books of account and records are unavailable, explain why
26c.1 Daniel Way	
Name	
309 W. Beverly Blvd.	
Street	
Montebello CA 90640	
City State ZIP Code	
Country	

Name and address	If any books of account and records are unavailable, explain why
26c.2 Houshang Abd	
Name	
309 W. Beverly Blvd.	
Street	
Montebello CA 90640	
City State ZIP Code	
Country	

Name

26d. List all financial institutions, creditors, and other parties, including mercantile and trade agencies, to whom the debtor issued a financial statement within 2 years before filing this case.

None

Name and address

26d.1 See SOFA 26d Attachment

Name

Street

City

State

ZIP Code

Country

27. Inventories

Have any inventories of the debtor's property been taken within 2 years before filing this case?

No

Yes. Give the details about the two most recent inventories.

Name of the person who supervised the taking of the inventory	Date of Inventory	The dollar amount and basis (cost, market, or other basis) of each inventory
		\$

Name and address of the person who has possession of inventory records

27.1

Name

Street

City

State

ZIP Code

Country

28. List the debtor's officers, directors, managing members, general partners, members in control, controlling shareholders, or other people in control of the debtor at the time of the filing of this case.

Name	Address	Position and Nature of any interest	% of interest, if any
28.1 See SOFA 28 Attachment			

29. Within 1 year before the filing of this case, did the debtor have officers, directors, managing members, general partners, members in control of the debtor, or shareholders in control of the debtor who no longer hold these positions?

No

Yes. Identify below.

Name	Address	Position and Nature of any interest	Period during which position or interest was held
29.1 See SOFA 29 Attachment			From _____ To _____

Name

30. Payments, distributions, or withdrawals credited or given to insiders

Within 1 year before filing this case, did the debtor provide an insider with value in any form, including salary, other compensation, draws, bonuses, loans, credits on loans, stock redemptions, and options exercised?

No

Yes. Identify below.

Name and address of recipient	Amount of money or description and value of property	Dates	Reason for providing the value
30.1 Name _____			
Street _____			

City _____ State _____ ZIP Code _____			
Country _____			
Relationship to debtor _____			

31. Within 6 years before filing this case, has the debtor been a member of any consolidated group for tax purposes?

No

Yes. Identify below.

Name of the parent corporation	Employer Identification number of the parent corporation
31.1 _____	EIN: _____

32. Within 6 years before filing this case, has the debtor as an employer been responsible for contributing to a pension fund?

No

Yes. Identify below.

Name of the pension fund	Employer Identification number of the pension fund
32.1 _____	EIN: _____

Part 14: Signature and Declaration

WARNING -- Bankruptcy fraud is a serious crime. Making a false statement, concealing property, or obtaining money or property by fraud in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both.

18 U.S.C. §§ 152, 1341, 1519, and 3571.

I have examined the information in this *Statement of Financial Affairs* and any attachments and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on 05/24/2023
MM / DD / YYYY

x 
Signature of individual signing on behalf of the debtor

Printed name Houshang Abd

Position or relationship to debtor Senior Vice President and Chief Financial Officer

Are additional pages to *Statement of Financial Affairs for Non-Individuals Filing for Bankruptcy* (Official Form 207) attached?

- No
 Yes

Certain payments or transfers to creditors within 90 days before filing this case

Creditor's name	Address 1	City	State	Zip	Date	Total amount or value	Reason for payment or transfer (e.g. Secured debt, Unsecured loan repayments, Suppliers or vendors, Services, or Other)
GGF PICO RIVERA LLC	100 W BROADWAY SUITE 950	GLENDALE	CA	91210	1/26/2023	\$6,915.52	MAINTENANCE - FACILITIES
GGF PICO RIVERA LLC	100 W BROADWAY SUITE 950	GLENDALE	CA	91210	2/9/2023	\$3,457.76	MAINTENANCE - FACILITIES
GGF PICO RIVERA LLC	100 W BROADWAY SUITE 950	GLENDALE	CA	91210	3/3/2023	\$3,894.17	MAINTENANCE - FACILITIES
GGF PICO RIVERA LLC	100 W BROADWAY SUITE 950	GLENDALE	CA	91210	4/10/2023	\$7,453.22	MAINTENANCE - FACILITIES
HARBOR POINTE AIR CONDITIONING	720 S RICHFIELD RD	PLACENTIA	CA	92870	2/16/2023	\$5,400.53	MAINTENANCE - FACILITIES
HARBOR POINTE AIR CONDITIONING	720 S RICHFIELD RD	PLACENTIA	CA	92870	2/23/2023	\$201.88	MAINTENANCE - FACILITIES
HARBOR POINTE AIR CONDITIONING	720 S RICHFIELD RD	PLACENTIA	CA	92870	3/23/2023	\$823.28	MAINTENANCE - FACILITIES
HARBOR POINTE AIR CONDITIONING	720 S RICHFIELD RD	PLACENTIA	CA	92870	3/23/2023	\$2,201.87	MAINTENANCE - FACILITIES
RJ CONSTRUCTION AND ELECTRIC INC	12107 PHILADELPHIA ST	WHITTIER	CA	90601	3/9/2023	\$8,396.40	MAINTENANCE - FACILITIES
SOUTHERN CA EDISON	P.O. BOX 300	ROSEMEAD	CA	91772-0001	2/9/2023	\$14,535.01	UTILITIES
SOUTHERN CA EDISON	P.O. BOX 300	ROSEMEAD	CA	91772-0001	2/23/2023	\$16,406.51	UTILITIES
SOUTHERN CA EDISON	P.O. BOX 300	ROSEMEAD	CA	91772-0001	3/23/2023	\$16,424.45	UTILITIES
THE GAS COMPANY	P.O. BOX C	MONTEREY PARK	CA	91756	2/2/2023	\$541.33	UTILITIES
THE GAS COMPANY	P.O. BOX C	MONTEREY PARK	CA	91756	2/2/2023	\$8,716.03	UTILITIES
THE GAS COMPANY	P.O. BOX C	MONTEREY PARK	CA	91756	2/23/2023	\$296.01	UTILITIES
THE GAS COMPANY	P.O. BOX C	MONTEREY PARK	CA	91756	3/2/2023	\$279.08	UTILITIES
THE GAS COMPANY	P.O. BOX C	MONTEREY PARK	CA	91756	3/2/2023	\$6,579.29	UTILITIES
THE GAS COMPANY	P.O. BOX C	MONTEREY PARK	CA	91756	4/10/2023	\$519.25	UTILITIES
THE GAS COMPANY	P.O. BOX C	MONTEREY PARK	CA	91756	4/10/2023	\$4,140.76	UTILITIES

In re: Montebello Community Health Services, Inc.**Case No. 23-12360**

Attachment 26d

Books, records and financial statements - Financial institution to whom financial statement was issued

Name	Address 1	Address 2	City	State	Zip
Adventist	ONE Adventist Health Way		Roseville	CA	95661
Alhambra Hospital Medical Center	100 S Raymond Ave		Alhambra	CA	91801
First Financial	711 Kimberly Ave. Suite 160		Placentia	CA	92870
Hanmi Bank	10180 Reseda Blvd.		Northridge	CA	91324
Huntington	Huntington Technology Finance	2285 Franklin Rd	Bloomfield Hills	MI	48302
Jules & Associates	515 S Figueroa St Suite 1900		Los Angeles	CA	90071
S&P	6080 Center Drive, Suite 710		Los Angeles	CA	90045
US Bank	633 W. 5th Street, 24th Floor		Los Angeles	CA	90071

In re: Montebello Community Health Services, Inc.

Case No. 23-12360

Attachment 28

Current Partners, Officers, Directors and Shareholders

Name	Address 1	City	State	Zip	Position and nature of any interest	% of interest, if any
Alice Cheng	309 W. Beverly Blvd.	Montebello	CA	90640	CEO	N/A
Art Revueeltas	309 W. Beverly Blvd.	Montebello	CA	90640	Board Member	N/A
Aziz A. Khan, MD	309 W. Beverly Blvd.	Montebello	CA	90640	Board Member	N/A
Carlos Haro, Ph.D.	309 W. Beverly Blvd.	Montebello	CA	90640	1st Vice Chairperson	N/A
Gary Einstein	309 W. Beverly Blvd.	Montebello	CA	90640	Treasurer	N/A
Gautam Ganguly, MD	309 W. Beverly Blvd.	Montebello	CA	90640	Secretary	N/A
George Wang, MD	309 W. Beverly Blvd.	Montebello	CA	90640	Board Member	N/A
Houshang Abd	309 W. Beverly Blvd.	Montebello	CA	90640	CFO	N/A
Goharik Gabriel	309 W. Beverly Blvd.	Montebello	CA	90640	Board Member	N/A
Lyla Eddington, Ed.D.	309 W. Beverly Blvd.	Montebello	CA	90640	Chairperson	N/A
Pamala Sakamoto	309 W. Beverly Blvd.	Montebello	CA	90640	Board Member	N/A
Parham Naghdechi, MD	309 W. Beverly Blvd.	Montebello	CA	90640	Board Member	N/A
Ralph Hansen, DMD	309 W. Beverly Blvd.	Montebello	CA	90640	Board Member	N/A
Renee Martinez	309 W. Beverly Blvd.	Montebello	CA	90640	2nd Vice Chairperson	N/A
Richard Adams II	309 W. Beverly Blvd.	Montebello	CA	90640	Board Member	N/A
Shushma Patel, PharmD	309 W. Beverly Blvd.	Montebello	CA	90640	Board Member	N/A

In re: Montebello Community Health Services, Inc.**Case No. 23-12360**

Attachment 29

Former Partners, Officers, Directors and Shareholders

Name	Address 1	City	State	Zip	Position and nature of any interest	Period during which position or interest was held
John Hsu, CPM, CCIM	Address On File				Treasurer	1/28/2020 - 12/31/2022
Julie France, MSN/ED	Address On File				Board Member	1/28/2020 - 12/31/2022
Monica Thornhill-Joynes, MD	Address On File				Board Member	1/28/2020 - 12/31/2022
Rosemary Orozco	Address On File				Board Member	10/23/2007 - 12/31/2022