IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re: Pacifica of the Valley Corporation,[1] Debtor.	Chapter 11 Case No. 26-11060 (TMH) **Re: Docket Nos. 13, 57, 148, 181**

SECOND NOTICE REGARDING AMENDED BUDGET AND EXTENSION OF SECOND INTERIM ORDER (I) AUTHORIZING THE DEBTOR TO (A) USE CASH COLLATERAL AND (B) GRANT LIENS AND SUPERPRIORITY ADMINISTRATIVE EXPENSE CLAIMS; (II) GRANTING ADEQUATE PROTECTION TO PREPETITION SECURED PARTIES; (III) SCHEDULING A FINAL HEARING; AND (IV) GRANTING RELATED RELIEF

The undersigned counsel for the above-captioned debtor and debtor in possession (the "Debtor") hereby provides notice that:

1. On July 7, 2026, the Debtor filed the *Debtor's Motion for Entry of Interim and Final Orders (I) Authorizing the Debtor to (A) Use Cash Collateral and (B) Grant Liens and Superpriority Administrative Claims; (II) Granting Adequate Protection to Prepetition Secured Parties; (III) Scheduling a Final Hearing; and (IV) Granting Related Relief* (the "Motion") [Docket No. 13].[2]

2. On July 9, 2026, the Court entered the *Interim Order (I) Authorizing the Debtor to (A) Use Cash Collateral and (B) Grant Liens and Superpriority Administrative Expense Claims; (II) Granting Adequate Protection to Prepetition Secured Parties; (III) Scheduling a Final Hearing; and (IV) Granting Related Relief* (the "Interim Cash Collateral Order") [Docket No. 57].

[1] The Debtor in this Chapter 11 Case, along with the last four digits of the Debtor's federal tax identification number, is 7312. The Debtor's mailing address is 9449 San Fernando Road, Sun Valley, CA 91352.

[2] All capitalized terms not otherwise defined herein are ascribed the meanings given in the Motion or the Second Interim Cash Collateral Order, as applicable.

2611060260921000000000003

3. On August 11, 2026, the Court entered the *Second Interim Order (I) Authorizing the Debtor to (A) Use Cash Collateral and (B) Grant Liens and Superpriority Administrative Expense Claims; (II) Granting Adequate Protection to Prepetition Secured Parties; (III) Scheduling a Final Hearing; and (IV) Granting Related Relief* (the "Second Interim Cash Collateral Order") [Docket No. 148].

4. On August 31, 2026, pursuant to Section 3 of the Second Interim Cash Collateral Order, the Debtor filed a *Notice Regarding Amended Budget and Extension of Second Interim Order (I) Authorizing the Debtor to (A) Use Cash Collateral and (B) Grant Liens and Superpriority Administrative Expense Claims; (II) Granting Adequate Protection to Prepetition Secured Parties; (III) Scheduling a Final Hearing; and (IV) Granting Related Relief* [Docket No. 181], evidencing an extension of consensual use of cash collateral through and including September 12, 2026.

5. The Debtor has continued discussions with the Prepetition Secured Parties and the Committee. All parties have consented to continued use of cash collateral through and including October 5, 2026, except that counsel to L.A. Care, who only has a contingent security interest in cash collateral, was not able to confirm with their client in advance of this filing. To the extent L.A. Care ultimately has issues with continued Cash Collateral use, counsel to both parties agreed to work toward a further resolution or seek further relief from the Court. Cash Collateral use shall be in accordance with the amended budget attached hereto as **Exhibit A**, which shall constitute the "Expiration Date" and the "Budget", respectively, for all purposes under the Second Interim Cash Collateral Order.

6. All other provisions and terms of the Second Interim Cash Collateral Order shall remain in full force and effect.

Dated: September 22, 2026

PACHULSKI STANG ZIEHL & JONES LLP

/s/ Laura Davis Jones

Laura Davis Jones (DE Bar No. 2436)
Timothy P. Cairns (DE Bar No. 4228)
919 North Market Street, 17th Floor
Wilmington, DE 19801
Tel: (302) 652-4100
Email: ljones@pszjlaw.com
tcairns@pszjlaw.com

-and -

DENTONS US LLP
Tania M. Moyron (admitted *pro hac vice*)
Samuel R. Maizel (admitted *pro hac vice*)
601 S. Figueroa Street #2500
Los Angeles, CA 90017
Telephone: (213) 623-9300
Facsimile: (213) 623-9924
Email: tania.moyron@dentons.com
samuel.maizel@dentons.com

John D. Beck (admitted *pro hac vice*)
Geoffrey Miller (admitted*pro hac vice*)
1221 Avenue of the Americas
New York, NY 10020-1089
Telephone: (212) 768-6700
Facsimile: (212) 768-6800
Email: john.beck@dentons.com
geoffrey.miller@dentons.com

Counsel to the Debtor and Debtor in Possession

Exhibit A

Pacifica of the Valley Corporation
3-Week Cash Flow Forecast

Week #	11	12	13
Week Ending	9/19/26	9/26/26	10/3/26
Actual / Forecast	Actual	Forecast	Forecast
I. Receipts			
1.) Government	$ 656,363	$ 560,000	$ 451,828
2.) Non-Government	113,970	130,507	130,544
3.) QAF	-	-	-
4.) Sale to LA Care of QAF	-	-	-
5.) DSH	-	-	-
6.) LACare	186,034	221,215	221,215
7.) Other	211,179	452,550	250,633
8.) **Total Receipts**	**$ 1,167,546**	**$ 1,364,273**	**$ 1,054,220**
II. Operating Disbursements			
9.) Payroll	$ 859,264	$ 687,062	$ 833,850
10.) Payroll Taxes	416,223	405,065	411,890
11.) Benefits	67,848	670,958	505,542
12.) Rent	-	-	646,240
13.) Supplies	106,409	141,519	136,550
14.) Pharmaceuticals	4,050	16,500	10,000
15.) Purchased Services	60,058	218,907	214,563
16.) Repairs and Maintenance	10,289	15,228	15,228
17.) Utilities	16,288	16,447	1,700
18.) Insurance	-	327,477	229,430
19.) QAF Fees	-	-	-
20.) Medical Professional Fees	8,622	30,000	105,000
21.) Other	1,000	50,000	50,000
22.) CapEx - Seismic and Opening Beds	-	-	334,989
23.) **Total Operating Disbursements**	**$ 1,550,050**	**$ 2,579,163**	**$ 3,494,982**
24.) **Net Operating Cash Flow**	**$ (382,503)**	**$ (1,214,890)**	**$ (2,440,762)**
III. Bankruptcy Related Disbursements			
25.) Professional Fees	$ 85,000	$ -	$ -
26.) UST Fees	-	-	-
27.) Other Non-Recurring	-	-	-
28.) **Total Non-Operating Disbursements**	**$ 85,000**	**$ -**	**$ -**
29.) **Net Cash Flow**	**$ (467,503)**	**$ (1,214,890)**	**$ (2,440,762)**
VI. Liquidity Summary			
30.) Beginning Cash Balance	$ 1,905,812	$ 1,438,309	$ 223,419
31.) Net Cash Flow	(467,503)	(1,214,890)	(2,440,762)
32.) DIP Draws	-	-	
33.) **Ending Cash Balance (1)**	**$ 1,438,309**	**$ 223,419**	**$ (2,217,344)**

(1) Cash balance does not reflect potential DIP financing