

9) *Provide a detailed timeline of all steps taken by the CCF board and any committee, any CCF executives and employees, Kauffman Hall and Associates concerning the proposed transaction including, but not limited to, discussions related to the CCF board's determination that a long-term strategy planning process was to be done and the hiring of Kauffman Hall and Associates, and the hiring of Mr. Noble as a "consultant." The timeline should include each step taken in the process, the date the step was taken/performed, and who was involved or who took the step.*

As just noted in response to item 8), Mr. Noble ("Noble") was not engaged as a consultant in connection with planning or implementing the proposed transaction. Rather, he commenced providing consulting services to CCF on an hourly basis pursuant to an agreement dated February 15, 1991, for specified services, including (i) interfacing and negotiating with investment, legal, insurance and accounting consultants; (ii) ensuring compliance with debt covenants and restrictions and health care regulatory matters, (iii) drafting and negotiating property purchases, leases, physician recruiting agreements and general Hospital contracts, (iv) contract preparation and review; and (v) directing Board approved litigation. This arrangement was changed to a fixed retainer arrangement by "Consulting Agreement" dated March 29, 2006 (Attached at Tab 2 – 3).

A timeline of the other matters follows:

- September 2017. After years of loss operations, offset only by QAF payments, with uncertainty as to the future of such QAF payments and health care reimbursement in general, and declining physician population in the area, Noble and Bahram Ghaffari, the CCF President ("BG"), decided that commencement of a strategic assessment and planning process relative to the future of the hospital was prudent and appropriate. Following consultation with CCF bond counsel, Orrick, Herrington & Sutcliffe, Mr. Noble contacted Steve Hollis of Kaufman Hall and Associates ("KH") relative to a potential engagement to assist CCF in this process. Following this initial contact, Noble, BG and Wes Bilson, a CCF member ("WB"), meet with Mr. Hollis and other KH representatives to further discuss process and approach. At the meeting KH presented its credentials and experience, together with a general discussion of approach and mechanics, as well as potential affiliation partners, including Dignity Health ("Dignity") and Adventist Health ("AH").
- October 3, 2017. KH delivers proposed engagement letter to Noble, outlining scope of services to be provided, together with recommendation for a "**structured and managed dialogue** with a small number of preselected potential partners rather than a wide flung 'auction' approach." AH and Dignity are identified as two potential affiliates. Letter went on to describe proposed affiliation process in detail.
- October 2017. Noble negotiates reduction in KH fee structure from that proposed in engagement letter.

- December 12, 2017. CCF board meets and, in executive session,³ discusses strategic alternatives, and adopts resolution authorizing and directing senior management to pursue strategic alternatives. Noble accepts KH proposal with revised fee structure.
- February 21, 2018. CCF board meets with KH representatives present. KH leads discussion of a strategic option exploration process as well as establishment of CCF affiliation goals and objectives, including consideration of a preliminary draft of a request for indications of interest, which provides for, among other things, requiring commitments to develop a birthing center, to maintain existing services and to re-build the medical staff.
- February 23, 2018. KH makes initial contacts with AH and Dignity to gauge interest in affiliating with CCF.
- February 23, 2018. CCF legal counsel drafts Nondisclosure Agreement, which KH sends to AH and Dignity with summary CCF financial information.
- February 26, 2018. AH and Dignity return signed NDAs.
- March 2018. KH, in consultation with Noble, BG, WB, and CCF legal counsel, begin process of preparing forms of request for indications of interest, to be sent to AH and Dignity.
- March 5, 2018. KH sends copies of request for indications of interest to Dignity and AH.
- March 6, 2018. KH provides background information on CCF to Dignity and AH.
- March 30, 2018. KH representatives, together with Noble, BG and WB meet with Dignity representatives. Discussion centers on CCF strategic planning process and reasons therefor, followed by questions and answers.
- April 5, 2018. KH representatives, together with Noble, BG and WB meet with AH representatives. Agenda and discussion comparable to that of Dignity meeting, above.
- April 18, 2018. Dignity and AH submit indications of interest to KH.
- April 18, 2018. CCF board meets. Noble and BG report on meetings with Dignity and AH. Meetings discussed commitments to maintain cash and investment in community, to maintain existing service lines, to enhance physician recruitment, and to protect existing CCF employees.

³ Owing to the sensitive nature of the subject matter, and the fact that the strategic planning process had not been disclosed to any staff (which, until general public announcement, was subsequently disclosed only to select employees who signed "Stay Agreements"), no note taker was present in executive session and no minutes taken. However, the board's approval to proceed with the planning process is reflected in a resolution, previously sent with the original notice and re-attached hereto as ____.

- April 26, 2018. KH prepares Proposal Summary, summarizing indications of interest received from Dignity Health and Adventist Health.
- May 4, 2018. KH representatives, together with Noble, BG and WB meet with AH representatives. Wide ranging discussion, including AH management objectives, relationship of local hospital advisory boards to system board, commitment to capital investment (including OB unit), information technology and conversion to Cerner system, existing Delano employee job security, and AH physician platforms suitable to growing CCF medical staff.
- May 2018. Terms of responses and additional materials concerning Dignity and AH reviewed during telephone calls with KH, Noble, BG, WB and legal counsel, ultimately leading to selection of AH as preferred affiliate, based on variety of factors, including: (i) Dignity in midst of affiliation with Catholic Health Initiatives, with potential for CCF affiliation to be ‘lost in shuffle;’ (ii) AH already has strong presence in Central Valley; (iii) AH has superior credit rating. KH orally requests Dignity to “hold” in process while discussions with other partner (i.e., AH) are further explored.
- May 17, 2017. KH prepares Process Planning and LOI Framing document to outline process going forward, including preparation of letter of intent, followed by telephone calls with KH, Noble, BG, WB and CCF legal counsel to discuss terms of letter of intent.
- May, 2017. AH submits initial due diligence request to KH for delivery to CCF.
- June 1, 2018. CCF legal counsel prepares initial draft of letter of intent (“LOI”), based on discussions with KH, Noble, BG and WB and comments of CCF board, and circulates among KH, Noble, BG and WB.
- Based on comments received, additional drafts of LOI prepared and circulated internally among KH and CCF group on June 6, June 14 and July 24.
- June 13, 2018. BG reports receipt of telephone calls from Dignity representative. KH advises representative to route all questions, discussions through them. Representative follows with three emails to KH advising: (i) that DH is in process of closing an additional IPA acquisition in Delano area, which IPA together with other IPAs controlled by Dignity accounts for substantial volume of DRMC admissions; (ii) that CHI affiliation is close to being finished without material change in Central Valley operations; and (iii) that Dignity has only full service pediatric program in area. These communications are discussed following day by KH, Noble, BG, WB and CCF legal counsel, leading to follow-up questions that KH presents to AH relative to Dignity IPA acquisition and AH’s general managed care philosophy.
- June 21, 2018. AH responds to questions raised by Dignity to satisfaction of KH, Noble, BG and WB.
- July 12, 2018. AH provides additional information in response to questions raised.

- July 13, 2018. KH, Noble, BG and WB meet with Dignity. Discussions focus on Dignity physician relationships in CCF market, and substantial completion of merger with CHI and impact of same on potential CCF affiliation.
- July 18, 2018. CCF board meets. Noble presents update on affiliation process, presenting additional information on both Dignity and AH, including credit downgrades, unionization and physician recruitment. Noble advises that next step is finalization of selection process followed by letter of intent.
- July 24, 2018. KH sends draft LOI to AH.
- August 6, 2018. Based on AH comments, CCF legal counsel prepares revised draft of LOI and recirculates.
- August 21, 2018. LOI executed by CCF and AH.
- September 13, 2018. Telephone call among KH, AH representatives and CCF legal counsel, in which approach to competitively sensitive due diligence materials and terms of “Clean Team” agreement reached. Electronic diligence room opened and Clean Team agreements signed. Diligence process continues through end of January 2019.
- September 19, 2018. CCF board meets. Noble reports that he, BG and WB have determined that AH would be best choice of affiliation partner and presents LOI to board. Board members request additional affiliation terms – namely, continued use of vacant land on hospital campus as community garden and prohibition on use of site of former VFW building for parking.
- September 27, 2018. Initial draft of Affiliation Agreement sent by AH to KH, who circulates it among Noble, BG, WB and CCF legal counsel, followed by telephone conferences among same to discuss.
- October 18, 2018. CCF legal counsel sends mark-up of Affiliation Agreement (including, among a variety of other things, the above comments from the CCF board relating to community garden and VFW site) to AH counsel. In addition to a variety of comments intended to decrease CCF burden of preparing disclosure schedules to reps and warranties through addition of materiality and knowledge qualifiers, main points for further negotiation are: (i) protection of existing CCF employees for at least an initial 180 day period following closing; (ii) scope of OB development commitment; (iii) AH request to approve new contracts and contract renewals pending closing; and (iv) scope of arbitration proceedings to resolve any disputes arising under the agreement.
- October 30, 2018. CCF legal counsel and AH legal counsel discuss proposed changes. Other than various changes to proposed reps and warranties intended to reduce burden of preparing disclosure schedules, primary points of difference relate to treatment of DRMC employees during first 180 days following affiliation, AH approval rights of contracts entered into/renewed prior to closing and use of arbitration procedure to resolve issues.

- November 6, 2018. Next draft of Affiliation Agreement circulated by AH legal counsel.
- November 7, 2018. Meeting held at KH offices in El Segundo with AH representatives and Noble, BG and WB, with CCF legal counsel attending by telephone. Primary purpose of meeting is to discuss scope of OB unit, but group also discussed issues relative to treatment of employees during initial period, proposed power of AH to approve new and renewed contracts, and arbitration remedy. Overall approaches to open issues agreed upon.
- November 14, 2018. Telephone conference between legal counsel for AH and CCF to discuss November 6 draft, particularly antitrust concerns relative to AH rights to approve new and renewed contracts. Proposed approaches to other issues discussed.
- November 15, 2018. Revised draft of Affiliation Agreement circulated by AH legal counsel.
- November 20, 2018. CCF legal counsel prepares mark-up of latest draft of Affiliation Agreement and circulates internally. Primary issue is contract approval issues.
- November 21, 2018. CCF legal counsel submits mark-up to AH legal counsel.
- November 26, 2018. CCF legal counsel submits two additional minor comments to AH legal counsel.
- November 27, 2018. AH legal counsel submits revised draft of Affiliation Agreement.
- November 29, 2018. CCF legal counsel emails additional minor substantive comments and other comments needed to finalize document.
- December 5, 2018. AH legal counsel sends revised draft of Affiliation Agreement, together with proposed amended and restated CCF bylaws.
- December 10, 2018. CCF board meets. Noble provides point-by-point review of draft Affiliation Agreement. Board considers and approves execution and delivery of draft Affiliation Agreement with such additional changes thereto that CEO finds to be in best interests of corporation.
- December 11, 2018. AH legal counsel sends proposed amended and restated articles of incorporation for CCF, to be adopted at closing by existing CCF board members changing CCF to religious corporation and referring to Adventist principles.
- December 12, 2018. With a view to avoiding potential concerns of CCF board members approving adoption of restated articles converting CCF to religious corporation with Adventist principles, CCF legal counsel proposes as an alternative simple bylaws amendment substituting AH for existing CCF members, effective at closing, with thought that AH could immediately post-closing appoint new CCF board members who could then adopt the desired articles.

- December 12, 2018. Schedule 3.1 to Affiliation Agreement describing obligation to build new OB unit approved.
- December 28, 2018. CCF legal counsel sends proposed revisions to Affiliation Agreement providing for bylaw amendment to be adopted at closing substituting AH for existing CCF members, together with proposed bylaw amendment and approving draft resolution, and forms of member resignations and board resignations to be effective at closing.
- January 2 and 3, 2019. AH and CCF legal counsel exchange final “clean-up” comments on Affiliation Agreement and final agreement is circulated for signature.
- January 4, 2019. Affiliation Agreement is signed.
- February 7 to 13, 2019. Review of draft notice to Attorney General by AH discloses disagreement relative to scope of CCF employee protection during initial 180 days following closing. Disagreement resolved by follow-up letter delivered by AH on February 13, 2019
- February 15, 2019. Notice of proposed transaction under Corporations Code Section 5920 sent to office of California Attorney General.
- February 27, 2019. CCF board meets and adopts resolution approving bylaw amendment appointing AH as sole member, effective at closing. Board members submit resignations, effective at closing. CCF members also submit resignations, effective at closing.