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14 *La Mesa Pediatrics*

15 **UNITED STATES BANKRUPTCY COURT**  
16 **SOUTHERN DISTRICT OF CALIFORNIA**

17 In re

18 BORREGO COMMUNITY  
19 HEALTH FOUNDATION,

20 Debtor and Debtor in  
21 Possession.

Case No. 22-02384-11

Chapter 11 Case

Judge: Honorable Laura S. Taylor

**STIPULATION REGARDING  
ASSUMPTION AND ASSIGNMENT  
OF LEASE WITH PHILIP D.  
SZOLD, M.D., INC. DBA LA MESA  
PEDIATRICS**

24 Borrego Community Health Foundation, the debtor and debtor in possession in  
25 the above-captioned case (the “Debtor”) and Philip D. Szold, M.D., Inc. dba La Mesa  
26 Pediatrics (“La Mesa Pediatrics” and collectively with the Debtor, the “Parties”),  
27  
28

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1 hereby enter into this *Stipulation Regarding the Assumption and Assignment of*  
2 *Debtor’s Lease with Philip D. Szold, M.D., Inc. dba La Mesa Pediatrics* (the  
3 “Stipulation”). In support of the Stipulation, the Parties refer to the following recitals:

4  
5 **RECITALS**

6 WHEREAS, on September 12, 2022, the Debtor filed a voluntary petition for  
7 relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”)  
8 commencing the above referenced bankruptcy case (the “Bankruptcy Case”) in the  
9 United States Bankruptcy Court for the Southern District of California (the “Court”);

10  
11 WHEREAS, La Mesa Pediatrics and the Debtor are parties to certain  
12 agreements (the “Agreements”) under which La Mesa Pediatrics agreed to provide  
13 pediatric care to Debtor's members and Debtor agreed to pay La Mesa Pediatrics for  
14 that care based on a specified compensation schedule;

15  
16 WHEREAS, on November 17, 2022, La Mesa Pediatrics filed Proof of Claim  
17 No. 126 in the amount of \$580,379.16 for pre-petition amounts owed by the Debtor  
18 to La Mesa Pediatrics under the Agreements;

19  
20 WHEREAS, on January 27, 2023, the Debtor filed a *Supplement to Notice to*  
21 *Counterparties to Executory Contracts and Unexpired Leases of the Debtor That May*  
22 *Be Assumed and Assigned* (“Supplemental Notice to Counterparties”) [Dkt. No. 409].

23  
24 The Supplemental Notice to Counterparties lists the Agreements with La Mesa  
25 Pediatrics (Internal Reference Nos. 15-17) that may be assumed and assigned to the  
26 winning bidder in connection with the sale of the Debtor’s assets. The Supplemental  
27  
28

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1 Notice to Counterparties lists a \$0 Cure Amount with respect to the Agreements;  
2  
3 WHEREAS, on February 10, 2023, La Mesa Pediatrics filed an Objection to  
4 Cure Amount [Dkt. No. 447], asserting that the Cure Amount with respect to the  
5 Agreement should be \$563,887;

6 WHEREAS, on February 16, 2023, the Debtor filed a *Notice of Executory*  
7 *Contracts and Unexpired Leases Designated by Desert Aids Project d/b/a DAP*  
8 *Health for Assumption and Assignment Re Debtor’s Bidding Procedures and Sale*  
9 *Motion* (“Notice of Designated Contracts”) [Dkt. No. 478]. The Notice of Designated  
10 Contracts, Exhibit A, Schedule 1.11(a), Designated Contract List, lists the  
11 Agreements with La Mesa Pediatrics (Internal Reference Nos. 240-272) to be  
12 assumed by the Debtor and assigned to DAP in connection with the Sale; and  
13  
14  
15

16 WHEREAS, the Parties subsequently met and conferred, and upon further  
17 review, have reached agreement that the correct and accurate amount of the Cure  
18 Amount owed to La Mesa Pediatrics under the Agreements is \$198,591 (the “Cure  
19 Amount”).  
20

21 **STIPULATION**

22 **NOW THEREFORE**, subject to approval of the Court, the Parties hereby  
23 agree and stipulate as follows:  
24

25 The Cure Amount due to La Mesa Pediatrics under the Agreements is \$198,591  
26 (one-hundred and ninety-eight thousand, five-hundred and ninety-one dollars and  
27 zero cents).  
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**IT IS SO STIPULATED.**

SEEN AND AGREED:

Dated: July 27, 2023

DENTONS US LLP  
SAMUEL R. MAIZEL  
TANIA M. MOYRON

By /s/ Tania M. Moyron  
Tania M. Moyron

Attorneys for the Chapter 11 Debtor and  
Debtor In Possession

AND

Dated: July 27, 2023

HANSON BRIDGETT LLP  
ANTHONY J. DUTRA

By: /s/ Anthony J. Dutra  
Anthony J. Dutra

Attorneys for Philip D. Szold, M.D.,  
Inc. dba La Mesa Pediatrics

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