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UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

In re:

PILGRIM MEDICAL CENTER, INC

Debtor.

Case No.: 16-15414

Chapter 11

Judge: Hon. Vincent F. Papalia, U.S.B.J.

**SMALL BUSINESS DEBTOR'S CHAPTER 11 COMBINED PLAN OF
REORGANIZATION AND DISCLOSURE STATEMENT**

This Combined Plan of Reorganization and Disclosure Statement is presented to you to inform you of the proposed Plan for restructuring the debt of Pilgrim Medical Center, Inc. and to seek your vote to accept the Plan.

You are encouraged to carefully review the full text of this document, including all exhibits and attachments, before deciding how to vote on the Plan. To assist you in your review, please note that a list of definitions and a section of frequently asked questions appear at the end of this document.

IN ADDITION TO CASTING YOUR VOTE TO ACCEPT OR REJECT THE PLAN, YOU MAY OBJECT TO THE ADEQUACY OF THE DISCLOSURES MADE IN THIS DOCUMENT, OR YOU MAY OBJECT TO THE TERMS OF THE PROPOSED PLAN. IF YOU WISH TO OBJECT TO THE ADEQUACY OF THE DISCLOSURES OR TO THE TERMS OF THE PROPOSED PLAN, YOU MUST DO SO BY [OBJECTION DATE/TIME TO BE DETERMINED BY THE COURT]:

YOUR BALLOT STATING HOW YOU ARE VOTING ON THE PLAN MUST BE RETURNED BY [Deadline]. THE BALLOT MUST BE MAILED TO THE FOLLOWING ADDRESS:

**David L. Stevens
Scura, Wigfield, Heyer & Stevens, LLP
P.O. Box 2031
1599 Hamburg Turnpike,
Wayne, NJ 07470**

A HEARING ON THE CONFIRMATION OF THE PLAN IS SCHEDULED FOR [HEARING DATE/TIME TO BE DETERMINED BY THE COURT] IN COURTROOM NO. 3D AT THE:

**United States Bankruptcy Court
Martin Luther King, Jr. Federal Building 50 Walnut Street
Newark, New Jersey**

Your rights may be affected by this Combined Plan and Disclosure Statement. You should consider discussing this document with an attorney.

PLAN PROPONENT:

Pilgrim Medical Center, Inc.,

By /s/ Nicholas V. Campanella
Nicholas V. Campanella

COUNSEL FOR THE DEBTOR

David L. Stevens, Esq.
Scura, Wigfield, Heyer & Stevens, LLP
P.O. Box 2031
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Dated: July 21, 2016

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SUMMARY OF THE PLAN AND DISTRIBUTIONS TO CREDITORS

ARTICLE 1 **BACKGROUND OF THE DEBTOR.**

1.1 Filing of the Debtor's Chapter 11 Case.

On March 22, 2016, Pilgrim Medical Center, Inc. (the "Debtor") filed a voluntary petition for relief under Chapter 11 of Title 11 of the United States Bankruptcy Code. This Chapter 11 case is pending in the United States Bankruptcy Court for the District of New Jersey.

1.2 Nature of the Debtor's Business.

The Debtor is the private practice of two Gynecologists in the performance and development of gynecological surgery. Pilgrim specializes in minor gynecological surgery and performs all services on an outpatient basis.

1.3 Debtor's Assets.

The Debtor's assets consist substantially of financial assets and accounts receivables. The Debtor leases its diagnostic, imaging, and more advanced medical equipment. The remaining business, office, and medical equipment which it does own is of minimal value.

As of the Petition Date the estimated value of the Debtor's assets were valued at \$60,861.47 and is itemized on the Schedule of Assets annexed hereto as **Exhibit "A"**. There has not been any significant change in the value of assets since the Petition Date.

1.4 Debtor's Liabilities

Debtor's Schedule of Liabilities is attached as **Exhibit "B"**.

1.5 Current and Historical Financial Conditions.

The Debtor's relevant financial data is evidenced by federal tax returns filed in previous years. The tax returns are attached as **Exhibit "C"**.

1.6 Events Leading to the Filing of the Bankruptcy Case.

This case was commenced in order to stay execution of a judgment entered against the Debtor as a result of a Law Against Discrimination ("LAD") claim brought by three former employees. The judgment was entered in the Superior Court of New Jersey, Essex County-Law

Division.¹ The plaintiffs in the action are three former employees of the Debtor who sought redress for alleged employment discrimination. A default judgment was entered against the Debtor on February 2, 2016. The Debtor was unable to post a bond to stay collection activity by the judgment creditors. In order to ensure that its business could continue to operate pending the appeal, the Debtor required the Automatic Stay provided for by this bankruptcy.

The Debtor filed a Notice of Appeal on March 15, 2016 (Case No.: A-002906-15T4) and cites to procedural irregularities as the reason why the case should be remanded (the “Appeal”). Its initial moving brief is due June 24, 2016 and a decision is anticipated before the end of 2016. Essentially, the plaintiffs alleged that the Debtor terminated their employment because of the plaintiffs’ pregnancy. The judgment was entered after the Debtor’s Answer was suppressed for failing to respond to discovery. The Debtor has retained special counsel to pursue malpractice claims against its former attorneys, which represented it in the LAD action. The Debtor asserts that its former attorneys are responsible for damages as a result of legal malpractice. In particular, there was no response to the plaintiffs’ motion to suppress the Answer, or defense at the proof hearing in which judgment was entered.

The Debtor also anticipates bringing an action against its insurance agent. The insurance agent did not disclose that insurance coverage was available which would have covered the particular type of LAD claim for which judgment was entered. The civil claims intended to be brought against the former attorneys and the insurance brokers are referred to collectively as the “Malpractice Claims”.

1.7 Significant Events During the Bankruptcy Case.

1. On March 23, 2016, the Debtor made application for and received First Day Orders:
 - a) Directing Credit Card Processors to Honor Processing Agreement with the Debtor Pending Assumption or Rejection Pursuant to 11 U.S.C. § 365 and 105 (a); and
 - b) Authorizing the Debtor to Pay Pre-Petition Wages and Administrative Obligations;
2. On March 23, 2016, the Debtor moved for an order determining that the appointment of a Healthcare Ombudsman pursuant to 11 U.S.C. § 333(a)(1) was inapplicable. The order granting the relief sought was entered on April 29, 2016.
3. On May 2, 2016 the Debtor obtained orders permitting the retention of Crew Schielke and Mark Faro as Special Counsel to the Debtor. Mr. Schielke will assist the Debtor in the appeal of the judgment referred to paragraph 1.6 above. Mr. Faro will assist the Debtor in prosecuting the malpractice actions referred to paragraph 1.6.
4. On May 19, 2016, the Debtor moved for an order appointing Gina Campanella as Special Counsel. The Debtor requires Ms. Campanella to continue her pre-petition role assisting the

¹ Jacqueline Jalil, Luisa Rojas, and Tania Mena v. Pilgrim Medical Center, Dr. Nicholas Campanella et al; ESX-L-7913-13.

Debtor with healthcare transactional work and regulatory law. An order permitting her retention has not been entered.

1.8 Projected Recovery of Avoidable Transfers

The Debtor did not identify any possible preference actions against creditors who have received payments within the 90 day period prior to the Petition Date. The Statement of Financial Affairs for Non-Individuals Filing for Bankruptcy (Doc Entry 23) includes a schedule of claims that were considered. After further investigation into each prospective claim, the Debtor believes that valid defenses did not make pursuing the claims a good business decision.

ARTICLE 2 **THE PLAN**

The Debtor's Plan must describe how its creditors will be paid. Certain claims are entitled to specific treatment under the Bankruptcy Code and are not placed in a class for purpose of payment. For example, Administrative Expenses and Priority Claims are not classified.

As required by the Code, the Plan places claims in various classes and describes the treatment each class will receive. The Plan also states whether each class of claims is impaired or unimpaired. A claim can be impaired if the Plan alters the legal, equitable, or contractual rights to which the holder of the claim is otherwise entitled. If the Plan is confirmed, each creditor's recovery is limited to the amount provided in the Plan.

Only creditors in classes that are impaired may vote on whether to accept or reject the Plan, and only creditors holding Allowed Claims may vote. A class accepts the Plan when more than one-half (1/2) in number and at least two-thirds (2/3) in dollar amount of the Allowed Claims that actually vote, vote in favor of the Plan. A class that is not impaired is deemed to accept the Plan.

2.1 Unclassified Claims.

Certain types of claims are automatically entitled to specific treatment under the Code. For example, Administrative Expenses and Priority Tax Claims are not classified. They are not considered to be impaired, and holders of such claims do not vote on the Plan. They may, however, object if, in their view, their treatment under the Plan does not comply with that required by the Code. As such, the Plan does not place the following Claims in any class:

A. Administrative Expenses

The Debtor must pay all Administrative Expenses in full. If an Administrative Expense is disputed, the Bankruptcy Court must determine the validity and amount of the Administrative Expense, or in other words, "allow" the Administrative Expense. Any Administrative Expense

that is undisputed and is due and owing on the Confirmation Date must be paid on the Effective Date of the Plan, or upon such other terms as agreed upon by the Debtor and the Administrative Expense is allowed by the Bankruptcy Court.

There are several types of Administrative Expenses, including the following:

1. If the Debtor receives goods or services in the ordinary course following his filing of the Chapter 11 Case, Creditors are entitled to be paid in full for the good or services provided. This debt incurred by the Debtor after Petition Date will be paid on an ongoing basis in accordance with the ordinary practices and terms between the Debtor and his Creditors.
2. If the Debtor received goods he has purchased in the ordinary course of business within 20 days before the Petition Date, the value of the goods received is an Administrative Expense.

The following chart lists the Debtor's estimated Administrative Expenses (excluding fees and expenses owed to professionals retained by the Debtor during the course of his bankruptcy proceedings), and their proposed treatment under the Plan:

Type	Estimated Amount Owed	Proposed Treatment
Expenses arising in the ordinary course of business after the Petition Date	\$0 (Debtor expects to remain current on all post-petition obligations)	Paid in full on the Effective Date, or according to the terms of the obligation, if later.
Administrative Tax Claim	\$0	Paid in full on the Effective Date, or according to separate written agreement.
The value of goods received in the ordinary course of business within 20 days before the Petition Date	\$1,345 (medical and office supplies)	Paid in full on the Effective Date, or according to the terms of the obligation, if later.
Clerk's Office fees	\$0.00	Paid in full on the Effective Date
Other Administrative Expenses	\$0.00	Paid in full on the Effective Date or according to separate written agreement.
United States Trustee Fees ²	\$650.00	Paid in full on the Effective Date.
TOTAL	\$1,995	

² All fees required to be paid by 28 U.S.C. § 1930(a)(6) ("United States Trustee Fees") will accrue and be timely paid until the case is closed, dismissed, or converted to another chapter of the Bankruptcy Code. Any United States Trustee Fees owed on or before the Effective Date of this Plan will be paid on the Effective Date

3. Administrative Expenses also include any post-petition fees and expenses allowed to professionals, including attorneys and accountants employed upon Bankruptcy Court authority to render services to the Debtor during the course of the Chapter 11 cases. These fees and expenses must be noticed to Creditors and approved by the Bankruptcy Court prior to payment

The following chart lists the Debtor's estimated fees and expenses owed to professionals, and their proposed treatment under the Plan:

Name/Role of Professional	Estimated Amount Owed	Proposed Treatment
Scura, Wigfield, Heyer & Stevens, LLP 1599 Hamburg Turnpike Wayne, NJ 07470	\$25,000.00	Paid in full on the Effective Date, or according to the terms of a separate written agreement.
TOTAL	\$25,000.00	

B. Priority Tax Claims.

Priority Tax Claims are unsecured income, employment, and other taxes described by § 507(a)(8) of the Code. Unless the holder of such a § 507(a)(8) Priority Tax Claim agrees otherwise, it must receive the present value of such Claim, in regular installments paid [with interest as determined by applicable non-bankruptcy law] over a period not exceeding 5 years from the order of relief. The Debtor does not owe any pre-petition priority taxes.

2.2 Classes of Claims.

The following are the classes set forth in the Plan, and the proposed treatment that they will receive under the Plan:

A. Classes of Secured Claims

Allowed Secured Claims are Claims secured by property of the Debtor's bankruptcy estate (or that are subject to setoff) to the extent allowed as secured Claims under § 506 of the Code. If the value of the collateral or setoffs securing the Creditor's Claim is less than the amount of the Creditor's Allowed Claim, the deficiency will be classified as a general unsecured Claim; provided, however, that the Debtor may modify a claim secured by a security interest in real property that is his or her principle residence.

Secured Claims are subject to the following treatment:

Collateral to be Surrendered: The Debtor will surrender the collateral securing the Secured Creditor's Claim on the Effective Date of the Plan. The Confirmation Order shall constitute an order granting relief from the automatic stay permitting the Secured Creditor to possess and dispose of their collateral. Any secured claim is deemed satisfied in full through surrender of the collateral. Any deficiency claim is a general unsecured claim. A Class of secured claims receiving this treatment is not impaired and is not entitled to vote on confirmation of the Plan.

Rights Unaltered: The Debtor will leave unaltered the Secured Creditor's contractual, legal, and equitable rights with respect to its collateral. A Class of secured claims receiving this treatment is unimpaired and is not entitled to vote on confirmation of the Plan.

Continue Regular Monthly Payment and Pay Arrears Over Time: The Debtor will pay the entire amount due by making all post-confirmation regular monthly payments, and by paying all pre-confirmation arrears (including attorneys' fees and late charges) with interest. Secured Creditors in a Class receiving this treatment may not possess or dispose of their collateral so as long as the Debtor is not in material default in performing his obligations under that Plan. A Class of secured claims receiving this treatment is impaired and is entitled to vote on confirmation of the Plan.

Pay Amount Due in Full Over Time: The Debtor will pay the entire amount with due interest through equal monthly payments. Secured Creditors in a class receiving this treatment may not possess or dispose of their collateral so long as the Debtor is not in material default in performing his obligation under the Plan. A Class of secured claims receiving this treatment is impaired and is entitled to vote on confirmation of the Plan.

Pay Value of Collateral Over Time: The Debtor will pay the amount of the underlying debt that is equal to the value of the collateral. The Debtor will pay this amount with interest from the Effective Debt of the plan through equal monthly payments.

If a lienholder disputes the value of the collateral asserted by the Debtor, such lienholder must timely file an objection to confirmation, or the value stated by the Debtor will be determined to be the value of the collateral. Such objection shall be accompanied by competent evidence of value, which need not include an appraisal. If the value of the collateral is disputed, the Bankruptcy Court, after consultation with the parties, will schedule a hearing for a determination of value of the collateral.

Secured Creditors in a Class receiving this treatment may not possess or dispose of their collateral so long as the director is not in material default in performing his obligations under the Plan. A Class of secured claims receiving this treatment is impaired and entitled to vote on confirmation of the plan.

1. Classes of Secured Claims

Secured claims are claims secured by liens on property of the estate. The Debtor does not have any secured pre-petition claims.

2. Classes of General Unsecured Claims

General unsecured claims are unsecured claims not entitled to priority under Code Section 507(a). These claims are to be treated as follows:

<u>CLASS#</u>	<u>DESCRIPTION</u>	<u>IMPAIRED (Y/N)</u>	<u>TREATMENT</u>
1	Class One are holders of General Unsecured Claims, including allowed deficiency claims of creditors in prior classes and the claims of Creditors not otherwise classified under the Plan.	No	<p>The Debtor will pay a total of 100% of the dollar amount owed to holder of Class One claims, along with interest of 1% per annum, on the total undisputed, liquidated, non-contingent claims as scheduled or filed, subject to timely objection to the validity or extent of each claim (the "Allowed Unsecured Claims"). The Debtor will make payments to the Disbursing Agent as follows:</p> <p>1) Commencing on the first of the month following the Effective Date of the Plan and quarterly thereafter until a decision is rendered on the Appeal (referred to in paragraph 1.6 above), the Debtor will make payments to the Disbursing Agent in the amount of \$4,000; and thereafter 2) commencing on the first of the month following the date a decision is rendered on the Appeal and quarterly thereafter for twelve consecutive quarters, the Debtor will make payments to the Disbursing Agent in the amount of \$8,000; and thereafter 3) on the first day of the following quarter and continuing until all Allowed Unsecured Claim are paid in full, along with interest of 1% per annum, the Debtor will make quarterly payments of the remaining balance to the Disbursing Agent.</p> <p>The Disbursing Agent shall not distribute the funds so paid by the Debtor to the holders of Allowed Unsecured Claims until the first of the month following the decision is made on the Appeal (referred to in paragraph 1.6 above) and then quarterly thereafter during the life of the Plan. If a creditor under this Class entered into a stipulation with the Debtor, the unsecured claim will be paid pursuant to that stipulation.</p>

3. **Classes of Interest Holders**

Interest Holders are the parties who hold ownership interest (i.e., equity interest) in the Debtor. If the Debtor is a corporation, entities holding preferred or common stock in the Debtor are interest holders. If the Debtor is a partnership, the interest holders include both general and limited partners. If the Debtor is an individual, the Debtor is the interest holder.

<u>CLASS#</u>	<u>DESCRIPTION</u>	<u>IMPAIRED</u> (Y/N)	<u>TREATMENT</u>
<u>28</u>	Nicholas V. Campanella (100% shareholder)	No	The Interest Holder will retain his equity interest in the Debtor and Reorganized Debtor.

2.3 **Estimated Number and Amount of Claims Objections.**

The Debtor may object to the amount or validity of any Claim within 90 days of the Confirmation Date by filing an objection with the Bankruptcy Court and serving a copy of the objection on the holder of the Claim. The Claim objected to will be treated as a Disputed Claim under the Plan. If and when a Disputed Claim is finally resolved by the allowance of the Claim in whole or in part, the Debtor will pay the Allowed Unsecured Claims in accordance with the Plan.

At this time, the Debtor does not anticipate objecting to claims.

2.4 **Treatment of Executory Contracts and Unexpired Leases.**

Executory Contracts are contracts where significant performance of the contract remains for both the Debtor and another party to the contract. The Debtor has the right to reject, assume (i.e. accept), or assume and assign these types of contracts to another party, subject to the Bankruptcy Court's approval. The paragraphs below explain the Debtor's intentions regarding its Executory Contracts (which include its unexpired leases) and the impact such intentions would have on other parties to the contracts.

The Debtor intends to assume the executory contracts and unexpired lease which are identified on Schedule G: Executory Contracts and Unexpired Leases (Doc Entry 23). On the Effective Date, each of the unexpired leases and executory contracts identified shall be assumed as obligations of the Reorganized Debtor. The Order of the Court confirming the Plan shall

constitute an Order approving the assumption of each unexpired lease and/or executory contract. If you are a party to a lease or contract to be assumed and you object to the assumption of your lease or contract, you must file and serve your objection to the Plan within the deadline for objecting to the confirmation of the Plan.

If you object to the assumption of your unexpired lease or executory contract, the proposed cure of any defaults, or the adequacy of assurance of future performance, you must file and serve your objection to the assumption within the deadline for objecting to the confirmation of the plan, unless the Bankruptcy Court has set an earlier time.

On the Effective Date, all Executory Contracts and Unexpired Leases, except for those specifically assumed by the Debtor in writing or previously assumed by Court Order, shall be deemed rejected.

The order confirming the Plan shall constitute an order approving the rejection of the lease or contract. If you are a party to a contract or lease to be rejected and you object to the rejection of your contract or lease, you must file and serve your objection to the Plan within the deadline for objecting to the confirmation of the Plan.

THE BAR DATE FOR FILING A PROOF OF CLAIM BASED ON A CLAIM ARISING FROM THE REJECTION OF A LEASE OR CONTRACT IS FIXED BY D.N.J. LBR 3003-1(b). Any claim based on the rejection of an executory contract or unexpired lease will be barred if the proof of claim is not timely filed, unless the Court later orders otherwise.

2.5 Means for Implementation of the Plan.

This Plan will be funded from recoveries realized from the Malpractice Claims and through the net cash-flow of the reorganized Debtor. The Debtor shall also retain the option of making accelerated payments to all classes and early completion of the Plan.

On Confirmation of the Plan, all property of the Debtor, tangible and intangible, including, without limitation, licenses, furniture, fixtures, and equipment, will revert, free and clear of all Claims and Equitable Interests except as provided in the Plan, to the Debtor. The Debtor expects to have sufficient cash on hand to make the payments required on the Effective Date.

As provided in Paragraph 2.1 of this Combined Plan and Disclosure Statement, all United States Trustee Fees accrued prior to the Effective Date shall be paid in full, on or before the Effective Date, by the Debtor or any successor to the Debtor. All United States Trustee Fees which accrue post-Effective Date shall be paid in full on a timely basis by the Debtor or any successor to the Debtor prior to the Debtor's case being closed, converted, or dismissed.

The Debtor believes that he will have enough cash on hand on the Effective Date of the Plan to pay all the Claims and expenses that are entitled to be paid on that date.

2.6 Disbursing Agent.

Anthony T. Van Grouw, CPA, EA, whose business address is 552 High Mountain Road, Suite 2, North Haledon, New Jersey 07508 (the "Disbursing Agent") shall act as the disbursing agent for the purpose of making all distributions provided for under the Plan. The Disbursing Agent shall serve without bond and shall receive regular hourly rates for distribution services rendered and expenses incurred pursuant to the Plan.

2.7 Tax Consequences of Plan

A. Tax Consequences of Plan

CREDITORS AND INTEREST HOLDERS CONCERNED WITH HOW THE PLAN MAY AFFECT THEIR TAX LIABILITY SHOULD CONSULT WITH THEIR OWN ACCOUNTANTS, ATTORNEYS, AND/OR ADVISORS.

The following disclosure of possible tax consequences is intended solely for the purpose of alerting readers to possible tax issues this Plan may present to the Debtor. The Proponent CANNOT and DOES NOT represent that the tax consequences contained below are the only tax consequences of the Plan because the Tax Code embodies many complicated rules which make it difficult to state completely and accurately all the tax implications of any action.

Generally speaking, a holder of a Claim which is subject to taxation in the United States (a "Taxpayer-Claimant") will realize income or loss for federal and state income tax purposes if its Claim is paid, unless such income or loss has previously been recognized, to the extent that such a payment would have created income or loss if paid by the Debtors outside the jurisdiction of the Bankruptcy Court.

A Taxpayer-Claimant which receives nothing or less than the full amount with respect to its Claim will realize a loss for federal and state income tax purposes to the extent that the Taxpayer-Claimant's tax basis in the Claim exceeds its recovery, except to the extent that a loss with respect to such Claim has previously been recognized.

There are complex issues which arise whenever debt is not paid in full, and only a limited summary of the rules can be given here. Taxpayer-Claimants should consult with their own tax advisors as to the impact of these rules on their particular situation.

2.8 Risk Factor/Mitigating Factors

- This plan is subject to, but not necessarily limited to, the continuation of business and profits sufficient to meet plan obligations.
- Loss of the Debtor's clientele.
- Regulatory changes that inhibit the Debtor from continuing business operations.
- Unexpected litigation against the Debtor.
- Unexpected acts of God.
- Increased competition.
- Unanticipated spikes in insurance costs.

**ARTICLE 3
FEASIBILITY OF PLAN.**

The Bankruptcy Court must find that confirmation of the Plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the Debtor or any successor to the Debtor, unless such liquidation or reorganization is proposed in the Plan.

3.1 Ability to Initially Fund Plan.

The Debtor will have enough cash on hand on the Effective Date of the Plan to pay all the Claims and expenses that are entitled to be paid on that date. Tables showing the amount of cash on hand on the Effective date of the Plan, and the sources of that cash, are attached hereto as **Exhibit "D"**.

3.2 Ability to Make Future Plan Payments Without Further Reorganization.

The Plan Proponent must also show that it will have enough cash over the life of the Plan to make the required Plan payments.

Annexed hereto as Exhibit "C", is the Debtor's 2014 & 2015 tax returns and financial history which is evidence of the Debtor's projected income. As the tax returns demonstrate, the Debtor will be able to pay its financial obligations as they come due, including tax obligations, and generate a profit.

You Should Consult with Your Accountant or other Financial Advisor If You Have Any Questions Pertaining to These Projections.

ARTICLE 4
LIQUIDATION VALUATION

To confirm the Plan, the Bankruptcy Court must find that all creditors who do not accept the Plan will receive at least as much under the Plan as such creditors would receive in chapter 7 liquidation. The Plan will pay a total of 100% of the dollar amount owed to its creditors, and thus a liquidation analysis will not be necessary.

ARTICLE 5
DISCHARGE

5.1 Discharge

The Plan provides that upon confirmation of the Plan, the Debtor shall be discharged of liability for payment of debts incurred before confirmation of the Plan, to the extent specified in 11 U.S.C. '1141. However, any liability imposed by the Plan will not be discharged. If Confirmation of the Plan does not occur or if, after Confirmation occurs, the Debtor elects to terminate the Plan, the Plan shall be deemed null and void. In such event, nothing contained in the Plan shall be deemed to constitute a waiver or release of any claims against the Debtor or its estate or any other persons, or to prejudice in any manner the rights of the Debtor or its estate or any person in any further proceeding involving the Debtor or its estate. The Debtor does reserve the right to make accelerated Plan payments to any or all classes, but the amount provided to be paid to any and all classes will not deviate from that amount stated to be paid to each class as provided for in the Plan.

The provisions of the Plan shall be binding upon Debtor, all Creditors and all Equity Interest Holders, regardless of whether such Claims or Equity Interest holders are impaired or whether such parties accept the Plan, upon Confirmation thereof.

ARTICLE 6
GENERAL PROVISIONS.

6.1 Title to Assets.

Except as otherwise provided in the Plan or in the order confirming the Plan (i) confirmation of the Plan vests all of the property of the estate in the Debtor, and (ii) after confirmation of the Plan, the property dealt with by the Plan is free and clear of all Claims of Creditors of the Debtor.

6.2 Binding Effect

If the Plan is confirmed, the provisions of the Plan will bind the Debtor and all Creditors, whether or not they accept the Plan. The rights and obligations of any entity named or referred to in this Plan will be binding upon, and will inure to the benefit of the successors or assigns of such an entity.

6.3 Severability

If any provision in this Plan is determined to be unenforceable, the determination will in no way limit or affect the enforceability and operative effect of any other provision of this Plan.

6.4 Retention of Jurisdiction by the Bankruptcy Court

The Bankruptcy Court shall retain jurisdiction of this case with regard to the following matters: (i) to make such orders as are necessary or appropriate to implement the provisions of this Plan and to resolve any disputes arising from the implementation of the Plan; (ii) to rule on any modification of the plan proposed under section 1127; (iii) to hear and allow all applications for compensation to professionals and other Administrative Expenses; (iv) to resolve all issues regarding Claims objections, and issues arising from the assumptions/rejection of executory contracts or unexpired leases, and (v) to adjudicate any cause of action which may exist in favor of the Debtor, including preference and fraudulent transfer causes of action.

6.5 Captions

The headings contained in this Plan are for conveniences of reference only and do not affect the meaning or interpretation of this Plan.

6.6 Modification of Plan

The Plan Proponent may modify the Plan at any time before confirmation of the Plan. However, the Bankruptcy Court may require a new disclosure statement and/or re-voting on the plan

Upon request of the Debtor, the United States Trustee, or the holder of an allow unsecured claim, the Plan may be modified at any time after the confirmation of the Plan, but before the completion of payments under the Plan, to (1) increase or reduce the amount of payments under the Plan on claims of a particular class, (2) extend or reduce the time period for such payments, or (3) alter the amount of distribution to a Creditor whose claim is provided for by the Plan to the extent necessary to take account of any payment of the claim made other than under the Plan.

6.7 Final Decree.

Once the estate has fully been administered, as provided in Rule 3022 of the Federal Rules of Bankruptcy procedure, the Plan Proponent, or such other party as the Bankruptcy Court shall designate in the Plan Confirmation Order, shall file a motion with the Bankruptcy Court to obtain a final decree to close the case. Alternatively, the Bankruptcy Court may enter such a final decree on its own motion.

6.8 Material Default Defined.

If the Debtor fails to make any payment required under the Plan, or to perform any other obligation required under that Plan for more than 14 days after the time specified in the Plan, the affected Creditor may serve upon the Debtor and the Debtor's attorney (if any) a written notice of default. The Debtor is in material default under the Plan if the Debtor fails within 21 days of service of such notice of default, plus three additional days if served by mail, either: (i) to cure the fault; or (ii) to obtain from the Bankruptcy Court an extension of time to cure the default or a determination that no default occurred.

ARTICLE 7 ATTACHMENTS

The following documents accompany the Combined Plan and Disclosure Statement [check those applicable, and list any other attachments here]:

- [x] Debtor's Assets, annexed as Exhibit A
- [x] Debtor's Liabilities, annexed as Exhibit B
- [x] Debtor's 2014 & 2015 Federal Tax Returns, annexed as Exhibit C
- [x] Debtor's Cash on Hand on the Effective Date, annexed as Exhibit D

ARTICLE 8 FEQUENTLY ASKED questions

What Is Pilgrim Medical Center, Inc. Attempting to Do in Chapter 11? Chapter 11 is the principal reorganization chapter of the Bankruptcy Code. Under Chapter 11, a Debtor attempts to restructure the claims held against it. Formulation and confirmations of a plan however, a debtor may propose a liquidating plan under Chapter 11. The plan is legal document which sets forth the manner and the means by which holders of claims against a debtor will be treated.

If the Plan of Reorganization Is the Document That Governs How a Claim Will Be Treated, Why Am I Receiving This Combined Plan and Disclosure Statement? In order to confirm a plan of reorganization [or liquidation], the Bankruptcy Code requires that a debtor solicit acceptances of a proposed plan, which it is doing with this Combined Plan and Disclosure Statement. If the creditors are satisfied with the information provided in the Plan and the terms of

the Plan as proposed, and have voted for the Plan and returned the requisite number of ballots to counsel for the Debtor, the Bankruptcy Court may confirm the Plan as proposed by the Debtor.

How Do I determine Which Class I Am In? To determine the class of your claim or interest, you must first determine whether your claim is secured or unsecured. Your claim is secured if you have a validly perfected security interest in collateral owned by the Debtor. If you do not have any collateral, your claim is unsecured. The Table of Contents will direct you to the treatment provided to the class in which you are grouped. The pertinent section of the Plan dealing with that class will explain, among other things, who is in that class, what is the size of the class, what you will receive if the Plan is confirmed. Section Two, Paragraph Two lists all classes of claimants and their types of claims.

Why Is the Confirmation of a Plan of Reorganization Important? Confirmation of the Plan is necessary because if the Plan is confirmed, the Debtor and all of his creditors are bound by the terms of the Plan. If the Plan is not confirmed, the Debtor may not pay creditors as proposed in the Plan while the Debtor remains in bankruptcy.

What Is Necessary to confirm a Plan of Reorganization? Confirmation of the Plan requires, among other things, the vote in favor of the Plan of two-thirds in total dollar amount and a majority in number of claims actually voting in each voting class. If the vote is insufficient, the Bankruptcy Court can still confirm the Plan, but only if certain additional elements regarding the ultimate fairness of the Plan the creditors are shown.

Am I Entitled to Vote on the Plan? Any creditor of the Debtor whose claim is IMPAIRED under the Plan is entitled to vote, if either (i) the creditor's claim has been scheduled by the Debtor and such claim is not scheduled as disputed, contingent, or unliquidated, or (ii) the creditor has filed a proof of claim on or before the late date set by the Bankruptcy Court for such filings. Any claim to which an objection has been filed (and such objection is still pending) is entitled to vote, unless the Bankruptcy Court temporarily allows the creditor to vote upon the creditor's motion. Such motion must be heard and determined by the Bankruptcy Court prior to the date established by the Bankruptcy Court to confirm the Plan.

How Do I Determine Whether I am in an Impaired Class? Section 2.2 of the Plan identifies the classes of creditors whose claims are impaired. If your claim is impaired, your vote will be considered by the Bankruptcy Court.

When Is the Deadline by Which I need to Return My Ballot? The Plan is being distributed to all claim holders for their review, consideration, and approval. The deadline by which ballots must be returned is _____. Ballots should be mailed to the following address:

David L. Stevens, Esq.
Scura, Wigfield, Heyer & Stevens, LLP
1599 Hamburg Turnpike

Wayne, New Jersey 07470

How Do I Determine When and How Much I Will be Paid? In Section 2.2, the Debtor has provided both written and financial summaries of what it anticipates each class of creditors will receive under the plan.

ARTICLE 9

DEFINITIONS

9.1 The definitions and rules of construction set forth in §§101 and 102 of the Bankruptcy Code shall apply when terms defined or constructed in the Code are used in this Plan. The definitions the follow that are found in the Code are for convenience of reference only, and are superseded by the definitions found in the code.

9.2 Administrative Claimant: Any person entitled to payment of an Administration Expense.

9.3 Administrative Convenience Class: A class consisting of every unsecured claim that is less than or reduced to an amount that the Bankruptcy Court approves as reasonable and necessary for administrative convenience.

9.4 Administrative Expense: Any cost or expense of administration of the Chapter 11 case entitled to priority under Section 507(a)(2) of Code and allowed under section 503(b) of the Code, including without limitation, any actual necessary expenses of preserving the Debtor's estate, any actual and necessary expenses incurred following the filing of the bankruptcy petition by the Debtor-in-Possession, allowances of compensation or reimbursement of expenses to the extent allowed by the Bankruptcy Court under the Bankruptcy Code, and any fees or charges assessed against the Debtor under Chapter 123, Title 28, United States Code.

9.5 Administrative Tax Claim: Any tax incurred pursuant to Section 503(b)(1)(B) of the Code

9.6 Allowed Claim: Any claim against the Debtor pursuant to Section 502 of the Code to the extent that: (a) Proof of Claim was either timely filed or was filed late with leave of the Bankruptcy Court or without objection by the Debtor, and (b) as to which either (i) a party interest, including the Debtor, does not timely file an objection or (ii) is allowed by a Final Order.

9.7 Allowed Priority Tax Claim: A Priority Tax Claim to the extent that it is or has become an Allowed Claim, which in any event shall be reduced by the amount of any offsets, credits, or refunds to which the Debtor or Debtor-in-Possession shall be entitled on the Confirmation Date.

9.8 Allowed Secured Claim: Allowed Secured Claims are claims secured by property of the Debtor's bankruptcy estate (or that are subject to setoff) to the extent allowed as secured claims under §506 of the Code.

9.9 Allowed Unsecured Claim: An Unsecured Claim to the extent it is, or has become, an Allowed Claim, which in any event shall be reduced by the amount of any offsets,

credits, or refunds to which the Debtor or Debtor-in-Possession shall be entitled on the Confirmation Date.

9.10 Bankruptcy Code or Code: The Bankruptcy Reform Act of 1978, as amended and codified as Title 11, United States Code.

9.11 Bankruptcy Court: The United States Bankruptcy Court for the District of New Jersey.

9.12 Bankruptcy Rules: The Federal Rules of Bankruptcy Procedure

9.13 Cash: Cash, cash equivalents and other readily marketable securities or instruments issued by a person other than the Debtor, including, without limitation, readily marketable direct obligations of the United States of America, certificates of deposit issued by banks and commercial paper of any entity, including interest accrued or earned thereon.

9.14 Chapter 11 Case: This case under chapter 11 of the Bankruptcy Code in which Pilgrim Medical Center is the Debtor.

9.15 Claim: Any “right to payment from the Debtor whether or not such a right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured; or any right to an equitable remedy for future performance if such breach gives rise to a right of payment from the Debtor, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, disputed, undisputed, secured, or unsecured.” 11 U.S.C. § 101(5).

9.16 Class: A category of holders of claims or interests which are substantially similar to the other claims or interests in such class.

9.17 Committee: Any Committee of Creditors appointed by the United States Trustee in the chapter 11 case pursuant to Section 1102 of the Bankruptcy Code.

9.18 Confirmation: The entry by the Bankruptcy Court of an order confirming this Combined Plan and Disclosure Statement.

9.19 Confirmation Date: The Date upon which the Bankruptcy Court shall enter the Confirmation Order; provided however, that if on motion the Confirmation Order or consummation of the Plans is stayed pending appeal, then the Confirmation Date shall be the entry of the Final Order vacating such stay or the date on which such stay expires and is no longer in effect.

9.20 Confirmation Hearing: The hearing to be held on ____, 20__ to consider confirmation of the Plan.

9.21 Confirmation Order: An order of the Bankruptcy Court or any amendment thereto confirming the Plan in accordance with the provisions of Chapter 11 of the Bankruptcy Code.

9.22 Creditor: Any person who has a Claim against the Debtor that arose on or before the Petition Date.

9.23 Debtor and Debtor-in-Possession: Pilgrim Medical Center, Inc. is the Debtor and debtor-in-possession in this Chapter 11 Case.

9.24 Disclosure Statement: The Disclosure Statement served by the Plan Proponent in connection with this Plan.

9.25 Disputed Claim: Any claim against the Debtor pursuant to Section 502 of the Code that the Debtor has in any way objected to, challenged or otherwise disputed.

9.26 Distributions: The property required by the plan to be distributed to the holders of Allowed Claims.

9.27 Effective Date: The effective date shall be the date on which the order of confirmation becomes final

9.28 Executory Contracts: All unexpired leases and executory contracts as described in Section 365 of the Bankruptcy Code.

9.29 Final Order: An order or judgment of the Bankruptcy Court that has not been reversed, stayed, modified, or amended and as to which (a) any appeal that has been taken has been finally determined or dismissed, or (b) the time for appeal has expired and no notice of appeal has been filed.

9.30 IRC: The Internal Revenue Code

9.31 Petition Date: December 24, 2014, the date the Chapter 11 petition for relief was filed.

9.32 Plan This Combined Plan and Disclosure Statement, either in its present form or as it may be altered, amended, or modified from time to time.

9.33 Plan Proponent: The individual or entity that has filed this Combined Plan and Disclosure Statement.

9.34 Priority Tax Claim: Any Claim entitled to priority in payment under Section 507(a)(8) of the Bankruptcy Code.

9.35 Reorganized Debtor: The Debtor after the Effective Date.

9.36 Schedules: Schedules and Statement of financial Affairs, as amended, filed by the Debtor with the Bankruptcy Court listing liabilities and assets.

9.37 Secured Creditor: Any Creditor that holds a Claim that is secured by property of the Debtor.

9.38 Unsecured Creditor: Any Creditor that holds a Claim in the Chapter 11 case which is not a secured Claim.

EXHIBIT “A”

Fill in this information to identify the case:

Debtor name **Pilgrim Medical Center, Inc.**United States Bankruptcy Court for the: **DISTRICT OF NEW JERSEY**Case number (if known) **16-15414**☐ Check if this is an amended filing

Official Form 206A/B

Schedule A/B: Assets - Real and Personal Property

12/15

Disclose all property, real and personal, which the debtor owns or in which the debtor has any other legal, equitable, or future interest. Include all property in which the debtor holds rights and powers exercisable for the debtor's own benefit. Also include assets and properties which have no book value, such as fully depreciated assets or assets that were not capitalized. In Schedule A/B, list any executory contracts or unexpired leases. Also list them on *Schedule G: Executory Contracts and Unexpired Leases* (Official Form 206G).

Be as complete and accurate as possible. If more space is needed, attach a separate sheet to this form. At the top of any pages added, write the debtor's name and case number (if known). Also identify the form and line number to which the additional information applies. If an additional sheet is attached, include the amounts from the attachment in the total for the pertinent part.

For Part 1 through Part 11, list each asset under the appropriate category or attach separate supporting schedules, such as a fixed asset schedule or depreciation schedule, that gives the details for each asset in a particular category. List each asset only once. In valuing the debtor's interest, do not deduct the value of secured claims. See the instructions to understand the terms used in this form.

Part 1: Cash and cash equivalents

1. Does the debtor have any cash or cash equivalents?

- ☐ No. Go to Part 2.
☒ Yes Fill in the information below.

All cash or cash equivalents owned or controlled by the debtor

Current value of debtor's interest

3. Checking, savings, money market, or financial brokerage accounts (Identify all)

Name of institution (bank or brokerage firm)

Type of account

Last 4 digits of account number

3.1. **Valley National Bank, N.A.****Checking****\$18,156.47**

4. Other cash equivalents (Identify all)

5. Total of Part 1.

Add lines 2 through 4 (including amounts on any additional sheets). Copy the total to line 80.

\$18,156.47

Part 2: Deposits and Prepayments

6. Does the debtor have any deposits or prepayments?

- ☒ No. Go to Part 3.
☐ Yes Fill in the information below.

Part 3: Accounts receivable

10. Does the debtor have any accounts receivable?

- ☐ No. Go to Part 4.
☒ Yes Fill in the information below.

11. Accounts receivable

11a. 90 days old or less:

82,610.00

-

41,305.00 =**\$41,305.00**

face amount

doubtful or uncollectible accounts

Debtor Pilgrim Medical Center, Inc.
Name

Case number (If known) 16-15414

12. **Total of Part 3.**

Current value on lines 11a + 11b = line 12. Copy the total to line 82.

\$41,305.00

Part 4: Investments

13. **Does the debtor own any investments?**

- ☒ No. Go to Part 5.
☐ Yes Fill in the information below.

Part 5: Inventory, excluding agriculture assets

18. **Does the debtor own any inventory (excluding agriculture assets)?**

- ☒ No. Go to Part 6.
☐ Yes Fill in the information below.

Part 6: Farming and fishing-related assets (other than titled motor vehicles and land)

27. **Does the debtor own or lease any farming and fishing-related assets (other than titled motor vehicles and land)?**

- ☒ No. Go to Part 7.
☐ Yes Fill in the information below.

Part 7: Office furniture, fixtures, and equipment; and collectibles

38. **Does the debtor own or lease any office furniture, fixtures, equipment, or collectibles?**

- ☐ No. Go to Part 8.
☒ Yes Fill in the information below.

	General description	Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
39.	Office furniture			
	<u>Waiting Room Furniture & Furnishings - Lease</u>	<u>\$0.00</u>		<u>\$0.00</u>
	<u>Recovery Room Beds, Furniture, Seating - Lease</u>	<u>\$0.00</u>		<u>\$0.00</u>
	<u>Examination Tables (2) - \$300</u>	<u>\$0.00</u>	<u>Liquidation</u>	<u>\$600.00</u>
	<u>Office Desks, Desk Chairs, Stools, Filing Cabinets - Lease</u>	<u>\$0.00</u>		<u>\$0.00</u>
	<u>Office Kitchen Equipment - Lease</u>	<u>\$0.00</u>		<u>\$0.00</u>
40.	Office fixtures			
41.	Office equipment, including all computer equipment and communication systems equipment and software			
	<u>Televisions, Computer, Printers, Postage Machine, Vital Sign Monitors, Patient Scales - Lease</u>	<u>\$0.00</u>		<u>\$0.00</u>
	<u>Ultrasound Machine</u>	<u>\$0.00</u>		<u>\$0.00</u>

Debtor Pilgrim Medical Center, Inc.
Name

Case number (If known) 16-15414

<u>Surgical Tables (2) - \$300 ea.</u>	<u>\$0.00</u>	<u>Liquidation</u>	<u>\$600.00</u>
<u>ISTAT Lab Equipment</u>	<u>\$0.00</u>		<u>\$0.00</u>
<u>Copy Machine</u>	<u>\$0.00</u>		<u>\$0.00</u>

42. **Collectibles** *Examples:* Antiques and figurines; paintings, prints, or other artwork; books, pictures, or other art objects; china and crystal; stamp, coin, or baseball card collections; other collections, memorabilia, or collectibles

43. **Total of Part 7.**

Add lines 39 through 42. Copy the total to line 86.

\$1,200.00

44. **Is a depreciation schedule available for any of the property listed in Part 7?**

☒ No

☐ Yes

45. **Has any of the property listed in Part 7 been appraised by a professional within the last year?**

☒ No

☐ Yes

Part 8: Machinery, equipment, and vehicles

46. **Does the debtor own or lease any machinery, equipment, or vehicles?**

☐ No. Go to Part 9.

☒ Yes Fill in the information below.

General description Include year, make, model, and identification numbers (i.e., VIN, HIN, or N-number)	Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
47. Automobiles, vans, trucks, motorcycles, trailers, and titled farm vehicles			
48. Watercraft, trailers, motors, and related accessories <i>Examples:</i> Boats, trailers, motors, floating homes, personal watercraft, and fishing vessels			
49. Aircraft and accessories			
50. Other machinery, fixtures, and equipment (excluding farm machinery and equipment)			
<u>Sterilization Machines (2) (\$100 ea.)</u>	<u>\$0.00</u>	<u>Liquidation</u>	<u>\$200.00</u>
<u>Laboratory Testing Equipment - Lease</u>	<u>\$0.00</u>		<u>\$0.00</u>

51. **Total of Part 8.**

Add lines 47 through 50. Copy the total to line 87.

\$200.00

52. **Is a depreciation schedule available for any of the property listed in Part 8?**

☒ No

☐ Yes

53. **Has any of the property listed in Part 8 been appraised by a professional within the last year?**

Debtor Pilgrim Medical Center, Inc.

Name

Case number (If known) 16-15414☐ No☐ Yes**Part 9: Real property****54. Does the debtor own or lease any real property?**☐ No. Go to Part 10.☐ Yes Fill in the information below.**Part 10: Intangibles and intellectual property****59. Does the debtor have any interests in intangibles or intellectual property?**☐ No. Go to Part 11.☐ Yes Fill in the information below.**Part 11: All other assets****70. Does the debtor own any other assets that have not yet been reported on this form?**

Include all interests in executory contracts and unexpired leases not previously reported on this form.

☐ No. Go to Part 12.☐ Yes Fill in the information below.

Debtor Pilgrim Medical Center, Inc. Case number (If known) 16-15414
Name

Part 12: Summary

In Part 12 copy all of the totals from the earlier parts of the form

Type of property	Current value of personal property	Current value of real property
80. Cash, cash equivalents, and financial assets. <i>Copy line 5, Part 1</i>	<u>\$18,156.47</u>	
81. Deposits and prepayments. <i>Copy line 9, Part 2.</i>	<u>\$0.00</u>	
82. Accounts receivable. <i>Copy line 12, Part 3.</i>	<u>\$41,305.00</u>	
83. Investments. <i>Copy line 17, Part 4.</i>	<u>\$0.00</u>	
84. Inventory. <i>Copy line 23, Part 5.</i>	<u>\$0.00</u>	
85. Farming and fishing-related assets. <i>Copy line 33, Part 6.</i>	<u>\$0.00</u>	
86. Office furniture, fixtures, and equipment; and collectibles. <i>Copy line 43, Part 7.</i>	<u>\$1,200.00</u>	
87. Machinery, equipment, and vehicles. <i>Copy line 51, Part 8.</i>	<u>\$200.00</u>	
88. Real property. <i>Copy line 56, Part 9.....></i>		<u>\$0.00</u>
89. Intangibles and intellectual property. <i>Copy line 66, Part 10.</i>	<u>\$0.00</u>	
90. All other assets. <i>Copy line 78, Part 11.</i>	+ <u>\$0.00</u>	
91. Total. Add lines 80 through 90 for each column	<u>\$60,861.47</u>	+ 91b. <u>\$0.00</u>
92. Total of all property on Schedule A/B. Add lines 91a+91b=92		<u>\$60,861.47</u>

EXHIBIT “B”

Fill in this information to identify the case:

Debtor name **Pilgrim Medical Center, Inc.**

United States Bankruptcy Court for the: **DISTRICT OF NEW JERSEY**

Case number (if known) **16-15414**

☐ Check if this is an amended filing

Official Form 206D

Schedule D: Creditors Who Have Claims Secured by Property

12/15

Be as complete and accurate as possible.

1. Do any creditors have claims secured by debtor's property?

- ☐ No. Check this box and submit page 1 of this form to the court with debtor's other schedules. Debtor has nothing else to report on this form.
- ☒ Yes. Fill in all of the information below.

Part 1: List Creditors Who Have Secured Claims

2. List in alphabetical order all creditors who have secured claims. If a creditor has more than one secured claim, list the creditor separately for each claim.

		Column A Amount of claim Do not deduct the value of collateral.	Column B Value of collateral that supports this claim	
2.1	Choice Helalth <small>Creditor's Name</small> 1310 Madrid St. - Ste. 101 Marshall, MN 56258 <small>Creditor's mailing address</small> <small>Creditor's email address, if known</small> Date debt was incurred Last 4 digits of account number Do multiple creditors have an interest in the same property? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Specify each creditor, including this creditor and its relative priority.	Describe debtor's property that is subject to a lien ISTAT Lab Equipment Describe the lien Is the creditor an insider or related party? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes Is anyone else liable on this claim? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Fill out <i>Schedule H: Codebtors</i> (Official Form 206H) As of the petition filing date, the claim is: Check all that apply <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed	\$473.62	\$0.00

2.2	Document Solutions <small>Creditor's Name</small> PO Box 911608 Denver, CO 80291 <small>Creditor's mailing address</small> <small>Creditor's email address, if known</small> Date debt was incurred Last 4 digits of account number Do multiple creditors have an interest in the same property? <input type="checkbox"/> Yes. Specify each creditor, including this creditor and its relative priority.	Describe debtor's property that is subject to a lien Copy Machine Describe the lien Is the creditor an insider or related party? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes Is anyone else liable on this claim? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Fill out <i>Schedule H: Codebtors</i> (Official Form 206H) As of the petition filing date, the claim is: Check all that apply	\$958.29	\$0.00
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Debtor **Pilgrim Medical Center, Inc.**
Name

Case number (if know) **16-15414**

☒ No

☐ Yes. Specify each creditor,
including this creditor and its relative
priority.

☐ Contingent

☐ Unliquidated

☐ Disputed

2.3 Pro Health Capital

Creditor's Name

**PO Box 41602
Philadelphia, PA 19101**

Creditor's mailing address

Creditor's email address, if known

Date debt was incurred

Last 4 digits of account number

**Do multiple creditors have an
interest in the same property?**

☒ No

☐ Yes. Specify each creditor,
including this creditor and its relative
priority.

Describe debtor's property that is subject to a lien

Ultrasound Machine

\$749.91

\$0.00

Describe the lien

Is the creditor an insider or related party?

☒ No

☐ Yes

Is anyone else liable on this claim?

☒ No

☐ Yes. Fill out *Schedule H: Codebtors* (Official Form 206H)

As of the petition filing date, the claim is:

Check all that apply

☐ Contingent

☐ Unliquidated

☐ Disputed

3. **Total of the dollar amounts from Part 1, Column A, including the amounts from the Additional Page, if any.**

\$2,181.82

Part 2: List Others to Be Notified for a Debt Already Listed in Part 1

List in alphabetical order any others who must be notified for a debt already listed in Part 1. Examples of entities that may be listed are collection agencies, assignees of claims listed above, and attorneys for secured creditors.

If no others need to be notified for the debts listed in Part 1, do not fill out or submit this page. If additional pages are needed, copy this page.

Name and address

On which line in Part 1 did
you enter the related creditor?

Last 4 digits of
account number for
this entity

Fill in this information to identify the case:

Debtor name **Pilgrim Medical Center, Inc.**

United States Bankruptcy Court for the: **DISTRICT OF NEW JERSEY**

Case number (if known) **16-15414**

☐ Check if this is an amended filing

Official Form 206E/F

Schedule E/F: Creditors Who Have Unsecured Claims

12/15

Be as complete and accurate as possible. Use Part 1 for creditors with PRIORITY unsecured claims and Part 2 for creditors with NONPRIORITY unsecured claims. List the other party to any executory contracts or unexpired leases that could result in a claim. Also list executory contracts on *Schedule A/B: Assets - Real and Personal Property* (Official Form 206A/B) and on *Schedule G: Executory Contracts and Unexpired Leases* (Official Form 206G). Number the entries in Parts 1 and 2 in the boxes on the left. If more space is needed for Part 1 or Part 2, fill out and attach the Additional Page of that Part included in this form.

Part 1: List All Creditors with PRIORITY Unsecured Claims

1. Do any creditors have priority unsecured claims? (See 11 U.S.C. § 507).

☒ No. Go to Part 2.

☐ Yes. Go to line 2.

Part 2: List All Creditors with NONPRIORITY Unsecured Claims

3. List in alphabetical order all of the creditors with nonpriority unsecured claims. If the debtor has more than 6 creditors with nonpriority unsecured claims, fill out and attach the Additional Page of Part 2.

		Amount of claim	
3.1	Nonpriority creditor's name and mailing address A&E AmerTel 88 W. Newell Ave PO Box 292 Rutherford, NJ 07070 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$183.00
3.2	Nonpriority creditor's name and mailing address American Express PO Box 1270 Newark, NJ 07101 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$539.00
3.3	Nonpriority creditor's name and mailing address Artic Falls 58 Sand Park Road Cedar Grove, NJ 07009 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$69.42
3.4	Nonpriority creditor's name and mailing address AT&T PO Box 2969 Omaha, NE 68103 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$321.50

Debtor	Pilgrim Medical Center, Inc. <small>Name</small>	Case number (if known)	16-15414
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3.5	Nonpriority creditor's name and mailing address Biomed Technologies, Inc. 11 Howard Blvd - Ste. 100B Mount Arlington, NJ 07856 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$326.63
3.6	Nonpriority creditor's name and mailing address BioReference Laboratories 481 Edward H. Ross Drive Elmwood Park, NJ 07407 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$115.00
3.7	Nonpriority creditor's name and mailing address Bowco Laboratories, Inc. 75 Freeman St. PO Box 1219 Woodbridge, NJ 07095 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$53.50
3.8	Nonpriority creditor's name and mailing address Burgess Chemist #2 559 N. Franklin Ave. Nutley, NJ 07110 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$375.00
3.9	Nonpriority creditor's name and mailing address Chase Bank N.A. 270 Park Ave. Attn: Bankruptcy New York, NY 10017 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$12,906.63
3.10	Nonpriority creditor's name and mailing address Day to Day Essentials 472 US Highway Rt. 46 Fairfield, NJ 07004 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$376.00
3.11	Nonpriority creditor's name and mailing address Deutsch Atkins, P.C. 25 Main St. - Ste. 104 Court Plaza North Hackensack, NJ 07601 Date(s) debt was incurred <u>12/4/2015</u> Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Attorneys' fees - Jaqueline Jalil, Luisa Rojas & Tania Mena (Docket No. L-7913-13)</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$64,520.83

Debtor	Pilgrim Medical Center, Inc. <small>Name</small>	Case number (if known)	16-15414
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3.12	Nonpriority creditor's name and mailing address Diagnostic Technology, Inc. 240 Vanderbilt Motor Parkway Hauppauge, NY 11788 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$153.00
3.13	Nonpriority creditor's name and mailing address Electronic Unlimited, Inc. 152 English Street Fort Lee, NJ 07024 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$109.00
3.14	Nonpriority creditor's name and mailing address First Insurance Funding Corp. PO Box 66468 Chicago, IL 60666 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$4,784.30
3.15	Nonpriority creditor's name and mailing address Henry Schein PO Box 371952 Pittsburgh, PA 15250 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$8,961.94
3.16	Nonpriority creditor's name and mailing address Home Depot PO Box 653000 Dallas, TX 75265-3000 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$654.00
3.17	Nonpriority creditor's name and mailing address Horizon Blue Cross & Blue Shield PO Box 10130 Newark, NJ 07101 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$4,083.27
3.18	Nonpriority creditor's name and mailing address Hospira Worldwide, Inc. 75 Remittance Drive Ste. 6136 Chicago, IL 60675 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$1,193.26

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3.19	Nonpriority creditor's name and mailing address HPSRX Enterprises, Inc. 1640 Roanoke Blvd Salem, VA 24153 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$1,997.50
3.20	Nonpriority creditor's name and mailing address IDM Medical Gas Co. 620 Braen Ave. Wyckoff, NJ 07481 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$214.34
3.21	Nonpriority creditor's name and mailing address Immucor, Inc. PO Box 102118 Atlanta, GA 30368 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$451.38
3.22	Nonpriority creditor's name and mailing address Information Distruction Systems 101 7th St. Passaic, NJ 07055 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$96.30
3.23	Nonpriority creditor's name and mailing address Interstate Waste of New Jersey PO Box 554046 Detroit, MI 48255 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$718.38
3.24	Nonpriority creditor's name and mailing address Jacqueline Jalil c/o Deutsch Atkins, P.C. 25 Main St., Ste. 104 Court Plaza North Hackensack, NJ 07601 Date(s) debt was incurred <u>2/2/2016</u> Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Jalil, Luisa Rojas, Tania Mena v. Pilgrim Medical Center et als. (Docket No. L-7913-13 - J-021645-16)</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$334,920.00
3.25	Nonpriority creditor's name and mailing address Lowes PO Box 530914 Atlanta, GA 30353 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$188.25

Debtor	Pilgrim Medical Center, Inc. <small>Name</small>	Case number (if known)	16-15414
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3.26	Nonpriority creditor's name and mailing address Luisa Rojas c/o Deutsch Atkins, P.C. 25 Main St., Ste. 104 Court Plaza North Hackensack, NJ 07601 Date(s) debt was incurred <u>2/2/2016</u> Last 4 digits of account number <u> </u>	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Jaqueline Jalil, Luisa Rojas & Tania Mena v. Pilgrim Medical Center (Docket No. L-7913-13 - J-021645-16)</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$324,826.66
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3.27	Nonpriority creditor's name and mailing address McKesson Medical Surgical PO Box 634404 Cincinnati, OH 45263 Date(s) debt was incurred <u> </u> Last 4 digits of account number <u> </u>	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$37,282.96
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3.28	Nonpriority creditor's name and mailing address MCN Properties 393 Bloomfield Ave. Montclair, NJ 07042 Date(s) debt was incurred <u> </u> Last 4 digits of account number <u> </u>	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$20,474.24
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3.29	Nonpriority creditor's name and mailing address MedGyn PO Box 3126 Hinsdale, IL 60522 Date(s) debt was incurred <u> </u> Last 4 digits of account number <u> </u>	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$3,780.00
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3.30	Nonpriority creditor's name and mailing address Medline Industries, Inc. PO Box 382075 Pittsburgh, PA 15251 Date(s) debt was incurred <u> </u> Last 4 digits of account number <u> </u>	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$205.14
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3.31	Nonpriority creditor's name and mailing address Metro Fire & Safety 509 Washington Ave. Carlstadt, NJ 07072 Date(s) debt was incurred <u> </u> Last 4 digits of account number <u> </u>	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$230.65
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3.32	Nonpriority creditor's name and mailing address New Jersey Dept. of Health Attn: Cindy Smith 369 S. Warren St. - 7th Fl. PO Box 360 Trenton, NJ 08625 Date(s) debt was incurred <u> </u> Last 4 digits of account number <u> </u>	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$10,972.85
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Debtor	Pilgrim Medical Center, Inc. <small>Name</small>	Case number (if known)	16-15414
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3.33	Nonpriority creditor's name and mailing address Ofis Lab 44 Engle Street Englewood, NJ 07631 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$3,450.00
3.34	Nonpriority creditor's name and mailing address Otis Elevator One Farm Springs Farmington, CT 06032 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$705.31
3.35	Nonpriority creditor's name and mailing address Peaceful Corporation One Alpha Ave. #20 Voorhees, NJ 08043 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$1,000.00
3.36	Nonpriority creditor's name and mailing address PSE&G P.O. Box 14444 New Brunswick, NJ 08906-4444 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$1,855.74
3.37	Nonpriority creditor's name and mailing address RC Service PO Box 248 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$359.00
3.38	Nonpriority creditor's name and mailing address RX Value Canada Accounting Dept. 5624 Blossom Montreal Quebec H4W 2T1, Canada Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$2,000.00
3.39	Nonpriority creditor's name and mailing address Sears Credit Cards PO Box 688957 Des Moines, IA 50368 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$866.52

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3.40	Nonpriority creditor's name and mailing address Signius Communications 7 Elk St. - Lower Level New York, NY 10007 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$217.92
3.41	Nonpriority creditor's name and mailing address Stericycle, Inc. PO Box 6582 Carol Stream, IL 60197 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade deb</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$323.07
3.42	Nonpriority creditor's name and mailing address Studio 42 423 Bloomfield Ave. Montclair, NJ 07042 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$10,389.29
3.43	Nonpriority creditor's name and mailing address Tania Mena c/o Deutsch Atkins, P.C. 25 Main St., Ste. 104 Court Plaza North Hackensack, NJ 07601 Date(s) debt was incurred <u>2/2/2016</u> Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Jaqueline Jalil, Luisa Rojas, Tania Mena v. Pilgrim Medical Center et als. (Docket No. L-7913-13 - J-021645-16)</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$383,640.00
3.44	Nonpriority creditor's name and mailing address The Hartford Insurance Co. PO Box 660916 Dallas, TX 75266 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$719.50
3.45	Nonpriority creditor's name and mailing address The Ruhof Corporation 393 Sagamore Ave. Mineola, NY 11501 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$616.22
3.46	Nonpriority creditor's name and mailing address Ultimate Security Systems, Inc. 3 Royal Ave. PO Box 2086 Livingston, NJ 07039 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$1,042.90

Debtor **Pilgrim Medical Center, Inc.** Case number (if known) **16-15414**

Name

3.47 Nonpriority creditor's name and mailing address **Verizon**
PO Box 4833
Trenton, NJ 08650
 Date(s) debt was incurred ____
 Last 4 digits of account number ____

As of the petition filing date, the claim is: *Check all that apply.* **\$1,851.00**
☐ Contingent
☐ Unliquidated
☐ Disputed
 Basis for the claim: **Trade debt**
 Is the claim subject to offset? ☒ No ☐ Yes

3.48 Nonpriority creditor's name and mailing address **Women's Health Management**
44 Engle St.
Englewood, NJ 07631
 Date(s) debt was incurred ____
 Last 4 digits of account number ____

As of the petition filing date, the claim is: *Check all that apply.* **\$0.00**
☐ Contingent
☐ Unliquidated
☐ Disputed
 Basis for the claim: ____
 Is the claim subject to offset? ☒ No ☐ Yes

Part 3: List Others to Be Notified About Unsecured Claims

4. List in alphabetical order any others who must be notified for claims listed in Parts 1 and 2. Examples of entities that may be listed are collection agencies, assignees of claims listed above, and attorneys for unsecured creditors.

If no others need to be notified for the debts listed in Parts 1 and 2, do not fill out or submit this page. If additional pages are needed, copy the next page.

Name and mailing address

On which line in Part1 or Part 2 is the related creditor (if any) listed?

Last 4 digits of account number, if any

Part 4: Total Amounts of the Priority and Nonpriority Unsecured Claims

5. Add the amounts of priority and nonpriority unsecured claims.

5a. Total claims from Part 1

5b. Total claims from Part 2

5c. Total of Parts 1 and 2

Lines 5a + 5b = 5c.

Total of claim amounts	
5a.	\$ 0.00
5b. +	\$ 1,245,120.40
5c.	\$ 1,245,120.40

EXHIBIT “C”

From:

Form 1120S		U.S. Income Tax Return for an S Corporation		OMB No. 1545-0047	
Department of the Treasury Internal Revenue Service		Do not file this form unless the corporation has filed or is attaching Form 2553 to elect to be an S corporation. Information about Form 1120S and its separate instructions is at www.irs.gov/form1120s .		2015	
For calendar year 2015 or tax year beginning 2015, ending					
A Selection of return date 07/11/89		B TYPE OR PRINT PILGRIM MEDICAL CENTER INC 393 BLOOMFIELD AVE MONTCLAIR NJ 07042		C Check if Schedule M-1 attached <input type="checkbox"/>	
D Is the corporation electing to be an S corporation beginning with this tax year? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		E If "Yes," attach Form 2553 if not already filed		F Total gross receipts or sales \$ 11,799	
H Check if: (1) <input type="checkbox"/> Final return (2) <input type="checkbox"/> Name change (3) <input type="checkbox"/> Address change (4) <input checked="" type="checkbox"/> Amended return (5) <input type="checkbox"/> S election termination or revocation		I Enter the number of shareholders who were shareholders during any part of the tax year			
Caution: Include only trade or business income and expenses on lines 1a through 21. See the instructions for more information.					
1a Gross receipts or sales		1b Returns and allowances		1c Balance, Subtract line 1b from line 1a	
2 Cost of goods sold (attach Form 1125-A)		3 Gross profit, Subtract line 2 from line 1c		4 Net gain (loss) from Form 4797, line 17 (attach Form 4797)	
5 Other income (loss) (see instructions)		6 Total income (loss), Add lines 3 through 5		7 Compensation of officers (see instructions - attach Form 1125-B)	
8 Salaries and wages (less employment credits)		9 Repairs and maintenance		10 Bad debts	
11 Rents		12 Taxes and licenses		13 Interest	
14 Depreciation not claimed on Form 1125-A or elsewhere on return (attach Form 4562)		15 Depletion (Do not deduct oil and gas depletion)		16 Advertising	
17 Pension, profit-sharing, etc. plans		18 Employer benefit programs		19 Other deductions (attach statement)	
20 Total deductions, Add lines 7 through 19		21 Ordinary business income (loss), Subtract line 20 from line 6		22a Excess net passive income or LIFO recapture tax (see instructions)	
22b Tax from Schedule D (Form 1120S)		22c Add lines 22a and 22b (see instructions for additional taxes)		23a 2015 estimated tax payments and 2014 overpayment credits to 2015	
23b Tax deposited with Form 7004		23c Credit for federal tax paid on fuels (attach Form 4136)		24 Estimated tax penalty (see instructions). Check if Form 2220 is attached	
25 Amount owed, If line 23d is smaller than the total of lines 22c and 24, enter amount owed		26 Overpayment, If line 23d is larger than the total of lines 22c and 24, enter amount overpaid		27 Enter amount from line 26 Credited to 2015 estimated tax	
Sign Here		Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.		Date 5/27/16	
Preparer's name THOMAS CATANIO		Signature of preparer		Date 5/27/16	
Preparer's address 65 HARRISTOWN ROAD, SUITE 206 GLEN ROCK NJ 07452		Preparer's phone 201-345-7999		Preparer's ID number 000089376	

Form 1120S (2015) PILGRIM MEDICAL CENTER INC		Page 3	
Schedule K Shareholders' Pro Rata Share Items			
			Total amount
Income (Loss)	1 Ordinary business income (loss) (page 1, line 21)	1	72,219.
	2 Net rental real estate income (loss) (attach Form 8825)	2	
	3a Other gross rental income (loss)	3a	
	b Expenses from other rental activities (attach statement)	3b	
	c Other net rental income (loss). Subtract line 3b from line 3a	3c	
	4 Interest income	4	
	5 Dividends: a Ordinary dividends	5a	
	b Qualified dividends	5b	
	6 Royalties	6	
	7 Net short-term capital gain (loss) (attach Schedule D (Form 1120S))	7	
Deductions	8a Net long-term capital gain (loss) (attach Schedule D (Form 1120S))	8a	
	b Capital losses (28%) gain (loss)	8b	
	c Uncaptured section 1250 gain (attach statement)	8c	
	9 Net section 1231 gain (loss) (attach Form 4797)	9	
	10 Other income (loss) (see instructions) Type *	10	
Credits	11 Section 179 deduction (attach Form 4562)	11	58,595.
	12a Charitable contributions	12a	
	b Investment interest expense	12b	
	c Section 59(e)(2) expenditures (1) Type * (2) Amount *	12c (2)	
	d Other deductions (see instructions) Type *	12d	
Foreign Transactions	13a Low-income housing credit (section 42(j)(5))	13a	
	b Low-income housing credit (other)	13b	
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable)	13c	
	d Other rental real estate credits (see instrs) Type *	13d	
	e Other rental credits (see instrs) Type *	13e	
	f Biofuel producer credit (attach Form 6478)	13f	
	g Other credits (see instructions) Type *	13g	
	14a Name of country or U.S. possession *		
	b Gross income from all sources	14b	
	c Gross income sourced at shareholder level	14c	
Alternative Minimum Tax (AMT) Items	Foreign gross income sourced at corporate level	14d	
	d Passive category	14e	
	e General category	14f	
	f Other (attach statement)	14g	
	Deductions allocated and apportioned at shareholder level	14h	
	g Interest expense	14i	
	h Other	14j	
	Deductions allocated and apportioned at corporate level to foreign source income	14k	
	i Passive category	14l	
	j General category	14m	
Items Affecting Shareholder Basis	k Other (attach statement)		
	Other information		
	l Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued	14l	
	m Reduction in taxes available for credit (attach statement)	14m	
	n Other foreign tax information (attach statement)		
Alternative Minimum Tax (AMT) Items	15a Post-1986 depreciation adjustment	15a	0.
	b Adjusted gain or loss	15b	
	c Depletion (other than oil and gas)	15c	
	d Oil, gas, and geothermal properties — gross income	15d	
	e Oil, gas, and geothermal properties — deductions	15e	
Items Affecting Shareholder Basis	f Other AMT items (attach statement)	15f	
	16a Tax-exempt interest income	16a	
	b Other tax-exempt income	16b	
	c Nondeductible expenses	16c	
	d Distributions (attach stmt if required) (see instrs)	16d	
BAA	e Repayment of loans from shareholders	16e	

Form 1120S (2015) PILGRIM MEDICAL CENTER INC

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Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

Note. The corporation may be required to file Schedule M-3 (see instructions)

1	Net income (loss) per books	13,624.	5	Income recorded on books this year not included on Schedule K, lines 1 through 10 (itemize):	
2	Income included on Schedule K, lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9, and 10, not recorded on books this year (itemize):		a	Tax-exempt interest \$	
3	Expenses recorded on books this year not included on Schedule K, lines 1 through 12, and 14i (itemize):		6	Deductions included on Schedule K, lines 1 through 12 and 14i, not charged against book income this year (itemize):	
a	Depreciation \$		a	Depreciation \$	
b	Travel and entertainment \$		7	Add lines 5 and 6	
4	Add lines 1 through 3	13,624.	8	Income (loss) (Schedule K, line 18), less line 7	13,624.

Schedule M-2 Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed (see instructions)

	(a) Accumulated adjustments account	(b) Other adjustments account	(c) Shareholders' undistributed taxable income previously taxed
1	Balance at beginning of tax year	-66,975.	
2	Ordinary income from page 1, line 21	72,219.	
3	Other additions		
4	Loss from page 1, line 21		
5	Other reductions	58,595.	
6	Combine lines 1 through 5	-53,351.	
7	Distributions other than dividend distributions		
8	Balance at end of tax year. Subtract line 7 from line 6	-53,351.	

SPBA0134 08/13/15

Form 1120S (2015)

OMB No. 1545-0123

SPSA0412 08/04/15

Schedule K-1 (Form 1120S) 2015 PILGRIM MEDICAL CENTER INC

Page 2

This list identifies the codes used on Schedule K-1 for all shareholders and provides summarized reporting information for shareholders who file Form 1040. For detailed reporting and filing information, see the separate Shareholder's Instructions for Schedule K-1 and the instructions for your income tax return.

	Code	Report on
1 Ordinary business income (loss). Determine whether the income (loss) is passive or nonpassive and enter on your return as follows:		
Passive loss	N	Credit for employer social security and Medicare taxes
Passive income	O	Backup withholding
Nonpassive loss	P	Other credits
Nonpassive income		
2 Net rental real estate income (loss)		
3 Other net rental income (loss)		
Net income		
Net loss		
4 Interest income		
5a Ordinary dividends		
5b Qualified dividends		
6 Royalties		
7 Net short-term capital gain (loss)		
8a Net long-term capital gain (loss)		
8b Collectibles (28%) gain (loss)		
8c Unrecaptured section 1250 gain		
9 Net section 1251 gain (loss)		
10 Other income (loss)		
Code		
A Other portfolio income (loss)		
B Involuntary conversions		
C Sec. 1255 contracts and straddles		
D Mining exploration costs recapture		
E Other income (loss)		
11 Section 179 deduction		
12 Other deductions		
A Cash contributions (50%)		
B Cash contributions (30%)		
C Noncash contributions (50%)		
D Noncash contributions (30%)		
E Capital gain property to a 50% organization (30%)		
F Capital gain property (20%)		
G Contributions (100%)		
H Investment interest expense		
I Deductions — royalty income		
J Section 59(c)(2) expenditures		
K Deductions — portfolio (2% floor)		
L Deductions — portfolio (other)		
M Preproductive period expenses		
N Commercial revitalization deduction from rental real estate activities		
O Reproduction expense deduction		
P Domestic production activities information		
Q Qualified production activities income		
R Employer's Form W-2 wages		
S Other deductions		
13 Credits		
A Low-income housing credit (section 42(j)(5)) from pre-2000 buildings		
B Low-income housing credit (other) from pre-2000 buildings		
C Low-income housing credit (section 42(j)(5)) from post-2007 buildings		
D Low-income housing credit (other) from post-2007 buildings		
E Qualified rehabilitation expenditures (rental real estate)		
F Other rental real estate credits		
G Other rental credits		
H Undistributed capital gains credit		
I Biobased producer credit		
J Work opportunity credit		
K Disabled access credit		
L Empowerment zone employment credit		
M Credit for increasing research activities		
14 Foreign transactions		
A Name of country or U.S. possession		
B Gross income from all sources		
C Gross income sourced at shareholder level		
Foreign gross income sourced at corporate level		
D Passive category		
E General category		
F Other		
Deductions allocated and apportioned at shareholder level		
G Interest expense		
H Other		
Deductions allocated and apportioned at corporate level to foreign source income		
I Passive category		
J General category		
K Other		
Other information		
L Total foreign taxes paid		
M Total foreign taxes accrued		
N Reduction in taxes available for credit		
O Foreign trading gross receipts		
P Extraterritorial income exclusion		
Q Other foreign transactions		
15 Alternative minimum tax (AMT) items		
A Post-1986 depreciation adjustment		
B Adjusted gain or loss		
C Depletion (other than oil & gas)		
D Oil, gas, & geothermal — gross income		
E Oil, gas, & geothermal — deductions		
F Other AMT items		
16 Items affecting shareholder basis		
A Tax-exempt interest income		
B Other tax-exempt income		
C Nondeductible expenses		
D Distributions		
E Repayment of loans from shareholders		
17 Other information		
A Investment income		
B Investment expenses		
C Qualified rehabilitation expenditures (other than rental real estate)		
D Basis of energy property		
E Recapture of low-income housing credit (section 42(j)(8))		
F Recapture of low-income housing credit (other)		
G Recapture of investment credit		
H Recapture of other credits		
I Look-back interest — completed long-term contracts		
J Look-back interest — income forecast method		
K Dispositions of property with section 179 deductions		
L Recapture of section 179 deduction		
M Section 483(f)(3) information		
N Section 453A(c) information		
O Section 1260(b) information		
P Interest allocable to production expenditures		
Q GCF nonqualified withdrawals		
R Disposition information — oil and gas		
S Reserved		
T Section 108(f) information		
U Not investment income		
V Other information		

Form **4562**

Depreciation and Amortization (Including Information on Listed Property) ▶ Attach to your tax return.

OMB No. 1545-0172

2015Attachment
Sequence No. **179**Department of the Treasury
Internal Revenue Service(99) ▶ Information about Form 4562 and its separate instructions is at www.irs.gov/form4562.

Name(s) shown on return

PILGRIM MEDICAL CENTER INC

Business or activity to which this form relates

Form 1120S Line 21

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	500,000.
2	Total cost of section 179 property placed in service (see instructions)	2	58,595.
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,000,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	0.
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions.	5	500,000.
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
	Mobility	15,750.	15,750.
	qualified real property	42,845.	42,845.
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	58,595.
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	58,595.
10	Carryover of disallowed deduction from line 13 of your 2014 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs)	11	159,046.
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11.	12	58,595.
13	Carryover of disallowed deduction to 2016. Add lines 9 and 10, less line 12.	13	0.

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2015.	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here.		

Section B — Assets Placed in Service During 2015 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business investment use only — see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19 a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27.5 yrs	MM	S/L	
i Nonresidential real property			27.5 yrs	MM	S/L	
			39 yrs	MM	S/L	
				MM	S/L	

Section C — Assets Placed in Service During 2015 Tax Year Using the Alternative Depreciation System

20 a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations — see instructions	22	
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

BAA For Paperwork Reduction Act Notice, see separate instructions.

P01Z0812 10/27/15

Form 4562 (2015)

Form 4562 (2015) PILGRIM MEDICAL CENTER INC

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Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24 a Do you have evidence to support the business/investment use claimed?										Yes		No	
24b If "Yes," is the evidence written?										Yes		No	
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost					
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)								25					
26 Property used more than 50% in a qualified business use:													
27 Property used 50% or less in a qualified business use:													
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1										28			
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1										29			

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

30 Total business/investment miles driven during the year (do not include commuting miles)	(a) Vehicle 1	(b) Vehicle 2	(c) Vehicle 3	(d) Vehicle 4	(e) Vehicle 5	(f) Vehicle 6
31 Total commuting miles driven during the year						
32 Total other personal (noncommuting) miles driven						
33 Total miles driven during the year. Add lines 30 through 32						
	Yes	No	Yes	No	Yes	No
34 Was the vehicle available for personal use during off-duty hours?						
35 Was the vehicle used primarily by a more than 5% owner or related person?						
36 Is another vehicle available for personal use?						

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	Yes	No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners.		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.)		

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2015 tax year (see instructions):					
43 Amortization of costs that began before your 2015 tax year					43
44 Total. Add amounts in column (f). See the instructions for where to report					44

PILGRIM MEDICAL CENTER INC

1

Form 1120S, Page 1, Line 19

Other Deductions

ACCOUNTING	6,325.
AUTOMOBILE AND TRUCK EXPENSE	1,079.
BANK CHARGES	234.
CLEANING	12,308.
COMPUTER SERVICES AND SUPPLIES	3,645.
DUES AND SUBSCRIPTIONS	600.
EQUIPMENT RENT	1,271.
GIFTS	1,112.
INSURANCE	82,918.
JANITORIAL	6,953.
LAUNDRY AND CLEANING	762.
LEGAL AND PROFESSIONAL	16,171.
MISCELLANEOUS	235.
OFFICE EXPENSE	17,883.
OUTSIDE SERVICES	37,592.
PERMITS AND FEES	3,647.
POSTAGE	1,034.
PRINTING	2,580.
SECURITY	10,839.
SUPPLIES	13,186.
TELEPHONE	11,524.
UTILITIES	15,084.
MEDICAL & SURGICAL SUPPLIES	19,129.
SERVICE AGREEMENTS	6,760.
PAYROLL PROCESSING FEES	3,006.
CREDIT CARD FEES	4,908.
STATE OF NJ ASSESSMENT TAX	37,721.
SHREDDING SERVICE	482.
Total	319,188.

Other Assets:

1120S, Schedule L, Line 14

Other Assets:	Beginning of tax year	End of tax year
SECURITY DEPOSITS	3,700.	
Total	3,700.	

Form 1120S, Page 5, Schedule M-2, Line 5

Schedule M-2, Other Reductions

SECTION 179 EXPENSE	58,595.
Total	58,595.

Form **1120S****U.S. Income Tax Return for an S Corporation**

OMB No. 1545-0123

Department of the Treasury
Internal Revenue Service

Do not file this form unless the corporation has filed or is attaching Form 2553 to elect to be an S corporation.
Information about Form 1120S and its separate instructions is at www.irs.gov/form1120s.

2014

For calendar year 2014 or tax year beginning , 2014, ending

A S election effective date 07/11/89	TYPE OR PRINT	Name PILGRIM MEDICAL CENTER INC	E Date incorporated 05/22/89
B Business activity code number (see instrs) 621399		Number, street, and room or suite no. If a P.O. box, see instructions. 393 BLOOMFIELD AVE	F Total assets (see instructions) \$ 10,171.
C Check if Schedule M-3 attached <input type="checkbox"/>		City or town, state or province, country, and ZIP or foreign postal code MONTCLAIR NJ 07042	

G Is the corporation electing to be an S corporation beginning with this tax year? ☐ Yes ☒ No If 'Yes,' attach Form 2553 if not already filed

H Check if: (1) ☐ Final return (2) ☐ Name change (3) ☐ Address change
(4) ☐ Amended return (5) ☐ S election termination or revocation

I Enter the number of shareholders who were shareholders during any part of the tax year 1**Caution.** Include only trade or business income and expenses on lines 1a through 21. See the instructions for more information.

INCOME	1 a Gross receipts or sales	1 a	1,487,842.	
	b Returns and allowances	1 b		
	c Balance. Subtract line 1b from line 1a	1 c	1,487,842.	
	2 Cost of goods sold (attach Form 1125-A)	2		
	3 Gross profit. Subtract line 2 from line 1c	3	1,487,842.	
	4 Net gain (loss) from Form 4797, line 17 (attach Form 4797)	4		
5 Other income (loss) (see instrs — att statement)	5	200,976.		
6 Total income (loss). Add lines 3 through 5.	6	1,688,818.		
DEDUCTIONS SEE INSTRS	7 Compensation of officers (see instructions - attach Form 1125-E)	7	0.	
	8 Salaries and wages (less employment credits)	8	764,005.	
	9 Repairs and maintenance	9	138,841.	
	10 Bad debts	10		
	11 Rents	11	86,913.	
	12 Taxes and licenses	12	107,624.	
	13 Interest	13	1,503.	
	14 Depreciation not claimed on Form 1125-A or elsewhere on return (attach Form 4562)	14	1,674.	
	15 Depletion (Do not deduct oil and gas depletion.)	15		
	16 Advertising	16	8,425.	
	17 Pension, profit-sharing, etc, plans	17		
	18 Employee benefit programs	18		
	19 Other deductions (attach statement)	19	646,811.	
	20 Total deductions. Add lines 7 through 19	20	1,755,796.	
	21 Ordinary business income (loss). Subtract line 20 from line 6	21	-66,978.	
TAX AND PAYMENTS	22 a Excess net passive income or LIFO recapture tax (see instructions)	22 a		
	b Tax from Schedule D (Form 1120S)	22 b		
	c Add lines 22a and 22b (see instructions for additional taxes)	22 c		
	23 a 2014 estimated tax payments and 2013 overpayment credited to 2014	23 a		
	b Tax deposited with Form 7004	23 b	0.	
	c Credit for federal tax paid on fuels (attach Form 4136)	23 c		
	d Add lines 23a through 23c	23 d	0.	
	24 Estimated tax penalty (see instructions). Check if Form 2220 is attached	24		
	25 Amount owed. If line 23d is smaller than the total of lines 22c and 24, enter amount owed	25	0.	
	26 Overpayment. If line 23d is larger than the total of lines 22c and 24, enter amount overpaid	26		
27 Enter amount from line 26 Credited to 2015 estimated tax	27			

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Sign Here

Signature of officer _____ Date _____ Title **PRESIDENT**

May the IRS discuss this return with the preparer shown below (see instructions)? ☒ Yes ☐ No

Paid Preparer Use Only

Print/Type preparer's name **THOMAS CATANIO** Preparer's signature _____ Date _____ Check ☐ if self-employed PTIN **P00089374**

Firm's name **CATANIO & GUTWETTER P.A.** Firm's EIN **46-5540442**

Firm's address **65 HARRISTOWN ROAD, SUITE 206** Phone no. **(201) 345-7999**

GLEN ROCK NJ 07452

Form 1120S (2014) PILGRIM MEDICAL CENTER INC

Page 2

Schedule B Other Information (see instructions)

					Yes	No
1 Check accounting method: a <input checked="" type="checkbox"/> Cash b <input type="checkbox"/> Accrual c <input type="checkbox"/> Other (specify) _____						
2 See the instructions and enter the:						
a Business activity. ▶ <u>MEDICAL OFFICES</u> b Product or service. ▶ <u>MEDICAL</u>						
3 At any time during the tax year, was any shareholder of the corporation a disregarded entity, a trust, an estate, or a nominee or similar person? If "Yes," attach Schedule B-1, Information on Certain Shareholders of an S Corporation						X
4 At the end of the tax year, did the corporation:						
a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total stock issued and outstanding of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below						X
(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage of Stock Owned	(v) If Percentage in (iv) is 100%, Enter the Date (if any) a Qualified Subchapter S Subsidiary Election Was Made		
b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below						X
(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum % Owned in Profit, Loss, or Capital		
5a At the end of the tax year, did the corporation have any outstanding shares of restricted stock?						X
If "Yes," complete lines (i) and (ii) below.						
(i) Total shares of restricted stock ▶ _____						
(ii) Total shares of non-restricted stock ▶ _____						
b At the end of the tax year, did the corporation have any outstanding stock options, warrants, or similar instruments?						X
If "Yes," complete lines (i) and (ii) below.						
(i) Total shares of stock outstanding at the end of the tax year ▶ _____						
(ii) Total shares of stock outstanding if all instruments were executed ▶ _____						
6 Has this corporation filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction?						X
7 Check this box if the corporation issued publicly offered debt instruments with original issue discount ▶ <input type="checkbox"/> If checked, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments.						
8 If the corporation: (a) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to the basis of the asset (or the basis of any other property) in the hands of a C corporation and (b) has net unrealized built-in gain in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years (see instructions) ▶ \$ _____						
9 Enter the accumulated earnings and profits of the corporation at the end of the tax year. \$ _____						
10 Does the corporation satisfy both of the following conditions?						
a The corporation's total receipts (see instructions) for the tax year were less than \$250,000						X
b The corporation's total assets at the end of the tax year were less than \$250,000 If "Yes," the corporation is not required to complete Schedules L and M-1.						
11 During the tax year, did the corporation have any non-shareholder debt that was canceled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt? If "Yes," enter the amount of principal reduction \$ _____						X
12 During the tax year, was a qualified subchapter S subsidiary election terminated or revoked? If "Yes," see instructions						X
13 a Did the corporation make any payments in 2014 that would require it to file Form(s) 1099?					X	
b If "Yes," did the corporation file or will it file required Forms 1099?					X	

Form 1120S (2014)

Form 1120S (2014) PILGRIM MEDICAL CENTER INC

Page 3

Schedule K- Shareholders' Pro Rata Share Items		Total amount	
Income (Loss) ^c	1 Ordinary business income (loss) (page 1, line 21)	1	-66,978.
	2 Net rental real estate income (loss) (attach Form 8825).	2	
	3 a Other gross rental income (loss) 3 a		
	b Expenses from other rental activities (attach statement) 3 b		
	c Other net rental income (loss). Subtract line 3b from line 3a 3 c		
	4 Interest income. 4		3.
	5 Dividends: a Ordinary dividends 5 a		
	b Qualified dividends 5 b		
	6 Royalties. 6		
	7 Net short-term capital gain (loss) (attach Schedule D (Form 1120S)) 7		
8 a Net long-term capital gain (loss) (attach Schedule D (Form 1120S)) 8 a			
	b Collectibles (28%) gain (loss). 8 b		
	c Unrecaptured section 1250 gain (attach statement) 8 c		
	9 Net section 1231 gain (loss) (attach Form 4797) 9		
	10 Other income (loss) (see instructions) Type ▶ 10		
Deductions	11 Section 179 deduction (attach Form 4562) 11		
	12 a Charitable contributions 12 a		
	b Investment interest expense 12 b		
	c Section 59(e)(2) expenditures (1) Type ▶ (2) Amount ▶ 12 c (2)		
d Other deductions (see instructions). . . Type ▶ 12 d			
Credits	13 a Low-income housing credit (section 42(j)(5)) 13 a		
	b Low-income housing credit (other) 13 b		
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable) 13 c		
	d Other rental real estate credits (see instrs) Type ▶ 13 d		
	e Other rental credits (see instrs) Type ▶ 13 e		
	f Biofuel producer credit (attach Form 6478) 13 f		
	g Other credits (see instructions) Type ▶ 13 g		
Foreign Transactions	14 a Name of country or U.S. possession ▶ 14 b		
	b Gross income from all sources 14 b		
	c Gross income sourced at shareholder level 14 c		
	Foreign gross income sourced at corporate level 14 d		
	d Passive category. 14 d		
	e General category. 14 e		
	f Other (attach statement) 14 f		
	Deductions allocated and apportioned at shareholder level 14 g		
	g Interest expense 14 g		
	h Other 14 h		
	Deductions allocated and apportioned at corporate level to foreign source income 14 i		
	i Passive category. 14 i		
	j General category. 14 j		
	k Other (attach statement) 14 k		
Other information 14 l			
l Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued 14 l			
m Reduction in taxes available for credit (attach statement) 14 m			
n Other foreign tax information (attach statement)			
Alternative Minimum Tax (AMT) Items	15 a Post-1986 depreciation adjustment 15 a		
	b Adjusted gain or loss 15 b		
	c Depletion (other than oil and gas) 15 c		
	d Oil, gas, and geothermal properties — gross income 15 d		
	e Oil, gas, and geothermal properties — deductions 15 e		
	f Other AMT items (attach statement) 15 f		
Items Affecting Shareholder Basis	16 a Tax-exempt interest income 16 a		
	b Other tax-exempt income. 16 b		
	c Nondeductible expenses 16 c		
	d Distributions (attach stmt if required) (see instrs) 16 d		
	e Repayment of loans from shareholders 16 e		

Form 1120S (2014) PILGRIM MEDICAL CENTER INC

Page 4

Schedule K Shareholders' Pro Rata Share Items (continued)		Total amount	
Other Information	17 a Investment income	17 a	3.
	b Investment expenses	17 b	
	c Dividend distributions paid from accumulated earnings and profits	17 c	
	d Other items and amounts (attach statement)		
Reconciliation	18 Income/loss reconciliation. Combine the amounts on lines 1 through 10 in the far right column. From the result, subtract the sum of the amounts on lines 11 through 12d and 14l	18	-66,975.

Schedule L Balance Sheets per Books		Beginning of tax year		End of tax year	
Assets		(a)	(b)	(c)	(d)
1	Cash		6,144.		6,471.
2 a	Trade notes and accounts receivable				
b	Less allowance for bad debts				
3	Inventories				
4	U.S. government obligations				
5	Tax-exempt securities (see instructions)				
6	Other current assets (attach stmt)				
7	Loans to shareholders				
8	Mortgage and real estate loans				
9	Other investments (attach statement)				
10 a	Buildings and other depreciable assets	547,744.		547,744.	
b	Less accumulated depreciation	546,070.	1,674.	547,744.	0.
11 a	Depletable assets				
b	Less accumulated depletion				
12	Land (net of any amortization)				
13 a	Intangible assets (amortizable only)				
b	Less accumulated amortization				
14	Other assets (attach stmt) . . . Ln 14. St .		3,700.		3,700.
15	Total assets		11,518.		10,171.
Liabilities and Shareholders' Equity					
16	Accounts payable				
17	Mortgages, notes, bonds payable in less than 1 year				
18	Other current liabilities (attach stmt) . . Ln 18. St .		2,500.		
19	Loans from shareholders		591,182.		591,182.
20	Mortgages, notes, bonds payable in 1 year or more				
21	Other liabilities (attach statement)				68,128.
22	Capital stock		5,000.		5,000.
23	Additional paid-in capital				
24	Retained earnings		-587,164.		-654,139.
25	Adjustments to shareholders' equity (att stmt)				
26	Less cost of treasury stock				
27	Total liabilities and shareholders' equity		11,518.		10,171.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

Note. The corporation may be required to file Schedule M-3 (see instructions)

1	Net income (loss) per books	-66,975.	5	Income recorded on books this year not included on Schedule K, lines 1 through 10 (itemize):	
2	Income included on Schedule K, lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9, and 10, not recorded on books this year (itemize):		a	Tax-exempt interest \$	
3	Expenses recorded on books this year not included on Schedule K, lines 1 through 12, and 14l (itemize):		6	Deductions included on Schedule K, lines 1 through 12 and 14l, not charged against book income this year (itemize):	
a	Depreciation \$		a	Depreciation . . \$	
b	Travel and entertainment \$		7	Add lines 5 and 6.	
4	Add lines 1 through 3.	-66,975.	8	Income (loss) (Schedule K, ln 18). Ln 4 less ln 7 . .	-66,975.

Schedule M-2 Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed (see instructions)

	(a) Accumulated adjustments account	(b) Other adjustments account	(c) Shareholders' undistributed taxable income previously taxed
1 Balance at beginning of tax year			
2 Ordinary income from page 1, line 21			
3 Other additions * .STMT.	3.		
4 Loss from page 1, line 21	66,978.		
5 Other reductions			
6 Combine lines 1 through 5	-66,975.		
7 Distributions other than dividend distributions			
8 Balance at end of tax year. Subtract line 7 from line 6	-66,975.		

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Schedule K-1
(Form 1120S)Department of the Treasury
Internal Revenue Service**2014**

For calendar year 2014, or tax

year beginning _____, 2014

ending _____, 2014

☐ Final K-1☐ Amended K-1

OMB No. 1545-0123

Shareholder's Share of Income, Deductions, Credits, etc ▶ See page 2 of form and separate instructions.**Part I Information About the Corporation**

A	Identification number
B	Corporation's name, address, city, state, and ZIP code PILGRIM MEDICAL CENTER INC 393 BLOOMFIELD AVE MONTCLAIR, NJ 07042
C	IRS Center where corporation filed return Cincinnati, OH 45999-0013
Part II Information About the Shareholder	
D	Shareholder's identification number
E	Shareholder's name, address, city, state, and ZIP code NICHOLAS V CAMPANELLA 384 SUNSET BLVD WYCKOFF, NJ 07481
F	Shareholder's percentage of stock ownership for tax year. 100.00000 %

FOR IRS USE ONLY

Part III Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items

1	Ordinary business income (loss)	13	Credits
	-66,978.		
2	Net rental real estate income (loss)		
3	Other net rental income (loss)		
4	Interest income		
	3.		
5 a	Ordinary dividends		
5 b	Qualified dividends	14	Foreign transactions
6	Royalties		
7	Net short-term capital gain (loss)		
8 a	Net long-term capital gain (loss)		
8 b	Collectibles (28%) gain (loss)		
8 c	Unrecaptured section 1250 gain		
9	Net section 1231 gain (loss)		
10	Other income (loss)	15	Alternative minimum tax (AMT) items
11	Section 179 deduction	16	Items affecting shareholder basis
12	Other deductions		
		17	Other information
		A	3.

*See attached statement for additional information.

This list identifies the codes used on Schedule K-1 for all shareholders and provides summarized reporting information for shareholders who file Form 1040. For detailed reporting and filing information, see the separate Shareholder's Instructions for Schedule K-1 and the instructions for your income tax return.

1	Ordinary business income (loss). Determine whether the income (loss) is passive or nonpassive and enter on your return as follows:		
	Passive loss	See the Shareholder's Instructions	
	Passive income	Schedule E, line 28, column (g)	
	Nonpassive loss	Schedule E, line 28, column (h)	
	Nonpassive income	Schedule E, line 28, column (j)	
2	Net rental real estate income (loss)	See the Shareholder's Instructions	
3	Other net rental income (loss)		
	Net income	Schedule E, line 28, column (g)	
	Net loss	See the Shareholder's Instructions	
4	Interest income	Form 1040, line 8a	
5 a	Ordinary dividends	Form 1040, line 9a	
5 b	Qualified dividends	Form 1040, line 9b	
6	Royalties	Schedule E, line 4	
7	Net short-term capital gain (loss)	Schedule D, line 5	
8 a	Net long-term capital gain (loss)	Schedule D, line 12	
8 b	Collectibles (28%) gain (loss)	28% Rate Gain Worksheet, line 4 (Schedule D instructions)	
8 c	Unrecaptured section 1250 gain	See the Shareholder's Instructions	
9	Net section 1231 gain (loss)	See the Shareholder's Instructions	
10	Other income (loss)		
	Code		
	A Other portfolio income (loss)	See the Shareholder's Instructions	
	B Involuntary conversions	See the Shareholder's Instructions	
	C Sec. 1256 contracts and straddles	Form 6781, line 1	
	D Mining exploration costs recapture	See Pub 535	
	E Other income (loss)	See the Shareholder's Instructions	
11	Section 179 deduction	See the Shareholder's Instructions	
12	Other deductions		
	A Cash contributions (50%)	See the Shareholder's Instructions	
	B Cash contributions (30%)		
	C Noncash contributions (50%)		
	D Noncash contributions (30%)		
	E Capital gain property to a 50% organization (30%)		
	F Capital gain property (20%)		
	G Contributions (100%)		
	H Investment interest expense	Form 4952, line 1	
	I Deductions — royalty income	Schedule E, line 19	
	J Section 59(e)(2) expenditures	See the Shareholder's Instructions	
	K Deductions — portfolio (2% floor)	Schedule A, line 23	
	L Deductions — portfolio (other)	Schedule A, line 28	
	M Preproductive period expenses	See the Shareholder's Instructions	
	N Commercial revitalization deduction from rental real estate activities	See Form 8582 instructions	
	O Reforestation expense deduction	See the Shareholder's Instructions	
	P Domestic production activities information	See Form 8903 instructions	
	Q Qualified production activities income	Form 8903, line 7b	
	R Employer's Form W-2 wages	Form 8903, line 17	
	S Other deductions	See the Shareholder's Instructions	
13	Credits		
	A Low-income housing credit (section 42(j)(5)) from pre-2008 buildings	See the Shareholder's Instructions	
	B Low-income housing credit (other) from pre-2008 buildings		
	C Low-income housing credit (section 42(j)(5)) from post-2007 buildings		
	D Low-income housing credit (other) from post-2007 buildings		
	E Qualified rehabilitation expenditures (rental real estate)		
	F Other rental real estate credits		
	G Other rental credits		
	H Undistributed capital gains credit	Form 1040, line 73, box a	
	I Biofuel producer credit	See the Shareholder's Instructions	
	J Work opportunity credit		
	K Disabled access credit		
	L Empowerment zone employment credit		
	M Credit for increasing research activities		

		Code	Report on
	N Credit for employer social security and Medicare taxes	}	See the Shareholder's Instructions
	O Backup withholding		
	P Other credits		
14	Foreign transactions		
	A Name of country or U.S. possession	}	Form 1116, Part I
	B Gross income from all sources		
	C Gross income sourced at shareholder level		
	Foreign gross income sourced at corporate level		
	D Passive category	}	Form 1116, Part I
	E General category		
	F Other		
	Deductions allocated and apportioned at shareholder level		
	G Interest expense		Form 1116, Part I
	H Other		Form 1116, Part I
	Deductions allocated and apportioned at corporate level to foreign source income		
	I Passive category	}	Form 1116, Part I
	J General category		
	K Other		
	Other information		
	L Total foreign taxes paid		Form 1116, Part II
	M Total foreign taxes accrued		Form 1116, Part II
	N Reduction in taxes available for credit		Form 1116, line 12
	O Foreign trading gross receipts		Form 8873
	P Extraterritorial income exclusion		Form 8873
	Q Other foreign transactions		See the Shareholder's Instructions
15	Alternative minimum tax (AMT) items		
	A Post-1986 depreciation adjustment	}	See the Shareholder's Instructions and the Instructions for Form 6251
	B Adjusted gain or loss		
	C Depletion (other than oil & gas)		
	D Oil, gas, & geothermal — gross income		
	E Oil, gas, & geothermal — deductions		
	F Other AMT items		
16	Items affecting shareholder basis		
	A Tax-exempt interest income		Form 1040, line 8b
	B Other tax-exempt income	}	See the Shareholder's Instructions
	C Nondeductible expenses		
	D Distributions		
	E Repayment of loans from shareholders		
17	Other information		
	A Investment income		Form 4952, line 4a
	B Investment expenses		Form 4952, line 5
	C Qualified rehabilitation expenditures (other than rental real estate)		See the Shareholder's Instructions
	D Basis of energy property		See the Shareholder's Instructions
	E Recapture of low-income housing credit (section 42(j)(5))		Form 8611, line 8
	F Recapture of low-income housing credit (other)		Form 8611, line 8
	G Recapture of investment credit		See Form 4255
	H Recapture of other credits		See the Shareholder's Instructions
	I Look-back interest — completed long-term contracts		See Form 8697
	J Look-back interest — income forecast method		See Form 8866
	K Dispositions of property with section 179 deductions	}	See the Shareholder's Instructions
	L Recapture of section 179 deduction		
	M Section 453(l)(3) information		
	N Section 453A(c) information		
	O Section 1260(b) information		
	P Interest allocable to production expenditures		
	Q CCF nonqualified withdrawals		
	R Depletion information — oil and gas		
	S Reserved		
	T Section 108(i) information		
	U Net investment income		
	V Other information		

Form 1120S, Page 1, Line 5

Other Income (Loss)

PHYSICIANS INCOME	200,976.
Total	<u>200,976.</u>

Form 1120S, Page 1, Line 19

Other Deductions

ACCOUNTING	7,125.
AUTOMOBILE AND TRUCK EXPENSE	23,075.
BANK CHARGES	992.
DUES AND SUBSCRIPTIONS	340.
EQUIPMENT RENT	10,317.
INSURANCE	143,160.
JANITORIAL	701.
LEGAL AND PROFESSIONAL	1,299.
MISCELLANEOUS	300.
OFFICE EXPENSE	4,737.
OUTSIDE SERVICES	147,243.
PARKING FEES AND TOLLS	4,870.
POSTAGE	1,293.
PRINTING	2,929.
SECURITY	10,647.
SUPPLIES	20,074.
TELEPHONE	13,558.
TRAVEL	595.
UTILITIES	23,857.
MEDICAL & SURGICAL SUPPLIES	82,924.
PAPERGOODS	23,021.
SERVICE AGREEMENTS	5,966.
PAYROLL PROCESSING FEES	2,794.
CREDIT CARD CHARGES	13,552.
STATE OF NJ ASSESSMENT TAX	47,621.
MEDICAL DIRECTORS FEE	53,821.
Total	<u>646,811.</u>

Other Assets:

1120S, Schedule L, Line 14

Other Assets:	Beginning of tax year	End of tax year
SECURITY DEPOSITS	3,700.	3,700.
Total	<u>3,700.</u>	<u>3,700.</u>

EXHIBIT “D”

EXHIBIT D

Cash on hand on the Effective Date

Cash on hand on the Effective Date:	\$15,000.00
Less –	
Amount of Administrative Expenses payable on Effective Date of Plan	\$650.00
Other Plan Payments due on Effective Date	\$1,345.00
Balance after paying these amounts	\$13,005.00