

1 DAVID R. ZARO (BAR NO. 124334)
MICHAEL R. FARRELL (BAR NO. 173831)
2 ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP
3 515 South Figueroa Street, Ninth Floor
Los Angeles, California 90071-3309
4 Phone: (213) 622-5555
Fax: (213) 620-8816
5 E-Mail: dzaro@allenmatkins.com
mfarrell@allenmatkins.com

6 JEFFREY R. PATTERSON (BAR NO. 126148)
7 TED FATES (BAR NO. 227809)
ALLEN MATKINS LECK GAMBLE
8 MALLORY & NATSIS LLP
501 West Broadway, 15th Floor
9 San Diego, California 92101-3541
Phone: (619) 233-1155
10 Fax: (619) 233-1158
E-Mail: jpatterson@allenmatkins.com
11 tfates@allenmatkins.com

12 Attorneys for Receiver Thomas A. Seaman

13 UNITED STATES DISTRICT COURT
14 CENTRAL DISTRICT OF CALIFORNIA
15 SOUTHERN DIVISION

16 SECURITIES AND EXCHANGE
17 COMMISSION,

18 Plaintiff,

19 v.

20 MEDICAL CAPITAL HOLDINGS,
INC.; MEDICAL CAPITAL
21 CORPORATION; MEDICAL
PROVIDER FUNDING
22 CORPORATION VI; SIDNEY M.
FIELD; and JOSEPH J.
23 LAMPARIELLO,

24 Defendants.

Case No. 8:09-cv-0818-DOC (RNBx)

**NOTICE OF RECEIPT OF
NONCONFORMING OVERBID FOR
SALE OF LOANS MADE TO
INTEGRATED HEALTHCARE
HOLDINGS, INC.**

Date: April 2, 2010
Time: 8:30 a.m.
Ctrm: 9D
Judge: Hon. David O. Carter

1 Thomas A. Seaman ("Receiver"), the Court-appointed permanent receiver for
2 Medical Capital Holdings, Inc., Medical Capital Corporation, Medical Provider
3 Funding Corporation VI, and their subsidiaries and affiliates, hereby gives notice
4 that on March 30, 2010, he received an overbid in the amount of \$58 million from
5 Prime Healthcare Services, Inc. ("Prime"). As required by the Court-approved
6 overbid procedures, the overbid is accompanied by a signed Loan Purchase and Sale
7 Agreement and a cash deposit in the amount of \$2 million. The overbid, however, is
8 not accompanied by a cashier's check, cash deposit or irrevocable letter of credit in
9 the full amount of the overbid. Instead, Prime provided statements from its financial
10 institution dated March 30, 2010, reflecting cash balances sufficient to close at the
11 amount of its overbid, and letters from its financial institution dated March 29, 2010,
12 confirming the balances.

13

14 Dated: March 31, 2010

ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP

15

16

By: /s/ Ted Fates

17

TED FATES
Attorneys for Receiver
Thomas A. Seaman

18

19

20

21

22

23

24

25

26

27

28