

1 TO THE HONORABLE ELLEN CARROLL, UNITED STATES BANKRUPTCY
2 JUDGE, THE OFFICE OF THE UNITED STATES TRUSTEE, ALL SECURED
3 CREDITORS, THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS AND ITS
4 COUNSEL, ALL PARTIES WHO HAVE REQUESTED SPECIAL NOTICE AND ALL
5 UTILITY COMPANIES:

6
7 SUMMARY

8 Pursuant to Local Bankruptcy Rule 9075-1, General Order 02-
9 02, and 11 U.S.C. § 366, Pleasant Care Corporation, SNF
10 Properties Incorporated, PCC Health Services, Inc., Atlas Care
11 Enterprises, Inc., and Ember Care Corporation, the debtors and
12 debtors in possession in the abovementioned jointly administered
13 Chapter 11 cases (the "Debtors"), hereby move for the entry of
14 an order authorizing the Debtors to provide adequate assurance
15 of future payment to certain utility companies pursuant to
16 Section 366(c) of the Bankruptcy Code (the "Motion") on an
17 emergency basis.
18

19 The Debtors operate 31 skilled nursing and residential care
20 facilities and have three business offices. To operate the care
21 facilities and their business offices, the Debtors receive
22 water, gas, electricity, telephone and similar utility services
23 from a number of utility companies (each a "Utility Company,"
24 and collectively, the "Utility Companies").
25
26

27 Given the importance of the services provided by the
28 Utility Companies to the Debtors' businesses, it is crucial that

1 the means of providing adequate assurance to the Utility
2 Companies which provide utility services to the Debtors be
3 determined immediately so that there is no interruption in the
4 services provided.

5
6 Prior to the commencement of the Debtors' bankruptcy cases,
7 the Utility Companies listed in Exhibit "A" hereto provided
8 utility services to the Debtors. The Debtors intend to provide
9 adequate "assurance of payment" by providing each of the Utility
10 Companies listed in Exhibit "A" with a cash deposit, as
11 authorized by Section 366(c)(1)(A)(i) of the Bankruptcy Code, in
12 the amounts set forth in Exhibit "A."¹ In addition to the
13 foregoing, the Debtors will bring the Utility Companies current
14 on all post-petition debts owed to such Utility Companies.

15
16 The source of funds to be used to pay the cash deposits to
17 the Utility Companies will be the Debtors' revenue, which the
18 Debtors believe the following will contend constitute their cash
19 collateral: Bridge Healthcare Finance, LLC, Bridge Opportunity
20 Finance, LLC, and OmniCare, Inc. (collectively referred to
21 herein as "the Secured Creditors").

22 On or about March 25, 2007, the Debtors filed an emergency
23 motion with respect to the use of cash collateral (the "Cash
24

25 ¹ The Debtors receive utility services from certain Utility Companies listed
26 in Exhibit "A" in order to operate the Problem Facilities. The Debtors are
27 in the process of drafting, and soon will file, a motion to reject the
28 leases of Problem Facilities. The Debtors intend to sell, assign or
otherwise discontinue operations at the Problem Facilities once the lease
rejection motion is granted. Accordingly, the Debtors request that they not

1 Collateral Motion"). On or about March 28, 2007, the Court
2 entered an order approving the use of cash collateral on an
3 interim basis through April 5, 2007 pursuant to the terms of the
4 Court's order and the budget attached thereto. On or about
5 April 5, 2007, the Court entered an order approving the use of
6 cash collateral on a further interim basis through April 24,
7 2007 pursuant to the terms of the Court's order and the budget
8 attached thereto. A third interim or final hearing on the Cash
9 Collateral Motion is scheduled to be held on April 24, 2007.

10
11 While the Debtors will attempt to reach the terms of a
12 consensual cash collateral arrangement with the Secured
13 Creditors prior to the final hearing on the Cash Collateral
14 Motion, given the Debtors' immediate cash needs, in the event
15 that there is insufficient amount of time to finalize a
16 consensual agreement with the Secured Creditors prior to the
17 time of the Cash Collateral Hearing, the Debtors submit that
18 approval to pay the proposed cash deposits to the Utility
19 Companies will not render the estate administratively insolvent.

20 The Debtors have requested a hearing on this Motion on an
21 emergency basis because the 30-day time period set forth in
22 Section 366 of the Bankruptcy Code will expire on Sunday, April
23 21, 2007 and because several of the Utility Companies have
24 threatened to disconnect the Debtors' utility services if they
25 are not provided with adequate assurance of payment by the end
26 of business on Friday, April 20, 2007. **As the interruption of**

27
28 be required to provide "assurance of payment" to the Utility Companies that

1 the Utility Services (including but not limited to telephone and
2 electricity services) could put the Debtors' patients in
3 jeopardy or decrease the standard of their care, the Debtors
4 respectfully request that the Court hold a hearing on the MOTion
5 by no later than Friday, April 20, 2007.

6
7 ADDITIONAL INFORMATION

8 This Motion is based on this Notice of Motion and Motion,
9 the supporting Memorandum of Points and Authorities, the
10 Declaration of Joseph C. Tutera (the "Tutera Declaration") the
11 arguments and statements of counsel to be made at the hearing on
12 the Motion, and other admissible evidence properly brought
13 before the Court.

14 In order to provide maximum notice of this Motion,
15 concurrently with the filing of this Motion with the Court (on
16 Wednesday, April 18, 2007), the Debtors have served a copy of
17 this Motion and all supportive papers (including notice of the
18 hearing) upon the Office of the United States Trustee, all
19 Secured Creditors, and the Official Committee of Unsecured
20 Creditors and its counsel, on all of those parties who have
21 requested special notice, on all of the Utility Companies
22 mentioned in this Motion via overnight mail, and to the extent
23 possible, by email. These parties will receive delivery of the
24 Motion and all supportive papers by not later than Thursday,
25 April 19, 2007.

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28 _____
provide services to the Problem Facilities.

1 **WHEREFORE**, the Debtors respectfully request that this Court
2 hold a hearing on the Motion by no later than Friday, April 20,
3 2007 and enter an order:

4 (a) affirming the adequacy of the notice given;

5 (b) authorizing the Debtors to provide adequate "assurance
6 of payment" to the Utility Companies listed in Exhibit "A" to
7 the Tintera Declaration via cash deposits in the amounts set
8 forth in Exhibit "A" hereto and in the Memorandum of Points and
9 Authorities annexed hereto;

10 (c) deeming the cash deposits paid by the Debtors to the
11 Utility Companies in the amounts set forth in Exhibit "A" hereto
12 and in the Memorandum of Points and Authorities annexed hereto
13 as constituting adequate "assurance of payment" pursuant to
14 Section 366(c) of the Bankruptcy Code;

15 (d) ordering the Utility Companies that receive cash
16 deposits under an order of the Court granting this Motion to
17 return such cash deposit within 10 business days if, and when,
18 the Utility Company's services are terminated by the Debtors;
19 and
20

21 (e) granting such other and further relief as the Court
22 deems just and proper.

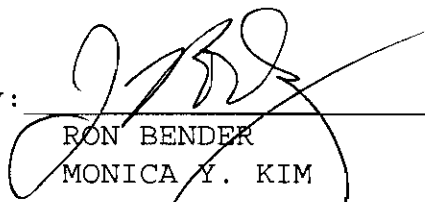
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1 Dated: April 18, 2007

PLEASANT CARE CORPORATION,
SNP PROPERTIES, INC.,
PCC HEALTH SERVICES, INC.,
EMBER CARE CORPORATION, AND
ATLAS CARE ENTERPRISES, INC.

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By: 

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Proposed Attorneys for
Chapter 11 Debtors and
Debtors in Possession

1 MEMORANDUM OF POINTS AND AUTHORITIES

2 I.

3 STATEMENT OF FACTS

4 A. Background.

5 On March 22, 2007 (the "Petition Date"), the Debtors each
6 filed voluntary petitions under Chapter 11 of the Bankruptcy
7 Code. Since the commencement of their cases, the Debtors have
8 been operating their businesses as debtors in possession
9 pursuant to Sections 1107 and 1108 of the Bankruptcy Code. On
10 or about March 28, 2007, the Court entered an order approving
11 the joint administration of the Debtors' cases.
12

13 B. The Necessity of Debtors' Chapter 11 Cases

14 1. The Debtors' Business Structure and Background.

15 The Debtors are principally engaged in the business of
16 owning and operating 31 skilled nursing facilities and
17 residential care facilities. A skilled nursing facility cares
18 for patients who require a higher level of nursing care, most of
19 whom remain there permanently. A residential care facility
20 cares for patients who require a lesser level of care. Both
21 types of facilities generally involve patients who remain at the
22 facilities on a long term basis.
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25 Pleasant Care Corporation ("PCC") owns and operates 14 such
26 facilities; SNF Properties, Inc. ("SNF") owns and operates 5
27 such facilities; PCC Health Services, Inc. ("PCCH") owns and
28

1 operates 5 such facilities; Ember Care Corporation ("ECC") owns
2 and operates 5 such facilities; Atlas Care Enterprises,
3 Incorporated ("Atlas") owns and operates one such facility. The
4 Debtors currently have approximately 3,000 residents at the
5 Debtors' various facilities.
6

7 Although there are five separate corporate Debtors, the
8 Debtors essentially operate as one consolidated business entity.
9 There is one group of management for all five Debtors; all of
10 the Debtors' approximately 3,500 employees are paid by one
11 Debtor; and all of the Debtors' operating revenue is ultimately
12 deposited into one general bank account. The Debtors prepare
13 consolidated financial statements.
14

15 The business commenced in 1982, when Mr. Emmanuel Bernabe,
16 the Debtors' founder, acquired one care facility. Over the next
17 25 years, Mr. Bernabe acquired and sold approximately 50
18 facilities and built the Debtors' business to its current state.
19 The Debtors collectively generate annual revenue of
20 approximately \$200 million and employ approximately 3,500
21 people. The Debtors have and care for approximately 3,000
22 residents at their 30 care facilities.
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25 In addition to the 30 care facilities, the Debtors have
26 three business offices. The primary business office is located
27
28

1 at 2258 Foothill Blvd., La Canada, California 91011. The other
2 two business offices are located in Pasadena and Stockton.

3 The Debtors' generally operated profitably until
4 approximately two years ago.

5
6 In mid-2005, the Debtors' facility located in Napa,
7 California and the Debtors' facility located in San Joaquin,
8 California were decertified by the Department of Health Services
9 ("DHS"), which contended that the two facilities did not meet
10 the standards for participation under the Medical/Medicare
11 programs, which account for approximately 85% of the Debtors'
12 revenue.
13

14 A temporary manager was assigned to the Napa facility by
15 DHS, with the consent of the Debtors, who had the responsibility
16 of restoring that facility into DHS compliance. The agreement
17 was that the Debtors would have no oversight of the temporary
18 manager, but assist and work with the temporary manager to
19 restore the Napa facility into DHS compliance. DHS decided not
20 to recertify the Napa facility even after the appointment of the
21 temporary manager, and the Debtors closed the Napa facility,
22 with the consent of DHS and in accordance with DHS regulations.
23
24

25 The Debtors had no realistic alternative facility to which
26 the Debtors could transfer the San Joaquin residents, leaving
27 the Debtors in a position of shutting down the San Joaquin
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1 facility or continuing to incur the expenses associated with the
2 San Joaquin facility without receiving the corresponding revenue
3 from Medical/Medicare. At the urging of the San Joaquin
4 residents and their families, the Debtors have permitted the San
5 Joaquin location to remain open, which was costing the Debtors
6 approximately \$1 million per month in operating expenses at the
7 outset of the decertification. Those losses have reduced to a
8 current level of approximately \$475,000 per month, resulting
9 from normal resident attrition.
10

11
12 Thereafter, in September 2006, DHS proceeded to decertify
13 the Debtors' other two facilities under the same district as
14 Napa, located in Novato, California and Ukiah, California. The
15 result of the decertifications was that Medical/Medicare ceased
16 paying for services provided by those two facilities, which
17 resulted in reducing the Debtors' monthly revenue by
18 approximately \$775,000, broken down as \$570,000 for Novato and
19 \$205,000 for Ukiah.
20

21 While the Debtors could have discharged the patients at the
22 two decertified locations, at the urging of the residents and
23 their families, who did not want the residents to be relocated,
24 the Debtors have continued to this day to provide normal and
25 required services for those residents without receiving the
26 reimbursement from Medical/Medicare in exchange. In Novato,
27
28

1 there is no alternative facility. The Debtors continued to
2 provide services to the residents with the expectation that DHS
3 would revisit the decertification issue and ultimately recertify
4 the locations because the Debtors had taken what the Debtors
5 believed to be the appropriate steps necessary to cause the
6 locations to be recertified. Unfortunately, DHS has not at this
7 time elected to recertify those locations.

9 The expenses associated with the decertified facilities
10 without the corresponding revenue from Medical/Medicare have
11 caused the Debtors to incur severe operating losses over the
12 past approximately two years. In fiscal year 2006, which
13 covered the period of July 1, 2005 through June 30, 2006, the
14 Debtors incurred operating losses of approximately \$7,500,000.
15 During the first approximately six months of fiscal year 2007
16 (ending December 31, 2006), the Debtors incurred operating
17 losses of approximately \$7,300,000. In their current
18 configuration, the Debtors suffer operating losses of
19 approximately \$2 million per month.

22 2. The Debtors' Business Plan to Stop the Operating
23 Losses.
24

25 Given the Debtors' financial condition and need for
26 emergency Chapter 11 bankruptcy filings, the Debtors understand
27 and recognize that they cannot financially afford to wait and
28

1 hope to have the three currently decertified facilities
2 recertified. The Debtors must immediately sell, transfer or
3 otherwise discontinue operations at all three decertified
4 facilities (San Joaquin, Novato and Ukiah), which cost the
5 Debtors approximately \$1,250,000 in monthly operating expenses
6 without corresponding revenue from Medical/Medicare, along with
7 a number of additional facilities which lose money from their
8 business operations. The Debtors believe that the two
9 facilities located at Yuba City and Santa Cruz cause operating
10 losses of approximately \$300,000 per month. The Debtors believe
11 that selling, assigning or otherwise discontinuing services at
12 the five facilities (the "Problem Facilities") will cause the
13 Debtors' business operations to operate at essentially a break
14 even level.
15
16

17 The Debtors are confident that within a very short period
18 of time, the Debtors will be operating profitably and will
19 either be able to reorganize or be sold as a going concern for
20 maximum value.
21

22 3. The Debtors' Secured Debt.
23

24 Bridge Healthcare Finance, LLC and Bridge Opportunity
25 Finance, LLC (jointly referred to herein as "Bridge") is the
26 Debtors' primary secured creditor. (The Debtors also have other
27 secured creditors including Omnicare, Inc. ("Omnicare"). Bridge
28

1 is currently owed approximately \$9.7 million secured by a first
2 priority lien against substantially all of the Debtors' accounts
3 receivable and certain of the Debtors' real property leases.
4 One of those leases is for the Debtors' location in San Diego
5 which is likely the Debtors' most valuable location, worth in
6 the range of approximately \$5-\$6 million. The Bridge loan was
7 originated in 2004 in the original amount of approximately \$27
8 million.
9

10 Until March 21, 2007, the day before the date of the
11 Debtors' Chapter 11 filings, all of the Debtors' collections
12 were paid into a lock box controlled by Bridge and then swept by
13 Bridge on a daily basis, and then Bridge would make daily
14 advances to the Debtors. On March 21, 2007, Bridge advised the
15 Debtors that it intended to continue to sweep the Debtors' lock
16 box account, but that Bridge would no longer advance any funds
17 to the Debtors. Bridge also advised the Debtors that Bridge
18 intended to seek a state court receiver at a hearing to be held
19 the next day, on March 22, 2007, on an ex parte basis. The
20 Debtors also learned that Bridge instructed the Debtors'
21 prepetition financial bank (Wells Fargo) to remit to Bridge all
22 proceeds collected from private insurance providers and
23 individuals. In order to protect the going concern value of the
24 Debtors' the Debtors filed their Chapter 11 bankruptcy cases.
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1 C. The Utility Companies.

2 In order to operate their skilled nursing and residential
3 care facilities and maintain their business offices, the Debtors
4 receive water, gas, electricity, telephone and similar utility
5 services from a number of utility companies (each a "Utility
6 Company," and collectively, the "Utility Companies"). Given the
7 importance of the services provided by the Utility Companies to
8 the Debtors' business, it is crucial that the means of providing
9 adequate assurance to the Utility Companies which provide
10 utility services to the Debtors be determined immediately so
11 that there is no interruption in the services provided.
12

13 Given the importance of the services provided by the
14 Utility Companies to the Debtors' businesses, it is crucial that
15 the means of providing adequate assurance to the Utility
16 Companies which provide utility services to the Debtors be
17 determined immediately so that there is no interruption in the
18 services provided.
19

20 Attached as Exhibit "A" to the Declaration of Joseph C.
21 Tutera (the "Tutera Declaration") annexed hereto is a history of
22 the Debtors' average monthly utility costs. As set forth in
23 Exhibit "A", the average monthly cost of all of the Debtors'
24 utility services was approximately \$432,000. The Debtors intend
25 to provide adequate "assurance of payment" by providing most of
26 the Utility Companies listed in Exhibit "A" with a cash deposit,
27 as authorized by Section 366(c)(1)(A)(i) of the Bankruptcy Code,
28

1 in the amounts set forth in Exhibit "A." In addition to the
2 foregoing, the Debtors will bring the Utility Companies current
3 on all post-petition debts owed to such Utility Companies.

4 The Debtors receive utility services from certain Utility
5 Companies listed in Exhibit "A" in order to operate the Problem
6 Facilities. The Debtors are in the process of drafting, and
7 soon will file, a motion to reject the leases of Problem
8 Facilities. The Debtors intend to sell, assign or otherwise
9 discontinue operations at the Problem Facilities once the lease
10 rejection motion is granted. Accordingly, the Debtors request
11 that they not be required to provide "assurance of payment" to
12 the Utility Companies that provide services to the Problem
13 Facilities.
14
15

16 The Debtors have requested a hearing on this Motion on an
17 emergency basis because the 30-day time period set forth in
18 Section 366 of the Bankruptcy Code will expire on Sunday, April
19 21, 2007 and because several of the Utility Companies have
20 threatened to disconnect the Debtors' utility services if they
21 are not provided with adequate assurance of payment by the end
22 of business on Friday, April 20, 2007. **As the interruption of**
23 **the Utility Services (including but not limited to telephone and**
24 **electricity services) could put the Debtors' patients in**
25 **jeopardy or decrease the standard of their care, the Debtors**
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1 respectfully request that the Court hold a hearing on the Motion
2 by no later than Friday, April 20, 2007.

3 II.

4 DISCUSSION

5 Section 366 of the Bankruptcy Code, as amended by the
6 BAPCPA and applicable herein, provides, in pertinent part, as
7 follows:
8

9 "(a) Except as provided in subsections (b) and (c) of
10 this section, a utility may not alter, refuse, or
11 discontinue service to, or discriminate against, . . .
12 the debtor solely on the basis of the commencement of
13 a case under this title or that a debt owed by the
14 debtor to such utility for services rendered before
15 the order for relief was not paid when due.

16 . . .

17 (c) (2) Subject to paragraphs (3) and (4), with respect
18 to a case filed under chapter 11, a utility referred
19 to in subsection (a) may alter, refuse, or discontinue
20 utility service, if during the 30-day period beginning
21 on the date of the filing of the petition, the utility
22 does not receive from the debtor . . . adequate
23 assurance of payment for the utility service that is
24 satisfactory to the utility.

25 (3) (A) On request of a party in interest² and after
26 notice and a hearing, the court may order the
27 modification of the amount of an assurance of payment
28 under paragraph (2)."

11 U.S.C. § 366.

Whether a utility is subject to an unreasonable risk of
nonpayment must be determined from the facts and circumstances
of each case. See, Massachusetts Elec. Co. v. Keydata Corp. (In
re Keydata Corp.), 12 B.R. 156, 158 (1st Cir. B.A.P. 1981).
Prior to the enactment of BAPCPA, where a debtor has, with few

1 exceptions, timely paid its utility bills prior to the
2 commencement of its chapter 11 case, the administrative expense
3 priority provided in sections 503(b) and 507(a)(1) of the
4 Bankruptcy Code often constituted adequate assurance of payment,
5 and no deposit or other security was required. See, Virginia
6 Elec. & Power Co. v. Caldor, Inc., 117 F.3d 646, 651 (2d Cir.
7 1997); see, also Demp v. Philadelphia Elec. Co. (In re Demp), 22
8 B.R. 331, 332 (Bankr. E.D. Pa. 1982).

9
10 Now, pursuant to the BAPCPA, the administrative expense
11 priority provided by Sections 503(b) and 507(a)(1) of the
12 Bankruptcy Code specifically is not a means of providing
13 "assurance of payment" under Section 366(c)(2) of the Bankruptcy
14 Code. 11 U.S.C. § 366(c)(1)(B). Instead, a Chapter 11 debtor
15 must provide "assurance of payment" pursuant to Section
16 366(c)(1)(A) of the Bankruptcy Code, which states that
17 "assurance of payment" means: a cash deposit, a letter of
18 credit, a certificate of deposit, a surety bond, a prepayment of
19 utility consumption, or another form of security that is
20 mutually agreed on between the utility and the debtor. 11
21 U.S.C. § 366(c)(1)(A).

22 Based on the foregoing, during the first 30 days following
23 the commencement of a voluntary Chapter 11 bankruptcy case, a
24 utility may not alter, refuse, or discontinue service to, or
25 discriminate against, a debtor solely on the basis of the
26 commencement of the case or the failure of the debtor to pay a
27

28 ² The Debtor is a party in interest. 11 U.S.C. § 1109(b).

1 pre-petition debt for utility services provided. Following the
2 foregoing 30-day period, however, utility companies may alter,
3 refuse or discontinue service if the debtor does not furnish
4 adequate "assurance of payment" of post-petition utility service
5 obligations that is satisfactory to the relevant utility.

6 Under Section 366(c) of the Bankruptcy Code, this Court has
7 exclusive responsibility for determining what constitutes
8 adequate assurance of payment of post-petition utility charges
9 and is not bound by local or state regulations. See, e.g.
10 Begley v. Philadelphia Elec. Co. (In re Begley), 41 B.R. 402,
11 405-06 (Bankr. E.D. Pa. 1984), aff'd, 760 F.2d 46 (3d Cir. 1985)
12 (pre-BAPCPA); Marion Steel Co. v. Ohio Edison Co. (In re Marion
13 Steel Co.), 35 B.R. 188, 195 (Bankr. D. Ohio 1983) (pre-BAPCPA
14 case finding that determinations of adequate assurance under
15 section 366 are fully within the Court's discretion).

17 In this case, the Debtors intend to provide adequate
18 "assurance of payment" by providing most of the Utility
19 Companies listed in Exhibit "A" with a cash deposit, as
20 authorized by Section 366(c)(1)(A)(i) of the Bankruptcy Code, in
21 the amounts set forth in Exhibit "A." In addition to the
22 foregoing, the Debtors will bring the Utility Companies current
23 on all post-petition debts owed to such Utility Companies.

24 However, the Debtors also request that the Court exempt
25 them from the requirement that they provide adequate assurance
26 of payment with respect to the Utility Companies that currently
27 provide services to the Problem Facilities as a result of the
28

1 fact that those Utility Companies will not be required to
2 provide the Debtors with services for much longer.

3 The source of funds to be used to pay the cash deposits to
4 the Utility Companies will be the Debtors' revenue, which the
5 Debtors believe the following will contend constitute their cash
6 collateral: Bridge and OmniCare, Inc. (collectively referred to
7 herein as "the Secured Creditors").

8 On or about March 25, 2007, the Debtor filed an emergency
9 motion with respect to the use of cash collateral (the "Cash
10 Collateral Motion"). On or about March 28, 2007, the Court
11 entered an order approving the use of cash collateral on an
12 interim basis through April 5, 2007 pursuant to the terms of the
13 Court's order and the budget attached thereto. On or about
14 April 5, 2007, the Court entered an order approving the use of
15 cash collateral on an interim basis through April 24, 2007. A
16 third interim or final hearing on the Cash Collateral Motion is
17 scheduled to be held on April 24, 2007.

18 While the Debtor will attempt to reach the terms of a
19 consensual cash collateral arrangement with the Secured
20 Creditors prior to the final hearing on the Cash Collateral
21 Motion, given the Debtors' immediate cash needs, in the event
22 that there is insufficient amount of time to finalize a
23 consensual agreement with the Secured Creditors prior to the
24 time of the Cash Collateral Hearing, the Debtors submit that
25 approval to pay the proposed cash deposits to the Utility
26 Companies will not render the estate administratively insolvent.
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III.

CONCLUSION

Based on the foregoing, and especially based on the fact that the interruption of the Utility Services (including but not limited to telephone and electricity services could put the Debtors' patients in jeopardy or decrease the standard of their care), the Debtors respectfully request that this Court hold a hearing on the Motion by no later than Friday, April 20, 2007 and issue an order:

(a) affirming the adequacy of the notice given;

(b) authorizing the Debtors to provide adequate "assurance of payment" to the Utility Companies via cash deposits in the amounts set forth in Exhibit "A" hereto and in the Memorandum of Points and Authorities annexed hereto;

(c) deeming the cash deposits paid by the Debtors to the Utility Companies in the amounts set forth in Exhibit "A" hereto and in the Memorandum of Points and Authorities annexed hereto as constituting adequate "assurance of payment" pursuant to Section 366(c) of the Bankruptcy Code;

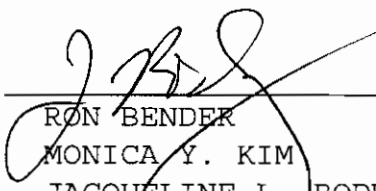
(d) ordering the Utility Companies that receive cash deposits under an order of the Court granting this Motion to return such cash deposit within 10 business days if, and when, the Utility Company's services are terminated by the Debtors; and

1 (e) granting such other and further relief as the Court
2 deems just and proper.

3 Dated: April 18, 2007

PLEASANT CARE CORPORATION,
SNP PROPERTIES, INC.,
PCC HEALTH SERVICES, INC.,
EMBER CARE CORPORATION, AND
ATLAS CARE ENTERPRISES, INC.

7
8 By: _____

9 
10 RON BENDER
11 MONICA Y. KIM
12 JACQUELINE L. RODRIGUEZ
13 LEVENE, NEALE, BENDER,
14 RANKIN & BRILL L.L.P.
15 Proposed Attorneys for
16 Chapter 11 Debtors and
17 Debtors in Possession
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1 types of facilities generally involve patients who remain at the
2 facilities on a long term basis.

3 6. Pleasant Care Corporation ("PCC") owns and operates 14
4 such facilities; SNF Properties, Inc. ("SNF") owns and operates
5 5 such facilities; PCC Health Services, Inc. ("PCCH") owns and
6 operates 5 such facilities; Ember Care Corporation ("ECC") owns
7 and operates 5 such facilities; Atlas Care Enterprises,
8 Incorporated ("Atlas") owns and operates one such facility. The
9 Debtors currently have approximately 3,000 residents at the
10 Debtors' various facilities.
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12 7. Although there are five separate corporate Debtors,
13 the Debtors essentially operate as one consolidated business
14 entity. There is one group of management for all five Debtors;
15 all of the Debtors' approximately 3,500 employees are paid by
16 one Debtor; and all of the Debtors' operating revenue is
17 ultimately deposited into one general bank account. The Debtors
18 prepare consolidated financial statements.
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20 8. The business commenced in 1982, when Mr. Emmanuel
21 Bernabe, the Debtors' founder, acquired one care facility. Over
22 the next 25 years, Mr. Bernabe acquired and sold approximately
23 50 facilities and built the Debtors' business to its current
24 state. The Debtors collectively generate annual revenue of
25 approximately \$200 million and employ approximately 3,500
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1 people. The Debtors have and care for approximately 3,000
2 residents at their 30 care facilities.

3 9. In addition to the 30 care facilities, the Debtors
4 have three business offices. The primary business office is
5 located at 2258 Foothill Blvd., La Canada, California 91011.
6 The other two business offices are located in Pasadena and
7 Stockton.

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9 10. The Debtors' generally operated profitably until
10 approximately two years ago.

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12 11. In mid-2005, the Debtors' facility located in Napa,
13 California and the Debtors' facility located in San Joaquin,
14 California were decertified by the Department of Health Services
15 ("DHS"), which contended that the two facilities did not meet
16 the standards for participation under the Medical/Medicare
17 programs, which account for approximately 85% of the Debtors'
18 revenue.

19
20 12. A temporary manager was assigned to the Napa facility
21 by DHS, with the consent of the Debtors, who had the
22 responsibility of restoring that facility into DHS compliance.
23 The agreement was that the Debtors would have no oversight of
24 the temporary manager, but assist and work with the temporary
25 manager to restore the Napa facility into DHS compliance. DHS
26 decided not to recertify the Napa facility even after the
27
28

1 appointment of the temporary manager, and the Debtors closed the
2 Napa facility, with the consent of DHS and in accordance with
3 DHS regulations.

4 13. The Debtors had no realistic alternative facility to
5 which the Debtors could transfer the San Joaquin residents,
6 leaving the Debtors in a position of shutting down the San
7 Joaquin facility or continuing to incur the expenses associated
8 with the San Joaquin facility without receiving the
9 corresponding revenue from Medical/Medicare. At the urging of
10 the San Joaquin residents and their families, the Debtors have
11 permitted the San Joaquin location to remain open, which was
12 costing the Debtors approximately \$1 million per month in
13 operating expenses at the outset of the decertification. Those
14 losses have reduced to a current level of approximately \$475,000
15 per month, resulting from normal resident attrition.

16 14. Thereafter, in September 2006, DHS proceeded to
17 decertify the Debtors' other two facilities under the same
18 district as Napa, located in Novato, California and Ukiah,
19 California. The result of the decertifications was that
20 Medical/Medicare ceased paying for services provided by those
21 two facilities, which resulted in reducing the Debtors' monthly
22 revenue by approximately \$775,000, broken down as \$570,000 for
23 Novato and \$205,000 for Ukiah.

1 15. While the Debtors could have discharged the patients
2 at the two decertified locations, at the urging of the residents
3 and their families, who did not want the residents to be
4 relocated, the Debtors have continued to this day to provide
5 normal and required services for those residents without
6 receiving the reimbursement from Medical/Medicare in exchange.
7 In Novato, there is no alternative facility. The Debtors
8 continued to provide services to the residents with the
9 expectation that DHS would revisit the decertification issue and
10 ultimately recertify the locations because the Debtors had taken
11 what the Debtors believed to be the appropriate steps necessary
12 to cause the locations to be recertified. Unfortunately, DHS
13 has not at this time elected to recertify those locations.
14

15
16 16. The expenses associated with the decertified
17 facilities without the corresponding revenue from
18 Medical/Medicare have caused the Debtors to incur severe
19 operating losses over the past approximately two years. In
20 fiscal year 2006, which covered the period of July 1, 2005
21 through June 30, 2006, the Debtors incurred operating losses of
22 approximately \$7,500,000. During the first approximately six
23 months of fiscal year 2007 (ending December 31, 2006), the
24 Debtors incurred operating losses of approximately \$7,300,000.
25 In their current configuration, the Debtors suffer operating
26 losses of approximately \$2 million per month.
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1 17. Given the Debtors' financial condition and need for
2 emergency Chapter 11 bankruptcy filings, the Debtors understand
3 and recognize that they cannot financially afford to wait and
4 hope to have the three currently decertified facilities
5 recertified. The Debtors must immediately sell, transfer or
6 otherwise discontinue services at all three decertified
7 facilities (San Joaquin, Novato and Ukiah), which cost the
8 Debtors approximately \$1,250,000 in monthly operating expenses
9 without corresponding revenue from Medical/Medicare, along with
10 a number of additional facilities which lose money from their
11 business operations. The Debtors believe that the two
12 facilities located at Yuba City and Santa Cruz cause operating
13 losses of approximately \$300,000 per month. The Debtors believe
14 that selling, assigning or otherwise discontinuing operations at
15 the five facilities (the "Problem Facilities") will cause the
16 Debtors' business operations to operate at essentially a break
17 even level.
18

19 18. The Debtors are confident that within a very short
20 period of time, the Debtors will be operating profitably and
21 will either be able to reorganize or be sold as a going concern
22 for maximum value.
23

24 19. Bridge Healthcare Finance, LLC and Bridge Opportunity
25 Finance, LLC (jointly referred to herein as "Bridge") is the
26 Debtors' primary secured creditor. (The Debtors also have other
27 secured creditors including Omnicare, Inc. ("Omnicare"). Bridge
28

1 is currently owed approximately \$9.7 million secured by a first
2 priority lien against substantially all of the Debtors' accounts
3 receivable and certain of the Debtors' real property leases.
4 One of those leases is for the Debtors' location in San Diego
5 which is likely the Debtors' most valuable location, worth in
6 the range of approximately \$5-\$6 million. The Bridge loan was
7 originated in 2004 in the original amount of approximately \$27
8 million.
9

10 21. Until March 21, 2007, the day before the date of the
11 Debtors' Chapter 11 filings, all of the Debtors' collections
12 were paid into a lock box controlled by Bridge and then swept by
13 Bridge on a daily basis, and then Bridge would make daily
14 advances to the Debtors. On March 21, 2007, Bridge advised the
15 Debtors that it intended to continue to sweep the Debtors' lock
16 box account, but that Bridge would no longer advance any funds
17 to the Debtors. Bridge also advised the Debtors that Bridge
18 intended to seek a state court receiver at a hearing to be held
19 the next day, on March 22, 2007, on an ex parte basis. The
20 Debtors also learned that Bridge instructed the Debtors'
21 prepetition financial bank (Wells Fargo) to remit to Bridge all
22 proceeds collected from private insurance providers and
23 individuals. In order to protect the going concern value of the
24 Debtors' the Debtors filed their Chapter 11 bankruptcy cases.
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1 22. In order to operate their skilled nursing and
2 residential care facilities and maintain their business offices,
3 the Debtors receive water, gas, electricity, telephone and
4 similar utility services from a number of utility companies
5 (each a "Utility Company," and collectively, the "Utility
6 Companies"). Given the importance of the services provided by
7 the Utility Companies to the Debtors' business, it is crucial
8 that the means of providing adequate assurance to the Utility
9 Companies which provide utility services to the Debtors be
10 determined immediately so that there is no interruption in the
11 services provided.

13 23. Given the importance of the services provided by the
14 Utility Companies to the Debtors' businesses, it is crucial that
15 the means of providing adequate assurance to the Utility
16 Companies which provide utility services to the Debtors be
17 determined immediately so that there is no interruption in the
18 services provided.

20 24. Attached as Exhibit "A" hereto is a history of the
21 Debtors' average monthly utility costs. As set forth in Exhibit
22 "A", the average monthly cost of all of the Debtors' utility
23 services was approximately \$432,000. The Debtors intend to
24 provide adequate "assurance of payment" by providing most of the
25 Utility Companies listed in Exhibit "A" with a cash deposit, as
26 authorized by Section 366(c)(1)(A)(i) of the Bankruptcy Code, in
27 the amounts set forth in Exhibit "A." In addition to the
28

1 foregoing, the Debtors will bring the Utility Companies current
2 on all post-petition debts owed to such Utility Companies.

3 25. The Debtors receive utility services from certain
4 Utility Companies listed in Exhibit "A" in order to operate the
5 Problem Facilities. The Debtors are in the process of drafting,
6 and soon will file, a motion to reject the leases of Problem
7 Facilities. The Debtors intend to assign to third parties or
8 sell, assign or otherwise discontinue operations at the Problem
9 Facilities once the lease rejection motion is granted.
10 Accordingly, the Debtors request that they not be required to
11 provide "assurance of payment" to the Utility Companies that
12 provide services to the Problem Facilities.
13

14 26. The Debtors have requested a hearing on this Motion on
15 an emergency basis because the 30-day time period set forth in
16 Section 366 of the Bankruptcy Code will expire on Sunday, April
17 21, 2007 and because several of the Utility Companies have
18 threatened to disconnect the Debtors' utility services if they
19 are not provided with adequate assurance of payment by the end
20 of business on Friday, April 20, 2007. As the interruption of
21 the Utility Services (including but not limited to telephone and
22 electricity services) could put the Debtors' patients in
23 jeopardy or decrease the standard of their care, the Debtors
24 respectfully request that the Court hold a hearing on the Motion
25 by no later than Friday, April 20, 2007.
26
27
28

1 I declare under penalty of perjury that the foregoing is true
2 and correct.

3 Executed this ___th day of April 2007 at La Canada,
4 California.

5
6 */see attached/*

7 _____
8 JOSEPH C. TUTERA
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I declare under penalty of perjury that the foregoing is true and correct.

Executed this ___th day of April 2007 at La Canada, California.

A handwritten signature in black ink, appearing to read 'J. Tutera', is written over a solid horizontal line. The signature is stylized and cursive.

JOSEPH C. TUTERA

Consolidated Schedules 1-5

Schedule	Name of Debtor	Name	Account	Type of Services Provided by Each Utility Company	Proposed Amount of Cash Deposit	Average Monthly Expense
SCHEDULE 1	PLEASANT CARE CORP (CORP. OFFICE)	F16-SPRINT	923185898	PHONE	12.31	12.31
SCHEDULE 1		F16-SPRINT	221406172	PHONE	12.31	12.31
SCHEDULE 1		F16-SPRINT	921485487	PHONE	278.85	278.85
SCHEDULE 1		F16-SPRINT	925308506	PHONE	38.01	38.01
SCHEDULE 1		F16-SPRINT	925309189	PHONE	180.35	180.35
SCHEDULE 1		F16-AT&T	96045110775658	PHONE	371.90	371.90
SCHEDULE 1		F16-AT&T	20995696062139	PHONE	1,255.01	1,255.01
SCHEDULE 1		F16-AT&T	25043684037585	PHONE	60.58	60.58
SCHEDULE 1		F16-AT&T	209956679162146	PHONE	198.85	198.85
SCHEDULE 1		F16-AT&T	0301682282001	PHONE	1,956.44	1,956.44
SCHEDULE 1		F16-AT&T	62656817025640	PHONE	863.84	863.84
SCHEDULE 1		F16-AT&T	0204406854001	PHONE	890.59	890.59
SCHEDULE 1		F16-AT&T	62656849234624	PHONE	213.02	213.02
SCHEDULE 1		F16-AT&T	62658485003610	PHONE	1,080.47	1,080.47
SCHEDULE 1		F16-AT&T	62656817089413	PHONE	59.34	59.34
SCHEDULE 1		F16-AT&T	0303564632001	PHONE	29.41	29.41
SCHEDULE 1		F16-AT&T	62639650254683	PHONE	109.30	109.30
SCHEDULE 1		F16-AT&T	20995646503091	PHONE	113.43	113.43
SCHEDULE 1		F16-AT&T	81824865125186	PHONE	156.04	156.04
SCHEDULE 1		F16-AT&T	81824817653012	PHONE	261.51	261.51
SCHEDULE 1		F16-AT&T	20947743928887	PHONE	175.34	175.34
SCHEDULE 1		F16-AT&T	20995731697477	PHONE	219.74	219.74
SCHEDULE 1		F16-AT&T	06512141241925	PHONE	692.74	692.74
SCHEDULE 1		F16-AT&T	06512141211910	PHONE	512.97	512.97
SCHEDULE 1		F16-AT&T	817554204	PHONE	27.42	27.42
SCHEDULE 1		F16-AT&T LONG DISTANCE	817538340	PHONE	13.87	13.87
SCHEDULE 1		F16-AT&T	81824941748878	PHONE	77.76	77.76
SCHEDULE 1		F16-AT&T	0535071229001	PHONE	54.93	54.93
SCHEDULE 1		F16-AT&T	81824865081926	PHONE	67.51	67.51
SCHEDULE 1		F16-AT&T	81824865082428	PHONE	72.55	72.55
SCHEDULE 1		F16-AT&T	81824898502997	PHONE	68.74	68.74
SCHEDULE 1		F16-AT&T	81854103839173	PHONE	71.83	71.83
SCHEDULE 1		F16-AT&T	81824898085464	PHONE	911.64	911.64
SCHEDULE 1		F16-AT&T	25072458541398	PHONE	5.97	5.97
SCHEDULE 1		F16-AT&T LONG DISTANCE	848900629	PHONE	274.49	274.49
SCHEDULE 1		F16-AT&T LONG DISTANCE	817554179	PHONE	108.71	108.71
SCHEDULE 1		F16-AT&T	20995270190694	PHONE	44.88	44.88
SCHEDULE 1		F16-AT&T	20995271245675	PHONE	294.27	294.27
SCHEDULE 1		SO CA EDISON	2072224702	ELECTRIC	172.26	172.26
SCHEDULE 1		SO CA EDISON	2072225154	ELECTRIC	167.56	167.56
SCHEDULE 1		SO CA EDISON	2041349887	ELECTRIC	159.54	159.54
SCHEDULE 1		SO CA EDISON	2041349879	ELECTRIC	183.06	183.06
SCHEDULE 1		SO CA EDISON	2037560315	ELECTRIC	162.86	162.86
SCHEDULE 1		SO CA EDISON	2037560307	ELECTRIC	195.57	195.57
SCHEDULE 1		SO CA EDISON	2041349885	ELECTRIC	799.63	799.63
SCHEDULE 1		SO CA EDISON	2265053553	ELECTRIC	121.84	121.84
SCHEDULE 1		VERIZON	27066591000001	PHONE	222.99	222.99
SCHEDULE 1		ATHENS SERVICES	249197000	TRASH	138.44	138.44
SCHEDULE 2	SNF PROPERTIES INC.	PG&E	41634107076	Gas & Electric	165.15	165.15
SCHEDULE 2	EMMANUEL CONV-LOS GATOS	PG&E	4080073794	Gas & Electric	44.42	44.42
SCHEDULE 2		PG&E	00905464517	Electric	126.14	126.14
SCHEDULE 2		PG&E	41217440431	Gas & Electric	90.30	90.30
SCHEDULE 2		PG&E	80904385103	Electric	2,279.58	2,279.58
SCHEDULE 2		PG&E	40384107153	Gas	3,292.51	3,292.51
SCHEDULE 2		San Jose Water Co	2152510	Water	52.71	52.71

EXHIBIT A

Consolidated Schedules 1-5

SCHEDULE 2	San Jose Water Co	219409-0	Water	1,175.68	1,175.68	1,175.68
SCHEDULE 2	San Jose Water Co	215441-7	Water	35.16	35.16	35.16
SCHEDULE 2	San Jose Water Co	69160-0	Water	907.48	907.48	907.48
SCHEDULE 2	San Jose Water Co.	69167-5	Water	112.36	112.36	112.36
SCHEDULE 2	San Jose Water Co.	69163-4	Water	56.33	56.33	56.33
SCHEDULE 2	San Jose Water Co.	69164-2	Water	54.12	54.12	54.12
SCHEDULE 2	Green Valley Disposal	200-8013852-1544-8	Trash	1,403.09	1,403.09	1,403.09
SCHEDULE 2	Green Valley Disposal	200-5141229-1544-0	Trash	2,405.48	2,405.48	2,405.48
SCHEDULE 2	Stericycle	6040390	Trash	333.44	333.44	333.44
SCHEDULE 2	PCC HEALTH SERVICES INC.	So Ca Edison	Electric	34.91	34.91	34.91
SCHEDULE 2	Emmanuel Health Care-Maywood	2-18-577-7802	Electric	2,783.78	2,783.78	2,783.78
SCHEDULE 2	So Ca Gas Co	188-700-7800-9	Gas	4,268.32	4,268.32	4,268.32
SCHEDULE 2	Consolidated Services	3840-05-024614-1	Gas	946.68	946.68	946.68
SCHEDULE 2	Enesery	0	Trash	71.64	71.64	71.64
SCHEDULE 2	Maywood Mutual Water	308702260	Water	7,405.05	7,405.05	7,405.05
SCHEDULE 2	AT&T	323-773-7872-597-6	Phone	239.96	239.96	239.96
SCHEDULE 2	AT&T	323-560-0720-951-1	Phone	540.96	540.96	540.96
SCHEDULE 2	AT&T	323-562-4776-447-9	Phone	39.51	39.51	39.51
SCHEDULE 2	AT&T	323-560-9218-188-0	Phone	85.37	85.37	85.37
SCHEDULE 2	PLEASANT CARE CORP.	3961422306-3	Gas	5,401.80	5,401.80	5,401.80
SCHEDULE 2	Emmanuel Convul-Milbrae	3903088970-1	Electric	3,411.31	3,411.31	3,411.31
SCHEDULE 2	City of Milbrae	110-0620-00-0	Wate & Sewer	13,668.48	13,668.48	13,668.48
SCHEDULE 2	South San Francisco	31707	Trash	2,183.84	2,183.84	2,183.84
SCHEDULE 2	Stericycle	6017053	Trash	1,395.05	1,395.05	1,395.05
SCHEDULE 2	AT&T	650-583-8937-578-3	Phone	1,079.44	1,079.44	1,079.44
SCHEDULE 2	AT&T	650-872-9754-163-2	Phone	84.75	84.75	84.75
SCHEDULE 2	Sprint	354292900	Phone	99.64	99.64	99.64
SCHEDULE 2	PG & E	8319768827-6	Gas	544.11	544.11	544.11
SCHEDULE 2	PG & E	8278100163-9	Electric	1,202.21	1,202.21	1,202.21
SCHEDULE 2	Emmanuel Manor of Milbrae	110-0591-00-0	water & Sewer	4,019.14	4,019.14	4,019.14
SCHEDULE 2	City of Milbrae	110-0591-00-0	water & Sewer	669.89	669.89	669.89
SCHEDULE 2	SSF Scavenger	25616	Trash	269.85	269.85	269.85
SCHEDULE 2	AT & T	630-588-1000-547-0	Phone	3,580.16	3,580.16	3,580.16
SCHEDULE 2	Pleasant Care Convulukiah	1210950574-8	ELECTRIC	2,557.20	2,557.20	2,557.20
SCHEDULE 2	PG&E	1335950566-8	Gas	208.72	208.72	208.72
SCHEDULE 2	PG&E	70715	Water	206.33	206.33	206.33
SCHEDULE 2	Willow County Water	600-0003060-2561-0	Trash	787.50	787.50	787.50
SCHEDULE 2	Medwaste Disposal Serv	Empire Waste	Trash	1,940.10	1,940.10	1,940.10
SCHEDULE 2	City of Ukiah	83245-1	Sewer	75.15	75.15	75.15
SCHEDULE 2	AT&T	707-462-9918-528-3	Phone	67.78	67.78	67.78
SCHEDULE 2	AT&T	707-462-3794-925-3	Phone	618.67	618.67	618.67
SCHEDULE 2	Adelphia	8211-25-002-0019799	Cable	17.84	17.84	17.84
SCHEDULE 2	MCI	8669859292	Phone	794.71	794.71	794.71
SCHEDULE 2	MCI	7FV88457	PHONE	35.85	35.85	35.85
SCHEDULE 2	MCI	70J23052	PHONE	75.00	75.00	75.00
SCHEDULE 2	Pacific Telemngt. Serv	7074629918	Phone	5,844.53	5,844.53	5,844.53
SCHEDULE 2	PG&E	9574469665-2	Gas	4,087.37	4,087.37	4,087.37
SCHEDULE 2	PG&E	8376469065-3	Electric	36.50	36.50	36.50
SCHEDULE 2	CA Water Service	526111898	Water	1,022.67	1,022.67	1,022.67
SCHEDULE 2	CA Water Service	1747488888	Water	70.50	70.50	70.50
SCHEDULE 2	Warner Bros	102586	Trash	1,797.50	1,797.50	1,797.50
SCHEDULE 2	City of Bakersfield	5295-5294	Trash	897.69	897.69	897.69
SCHEDULE 2	Stericycle	6022747	Trash	21.10	21.10	21.10
SCHEDULE 2	AT&T	661-323-9361-976-4	Phone	78.62	78.62	78.62
SCHEDULE 2	AT&T	661-395-9240-574-7	Phone	490.27	490.27	490.27
SCHEDULE 2	AT&T	020-684-1466-001	Phone	1,417.00	1,417.00	1,417.00
SCHEDULE 2	AT&T	661-327-7667-068-8	Phone	51.53	51.53	51.53
SCHEDULE 2	AT&T	058-501-0570-001	Phone	50.26	50.26	50.26
SCHEDULE 2	Suddenlink	001-3210-225498403	Cable			

Consolidated Schedules 1-5

SCHEDULE	Company	Service	Account #	Category	Rate	Rate	Rate
SCHEDULE 2	EMBER CARE CORP.	PG&E	8472245260-8	Electric	25.62	25.62	25.62
SCHEDULE 2	Cypress Acres Conv. Hosp	PG&E	8131552245-8	Gas & Electric	296.47	296.47	296.47
SCHEDULE 2		PG&E	7969725975-6	Electric	12.81	12.81	12.81
SCHEDULE 2		PG&E	5196756622-8	Electric	4.48	4.48	4.48
SCHEDULE 2		PG&E	1131143862-3	Gas & Electric	423.24	423.24	423.24
SCHEDULE 2		PG&E	9146877162-0	Gas & Electric	9,280.03	9,280.03	9,280.03
SCHEDULE 2		Paradise Irrigation Dist	102072-001	Water	52.42	52.42	52.42
SCHEDULE 2		Paradise Irrigation Dist	102072-000	Water	52.42	52.42	52.42
SCHEDULE 2		Paradise Irrigation Dist	102072-002	Water	52.42	52.42	52.42
SCHEDULE 2		Paradise Irrigation Dist	102072-004	Water	100.80	100.80	100.80
SCHEDULE 2		Paradise Irrigation Dist	101854-005	Water	100.80	100.80	100.80
SCHEDULE 2		Paradise Irrigation Dist	101854-007	Water	3,033.75	3,033.75	3,033.75
SCHEDULE 2		Paradise Irrigation Dist	101854-006	Water	20.81	20.81	20.81
SCHEDULE 2		Medi-serve		Trash	306.83	306.83	306.83
SCHEDULE 2		Paradise Solid Waste	541-000020-0541-1	Trash	754.21	754.21	754.21
SCHEDULE 2		AT&T	530-877-7115-889-9	Phone	28.19	28.19	28.19
SCHEDULE 2		AT&T	530-877-9315-934-7	Phone	33.81	33.81	33.81
SCHEDULE 2		AT&T	530-877-6774-973-5	Phone	27.66	27.66	27.66
SCHEDULE 2		AT&T	530-872-9361-695-2	Phone	33.94	33.94	33.94
SCHEDULE 2		AT&T	530-877-9316-296-6	Phone	506.26	506.26	506.26
SCHEDULE 2		AT&T	530-877-4708-612-5	Phone	32.04	32.04	32.04
SCHEDULE 2		AT&T	530-872-8909-239-1	Phone	104.20	104.20	104.20
SCHEDULE 2		AT&T	530-872-8501-076-8	Phone	80.11	80.11	80.11
SCHEDULE 2		AT&T	530-872-3496-494-1	Phone	19.28	19.28	19.28
SCHEDULE 2		AT&T	530-876-9551-730-3	Phone	206.42	206.42	206.42
SCHEDULE 2		AT&T	058-059-4207-001	Phone	164.41	164.41	164.41
SCHEDULE 2		AT&T	051-587-4976-001	Phone	717.37	717.37	717.37
SCHEDULE 2		AT&T	050-699-3907-001	Phone	31.34	31.34	31.34
SCHEDULE 2		AT&T	050-700-9052-001	Phone	101.20	101.20	101.20
SCHEDULE 2		AT&T	051-764-3280-001	Phone	23.67	23.67	23.67
SCHEDULE 2		AT&T	051-764-3287-001	Phone	53.54	53.54	53.54
SCHEDULE 2		AT&T	051-764-3290-001	Phone	23.62	23.62	23.62
SCHEDULE 2		AT&T	530-877-9546-992-6	Phone	47.85	47.85	47.85
SCHEDULE 2		AT&T	051-773-0541001	Phone	110.53	110.53	110.53
SCHEDULE 2		Direc Tv	15398989	Cable	70.25	70.25	70.25
SCHEDULE 2		Comcast	8495-28-118-0224371	Cable	95.00	95.00	95.00
SCHEDULE 2		Comcast	8495-28-118-0240807	Cable	84.75	84.75	84.75
SCHEDULE 3	PLEASANT CARE OF RIVERSIDE	F26-TRICO DISPOSAL, INC	01-TC 105075	WASTE	1,077.60	1,077.60	1,077.60
SCHEDULE 3		F26-STERICYCLE	6008673	WASTE	416.70	416.70	416.70
SCHEDULE 3		F26-JURUPA COMM.SERV	15226-4	WATER/SEWER	2,786.87	2,786.87	2,786.87
SCHEDULE 3		F26-THE GAS COMPANY	063 221 9700 2	GAS	3,791.15	3,791.15	3,791.15
SCHEDULE 3		F26-SO CA EDISON	2-09-211-8943	ELECTRIC	45.74	45.74	45.74
SCHEDULE 3		F26-SO CA EDISON	2-04-087-0768	ELECTRIC	628.33	628.33	628.33
SCHEDULE 3		F26-SO CA EDISON	2-04-087-1543	ELECTRIC	3,594.46	3,594.46	3,594.46
SCHEDULE 3		F26-CHARTER COMM.	200118855902-2020002	CABLE	55.70	55.70	55.70
SCHEDULE 3		F26-AT&T	951 685-1775 924 8	TELEPHONE	200.14	200.14	200.14
SCHEDULE 3		F26-AT&T	951 685-9649 669 0	TELEPHONE	143.60	143.60	143.60
SCHEDULE 3		F26-AT&T	951 685-1531 432 7	TELEPHONE	1,016.15	1,016.15	1,016.15
SCHEDULE 3	SNF PROPERTIES, INC.	F27-STERICYCLE INC	6040211	WASTE	480.94	480.94	480.94
SCHEDULE 3	EMMANUEL CONVAL OF ALAMEDA	F27-PG & E	2720158933-3	GAS	7,105.55	7,105.55	7,105.55
SCHEDULE 3		F27-EBMUD	33814933	WATER	298.62	298.62	298.62
SCHEDULE 3		F27-ALAMEDA CITY IND	398	WASTE	3,399.70	3,399.70	3,399.70
SCHEDULE 3		F27-ALAMEDA POWER & TEL	25575-00	ELECTRIC	4,331.97	4,331.97	4,331.97
SCHEDULE 3		F27-AT & T	510 522-9651 422 6	TELEPHONE	84.50	84.50	84.50
SCHEDULE 3		F27-MCI WORLDCOM	7BR53381	TELEPHONE	13.12	13.12	13.12
SCHEDULE 3		F27-TELEPACIFIC COMM.	3682	TELEPHONE	971.14	971.14	971.14
SCHEDULE 3		F27-SPRINT	186254494	TELEPHONE	12.60	12.60	12.60
SCHEDULE 3	PCC HEALTH SERVICES, INC.	F30-SO CA EDISON	2-04-103-7664	ELECTRIC	3,880.77	3,880.77	3,880.77

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SCHEDULE 3	EMMANUEL HEALTHCARE-GLEND	F30-SO CA EDISON	2-04-103-7656	ELECTRIC	580.38	580.38
SCHEDULE 3		F30-SO CA EDISON	2-03-211-9273	ELECTRIC	14.48	14.48
SCHEDULE 3		F30-SO CA GAS CO	186 019 5900 2	GAS	2,279.44	2,279.44
SCHEDULE 3		F30-SO CA GAS CO	183 919 5900 6	GAS	3,342.14	3,342.14
SCHEDULE 3		F30-SUBURBAN WTR	0190-028-400.04	WATER	890.89	890.89
SCHEDULE 3		F30-SUBURBAN WTR	0190-012000.03	WATER	1,309.00	1,309.00
SCHEDULE 3		F30-SUBURBAN WTR	0190-011600.04	WATER	1,467.38	1,467.38
SCHEDULE 3		F30-ENSERV	43802-000	TRASH	418.00	418.00
SCHEDULE 3		F30-ATHENS SERVICES	1102219304 06	TRASH	3,577.45	3,577.45
SCHEDULE 3		F30-VERIZON CA	1102304867 08	TELEPHONE	89.68	89.68
SCHEDULE 3		F30-VERIZON CA	1102224090 03	TELEPHONE	89.68	89.68
SCHEDULE 3		F30-VERIZON CA	1102219312 07	TELEPHONE	93.84	93.84
SCHEDULE 3		F30-VERIZON CA	1103264540 03	TELEPHONE	36.73	36.73
SCHEDULE 3		F30-VERIZON CA	1119458838 03	TELEPHONE	1,377.33	1,377.33
SCHEDULE 3		F30-TELEPACIFIC COMM	3203	TELEPHONE	1,071.66	1,071.66
SCHEDULE 3	PCC HEALTH SERVICES, INC.	F31-SO CA EDISON	2-04-103-7649	ELECTRIC	2,932.83	2,932.83
SCHEDULE 3	EMMANUEL MANOR OF GLENDOR	F31-SO CA GAS CO	181 819 5900 0	GAS	2,197.02	2,197.02
SCHEDULE 3	PCC HEALTH SERVICES, INC.	F32-SO CA EDISON	2-04-083-3667	ELECTRIC	2,857.37	2,857.37
SCHEDULE 3	EMMANUEL HEALTHCARE-W COV	F32-SO CA GAS CO	047 017 9800 6	GAS	2,474.77	2,474.77
SCHEDULE 3		F32-SUBURBAN	57778082	WATER	880.32	880.32
SCHEDULE 3		F32-ATHENS SERVICES	75632-000	WASTE	1,083.33	1,083.33
SCHEDULE 3		F32-ENSERV		WASTE	133.41	133.41
SCHEDULE 3		F32-VERIZON CA	1181415667 01	TELEPHONE	1,109.48	1,109.48
SCHEDULE 3		F32-VERIZON CA	1116132053 06	TELEPHONE	178.99	178.99
SCHEDULE 3	PCC HEALTH SERVICES, INC.	F33-ARCH WIRELESS	7897431-8	TELEPHONE	157.15	157.15
SCHEDULE 3	EMMANUEL HEALTHCARE-NORWA	F33-AT&T	051 595 3919 001	TELEPHONE	43.87	43.87
SCHEDULE 3		F33-MCI	8692977176	TELEPHONE	33.20	33.20
SCHEDULE 3		F33-VERIZON CA	8690213470	TELEPHONE	27.09	27.09
SCHEDULE 3		F33-VERIZON CA	1140846885 03	TELEPHONE	86.55	86.55
SCHEDULE 3		F33-VERIZON CA	1116477173 09	TELEPHONE	115.57	115.57
SCHEDULE 3		F33-VERIZON CA	1111463204 02	TELEPHONE	1,761.47	1,761.47
SCHEDULE 3		F33-ENSERV		WASTE	43.50	43.50
SCHEDULE 3		F33-CONSOLIDATED DISP SVC	3840 06 000776 7	WASTE	1,495.47	1,495.47
SCHEDULE 3		F33-SO CA WATER	355761-8	WATER	40.56	40.56
SCHEDULE 3		F33-SO CA WATER	355765-9	WATER	3,302.44	3,302.44
SCHEDULE 3		F33-SO CA GAS CO	148 408 1500 6	GAS	917.68	917.68
SCHEDULE 3		F33-SO CA GAS CO	150 508 1500 8	GAS	1,754.61	1,754.61
SCHEDULE 3		F33-SO CA EDISON	2-06-556-0526	ELECTRIC	47.78	47.78
SCHEDULE 3		F33-SO CA EDISON	2-04-145-7664	ELECTRIC	2,445.23	2,445.23
SCHEDULE 3	EMBER CARE HLTH CARE-PERRIS	F52-AT&T	030 354 9652 001	TELEPHONE	554.75	554.75
SCHEDULE 3		F52-VERIZON CA	1119109396 04	TELEPHONE	581.86	581.86
SCHEDULE 3		F52-VERIZON CA	1119090741 00	TELEPHONE	377.73	377.73
SCHEDULE 3		F52-VERIZON CA	1119126908 06	TELEPHONE	56.14	56.14
SCHEDULE 3		F52-THERMAL COMBUSTION INNO	101158	TRASH	446.53	446.53
SCHEDULE 3		F52-CR&R INCORPORATED	23 02084 2	WASTE	1,382.91	1,382.91
SCHEDULE 3		F52-E M W D	11922-04	WATER/SEWER	2,224.75	2,224.75
SCHEDULE 3		F52-E M W D	11921 04	WATER	27.60	27.60
SCHEDULE 3		F52-SO CA EDISON	2-17-061-3865	ELECTRIC	2,591.90	2,591.90
SCHEDULE 3		F52-SO CA GAS CO	176 322 6851 6	GAS	2,590.71	2,590.71
SCHEDULE 4	SNF PROPERTIES, INC.	F42 PG&E	9456237268-3	GAS	4,078.71	4,078.71
SCHEDULE 4	EMMANUEL CONV-SAN JOAQUIN	F42 PG&E	9174979985-3	ELECTRIC	3,769.17	3,769.17
SCHEDULE 4		F42 PG&E	9216646649-7	GAS	2,461.02	2,461.02
SCHEDULE 4		F42 CA WATER SERV	426111888	WATER	36.50	36.50
SCHEDULE 4		F42 CA WATER SERV	8261111888	WATER	36.50	36.50
SCHEDULE 4		F42 CA WATER SERV	3607488888	WATER	444.36	444.36
SCHEDULE 4		F42 CA WATER SERV	4607488888	WATER	361.66	361.66
SCHEDULE 4		F42 CITY OF BAKERSFIELD	2219-2218	GARBAGE & SEWER	1,530.83	1,530.83

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SCHEDULE 4	F42 CITY OF BAKERSFIELD	2221-2220	GARBAGE & SEWER	-	1,758.01
SCHEDULE 4	F42 SUPERIOR SANITATION	111181	WASTE	-	222.00
SCHEDULE 4	F42 STERICYCLE	6021923	TRASH	-	473.84
SCHEDULE 4	F42 AT&T	661-872-2324 0462	PHONE	-	1,103.21
SCHEDULE 4	F42 AT&T	661-871-9701	PHONE	-	78.24
SCHEDULE 4	F42 AMERICAN MESSAGING	R1-012911	PHONE	-	29.24
SCHEDULE 4	F42 ZONE TELECOM	81975	PHONE	-	173.04
SCHEDULE 4	SNF PROPERTIES, INC.	525762801-9	ELECTRIC & GAS	-	27.80
SCHEDULE 4	EMMANUEL CONV.-YUBA	7042921863-2	GAS	-	4,244.83
SCHEDULE 4	F43 PG&E	5459536481-8	ELECTRIC	-	2,974.05
SCHEDULE 4	F43 PG&E	280933-03	WATER & SEWER	-	1,153.84
SCHEDULE 4	F43 CITY OF YUBA	280930-03	WATER & SEWER	-	1,146.48
SCHEDULE 4	F43 YUBA SUTTER DISPOSAL	1700-76	TRASH	-	1,584.46
SCHEDULE 4	F43 MEDISPOSE	N/A	TRASH	-	78.28
SCHEDULE 4	F43 STERICYCLE	6017944	TRASH	-	782.44
SCHEDULE 4	F43 AT&T	530674-914D 8998	PHONE	-	1,043.71
SCHEDULE 4	F43 AT&T	530674-1641 0855	PHONE	-	103.30
SCHEDULE 4	F43ARCH WIRELESS	79350450	PHONE	-	99.64
SCHEDULE 4	F43 COMCAST	8495 280220023751	CABLE/PHONE	-	1,020.91
SCHEDULE 4	F43 COMCAST	8495 280220186384	CABLE/PHONE	-	55.18
SCHEDULE 4	EMBER CARE CORP.	221-139-3855	ELECTRIC	5,291.43	5,291.43
SCHEDULE 4	F44 SO CALIFORNIA EDISON CO.	095-217-32344	GAS	6,378.55	6,378.55
SCHEDULE 4	F44 THE GAS CO.	7010080	GAS	330.64	330.64
SCHEDULE 4	F44 THE CITY OF POMONA	7002061	WATER & SEWER	3,910.58	3,910.58
SCHEDULE 4	F44 ENSERV	N/A	TRASH	115.17	115.17
SCHEDULE 4	F44 VALLEY VISTA SERVICES	213088-1	TRASH	721.52	721.52
SCHEDULE 4	F44 VERIZON	909-630-0102	PHONE	91.00	91.00
SCHEDULE 4	F44 VERIZON	909-197-0943	PHONE	2,027.39	2,027.39
SCHEDULE 4	F45 CITY OF GLENDALE	3279-3900-07	ELECTRIC/WATER/SEWER	2,991.05	2,991.05
SCHEDULE 4	F45 THE GAS CO.	101019-18892	GAS	1,049.46	1,049.46
SCHEDULE 4	F45 CROWN DISPOSAL	277891	TRASH	434.20	434.20
SCHEDULE 4	F45 ENSERV	N/A	WASTE	63.50	63.50
SCHEDULE 4	F45 AT&T	323-849-1969	PHONE	68.95	68.95
SCHEDULE 4	F45 AT&T	818-843-9044	PHONE	84.53	84.53
SCHEDULE 4	F45 AT&T	818-843-9072	PHONE	84.53	84.53
SCHEDULE 4	F45 AT&T	960-551-4467	PHONE	698.67	698.67
SCHEDULE 4	F45 CHARTER COMMUNICATIONS	2000-45255001-1011002	PHONE	72.57	72.57
SCHEDULE 4	F45 AT&T	818-846-1638-1577	PHONE	40.00	40.00
SCHEDULE 4	F45 AT&T LONG DISTANCE	1386439	PHONE	81.56	81.56
SCHEDULE 4	F46 L.A. MUNICIPAL SERVICE	1586-1159-05125	ELECTRIC & WATER	3,235.94	3,235.94
SCHEDULE 4	F46 THE GAS CO.	096321-458	GAS	3,147.28	3,147.28
SCHEDULE 4	F46 WASTE MANAGEMENT	156-002283-0156-0	WASTE	604.10	604.10
SCHEDULE 4	F46 COMMODORE MED SERV	N/A	WASTE	52.62	52.62
SCHEDULE 4	F46 ENSERV	LA 90042-002	WASTE	100.60	100.60
SCHEDULE 4	F46 AT&T	323-256-9246	PHONE	116.93	116.93
SCHEDULE 4	F46 AT&T	323-344-8735	PHONE	40.47	40.47
SCHEDULE 4	F46 AT&T	323-254-6125-3489	PHONE	405.47	405.47
SCHEDULE 4	F46 AT&T LONG DISTANCE	1386439	PHONE	52.49	52.49
SCHEDULE 4	F47 SO CA EDISON	210498-3481	ELECTRIC	6,408.37	6,408.37
SCHEDULE 4	F47 THE GAS CO.	179024-07497	GAS	2,751.92	2,751.92
SCHEDULE 4	F47 CITY OF CORONA	56022028	SEWER/WATER	240.11	240.11
SCHEDULE 4	F47 CITY OF CORONA	56020220	WATER	35.68	35.68
SCHEDULE 4	F47 CITY OF CORONA	56020240	SEWER/WATER	1,221.23	1,221.23
SCHEDULE 4	F47 CITY OF CORONA	56020260	SEWER/WATER	283.31	283.31
SCHEDULE 4	F47 WASTE MGMT OF THE INLAND	5602028	TRASH	1,129.04	1,129.04
SCHEDULE 4	F47 COMMODORE MED SERV.	91719-001	TRASH	131.65	131.65
SCHEDULE 4	F47 AT&T	951-735-0252	PHONE	759.65	759.65
SCHEDULE 4	F47 QUANTUM LINK COMM	700065-0594	PHONE	2,070.66	2,070.66

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SCHEDULE 4	F-47 AT&T	951-371-9606-9658	PHONE	80 10	80.10
PLEASEANT CARE REHAB CENTER					
SANTA CRUZ					
SCHEDULE 4	F51 PG&E	4036776821-1	ELECTRIC	-	2,356.30
SCHEDULE 4	F51 PG&E	4120110149-4	ELECTRIC	-	1,596.84
SCHEDULE 4	F51 PG&E	3995110157-3	GAS	-	5,599.07
SCHEDULE 4	F51 PG&E	4078443485-0	GAS	-	3,427.40
SCHEDULE 4	F51 SANTA CRUZ MUN.	100-4940-18	WATER	-	1,720.24
SCHEDULE 4	F51 SANTA CRUZ MUN.	100-4945-18	WATER	-	2,088.48
SCHEDULE 4	F51 WASTE MANAGEMENT	157-0036683-2556-0	TRASH	-	2,722.02
SCHEDULE 4	F51 WASTE MANAGEMENT	157-0035744-2556-1	TRASH	-	413.54
SCHEDULE 4	F51 STERICYCLE	6040-806	TRASH	-	845.12
SCHEDULE 4	F51 SANTA CRUZ RECYCLING	PLEASANT	TRASH	-	81.00
SCHEDULE 4	F51 AT&T	831-475-9990	PHONE	-	78.24
SCHEDULE 4	F51 AT&T	831-475-9886	PHONE	-	79.34
SCHEDULE 4	F51 COMICAST	8770-30013-0385946	PHONE/CABLE	-	1,792.66
SCHEDULE 4	F51 AT&T	960-732-8976	PHONE	-	1,443.27
SCHEDULE 4	F51 AT&T	030-288-0976-001	PHONE	-	290.81
SCHEDULE 4	F51 SPRINT	923-508-863	PHONE	-	28.90
SCHEDULE 4	F51 AT&T	831-475-3297	PHONE	-	132.73
SCHEDULE 5	F-01 SO CA GAS CO.	19880033006	GAS	3,195.75	3,195.75
SCHEDULE 5	F-01 LA DEP WTR&PWR	14734043201	WATER & ELECT	4,908.14	4,908.14
SCHEDULE 5	F-01 CONS. DISP. SERV.	3840950118374	TRASH	667.15	667.15
SCHEDULE 5	F-01 STERICYCLE	35946	WASTE	289.11	289.11
SCHEDULE 5	F-01 AT&T	323 261 4418 560 1	PHONE	211.10	211.10
SCHEDULE 5	F-01 AT&T	323 261 8108 545 8	PHONE	568.16	568.16
SCHEDULE 5	F-01 AT&T	323 265 9696 539 3	PHONE	92.59	92.59
SCHEDULE 5	F-01 AT&T	323 265 9698 095 3	PHONE	86.46	86.46
SCHEDULE 5	F-05 COMICAST	8770 35 022 007 1088	CABLE	-	1,541.48
SCHEDULE 5	NOVATO CONV HOSPITAL	925309199	PHONE	-	73.86
SCHEDULE 5	F-05 VERIZON	415 897-9821 700623	PHONE	-	89.66
SCHEDULE 5	F-05 VERIZON	415 897-6161 700619	PHONE	-	1,406.05
SCHEDULE 5	F-05 STERICYCLE	6019151	WASTE	-	785.35
SCHEDULE 5	F-05 NORTH MARIN WTR	3270 965801	WATER	-	4,727.01
SCHEDULE 5	F-05 PG&E	3345417557-2	GAS	-	7,876.32
SCHEDULE 5	F-05 NOVATO DISP. SERV.	716800219-4	ELECTRIC	-	3,955.66
SCHEDULE 5	F-05 NOVATO DISP. SERV.	1199417	TRASH	-	2,605.68
SCHEDULE 5	F-17 COMICAST	9683306	TRASH	-	225.00
SCHEDULE 5	F-17 AT&T	8495 34 054 0027609	CABLE	320.05	320.05
SCHEDULE 5	F-17 AT&T	209 367-4773 075 3	PHONE	119.31	119.31
SCHEDULE 5	F-17 AT&T	051 789 4659 001	PHONE	23.67	23.67
SCHEDULE 5	F-17 AT&T	209 369 2545	PHONE	181.29	181.29
SCHEDULE 5	F-17 TELEPACIFIC COM.	22236	PHONE	2,172.61	2,172.61
SCHEDULE 5	F-17 PG&E	8060429056-1	GAS	5,734.84	5,734.84
SCHEDULE 5	F-17 SUBURBAN PROPANE	1641-002212	GAS	221.17	221.17
SCHEDULE 5	F-17 STERICYCLE	6041015	TRASH	1,370.66	1,370.66
SCHEDULE 5	F-17 CITY OF LODI	0000733-6	ECT/WATER/SEWER/TRA	8,428.56	8,428.56
SCHEDULE 5	F-20 MCI	7DJ85925	PHONE	75.17	75.17
SCHEDULE 5	F-20 SPRINT	354285940	PHONE	29.54	29.54
SCHEDULE 5	F-20 SPRINT	923185692	PHONE	81.93	81.93
SCHEDULE 5	F-20 AT&T	707 584-2363 314 2	PHONE	115.58	115.58
SCHEDULE 5	F-20 AT&T	234 351-8060 292 3	PHONE	33.69	33.69
SCHEDULE 5	F-20 AT&T	707 778-9842 455 9	PHONE	78.83	78.83
SCHEDULE 5	F-20 AT&T	707 763-2457 456 5	PHONE	1,470.28	1,470.28
SCHEDULE 5	F-20 GREEN WASTE	50272	TRASH	1,532.53	1,532.53
SCHEDULE 5	F-20 STERICYCLE	6037933	TRASH	513.90	513.90
SCHEDULE 5	F-20 CITY OF PETALUMA	005341-00	WATER	9.10	9.10
SCHEDULE 5	F-20 CITY OF PETALUMA	005340-00	WATER	403.90	403.90
SCHEDULE 5	F-20 CITY OF PETALUMA	005342-00	WATER	18.70	18.70

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PROOF OF SERVICE
STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am an employee in the County of Los Angeles, State of California. I am over the age of 18 and am not a party to the within action; my business address is: 10250 Constellation Boulevard, Suite 1700, Los Angeles, California 90067.

On April 18, 2007, I served the foregoing document(s) described as:

DEBTORS' EMERGENCY MOTION FOR ENTRY OF AN ORDER AUTHORIZING DEBTORS TO PROVIDE ADEQUATE ASSURANCE OF FUTURE PAYMENT TO UTILITY COMPANIES PURSUANT TO SECTION 366(c) OF THE BANKRUPTCY CODE; MEMORANDUM OF POINTS AND AUTHORITIES; DECLARATION OF JOSEPH C. TUTERA IN SUPPORT THEREOF

on the interested parties in this action by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid in the United States mail at Los Angeles, California, addressed as follows:

See Attached Service List:

(By E-Mail) I caused said document to be electronically served at the party so stated on the attached service list. Executed on April 18, 2007 at Los Angeles, California.

(By Federal Express/Overnight Mail) I caused such envelope to be delivered by Federal Express (or Express Mail), next business day delivery to the offices of the addressees so designated on the attached lists. Executed on April 18, 2007, at Los Angeles, California.

(By Facsimile) I caused said document to be sent via facsimile to the offices of the addressee so designated on the attached list. Executed on April 2, 2007, at Los Angeles, California.

(Federal) I declare under penalty of perjury pursuant to the laws of the United States of America that the foregoing is true and correct.

/s/ Jason Klassi
Jason Klassi

In re Pleasant Care Corporation
In re Ember Care Corporation
In re PCC Health Services, Inc.
In re SNF Properties Incorporated
In re Atlas Care Enterprises, Inc.

Consolidated – Request for Special Notice

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In re PCC Health Services, Inc.
In re SNF Properties Incorporated
In re Atlas Care Enterprises, Inc.
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