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WASHINGTON, D.C.

March 29, 2024

VIA HAND DELIVERY

Katherine Burnworth
Imperial Valley Healthcare District
1275 Main St
El Centro, CA 92243

Re: Waiver of Conflicts of Interest

Dear Ms. Burnworth:

As you know, Procopio, Cory, Hargreaves & Savitch LLP (the “**Firm**”) currently represents Imperial Valley Healthcare District (“**IVHD**”). The Firm also represents The Regents of the University of California (“**UCSD**”) in various matters. IVHD has asked the Firm to represent it in connection with statutorily-required negotiations with the City of El Centro to purchase the El Centro Regional Medical Center (“**ECRMC**”), which is a hospital owned by the City of El Centro and affiliated with UCSD Health Care Network (the “**Transaction**”). If IVHD purchases ECRMC, then, in connection with the merger, members of the Firm will review contracts on behalf of IVHD adverse to UCSD. Obviously, the Firm wishes to continue to represent the interests of IVHD and UCSD in those respective and unrelated matters in which we currently represent each client separately and in future matters unrelated to the Transaction; at the same time, we would like to represent IVHD in connection with the Transaction. The work which the Firm has been requested to undertake for IVHD in connection with the Transaction bears no relationship to work which the Firm has done, or is doing, for UCSD. Further, it is our understanding that UCSD is represented by other counsel of its own choosing in connection with the Transaction.

The purpose of this letter is to notify IVHD of the Firm’s proposed representation of IVHD in connection with the Transaction and to request waiver of the resulting conflict of interest. A conflict of interest exists by virtue of the fact that the Firm simultaneously will be representing clients whose interests are, or may become, adverse. As attorneys, we are governed by specific rules relating to our representation of clients when actual or potential conflicts of interest exist. In particular, absent the informed written consent of the clients, attorneys may not simultaneously represent clients whose

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interests conflict even where one matter is totally unrelated to the other. In addition, Rule 1.7 of the Rules of Professional Conduct of the State Bar of California provides, in relevant part, as follows:

(a) A lawyer shall not, without informed written consent from each client and compliance with paragraph (d), represent a client if the representation is directly adverse to another client in the same or a separate matter.

(b) A lawyer shall not, without informed written consent from each affected client and compliance with paragraph (d), represent a client if there is a significant risk the lawyer's representation of the client will be materially limited by the lawyer's responsibilities to or relationships with another client....

(d) Representation is permitted under this rule only if the lawyer complies with paragraphs (a) [and] (b) ..., and:

(1) the lawyer reasonably believes that the lawyer will be able to provide competent and diligent representation to each affected client;

(2) the representation is not prohibited by law; and

(3) the representation does not involve the assertion of a claim by one client against another client represented by the lawyer in this same litigation or proceeding before a tribunal.

(e) For purposes of this rule, "matter" includes any judicial or other proceeding, application, request for a ruling or other determination, contract, transaction, claim, controversy, investigation, charge, accusation, arrest or other deliberation, decision or action that is focused on the interests of specific persons, or a discrete and identifiable class of persons.

Under the Rules of Professional Conduct, "Informed consent" means a person's agreement to a proposed course of conduct after the lawyer has communicated and explained (i) the relevant circumstances and (ii) the material risks, including any actual or reasonably foreseeable adverse consequences of the proposed course of conduct. "Informed written consent" means that the disclosure and the consent required must be in writing.

Obviously, the interests of IVHD in the Transaction are in conflict, or potential conflict, with the interests of UCSD. If IVHD and UCSD consent to the Firm's representation of IVHD in the Transaction, the Firm will zealously represent the interests of IVHD in connection with the Transaction. Moreover, the Firm's representation of the interests of IVHD in connection with the Transaction will not adversely affect the Firm's ability to continue to provide competent and diligent representation of IVHD and UCSD in connection with those current and future matters unrelated to the Transaction in which the Firm represents each client separately. Further, the work which the Firm has been requested to undertake for IVHD in connection with the Transaction does not bear a substantial relationship to work previously done, or presently being done, by the Firm for UCSD. Please be advised that under no circumstances will any privileged or confidential information conveyed by either client to the Firm ever be disclosed to the other client.

It is therefore proposed that the Firm will continue to serve as counsel to IVHD and UCSD in the respective and separate matters in which it currently represents each client and in other matters in which either client may request the Firm's representation in the future, and that the Firm also will serve as counsel for IVHD in connection with the Transaction. It is understood and agreed that the Firm will not represent either IVHD or UCSD in any adversarial proceedings which may develop between IVHD and UCSD, including litigation, arbitration, mediation, bankruptcy, or similar proceedings, so long as both IVHD and UCSD remain clients of the Firm.

If IVHD is agreeable to our representation of IVHD in connection with the Transaction, notwithstanding our representation of IVHD and UCSD in their respective current and future matters unrelated to the Transaction, we ask that IVHD provide us with informed written consent to such representation by signing a copy of this letter and returning it to the Firm at the earliest opportunity. Please be advised that, as is the case with all conflict of interest waivers, we recommend that IVHD consult with independent counsel to review this letter prior to execution of it.

Certainly, should you have any questions whatsoever concerning this letter, the consent, or our representation, please discuss them with the Firm before signing and returning the letter.

Sincerely,



Adriana Ochoa

WAIVER AND CONSENT

The undersigned agree to the foregoing and consent to the representation of IVHD by Procopio, Cory, Hargreaves & Savitch LLP (the "Firm") in connection with the transaction between IVHD and UCSD, notwithstanding the ongoing representation by the Firm of the interests of IVHD and UCSD in matters unrelated to the transaction between IVHD and UCSD. It is understood and agreed that the Firm will not represent either IVHD or UCSD in any adversarial proceedings which may develop between IVHD and UCSD, including litigation, arbitration, mediation, bankruptcy, or similar proceedings, so long as both IVHD and UCSD remain clients of the Firm.

Dated: April 1, 2024

Imperial Valley Healthcare District

By: _____

Name: Katherine Burnworth

Title: Board President