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David H. Payne, M.D., Inc.

Exhibit #	Document	File Date
1	United States of America v David Hobart Payne, M.D. (SA CR No. 17-053(A))	4/25/2018
2	PACER United States District Court—Criminal Minutes-Arraignment (Case Number 8:17-CR-00053-JLS)	6/14/2018
3	PACER United States District Court—Criminal Docket (Case Number 8:17-CR-00053-JLS-1)	6/6/2017
4	CA Secretary of State (SOS) Articles of Incorporation Center for David H. Payne, M.D., Inc.	1/15/2003
5	SOS Articles of Incorporation Center for David H. Payne, M.D., Inc.	2/14/2003
6	SOS Statement of Information for David H. Payne, M.D., Inc. (CA Corporate Number C2456005)	1/10/2017
7	SOS Statement of Information for David H. Payne, M.D., Inc. (CA Corporate Number C2456005)	8/30/2018

EXHIBIT 1

FILED

2018 APR 25 PM 4:16

CLERK U.S. DISTRICT COURT
CENTRAL DIST. OF CALIF.
SANTA ANA

BY

UNITED STATES DISTRICT COURT

FOR THE CENTRAL DISTRICT OF CALIFORNIA

September 2017 Grand Jury

UNITED STATES OF AMERICA, Plaintiff, v. DAVID HOBART PAYNE, Defendant.	SA CR No. 17-053(A)- FIRST SUPERSEDING INDICTMENT [18 U.S.C. § 371: Conspiracy; 18 U.S.C. §§ 1343, 1346: Wire Fraud Involving Deprivation of Honest Services; 18 U.S.C. § 1952(a)(3): Use of an Interstate Facility in Aid of Unlawful Activity; 18 U.S.C. § 2: Aiding and Abetting and Causing an Act to be Done; 18 U.S.C. §§ 982(a)(7), 981(a)(1)(C) and 28 U.S.C. § 2461(c): Criminal Forfeiture]

The Grand Jury charges:

COUNT ONE

[18 U.S.C. § 371]

A. INTRODUCTORY ALLEGATIONS

At all times relevant to this First Superseding Indictment:

Relevant Entities

1. Healthsmart Pacific Inc., doing business as Pacific Hospital of Long Beach ("Pacific Hospital"), was a hospital located

in Long Beach, California, specializing in surgeries, particularly spinal and orthopedic surgeries. From at least in or around 1997 to October 2013, Pacific Hospital was owned and/or operated by Michael D. Drobot ("Drobot") and/or an unindicted co-conspirator. James Canedo ("Canedo") was Pacific Hospital's Chief Financial Officer ("CFO").

2. International Implants LLC ("I2") was a limited liability company, controlled by Drobot and headquartered in Newport Beach, California, that purchased implantable medical devices for use in spinal surgeries from original manufacturers and sold them to hospitals, particularly Pacific Hospital.

3. Pacific Specialty Physician Management, Inc. ("PSPM") was a corporation, owned and controlled by Drobot and others and headquartered in Newport Beach, California, that provided administrative and management services for physicians' offices.

4. Industrial Pharmacy Management LLC ("IPM") was a limited liability company, owned and controlled by Drobot, Michael R. Drobot ("Drobot Jr."), and others and headquartered in Newport Beach, California, that operated and managed a physician dispensing program.

5. California Pharmacy Management LLC ("CPM") was a limited liability company, owned and controlled by Drobot and Drobot Jr. and headquartered in Newport Beach, California, that operated and managed a physician dispensing program.

6. Defendant DAVID HOBART PAYNE ("defendant PAYNE") was an orthopedic surgeon who owned and operated Industrial Orthopedics Spine and Sports Medicine ("Industrial Orthopedics"), a medical clinic located in Santa Ana, California specializing in orthopedic spinal surgery and orthopedic sports medicine.

7. David H. Payne, MD, Inc. was a California professional corporation owned and operated by defendant PAYNE.

8. The Travelers Companies, Inc. ("Travelers") is a provider of workers compensation insurance.

California Workers' Compensation System ("CWCS")

9. The California Workers' Compensation System ("CWCS") was a system created by California law to provide insurance covering treatment of injury or illness suffered by individuals in the course of their employment. Under the CWCS, employers were required to purchase workers' compensation insurance policies from insurance carriers to cover their employees. When an employee suffered a covered injury or illness and received medical services, the medical service provider submitted a claim for payment to the relevant insurance carrier, which then paid the claim. Claims were submitted to and paid by the insurance carriers either by mail or electronically. The CWCS was governed by various California laws and regulations.

10. The California State Compensation Insurance Fund ("SCIF") was a non-profit insurance carrier, created by the California Legislature, that provided workers' compensation insurance to employees in California, including serving as the "insurer of last resort" under the CWCS system for employers without any other coverage.

Health Care Programs

11. SCIF, other workers' compensation insurance carriers, and personal injury insurers, along with other public and private plans and contracts, were "health care benefit programs" (as defined in 18 U.S.C. § 24(b)), that affected commerce.

Relevant California Laws Pertaining to Bribery and Kickbacks

12. California law, including the California Business and Professions Code and the California Insurance Code, prohibited the offering, delivering, soliciting, or receiving of anything of value in return for referring a patient for medical services.

13. California Business & Professions Code Section 650 prohibited the offer, delivery, receipt, or acceptance by certain licensees -- specifically including physicians -- of any commission or other consideration, whether in the form of money or otherwise, as compensation or inducement for referring patients, clients, or customers to any person.

14. California Insurance Code Section 750(a) prohibited anyone who engaged in the practice of processing, presenting, or negotiating claims, including claims under policies of insurance, from offering, delivering, receiving, or accepting any commission or other consideration, whether in the form of money or otherwise, as compensation or inducement to any person for the referral or procurement of clients, cases, patients, or customers.

Fiduciary Duties and the Physician-Patient Relationship

15. A "fiduciary" obligation generally existed whenever one person -- a client -- placed special trust and confidence in another -- the fiduciary -- in reliance that the fiduciary would exercise his or her discretion and expertise with the utmost honesty and forthrightness in the interests of the client, such that the client could relax the care and vigilance she or he would ordinarily exercise, and the fiduciary knowingly accepted that special trust and confidence and thereafter undertook to act on behalf of the client based on such reliance.

16. Physicians owed a fiduciary duty to their patients, requiring physicians to act in the best interest of their patients, and not for their own professional, pecuniary, or personal gain. Physicians owed a duty of honest services to their patients for decisions made relating to the medical care of those patients, including the informed choice of whether to undergo surgery and other medical procedures, as well as the selection of a provider and facility for such surgeries and procedures. Patients' right to honest services from physicians included the right not to have physician-fiduciaries solicit or accept bribes and kickbacks connected to the medical care of such patients.

B. OBJECTS OF THE CONSPIRACY

17. Beginning on a date unknown, but at least as early as in or around May 2008, and continuing through at least in or around October 2013, in Orange and Los Angeles Counties, within the Central District of California, and elsewhere, defendant PAYNE, Drobot, Drobot Jr., and Canedo, together with others known and unknown to the Grand Jury, knowingly combined, conspired, and agreed to commit the following offenses against the United States: Honest Services Mail Fraud and Wire Fraud, in violation of Title 18, United States Code, Sections 1341, 1343, and 1346; and Use of an Interstate Facility in Aid of Bribery, in violation of Title 18, United States Code, Section 1952(a).

C. MANNER AND MEANS OF THE CONSPIRACY

18. The objects of the conspiracy were to be carried out, and were carried out, in the following ways, among others:

a. Drobot and other co-conspirators working with Drobot and/or at his direction offered to pay kickbacks to defendant PAYNE

and other doctors, chiropractors, workers' compensation and personal injury attorneys, marketers, and others in return for referring workers' compensation patients to Pacific Hospital for spinal surgeries, other types of surgeries, magnetic resonance imaging, toxicology, durable medical equipment, and other services, to be paid through the CWCS. For spinal surgeries, typically, Drobot offered to pay a kickback of approximately $15,000 per lumbar fusion surgery and $10,000 per cervical fusion surgery, provided that equipment distributed through I2 was used in the surgery. If non-I2 equipment was used in the surgery, Drobot offered lesser kickback amounts.

b. Influenced by the promise of kickbacks, defendant PAYNE and other doctors, chiropractors, workers' compensation and personal injury attorneys, marketers, and others referred patients insured through the CWCS and other health care benefit programs to Pacific Hospital for spinal surgeries, other types of surgeries, and other medical services and, at times, performed the surgeries. The surgeries and other medical services were performed on the referred patients at Pacific Hospital.

c. Pacific Hospital and defendant PAYNE submitted claims, by mail and electronically, to SCIF and other health care benefit programs for: (1) in the case of Pacific Hospital, payment of the costs of the surgeries and other medical services; and (2) in the case of defendant PAYNE, payment of professional fees associated with surgeries he performed at Pacific Hospital.

d. As Drobot, defendant PAYNE, and the other co-conspirators knew and intended, and as was reasonably foreseeable to them, in treating patients and submitting claims for payment using the mails, wire communications, and other facilities in interstate

commerce, Drobot, defendant PAYNE, and other co-conspirators concealed material information from patients, SCIF, and other health care benefit programs, including the fact that Drobot offered, paid, or caused to be paid, kickbacks to defendant PAYNE and others for the referral of surgeries and other medical services to Pacific Hospital for which Pacific Hospital and defendant PAYNE were submitting claims.

e. In soliciting and receiving concealed bribes and kickbacks to induce the referral of patients and corresponding ancillary services to Pacific Hospital, defendant PAYNE and other medical professionals would deprive patients of their right to honest services.

f. The health care benefit programs paid Pacific Hospital's and defendant PAYNE's claims, by mail and electronically.

g. Drobot and others paid and caused others to pay kickbacks -- using the mails and other facilities in interstate commerce -- to defendant PAYNE and other doctors, chiropractors, marketers, and others who had referred patients to Pacific Hospital for surgeries and other medical services.

h. To conceal the nature of the kickback payments from both health care benefit programs and patients, Drobot, through one of the companies he owned and/or operated, entered into bogus arrangements with the doctors, including defendant PAYNE, chiropractors, marketers, and others. The services discussed as part of those arrangements were, in fact, generally not provided; rather, the compensation was paid, entirely or in part, depending on the arrangement, to cause defendant PAYNE to do surgeries at Pacific Hospital. The bogus arrangements defendant PAYNE and Drobot entered

into included, but were not limited to, a collections agreement and a physician office dispensing program management agreement.

i. Drobot and others kept records of the number of surgeries and other medical services performed at Pacific Hospital due to referrals from the kickback recipients, as well as amounts paid to the kickback recipients for those referrals. Periodically, Drobot and others amended the bogus contracts with the kickback recipients to increase or decrease the amount of agreed compensation described in the contracts, in order to match the amount of kickbacks paid or promised in return for referrals. Drobot paid and caused the kickbacks to be paid through entities including IPM, I2, and Pacific Hospital.

D. EFFECTS OF THE CONSPIRACY

19. Had SCIF and the health care benefit programs known the true facts regarding the payment of kickbacks for the referral of patients for surgeries and other medical services performed at Pacific Hospital, they would have subjected the claims to additional review, would not have paid the claims, and/or would have paid a lesser amount on the claims.

20. From 2005 to in or around April 2013, Pacific Hospital billed health care benefit programs at least approximately $580 million in claims for spinal surgeries and other medical services that were the result of the payment of a kickback. Defendant PAYNE performed or referred surgeries comprising at least approximately $10,850,000 of the total billed amount, for which Drobot, through entities that he controlled, paid defendant PAYNE at least approximately $450,000 in kickbacks.

E. OVERT ACTS

21. On or about the following dates, in furtherance of the conspiracy and to accomplish the objects of the conspiracy, defendant PAYNE and other co-conspirators known and unknown to the Grand Jury, committed various overt acts within the Central District of California, and elsewhere, including, but not limited to, the following:

Overt Act No. 1: On or about April 17, 2008, defendant PAYNE met with Drobot to discuss receiving kickbacks from Drobot for performing surgeries at Pacific Hospital.

Overt Act No. 2: On or about May 19, 2008, defendant PAYNE and Drobot Jr. discussed negotiating a deal where defendant PAYNE would receive payments in exchange for performing surgeries at Brotman Hospital.

Overt Act No. 3: On or about June 18, 2008, defendant PAYNE performed spinal surgery on patient A.H. at Pacific Hospital.

Overt Act No. 4: On or about July 15, 2008, Drobot Jr. sent an email to an unindicted co-conspirator stating that Drobot agreed to pay IPM $60,000 to reimburse IPM for payments to doctors including a $10,000 payment that had been made by IPM to defendant PAYNE.

Overt Act No. 5: On or about July 17, 2008, Drobot Jr. sent an email stating that $10,000 being reimbursed to IPM was for "stuff" defendant PAYNE did in the last four weeks.

Overt Act No. 6: On or about July 21, 2008, defendant PAYNE (on behalf of Industrial Orthopedics) and Drobot Sr. (on behalf of IPM) signed a Physician Office Dispensing Program Management Agreement.

Overt Act No. 7: On or about July 29, 2008, Drobot Jr. sent an email to Drobot stating that defendant PAYNE would be performing a spine surgery that week and would need to be paid $8,000.

Overt Act No. 8: On or about July 29, 2008, defendant PAYNE performed spinal surgery on patient E.R. at Pacific Hospital, and used hardware manufactured by I2.

Overt Act No. 9: On or about October 1, 2008, IPM sent to Industrial Orthopedics a check for $20,000.

Overt Act No. 10: On or about January 30, 2009, IPM sent Industrial Orthopedics three checks totaling $26,000.

Overt Act No. 11: On or about February 19, 2009, Drobot Jr. sent an email to Drobot stating that IPM was taking losses by making payments to generate spines for Pacific Hospital.

Overt Act No. 12: On or about June 23, 2009, IPM sent to Industrial Orthopedics a check for $10,000.

Overt Act No. 13: On or about August 20, 2009, Drobot Jr. sent an email to defendant PAYNE telling him that Drobot would be using a collection agreement to pay him for surgeries performed.

Overt Act No. 14: On or about January 20, 2010, I2 sent to David H. Payne, MD, Inc. a check for $14,000.

Overt Act No. 15: On or about June 29, 2011, I2 sent to David H. Payne, MD, Inc. a check for $45,000.

Overt Act No. 16: On or about January 20, 2012, I2 sent to David H. Payne, MD, Inc. a check for $50,000.

Overt Act No. 17: On or about June 5, 2012, I2 sent to David H. Payne, MD, Inc. a check for $65,000.

Overt Act No. 18: On or about July 18, 2012, defendant PAYNE performed spinal surgery on patient J.L. at Pacific Hospital.

Overt Act No. 19: On or about July 18, 2012, defendant PAYNE performed spinal surgery on patient J.V. at Pacific Hospital.

Overt Act No. 20: On or about January 14, 2013, defendant PAYNE caused Industrial Orthopedics to send to Pacific Hospital via facsimile an invoice seeking payment of $22,500 in kickbacks for surgeries performed on patients J.V. and J.L.

Overt Act No. 21: On or about March 12, 2013, Canedo sent Drobot an email stating that defendant PAYNE was seeking to collect a total of $22,500 for a lumbar fusion surgery and a cervical fusion surgery that he had performed but that, pursuant to his outsourced collection agreement, defendant PAYNE would be paid only fifteen percent of the collections for those surgeries.

Overt Act No. 22: On or about March 28, 2013, Pacific Hospital sent to Industrial Orthopedics a check for $16,597.44, representing fifteen percent of the amounts collected by Pacific Hospital in connection with surgeries performed on J.L. and J.V.

Overt Act No. 23: On or about April 9, 2013, defendant PAYNE mailed to Travelers a claim for his professional fee arising out of spinal surgery performed on J.V.

Overt Act No. 24: On or about April 22, 2013, Pacific Hospital received from Travelers a check for $16,737.10 as payment on a claim for medical devices implanted during surgery performed on J.L.

Overt Act No. 25: On or about July 1, 2013, Pacific Hospital received from Travelers a check for $24,146.15 as payment on a claim for medical devices implanted during surgery performed on J.V.

Overt Act No. 26: On or about April 3, 2014, defendant PAYNE received from Travelers a check for $8,463.35 as payment for his professional fee for surgery performed on J.V.

COUNTS TWO AND THREE

[18 U.S.C. §§ 1343, 1346]

22. Paragraphs 1 through 16 and 18 through 21 of this First Superseding Indictment, including all subparagraphs, are re-alleged and incorporated by reference as if fully set forth herein.

A. THE SCHEME TO DEFRAUD

23. Beginning on a date unknown but at least as early as in or around May 2008, and continuing through at least in or around October 2013, in Orange and Los Angeles Counties, within the Central District of California, and elsewhere, Drobot and defendant DAVID HOBART PAYNE ("defendant PAYNE"), together with others known and unknown to the Grand Jury at various times, knowingly and with intent to defraud, devised, participated in, and executed a scheme to defraud patients of defendant PAYNE and other medical professionals of their right to honest services of their physicians' performance of duties as treating physicians and medical providers by soliciting, offering, accepting, and paying bribes and kickbacks to induce the referral of spinal surgeries, other types of surgeries, magnetic resonance imaging, toxicology, durable medical equipment, and other services to Pacific Hospital.

B. OPERATION OF THE SCHEME TO DEFRAUD

24. The fraudulent scheme operated, in substance, as set forth in paragraphs 18 through 21 of this First Superseding Indictment.

C. USE OF INTERSTATE WIRES

25. On or about the following dates, within the Central District of California, and elsewhere, defendant PAYNE, for the purpose of executing the above-described scheme to defraud,

transmitted and caused the transmission of items by means of wire communication in interstate commerce as set forth below:

COUNT	APPROXIMATE DATE	INTERSTATE WIRE TRANSMISSION
TWO	06/08/2012	Interstate wire through Federal Reserve Bank servers in Dallas, Texas, effectuating a transfer of $65,000 from I2's City National Bank account ending in 3965 in California to defendant PAYNE's Wells Fargo bank account ending in 1122 in California.
THREE	04/29/2013	Interstate wire through Federal Reserve Bank servers in Dallas, Texas, effectuating a transfer of $16,597.44 from Pacific Hospital's East West Bank account ending in 0545 to defendant PAYNE's Wells Fargo bank account ending in 1122 in California.

COUNTS FOUR AND FIVE

[18 U.S.C. § 1952(a); 18 U.S.C. § 2]

26. Paragraphs 1 through 16 and 18 through 21 of this First Superseding Indictment, including all subparagraphs, are re-alleged and incorporated by reference as if fully set forth herein.

27. On or about the dates set forth below, in Orange and Los Angeles Counties, within the Central District of California, and elsewhere, defendant DAVID HOBART PAYNE ("defendant PAYNE") used, aided and abetted the use of, and willfully caused the use of, a facility in interstate commerce, namely, the wire communications identified below and in paragraph 25 of this First Superseding Indictment, with the intent to otherwise promote, manage, establish, carry on, and facilitate the promotion, management, establishment, and carrying on of an unlawful activity, namely, kickbacks in violation of California Business & Professions Code Section 650, and California Insurance Code Section 750, and thereafter performed, attempted to perform, and aided and abetted and willfully caused the performance of an act to promote, manage, establish, and carry on, and to facilitate the promotion, management, establishment, and

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carrying on of such unlawful activity as follows:

COUNT	APPROXIMATE DATE	INTERSTATE WIRE TRANSMISSION	ACTS PERFORMED THEREAFTER
FOUR	06/08/2012	Interstate wire through Federal Reserve Bank servers in Dallas, Texas, effectuating a transfer of $65,000 from I2's City National Bank account ending in 3965 in California to defendant PAYNE's Wells Fargo bank account ending in 1122 in California.	In or around July 2012, defendant PAYNE performed spinal surgeries at Pacific Hospital.
FIVE	04/29/2013	Interstate wire through Federal Reserve Bank servers in Dallas, Texas, effectuating a transfer of $16,597.44 from Pacific Hospital's East West Bank account ending in 0545 to defendant PAYNE's Wells Fargo bank account ending in 1122 in California.	On or around July 1, 2013, Travelers mailed to Pacific Hospital check number 82511563 in the amount of $24,146.15 as payment for a claim regarding medical devices implanted during surgery performed on J.V.

FORFEITURE ALLEGATION

[18 U.S.C. §§ 982(a)(7), 981(a)(1)(C) and 28 U.S.C. § 2461(c)]

28. Pursuant to Rule 32.2(a), Fed. R. Crim. P., notice is hereby given to defendant DAVID HOBART PAYNE ("PAYNE") that the United States will seek forfeiture as part of any sentence in accordance with Title 18, United States Code, Sections 982(a)(7) and 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), in the event of defendant PAYNE's conviction under any of Counts One through Five of this First Superseding Indictment.

29. Defendant PAYNE shall forfeit to the United States the following property:

a. all right, title, and interest in any and all property, real or personal, that constitutes or is derived, directly or indirectly, from the gross proceeds traceable to the commission of any offense set forth in any of Counts One through Five of this First Superseding Indictment; and

b. a sum of money equal to the total value of the property described in subparagraph 29(a).

30. Pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c), and Title 18, United States Code, Section 982(b), defendant PAYNE shall forfeit substitute property, up to the total value of the property described in the preceding paragraph if, as a result of any act or omission of defendant PAYNE, the property described in the preceding paragraph, or any portion thereof (a) cannot be located upon the exercise of due diligence; (b) has been transferred, sold to or deposited with a third party; (c) has been placed beyond the jurisdiction of the Court; (d) has been substantially diminished in

value; or (e) has been commingled with other property that cannot be divided without difficulty.

A TRUE BILL

_____
Foreperson

TRACY L. WILKISON
Attorney for the United States,
Acting Under Authority Conferred
by 28 U.S.C. § 515

LAWRENCE S. MIDDLETON
Assistant United States Attorney
Chief, Criminal Division

DENNISE D. WILLETT
Assistant United States Attorney
Chief, Santa Ana Branch Office

JOSEPH T. MCNALLY
Assistant United States Attorney
Deputy Chief, Santa Ana Branch Office

ASHWIN JANAKIRAM
SCOTT D. TENLEY
Assistant United States Attorneys

EXHIBIT 2

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CRIMINAL MINUTES - ARRAIGNMENT

Case Number: 8:17-CR-00053-JLS Recorder: CS 06/14/2018 Date: 06/14/2018

Present: The Honorable Douglas F. McCormick, U.S. Magistrate Judge

Court Clerk: Nancy Boehme Assistant U.S. Attorney: Scott Tenley

United States of America v.	Attorney Present for Defendant(s)	Language	Interpreter
DAVID HOBART PAYNE BOND	Reuven L. Cohen and Gabriel L. Pardo Retained Counsel		

PROCEEDINGS: ARRAIGNMENT OF DEFENDANT(S) AND ASSIGNMENT OF CASE AND INITIAL APPEARANCE.

Defendant is arraigned

Defendant is given a copy of the First Superseding Indictment.

Defendant acknowledges receipt of a copy and waives reading thereof.

Defendant's first appearance.
Bond is ordered in the amount of a $50,000 Unsecured Appearance Bond. See attached copy of the bond. Court orders defendant to report to the U.S. Marshal's Office forthwith for processing.

Defendant pleads not guilty to all counts in the First Superseding Indictment.

This case is assigned to the calendar of District Judge Josephine L. Staton.
It is ordered that the following date(s) and time(s) are set:
Jury Trial 8/7/2018 at 9:00 AM
Status Conference 7/27/2018 at 11:30 AM
Defendant and counsel are ordered to appear before said judge at the time and date indicated.

Trial estimate: 8 days.

First Appearance/Appointment of Counsel: 00 : 04
PIA: 00 : 03
Initials of Deputy Clerk: nb NB

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF CALIFORNIA

Case Name: United States of America v. **DAVID HOBART PAYNE** Case No. SACR17-00053

☒ Defendant ☐ Material Witness

Violation of Title and Section: **18 U.S.C. §** 371; 18 USC §§ 1343, 1346; 18 USC § 1952(a)(3)

☒ Summons ☐ Out of District ☐ Under Seal ☐ Modified Date: _____

☐ Personal Recognizance (*Signature Only*) ☒ Unsecured Appearance Bond $ 50,000 ☐ Appearance Bond $ _____ ☐ Cash Deposit (*Amount or %*) ☐ Affidavit of Surety Without Justification (*Form CR-4*) Signed by:	☐ Affidavit of Surety With Justification (*Form CR-3*) Signed by: ☐ With Full Deeding of Property ☐ Collateral Bond in the Amount of (*Cash or Negotiable Securities*): $ _____ ☐ Corporate Surety Bond in the Amount of: $ _____	Release No. Summons ☐ **Release to Pretrial ONLY** ☐ **Release to Probation ONLY** ☐ Forthwith Release ☐ All Conditions of Bond (*Except Clearing-Warrants Condition*) Must be Met and Posted by: ☐ Third-Party Custody Affidavit (*Form CR-31*) ☒ Bail Fixed by Court: DFM / nb (*Judge / Clerk's Initials*)

PRECONDITIONS TO RELEASE

☐ The government has requested a Nebbia hearing under 18 U.S.C. § 3142(g)(4).

☐ The Court has ordered a Nebbia hearing under § 3142 (g)(4).

☐ The Nebbia hearing is set for _____ at _____ ☐ a.m. ☐ p.m.

ADDITIONAL CONDITIONS OF RELEASE

In addition to the GENERAL CONDITIONS of RELEASE, the following conditions of release are imposed upon you:

☒ Submit to: ☒ Pretrial Services Agency (PSA) supervision as directed by PSA; ☐ Probation (USPO) supervision as directed by USPO.
(The agency indicated above, PSA or USPO, will be referred to below as "Supervising Agency.")

☒ Surrender all passports and travel documents to Supervising Agency no later than 6/18/18 @ 4:00 PM, sign a Declaration re Passport and Other Travel Documents (*Form CR-37*), and do not apply for a passport or other travel document during the pendency of this case.

☒ Travel is restricted to STATE OF CALIFORNIA unless prior permission is granted by Supervising Agency to travel to a specific other location. Court permission is required for international travel.

☒ Reside as approved by Supervising Agency and do not relocate without prior permission from Supervising Agency.

☒ Maintain or actively seek employment and provide proof to Supervising Agency. ☐ Employment to be approved by Supervising Agency.

☐ Maintain or begin an educational program and provide proof to Supervising Agency.

Defendant's Initials: _____ Date: 6/14/18

Case Name: United States of America v. DAVID HOBART PAYNE Case No. SACR17-00053

☒ Defendant ☐ Material Witness

☐ Avoid all contact, directly or indirectly (including by any electronic means), with any person who is a known victim or witness in the subject investigation or prosecution, ☐ including but not limited to _____ _____; ☐ except _____.

☐ Avoid all contact, directly or indirectly (including by any electronic means), with any known codefendants except in the presence of counsel. Notwithstanding this provision, you may contact the following codefendants without your counsel present: _____.

☐ Do not possess any firearms, ammunition, destructive devices, or other dangerous weapons. ☐ In order to determine compliance, you agree to submit to a search of your person and/or property by Supervising Agency in conjunction with the U.S. Marshal.

☐ Do not use or possess any identification, mail matter, access device, or any identification-related material other than in your own legal or true name without prior permission from Supervising Agency. ☐ In order to determine compliance, you agree to submit to a search of your person and/or property by Supervising Agency in conjunction with the U.S. Marshal.

☐ Do not engage in telemarketing.

☐ Do not sell, transfer, or give away any asset valued at $ _____ or more without notifying and obtaining permission from the Court, except _____.

☐ Do not engage in tax preparation for others.

☐ Do not use alcohol.

☐ Participate in the electronic remote alcohol monitoring program as directed by Supervising Agency and abide by all the rules and requirements of the program. You must pay all or part of the costs for treatment based upon your ability to pay as determined by Supervising Agency.

☐ Do not use or possess illegal drugs or state-authorized medical marijuana. ☐ In order to determine compliance, you agree to submit to a search of your person, and/or property by Supervising Agency in conjunction with the U.S. Marshal.

☐ Do not use for purposes of intoxication any controlled substance analogue as defined by federal law or street, synthetic, or designer psychoactive substance capable of impairing mental or physical functioning more than minimally, except as prescribed by a medical doctor.

☐ Submit to: ☐ drug and/or ☐ alcohol testing. If directed to do so, participate in outpatient treatment approved by Supervising Agency. You must pay all or part of the costs for testing and treatment based upon your ability to pay as determined by Supervising Agency.

☐ Participate in residential ☐ drug and/or ☐ alcohol treatment as directed by Supervising Agency. You must pay all or part of the costs of treatment based upon your ability to pay as determined by Supervising Agency. ☐ **Release to PSA only** ☐ **Release to USPO only**

☐ Submit to a mental health evaluation. If directed to do so, participate in mental health counseling and/or treatment approved by Supervising Agency. You must pay all or part of the costs based upon your ability to pay as determined by Supervising Agency.

☐ Participate in the Location Monitoring Program and abide by all of the requirements of the program, under the direction of Supervising Agency, which ☐ **will** or ☐ **will not** include a location monitoring bracelet. You must pay all or part of the costs of the program based upon your ability to pay as determined by Supervising Agency. You must be financially responsible for any lost or damaged equipment.

☐ Location monitoring only - no residential restrictions;

-or-

☐ You are restricted to your residence every day:

☐ from _____ ☐ a.m. ☐ p.m. to _____ ☐ a.m. ☐ p.m.

☐ as directed by Supervising Agency;

-or-

Defendant's Initials: _____ Date: 4/18/18

Case Name: United States of America v. **DAVID HOBART PAYNE** Case No. SACR17-00053

☒ Defendant ☐ Material Witness

☐ You are restricted to your residence at all times except for medical needs or treatment, attorney visits, court appearances, and _____, all of which must be preapproved by Supervising Agency;

☐ **Release to PSA only** ☐ **Release to USPO only**

☐ You are placed in the third-party custody (*Form CR-31*) of _____.

☐ Clear outstanding ☐ warrants or ☐ DMV and traffic violations and provide proof to Supervising Agency within ____ days of release from custody.

☐ Do not possess or have access to, in the home, the workplace, or any other location, any device that offers internet access except as approved by Supervising Agency. ☐ In order to determine compliance, you agree to submit to a search of your person and/or property by Supervising Agency in conjunction with the U.S. Marshal.

☐ Do not associate or have verbal, written, telephonic, electronic, or any other communication with any person who is less than the age of 18 except in the presence of a parent or legal guardian of the minor.

☐ Do not loiter or be found within 100 feet of any schoolyard, park, playground, arcade, or other place primarily used by children under the age of 18.

☐ Do not be employed by, affiliated with, own, control, or otherwise participate directly or indirectly in the operation of any daycare facility, school, or other organization dealing with the care, custody, or control of children under the age of 18.

☐ Do not view or possess child pornography or child erotica. ☐ In order to determine compliance, you agree to submit to a search of your person and/or property, including computer hardware and software, by Supervising Agency in conjunction with the U.S. Marshal.

☐ Other conditions:

_____

_____

_____

_____

_____

GENERAL CONDITIONS OF RELEASE

I will appear in person in accordance with any and all directions and orders relating to my appearance in the above entitled matter as may be given or issued by the Court or any judicial officer thereof, in that Court or before any Magistrate Judge thereof, or in any other United States District Court to which I may be removed or to which the case may be transferred.

I will abide by any judgment entered in this matter by surrendering myself to serve any sentence imposed and will obey any order or direction in connection with such judgment as the Court may prescribe.

I will immediately inform my counsel of any change in my contact information, including my residence address and telephone number, so that I may be reached at all times.

I will not commit a federal, state, or local crime during the period of release.

I will not intimidate any witness, juror, or officer of the court or obstruct the criminal investigation in this case. Additionally, I will not tamper with, harass, or retaliate against any alleged witness, victim, or informant in this case. I understand that if I do so, I may be subject to further prosecution under the applicable statutes.

I will cooperate in the collection of a DNA sample under 42 U.S.C. § 14135a.

Defendant's Initials: _____ Date: 6/14/18

Case Name: United States of America v. **DAVID HOBART PAYNE** Case No. SACR17-00053

☒ Defendant ☐ Material Witness

ACKNOWLEDGMENT OF DEFENDANT/MATERIAL WITNESS

As a condition of my release on this bond, pursuant to Title 18 of the United States Code, I have read or have had interpreted to me and understand the general conditions of release, the preconditions, and the additional conditions of release and agree to comply with all conditions of release imposed on me and to be bound by the provisions of Local Criminal Rule 46-6.

Furthermore, it is agreed and understood that this is a continuing bond (including any proceeding on appeal or review) which will continue in full force and effect until such time as duly exonerated.

I understand that violation of any of the general and/or additional conditions of release of this bond may result in a revocation of release, an order of detention, and a new prosecution for an additional offense which could result in a term of imprisonment and/or fine.

I further understand that if I fail to obey and perform any of the general and/or additional conditions of release of this bond, this bond may be forfeited to the United States of America. If said **forfeiture is not set aside, judgment may be summarily entered in this Court against me and each surety, jointly and severally, for the bond amount, together with interest and costs. Execution of the judgment may be issued or payment secured as provided by the Federal Rules of Criminal Procedure and other laws of the United States, and any cash or real or personal property or the collateral previously posted in connection with this bond may be forfeited.**

6/14/2018 — *Date*

Defendant / Material Witness' Signature

714-271-9112 — *Telephone Number*

Los Angeles, CA — *City and State (**DO NOT INCLUDE ZIP CODE**)*

☐ **Check if interpreter is used:** I have interpreted into the _____ language this entire form and have been told by the defendant that he or she understands all of it.

Interpreter's Signature *Date*

Approved: _____ *United States District Judge / Magistrate Judge* *Date*

If cash deposited: Receipt # _____ for $ _____

(This bond may require surety agreements and affidavits pursuant to Local Criminal Rule 46.)

Defendant's Initials: _____ Date: 6/14/18

EXHIBIT 3

W/SO,PASPRT,RELATED-G

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA (Southern Division - Santa Ana)
CRIMINAL DOCKET FOR CASE #: 8:17-cr-00053-JLS-1

Case title: USA v. Payne
Other court case number: SACR14-00034 JLS

Date Filed: 06/06/2017

Assigned to: Judge Josephine L. Staton

Defendant (1)

David Hobart Payne represented by

Gabriel L Pardo
Cohen Williams LLP
724 South Spring Street 9th Floor
Los Angeles, CA 90014
213-232-5164
Fax: 213-232-5167
Email: gpardo@cohen-williams.com
LEAD ATTORNEY
ATTORNEY TO BE NOTICED
Designation: Retained

Reuven L Cohen
Cohen Williams LLP
724 South Spring Street 9th Floor
Los Angeles, CA 90014
213-232-5163
Fax: 213-232-5167
Email: rcohen@cohen-williams.com
LEAD ATTORNEY
ATTORNEY TO BE NOTICED
Designation: Retained

Alyssa D Bell
Cohen Williams LLP
724 South Spring Street 9th Floor
Los Angeles, CA 90014
213-232-5144
Fax: 213-232-5167
Email: abell@cohen-williams.com
ATTORNEY TO BE NOTICED
Designation: Retained

Marc S Williams
Cohen Williams LLP
724 South Spring Street 9th Floor
Los Angeles, CA 90014
213-232-5160
Fax: 213-232-5167

Email: mwilliams@cohen-williams.com
ATTORNEY TO BE NOTICED
Designation: Retained

Pending Counts	**Disposition**
18:371: Conspiracy (1)	
18:371 CONSPIRACY (1s)	
18:1343,1346: Wire Fraud Involving Deprivation of Honest Services (2)	
18:1343, 1346 WIRE FRAUD INVOLVING DEPRIVATION OF HONEST SERVICES (2s-3s)	
18:1952(a)(3),2: Use of an Interstate Facility in Aid of Racketeering Enterprises; Aiding and Abetting (3)	
18:1952(a); 18:2 USE OF AN INTERSTATE FACILITY IN AID OF UNLAWFUL ACTIVITY; AIDING AND ABETTING AND CAUSING AN ACT TO BE DONE (4s-5s)	

Highest Offense Level (Opening)

Felony

Terminated Counts	**Disposition**
None	

Highest Offense Level (Terminated)

None

Complaints	**Disposition**
None	

Plaintiff

USA represented by **Joseph Timothy McNally**
AUSA - Office of US Attorney
Santa Ana Division
411 West Fourth Street 8th Floor
Santa Ana, CA 92701
714-338-3500

Fax: 714-338-3708
Email: joseph.mcnally@usdoj.gov
LEAD ATTORNEY
ATTORNEY TO BE NOTICED
Designation: Assistant US Attorney

Scott D Tenley
AUSA - Office of US Attorney
Santa Ana Branch Office
411 West Fourth Street 8th Floor
Santa Ana, CA 92701
714-338-2829
Fax: 714-338-3561
Email: scott.tenley@usdoj.gov
ATTORNEY TO BE NOTICED
Designation: Assistant US Attorney

Date Filed	#	Docket Text
06/06/2017	1	INDICTMENT filed as to David Hobart Payne (1) count(s) 1, 2, 3. Offense occurred in LA. (mhe) (Entered: 06/09/2017)
06/06/2017	2	CASE SUMMARY filed by AUSA Joseph T McNally as to Defendant David Hobart Payne; defendants Year of Birth: 1957 (mhe) (Entered: 06/09/2017)
06/06/2017	4	EX PARTE APPLICATION to Seal Case Filed by Plaintiff USA as to Defendant David Hobart Payne. (mhe) (Entered: 06/09/2017)
06/06/2017	5	ORDER by Magistrate Judge Paul L. Abrams: granting 4 EX PARTE APPLICATION to Seal Case as to David Hobart Payne (1) (mhe) (Entered: 06/09/2017)
06/06/2017	6	MEMORANDUM filed by Plaintiff USA as to Defendant David Hobart Payne. This criminal action, being filed on 6/6/17, was pending in the U. S. Attorneys Office before the date on which Judge Andre Birotte Jr began receiving criminal matters, it was not pending in the U. S. Attorneys Office before the date on which Judge Michael W. Fitzgerald began receiving criminal matters (mhe) (Entered: 06/09/2017)
06/06/2017	7	MEMORANDUM filed by Plaintiff USA as to Defendant David Hobart Payne. Re Magistrate Judge Jacqueline Chooljian, Magistrate Judge Patrick J. Walsh, Magistrate Judge Sheri Pym, Magistrate Judge Michael Wilner, Magistrate Judge Jean Rosenbluth, Magistrate Judge Alka Sagar, Magistrate Judge Douglas McCormick, and Magistrate Judge Rozella Oliver (mhe) (Entered: 06/09/2017)
07/11/2017	8	NOTICE of Related Case(s) filed by Plaintiff USA as to Defendant David Hobart Payne Related Case(s): 8:14CR34 (mhe) (Entered: 07/12/2017)
07/13/2017	9	Notice of Appearance : Adding Joseph T. McNally as counsel of record for United States of America for the reason indicated in the G-123 Notice Filed by plaintiff USA. (dv) (Entered: 07/17/2017)
04/25/2018	10	FIRST SUPERSEDING INDICTMENT Filed as to David Hobart Payne (1) count(s) 1s, 2s-3s, 4s-5s. (mt) (Entered: 04/26/2018)
04/25/2018	11	CASE SUMMARY filed by AUSA Scott D Tenley as to Defendant David Hobart Payne; defendants Year of Birth: 1957 (mt) (Entered: 04/26/2018)
04/25/2018	12	MEMORANDUM filed by Plaintiff USA as to Defendant David Hobart Payne. Re Magistrate Judge Jacqueline Chooljian, Magistrate Judge Patrick J. Walsh, Magistrate

		Judge Sheri Pym, Magistrate Judge Michael Wilner, Magistrate Judge Jean Rosenbluth, Magistrate Judge Alka Sagar, Magistrate Judge Douglas McCormick, Magistrate Judge Rozella A. Oliver, Magistrate Judge Gail J. Standish, Magistrate Judge Steve Kim, Magistrate Judge John Early, Magistrate Judge Shashi H. Kewalramani. (mt) (Entered: 04/26/2018)
04/25/2018	13	MEMORANDUM filed by Plaintiff USA as to Defendant David Hobart Payne. Re Judge Andre Birotte Jr., Judge Michael W. Fitzgerald. (mt) (Entered: 04/26/2018)
04/25/2018	14	NOTICE of Related Case(s) filed by Plaintiff USA as to Defendant David Hobart Payne Related Case(s): SACR 14-34-JLS (mt) (Entered: 04/26/2018)
04/25/2018	15	EX PARTE APPLICATION for Order Sealing Indictment and Related Documents; Declaration of Scott D Tenley Filed by Plaintiff USA as to Defendant David Hobart Payne. (mt) (Entered: 04/26/2018)
04/25/2018	16	ORDER by Magistrate Judge Karen E. Scott as to David Hobart Payne: Granting EX PARTE APPLICATION Sealing First Superseding Indictment and Related Documents 15 (mt) (Entered: 04/26/2018)
04/27/2018	18	ORDER RE TRANSFER PURSUANT TO GENERAL ORDER 16-05 Related Case filed. Related Case No: SACR14-00034 JLS. Case, as to Defendant David Hobart Payne, transferred from Judge Andrew J. Guilford to Judge Josephine L. Staton for all further proceedings. The case number will now reflect the initials of the transferee Judge SACR17-00053 JLS. Signed by Judge Josephine L. Staton. (lwag) (Entered: 04/27/2018)
05/18/2018	19	REQUEST for Order Unsealing Indictments and Recalling Arrest Warrants; Declaration of AUSA Scott D Tenley Filed by Plaintiff USA as to Defendant David Hobart Payne. (mt) (Entered: 05/21/2018)
05/18/2018	20	ORDER by Magistrate Judge Karen E. Scott as to David Hobart Payne: Granting REQUEST Unsealing Indictments and Recalling Arrest Warrants 19 . (mt) (Entered: 05/21/2018)
05/23/2018	21	NOTICE OF APPEARANCE OR REASSIGNMENT of AUSA Scott D Tenley on behalf of Plaintiff USA. Filed by Plaintiff USA. (Attorney Scott D Tenley added to party USA(pty:pla))(Tenley, Scott) (Entered: 05/23/2018)
06/06/2018	23	Summons Returned Executed on 6/4/2018 as to David Hobart Payne (mt) (Entered: 06/06/2018)
06/13/2018	24	STIPULATION for Order Protective Order filed by Plaintiff USA as to Defendant David Hobart Payne (Attachments: # 1 Proposed Order Protective Order)(Tenley, Scott) (Entered: 06/13/2018)
06/14/2018	26	MINUTES OF POST-INDICTMENT ARRAIGNMENT: held before Magistrate Judge Douglas F. McCormick as to Defendant David Hobart Payne (1) Counts 1s,2s-3s,4s-5s. Defendant arraigned. Attorneys: Reuven L Cohen, Gabriel L Pardo for David Hobart Payne, Retained, present. Defendant's first appearance. Court orders bail set for David Hobart Payne (1) $50,000 Unsecured Appearance Bond. See attached copy of the bond. Court orders defendant to report to the US Marshal's Office forthwith for processing. Defendant entered not guilty plea to all counts as charged. Case assigned to Judge Josephine L. Staton. Jury Trial set for 8/7/2018 09:00 AM before Judge Josephine L. Staton. Status Conference set for 7/27/2018 11:30 AM before Judge Josephine L. Staton. Defendant and counsel are ordered to appear. Trial estimate: 8 days. Court Smart: CS 6/14/18. (mt) (Entered: 06/15/2018)
06/14/2018	27	STATEMENT OF CONSTITUTIONAL RIGHTS filed by Defendant David Hobart Payne (mt) (Entered: 06/15/2018)

06/14/2018	28	DESIGNATION AND APPEARANCE OF COUNSEL; filed by Gabriel L Pardo appearing for David Hobart Payne (mt) (Entered: 06/15/2018)
06/14/2018	29	DESIGNATION AND APPEARANCE OF COUNSEL; filed by Reuven L Cohen appearing for David Hobart Payne (mt) (Entered: 06/15/2018)
06/14/2018	31	BOND AND CONDITIONS OF RELEASE filed as to Defendant David Hobart Payne conditions of release: $50,000 Unsecured Appearance Bond approved by Magistrate Judge Douglas F. McCormick. (mt) (Entered: 06/18/2018)
06/14/2018	32	DECLARATION RE: PASSPORT AND OTHER TRAVEL DOCUMENTS filed by Defendant David Hobart Payne, declaring that I have been issued a passport or other travel document(s), but they are not currently in my possession. I will surrender any passport or other travel document(s) issued to me, to the U.S. Pretrial Services Agency by the deadline imposed. I will not apply for a passport or other travel document during the pendency of this case. RE: Bond and Conditions (CR-1) 31 . (mt) (Entered: 06/18/2018)
06/14/2018	33	PASSPORT RECEIPT from U. S. Pretrial Services as to Defendant David Hobart Payne. USA passport was received on 6/14/2018. Re: Bond and Conditions (CR-1) 31 . (mt) (Entered: 06/18/2018)
06/15/2018	25	PROTECTIVE ORDER by Judge Josephine L. Staton as to Defendant David Hobart Payne, re Stipulation for Protective Order 24 . (mt) (Entered: 06/15/2018)
06/18/2018	30	ORDER RE CRIMINAL PROCEEDINGS for cases assigned to Judge Josephine L. Staton (tg) (Entered: 06/18/2018)
07/13/2018	34	STIPULATION to Continue Trial Date from August 7, 2018 to May 14, 2019 filed by Plaintiff USA as to Defendant David Hobart Payne (Attachments: # 1 Proposed Order Continuing Trial Date and Findings Regarding Excludable Time Periods Pursuant to Speedy Trial Act)(Tenley, Scott) (Entered: 07/13/2018)
07/19/2018	35	ORDER CONTINUING TRIAL DATE AND FINDINGS REGARDING EXCLUDABLE TIME PERIODS PURSUANT TO SPEEDY TRIAL ACT by Judge Josephine L. Staton as to Defendant David Hobart Payne. FOR GOOD CAUSE SHOWN: The trial in this matter is continued to May 14, 2019 at 9:00 a.m. The Status conference hearing is continued to May 3, 2019 at 11:30 a.m. (es) (Entered: 07/19/2018)
09/05/2018	36	Notice of Appearance or Withdrawal of Counsel: for attorney Alyssa D Bell counsel for Defendant David Hobart Payne. Adding Alyssa D. Bell as counsel of record for David Hobart Payne for the reason indicated in the G-123 Notice. Filed by Defendant David Hobart Payne. (Bell, Alyssa) (Entered: 09/05/2018)
09/05/2018	37	Notice of Appearance or Withdrawal of Counsel: for attorney Marc S Williams counsel for Defendant David Hobart Payne. Adding Marc S. Williams as counsel of record for David Hobart Payne for the reason indicated in the G-123 Notice. Filed by Defendant David Hobart Payne. (Williams, Marc) (Entered: 09/05/2018)
11/29/2018	38	ARREST WARRANT RETURNED Executed on 6/14/18 as to Defendant David Hobart Payne. (es) (Entered: 11/29/2018)
04/17/2019	39	STIPULATION to Continue Trial Date from May 14, 2019 to August 20, 2019 filed by Plaintiff USA as to Defendant David Hobart Payne (Attachments: # 1 Proposed Order Continuing Trial Date and Findings Regarding Excludable Time Periods Pursuant to Speedy Trial Act)(Tenley, Scott) (Entered: 04/17/2019)
04/19/2019	40	ORDER CONTINUING TRIAL DATE AND FINDINGS REGARDING EXCLUDABLE TIME PERIODS PURSUANT TO SPEEDY TRIAL ACT by Judge Josephine L. Staton as

		to Defendant David Hobart Payne, re Stipulation to Continue Trial Dates 39 . THEREFORE, FOR GOOD CAUSE SHOWN: The Trial in this matter is continued from 5/14/2019 at 9::00 AM., to 8/20/2019 at 9:00 AM. The Status Conference hearing is continued to 8/9/2019 at 8:30 AM. (jp) (Entered: 04/19/2019)

PACER Service Center			
Transaction Receipt			
05/10/2019 11:03:56			
PACER Login:	Odlegal94612:2536794:0	**Client Code:**	AFU
Description:	Docket Report	**Search Criteria:**	8:17-cr-00053-JLS End date: 5/10/2019
Billable Pages:	5	**Cost:**	0.50

Alex Padilla
California Secretary of State

Business Search - Entity Detail

The California Business Search is updated daily and reflects work processed through Thursday, May 9, 2019. Please refer to document **Processing Times** for the received dates of filings currently being processed. The data provided is not a complete or certified record of an entity. Not all images are available online.

C2456005 DAVID H. PAYNE, M.D., INC.

Registration Date:	01/15/2003
Jurisdiction:	CALIFORNIA
Entity Type:	DOMESTIC STOCK
Status:	ACTIVE
Agent for Service of Process:	DAVID H PAYNE 540 N. GOLDEN CIRCLE #107 SANTA ANA CA 92705
Entity Address:	540 N. GOLDEN CIRCLE #107 SANTA ANA CA 92705
Entity Mailing Address:	3943 IRVINE BLVD #132 IRVINE CA 92602

A Statement of Information is due EVERY year beginning five months before and through the end of January.

Document Type	File Date	PDF
SI-NO CHANGE	08/30/2018	
SI-COMPLETE	01/10/2017	
RESTATED REGISTRATION	02/14/2003	
REGISTRATION	01/15/2003	

* Indicates the information is not contained in the California Secretary of State's database.

- If the status of the corporation is "Surrender," the agent for service of process is automatically revoked. Please refer to California Corporations Code **section 2114** for information relating to service upon corporations that have surrendered.
- For information on checking or reserving a name, refer to **Name Availability**.
- If the image is not available online, for information on ordering a copy refer to **Information Requests**.
- For information on ordering certificates, status reports, certified copies of documents and copies of documents not currently available in the Business Search or to request a more extensive search for records, refer to **Information Requests**.
- For help with searching an entity name, refer to **Search Tips**.

EXHIBIT 4

2456005

FILED
in the office of the Secretary of State
of the State of California

JAN 15 2003

KEVIN SHELLEY, SECRETARY OF STATE

ARTICLES OF INCORPORATION

OF

DAVID H. PAYNE, M.D., INC.

ARTICLE 1

NAME: The name of this corporation is:

DAVID H. PAYNE, M.D., INC.

ARTICLE 2

PURPOSE: The purpose of the corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business, or the practice of a profession permitted to be incorporated by the California Corporations Code.

ARTICLE 3

AGENT: This corporation's initial agent for service of process is:

DAVID H. PAYNE, M.D.
1902 Royalty Drive, #260
Pomona, California 91767

ARTICLE 4

SHARE STRUCTURE: The corporation is authorized to issue the following number of shares:

10,000 SHARES OF COMMON STOCK.

ARTICLE 5

DIRECTORS' LIMITED LIABILITY. The liability of the directors of the corporation for monetary damages shall be eliminated to the fullest extent permissible under California law.

ARTICLE 6

INDEMNIFICATION OF AGENTS. The corporation is authorized to provide indemnification of agents (as defined in Section 317 of the Corporations Code) for breach of duty to the corporation and its shareholders through bylaw provisions or through agreements with the agents, or both, in excess of the indemnification otherwise permitted by Section 317 of the Corporations Code, subject to the limits on such excess indemnification set forth in Section 204 of the Corporations Code.

ARTICLE 7

TRANSFER RESTRICTIONS; RIGHT OF FIRST REFUSAL. Any shareholder wishing to sell or transfer shares of the corporation ("transferring shareholder") must first, in accordance with procedures adopted by the board, disclose the number of shares being sold or transferred, the price per share, the terms and conditions of sale, and the name of any proposed transferee, and must make those shares available to the corporation and other shareholders under the same terms. If, within a reasonable time or before a reasonable date specified by the transferring shareholder, neither the corporation nor the other shareholders offer to purchase that number of shares under the same terms, the board of directors shall grant the transferring shareholder permission to sell or transfer those shares as specified, but not at terms more favorable to the transferee than those under which the shares were submitted to the corporation and shareholders.

Dated: ~~December xxxxxxx, 2002~~ January 9, 2003

DAVID H. PAYNE, M.D.
Incorporator

I declare that I am the person who executed the above Articles of Incorporation, and that this instrument is my act and deed.

DAVID H. PAYNE, M.D.

EXHIBIT 5

A0592593

FILED
in the office of the Secretary of State
of the State of California

FEB 14 2003

KEVIN SHELLEY, Secretary of State

CERTIFICATE OF AMENDED AND RESTATED ARTICLES OF INCORPORATION OF DAVID H. PAYNE, M.D., INC.

David M. Payne certifies that:

1. He is the President and Secretary of **DAVID H. PAYNE, M.D., INC.**, a California corporation.

2. The Articles of Incorporation of the corporation are amended and restated to read in their entirety as follows:

ARTICLE 1

NAME AND PURPOSE. The name of this corporation is **DAVID H. PAYNE, M.D., INC.** The purpose of the corporation is to engage in the profession of medicine and any other lawful activities (other than the banking or trust company business) not prohibited to a corporation engaging in such profession by applicable laws and regulations.

ARTICLE 2

REGISTERED AGENT. The name and address in the State of California of this corporation's initial agent for service of process is:

DAVID H. PAYNE, M.D.
1902 Royalty Drive, #260
Pomona, California 91767

ARTICLE 3

This corporation is a professional corporation within the meaning of Part 4 of Division 3 of Title 1 of the California Corporations Code.

ARTICLE 4

SHARE STRUCTURE. The corporation is authorized to issue the following number of shares: 10,000 SHARES OF COMMON STOCK.

ARTICLE 5

DIRECTORS' LIMITED LIABILITY. The liability of the directors of the corporation for monetary damages shall be eliminated to the fullest extent permissible under California law.

ARTICLE 6

INDEMNIFICATION OF AGENTS. The corporation is authorized to provide indemnification of agents (as defined in Section 317 of the Corporations Code) for breach of duty to the corporation and its shareholders through bylaw provisions or through agreements with the agents, or both, in excess of the indemnification otherwise permitted by Section 317 of the Corporations Code, subject to the limits on such excess indemnification set forth in Section 204 of the Corporations Code.

3. This Certificate, restating and amending the articles of incorporation, has been approved by the Board of Directors.

4. The amendment was approved by the required vote of the shareholders in accordance with Corporations Code Section 902. The total number of outstanding shares of each class entitled to vote on this amendment was 550. The favorable vote of a simple majority of these shares is required to approve the amendment. The number of shares voting in favor of the amendment equaled 550 and exceeded the required vote.

I declare under penalty of perjury that the statements set forth in this certificate are true and correct of my own knowledge and that this declaration was executed on February 7, 2003 at Pomona, California.

DAVID H. PAYNE, M.D.

Articles (Amended and Restated 12-02).doc

EXHIBIT 6

State of California
Secretary of State

S

Statement of Information
(Domestic Stock and Agricultural Cooperative Corporations)
FEES (Filing and Disclosure): $25.00.
If this is an amendment, see instructions.
IMPORTANT – READ INSTRUCTIONS BEFORE COMPLETING THIS FORM

FJ02339

FILED

In the office of the Secretary of State of the State of California

JAN-10 2017

This Space for Filing Use Only

1. **CORPORATE NAME**
DAVID H. PAYNE, M.D., INC.

2. **CALIFORNIA CORPORATE NUMBER**
C2456005

No Change Statement (Not applicable if agent address of record is a P.O. Box address. See instructions.)

3. **If there have been any changes to the information contained in the last Statement of Information filed with the California Secretary of State, or no statement of information has been previously filed, this form must be completed in its entirety.**
☐ If there has been no change in any of the information contained in the last Statement of Information filed with the California Secretary of State, check the box and proceed **to Item 17**.

Complete Addresses for the Following (Do not abbreviate the name of the city. Items 4 and 5 cannot be P.O. Boxes.)

	CITY	STATE	ZIP CODE
4. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE 540 N. GOLDEN CIRCLE #107, SANTA ANA, CA 92705			
5. STREET ADDRESS OF PRINCIPAL BUSINESS OFFICE IN CALIFORNIA, IF ANY 540 N. GOLDEN CIRCLE #107, SANTA ANA, CA 92705			
6. MAILING ADDRESS OF CORPORATION, IF DIFFERENT THAN ITEM 4 DAVID H PAYNE MD 3943 IRVINE BLVD #132, IRVINE, CA 92602			

Names and Complete Addresses of the Following Officers (The corporation must list these three officers. A comparable title for the specific officer may be added; however, the preprinted titles on this form must not be altered.)

	ADDRESS	CITY	STATE	ZIP CODE
7. CHIEF EXECUTIVE OFFICER/ DAVID H PAYNE	3943 IRVINE BLVD #132, IRVINE, CA 92602			
8. SECRETARY DAVID H PAYNE	3943 IRVINE BLVD #132, IRVINE, CA 92602			
9. CHIEF FINANCIAL OFFICER/ LOBAT PAYNE	3943 IRVINE BLVD #132, IRVINE, CA 92602			

Names and Complete Addresses of All Directors, Including Directors Who are Also Officers (The corporation must have at least one director. Attach additional pages, if necessary.)

	ADDRESS	CITY	STATE	ZIP CODE
10. NAME DAVID H PAYNE	3943 IRVINE BLVD#132, IRVINE, CA 92602			
11. NAME				
12. NAME				

13. NUMBER OF VACANCIES ON THE BOARD OF DIRECTORS, IF ANY: 0

Agent for Service of Process If the agent is an individual, the agent must reside in California and Item 15 must be completed with a California street address, a P.O. Box address is not acceptable. If the agent is another corporation, the agent must have on file with the California Secretary of State a certificate pursuant to California Corporations Code section 1505 and Item 15 must be left blank.

14. NAME OF AGENT FOR SERVICE OF PROCESS
DAVID H PAYNE

	CITY	STATE	ZIP CODE
15. STREET ADDRESS OF AGENT FOR SERVICE OF PROCESS IN CALIFORNIA, **IF AN INDIVIDUAL** 540 N. GOLDEN CIRCLE #107, SANTA ANA, CA 92705			

Type of Business

16. DESCRIBE THE TYPE OF BUSINESS OF THE CORPORATION
MEDICAL PRACTICE

17. BY SUBMITTING THIS STATEMENT OF INFORMATION TO THE CALIFORNIA SECRETARY OF STATE, THE CORPORATION CERTIFIES THE INFORMATION CONTAINED HEREIN, INCLUDING ANY ATTACHMENTS, IS TRUE AND CORRECT.

01/10/2017	DAVID HOBART PAYNE	CEO	
DATE	TYPE/PRINT NAME OF PERSON COMPLETING FORM	TITLE	SIGNATURE

EXHIBIT 7

State of California
Secretary of State

S

Statement of Information
(Domestic Stock and Agricultural Cooperative Corporations)
FEES (Filing and Disclosure): $25.00.
If this is an amendment, see instructions.
IMPORTANT – READ INSTRUCTIONS BEFORE COMPLETING THIS FORM

G007712

FILED

In the office of the Secretary of State of the State of California

AUG-30 2018

This Space for Filing Use Only

1. **CORPORATE NAME**
DAVID H. PAYNE, M.D., INC.

2. **CALIFORNIA CORPORATE NUMBER**
C2456005

No Change Statement (Not applicable if agent address of record is a P.O. Box address. See instructions.)

3. **If there have been any changes to the information contained in the last Statement of Information filed with the California Secretary of State, or no statement of information has been previously filed, this form must be completed in its entirety.**
☑ If there has been no change in any of the information contained in the last Statement of Information filed with the California Secretary of State, check the box and proceed **to Item 17**.

Complete Addresses for the Following (Do not abbreviate the name of the city. Items 4 and 5 cannot be P.O. Boxes.)

4. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE	CITY	STATE	ZIP CODE
5. STREET ADDRESS OF PRINCIPAL BUSINESS OFFICE IN CALIFORNIA, IF ANY	CITY	STATE	ZIP CODE
6. MAILING ADDRESS OF CORPORATION, IF DIFFERENT THAN ITEM 4	CITY	STATE	ZIP CODE

Names and Complete Addresses of the Following Officers (The corporation must list these three officers. A comparable title for the specific officer may be added; however, the preprinted titles on this form must not be altered.)

7. CHIEF EXECUTIVE OFFICER/	ADDRESS	CITY	STATE	ZIP CODE
8. SECRETARY	ADDRESS	CITY	STATE	ZIP CODE
9. CHIEF FINANCIAL OFFICER/	ADDRESS	CITY	STATE	ZIP CODE

Names and Complete Addresses of All Directors, Including Directors Who are Also Officers (The corporation must have at least one director. Attach additional pages, if necessary.)

10. NAME	ADDRESS	CITY	STATE	ZIP CODE
11. NAME	ADDRESS	CITY	STATE	ZIP CODE
12. NAME	ADDRESS	CITY	STATE	ZIP CODE

13. NUMBER OF VACANCIES ON THE BOARD OF DIRECTORS, IF ANY:

Agent for Service of Process If the agent is an individual, the agent must reside in California and Item 15 must be completed with a California street address, a P.O. Box address is not acceptable. If the agent is another corporation, the agent must have on file with the California Secretary of State a certificate pursuant to California Corporations Code section 1505 and Item 15 must be left blank.

14. NAME OF AGENT FOR SERVICE OF PROCESS

15. STREET ADDRESS OF AGENT FOR SERVICE OF PROCESS IN CALIFORNIA, **IF AN INDIVIDUAL**	CITY	STATE	ZIP CODE

Type of Business

16. DESCRIBE THE TYPE OF BUSINESS OF THE CORPORATION

17. BY SUBMITTING THIS STATEMENT OF INFORMATION TO THE CALIFORNIA SECRETARY OF STATE, THE CORPORATION CERTIFIES THE INFORMATION CONTAINED HEREIN, INCLUDING ANY ATTACHMENTS, IS TRUE AND CORRECT.

08/30/2018	DAVID H PAYNE	CEO	
DATE	TYPE/PRINT NAME OF PERSON COMPLETING FORM	TITLE	SIGNATURE