

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS AGREEMENT is made and entered into as of the 18th day of May 1981, by and among GAY ANN WOOD, R.N. and ST. FRANCIS HOSPITAL OF LYNWOOD ("Defendants"); IBAR, INC., a California corporation; and WARREN BARME and EILEEN BARME ("Plaintiffs"). This Agreement is subject to court approval and shall become effective (notwithstanding the date of execution hereof) upon such approval.

RECITALS

A. On or about April 26, 1978, Plaintiffs, WARREN BARME and EILEEN BARME, filed a Complaint against the Defendants GAY ANN WOOD, R.N. and ST. FRANCIS HOSPITAL OF LYNWOOD, in the Superior Court of the State of California for the County of Los Angeles, Case No. SOC 50644 which Complaint arose out of certain alleged negligent acts or omissions by the Defendants.

B. By separate agreement, the Plaintiffs and Defendants have entered into a compromise settlement (the "Settlement Agreement") of that litigation whereby the Defendants have agreed to make certain periodic and lump-sum

EXHIBIT C

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payments set forth in Paragraphs 3(a) and (b) of the Settlement Agreement to the Plaintiffs in full satisfaction of all claims Plaintiffs may have against the Defendants.

C. Pursuant to the Settlement Agreement, the Defendants may assign all of their duties and obligations with respect to said payments to IBAR, INC. Further, to assure the ready availability to GAY ANN WOOD, R.N. and ST. FRANCIS HOSPITAL OF LYNWOOD of funds payable under the Settlement Agreement, to serve as a medium for payment of said funds, and to assure the payment of such funds, GAY ANN WOOD, R.N. and ST. FRANCIS HOSPITAL OF LYNWOOD may establish a trust as described in the Settlement Agreement.

D. The parties desire to enter into this Assignment and Assumption Agreement to provide for the assignment to IBAR, INC. of Defendants' obligations to make said payments, upon the terms and conditions set forth herein.

NOW THEREFORE, it is hereby agreed as follows:

1. Assignment and Assumption of Obligations.
Subject to the terms and conditions of this Agreement and pursuant to the terms of the Settlement Agreement, the

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Defendants hereby assign to IBAR, INC., and IBAR, INC. hereby assumes, the obligations of the Defendants to make the payments to the Plaintiffs commencing on August 15, 1981 and more particularly described in Paragraphs 3(a) and (b) of the Settlement Agreement. IBAR, INC. shall not assume and shall have no liability whatsoever with respect to any obligation that is not set forth in Paragraphs 3(a) and (b) of the Settlement Agreement.

2. Payment by Defendants. In consideration of the assumption by IBAR, INC. of the obligations set forth in Paragraph 1 hereof, the Defendants have delivered to IBAR, INC. concurrently with the execution of this Agreement a check made payable to IBAR, INC. in the amount of \$368,636.00.

3. Establishment of Trust. IBAR, INC. hereby agrees that, promptly following the execution of this Agreement, IBAR, INC. will use the entire amount of the funds transferred to it pursuant to Paragraph 2 hereof to establish as trustor and as beneficiary the form of trust described in and attached as Exhibit A to the Settlement Agreement; provided, however, that it is understood and agreed that a fee will be paid to IBAR, INC. from the funds paid to IBAR, INC.

4. Approval of Assignment and Assumption. Plaintiffs WARREN BARME and EILEEN BARME hereby consent to and approve the assignment and assumption set forth in this

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Agreement, which assignment and assumption, upon delivery by Defendants of the check described in Paragraph 2 hereof, shall discharge all of Defendants' obligations under Paragraphs 3(a) and (b) of the Settlement Agreement and relating to the Trust Agreement. Plaintiffs further agree that IBAR, INC.'s obligation to make each periodic payment shall be discharged upon the mailing of a valid check in the amount of that payment to the persons and at the addresses designated by Plaintiffs or counsel for the Plaintiffs, and IBAR, INC. shall not be liable for failure of the appropriate persons to receive said checks if checks are so mailed. IBAR, INC. agrees that it will instruct (and not revoke said instructions) the Trustee under the Trust Agreement to make the periodic payments described in Paragraphs 3(a) and (b) of the Settlement Agreement directly to the respective persons and at such addresses as may be designated in writing by the Plaintiffs or by counsel for Plaintiffs.

5. Cooperation and Further Instruments. The parties hereby agree to cooperate fully and take all further actions and execute all further instruments as may be necessary or appropriate in order to carry out the purposes of this Agreement.

6. Successors; Authorization. This Agreement contains the entire Agreement between the parties with regard to the matter set forth in it and shall be binding

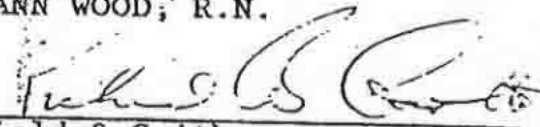
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upon and inure to the benefit of the parties hereto, jointly and severally, and the executors, administrators, personal representatives, heirs, successors and assigns of each.


7. Governing Law. This Agreement is entered into in the State of California and shall be construed and interpreted in accordance with its laws.

Executed by the parties hereto as of the date first above set forth.

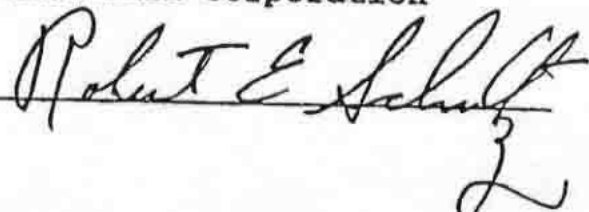
GAY ANN WOOD, R.N.

By 
Shield & Smith, attorneys

ST. FRANCIS HOSPITAL OF LYNWOOD

By 
Ball, Hunt, Hart, Brown and
Baerwitz, attorneys

IBAR, INC.,
a California corporation

By 
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