



Orange County Judge Appoints Robert Jameson Provisional Director of IHHI

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Integrated Healthcare Holdings, Inc. (OTC Bulletin Board: IHCH - News; "IHHI") is pleased to announce that the Hon. C. Robert Jameson, Ret'd. has been appointed to fill a vacant seat on its Board of Directors. Judge Jameson was appointed at the request of IHHI's management to break a deadlock on IHHI's Board. The deadlock previously stalled IHHI's efforts to refinance its debt. Judge Jameson will serve in the capacity as a Court-appointed provisional director until a lawsuit filed by IHHI against, among others, IHHI director Anil V. Shah and Orange County Physicians Investment Network ("OCPIN"), IHHI's former majority shareholder, is concluded.

Before leaving the bench, Judge Jameson served as Presiding Judge of the Orange County Superior Court, Presiding Judge of the Court's Appellate Division and Supervising Judge of Court's Complex Civil Litigation Panel. He was named "Judge of the Year" by numerous organizations including ABOTA, Consumer Attorneys of California, the Orange County Bar Association Business Litigation Section and the Orange County Trial Lawyers.

IHHI sued Shah and OCPIN last May for breach of fiduciary duty, among other things. IHHI's lawsuit contends that Shah and OCPIN held up the critically needed refinancing to force IHHI to make disputed lease payments to a third company owned by an OCPIN affiliate and others. Judge Gregory H. Lewis of the Orange County Superior Court appointed Jameson after rejecting a competing request by Shah and OCPIN to force IHHI's management to call a special shareholders' meeting. Shah and OCPIN wanted the special shareholders' meeting to elect their

own director. Shah and OCPIN opposed Judge Lewis' appointment of a provisional director.

In denying Shah and OCPIN's request, and in appointing Judge Jameson to serve as a "verifiably independent" provisional director, Judge Lewis explained he was acting as "the conscience of the community" to ensure continued operation of four Orange County hospitals owned and operated by IHHI. "Judge Lewis acted courageously," remarked IHHI attorney David A. Robinson of the Irvine-based Enterprise Counsel Group. "Although acknowledging the law normally would entitle Shah and OCPIN to hold a meeting to elect their own director, Judge Lewis recognized the conflicting financial interests at work and acted to prevent a potential public healthcare disaster. He agreed with IHHI's management that IHHI's Board should be controlled by individuals with only the interests of four hospitals and the public they serve in mind."

"This is precisely the result we were looking for when we filed the lawsuit against Shah and OCPIN," said IHHI's President Larry Anderson. "Shah's self-serving tactics have put four hospitals at risk. They have caused IHHI to default on its existing loan obligations. We look to Judge Jameson to work with IHHI's other independent Board members to implement steps necessary to ensure IHHI's future stability and success". Per IHHI CEO, Bruce Mogel: "We praise the judge's courage in standing up for healthcare in Orange County. This decision will provide much needed stability benefiting the healthcare delivery system in Orange County and surrounding areas."