

EXHIBIT C

HENRY MAYO NEWHALL MEMORIAL HOSPITAL, HENRY MAYO NEWHALL MEMORIAL HEALTH FOUNDATION, INC., SANTA CLARITA HEALTH CARE ASSOCIATION, INC.

CONTINUING DISCLOSURE ANNUAL REPORT

As of September 30, 2016

Operating Data

Non-Financial

Please answer each of the following questions:

- a) Has there been a change in the name and titles of officers since the last annual report?(Check one)

Yes - X

No

Senior Management

The Hospital's senior management team includes a number of personnel who, in turn, supervise various department heads, administrators and managers who have direct responsibility for various clinical, ancillary and support departments. Summary information concerning the principal members of the Hospital's management team is presented below.

Roger E. Seaver, President and Chief Executive Officer (67) – Mr. Seaver was hired as President and Chief Executive Officer of the Hospital in 2001. From 1997 to 2000, he served as President and Chief Executive Officer at Northridge Hospital Medical Center, a 435-bed hospital located in Northridge, California. Mr. Seaver has also held executive positions at Glendale Memorial Hospital for 19 years, including Chief Financial Officer, Chief Operating Officer and Chief Executive Officer from 1992 to 1997. Mr. Seaver holds a bachelor's degree from the University of South Dakota and a master's degree in Business Administration from Pepperdine University in Malibu, California. Mr. Seaver has served as Chair of the Hospital Association of Southern California (2009) and Chair of the California Hospital Association (2013). He is a Fellow in the American College of Healthcare Executives.

C.R. Hudson, SVP/Chief Financial Officer (CFO) (67) – Mr. Hudson joined the Hospital in 2001 as Chief Financial Officer. Prior to coming to the Hospital, he held a Director's position at KPMG LLP's health care consulting practice, where he provided Medicare and Medi-Cal reimbursement strategy and operational and organizational services to health care providers. He has also held executive positions at MedPartners and Charter Medical Centers. Mr. Hudson holds a bachelor's degree in accounting from San Diego State University in San Diego, California, and is a certified public accountant (non-practicing).

Larry R. Kidd, RN, SVP/Chief Clinical Officer (CCO) (59) – Dr. Kidd Joined the Hospital in 2007 as Interim Chief Nursing Officer. Over the past 25 years, he has held positions at Chief Nurse Executive and Chief Operating Officer Levels. His accomplishments include the development of new clinical product lines, patient satisfaction improvement strategies, system redesign, cost containment strategies, and the development of long range strategic plans. He is currently providing oversight of clinical operations, including nursing and other clinical services. He earned his bachelor's degree in Nursing from the University of Alabama, a Master's of Public Administration, Doctorate of Nursing practice from the University of San Francisco and Doctorate of Health Administration and Leadership from the Medical University of South Carolina. He completed a fellowship in Nursing Administration at the Wharton School of business, University of Pennsylvania. Dr. Kidd recently was inducted as a Fellow of the American College of Health Care Executives.

Paige Heaphy, Vice President of Performance Management and Business Development (45) – Ms. Heaphy joined the Hospital in 2016 and oversees Quality and Risk Management, Decision Support, Project Management Office and Service Excellence. She worked previously at Cedars-Sinai Health System in Los Angeles where during her 15 year tenure she held several leadership positions that focused on performance improvement; patient safety; data and analytics; medical staff services; and regulatory compliance. She received a Master of Science in Public Health from the University of North Carolina, Gillings School of Global Public Health; and a Bachelor of Science in Microbiology from the University of California, San Diego. She is a certified Lean Six Sigma Black Belt and earned Patient Safety Certification from John Hopkins' Armstrong Institute for Patient Safety.

Marlee Lauffer, President of the Henry Mayo Newhall Hospital Foundation, Vice President of Marketing and Communications (57) – Ms. Lauffer joined the Hospital in 2015. Previously, she was Vice President of Marketing and Communications for Newhall Land, the developer of Valencia and the future Newhall Ranch, and responsible for master marketing, entitlement support, media and community relations. A 27-year resident of the Santa Clarita Valley, Ms. Lauffer has been deeply involved with the local business and nonprofit community, holding many significant leadership positions. She volunteered extensively at the Hospital, serving on its Foundation Board and Hospital Board of Directors. Ms. Lauffer holds a bachelor's degree from the University of California, Los Angeles.

Mark Puleo, VP/Chief Human Resources Officer (52) – Mr. Puleo joined the Hospital as the head of Human Resources in 2002. As a member of the senior leadership team, he is responsible for the coordination of the Human Resource Management function. He is responsible for labor relations, recruitment/retention, rewards/recognition and engagement, leadership development, benefit program selection and negotiation, compensation plan development, workplace injury reduction, wellness, and safety/security. Mr. Puleo has over 25 years of Human Resource Management experience mostly in acute healthcare, having worked for USC University Hospital/Kenneth Norris Cancer Hospital, Northridge Hospital Medical Center, Harbor UCLA Medical Center, and Shriners Hospital. He holds a Master's Degree in Business Administration with emphasis on Healthcare Management.

Jonathan Miller, FACHE, Vice President, Facility Planning and Support Operations (57) – Mr. Miller joined the Hospital in 2006 as Director of Laboratory and Pathology Services. Mr. Miller was promoted to Sr. Director of Operations in June of 2009, to Vice President of Ancillary and Support Services in November 2010 and to Vice President of Facility Planning and Support Operations in January 2016. Mr. Miller oversees campus construction project planning, Facilities, Nutrition Services, Environmental Services, Therapy Services, Campus Safety, the Disaster Resource Center and the Henry Mayo Fitness and Health facility. Mr. Miller has over 30 years of multifaceted healthcare-related experience. Mr. Miller holds a Master's Degree in Public Health in Biomedical Science from the University of California, Berkeley, and an undergraduate degree in Biochemistry and Cellular Biology from the University of California, San Diego. Mr. Miller is a Fellow of the American College of Healthcare Executives.

- b) Please describe any new material litigation, or a material adverse result in litigation since the date of the last report.

None

- c) Please describe any significant sale, destruction or loss of real property or other material assets since the date of the last report.

None

- d) Please describe any changes in licensing.

Please update the information that appeared under the following headings in Appendix A to the Official Statement for the Series 2007B Bonds for the most recent Fiscal Year, as appropriate:

[LICENSES AND ACCREDITATION (Bed Capacity Table); MEDICAL STAFF;
EMPLOYEES; UTILIZATION; FINANCIAL INFORMATION.]

BED CAPACITY

Category	Bed Capacity
Medical Surgical	150
Intensive Care	18
NICU	11
Perinatal	17
Psychiatry	23
Rehabilitation	<u>19</u>
Total	238

Medical Staff by Specialty*

Specialty	Avg Age	Number	Board Certified #	% Certified
Allergy & Immunology	78	1	0	0%
Anatomic Pathology & Clinical Pathology	50	2	2	100%
Anesthesiology	48	21	16	76%
Cardiovascular Disease	50	22	18	82%
Clinical Cardiac Electrophysiology	42	1	1	100%
Dermatology	51	8	6	75%
Diagnostic Radiology	50	36	34	94%
Emergency Medicine	42	19	15	79%
Endocrinal., Diabetes & Metabolism	49	7	5	71%
Family Practice	56	16	6	38%
Foot Surgery	43	1	0	0%
Gastroenterology	55	10	9	90%
Gen. Vascular Surgery	51	5	3	60%
General Surgery	54	15	14	93%
Geriatric Medicine (Int. Med.)	61	1	1	100%
Gynecologic Oncology	44	2	1	50%
Hematology (Int Med)	53	7	6	86%
Hospice and Palliative Medicine	61	1	1	100%
Infectious Disease	56	9	8	89%
Internal Medicine	44	60	40	67%
Interventional Cardiology	44	6	6	100%
Maternal & Fetal Medicine	55	4	3	75%

Medical Oncology	52	8	7	88%
Neonatal-Perinatal Medicine	60	7	6	86%
Nephrology	45	11	10	91%
Neurological Surgery	50	5	3	60%
Neurology	50	4	4	100%
Obstetrics-Gynecology	50	18	17	94%
Oncology	43	2	2	100%
Ophthalmology	55	10	9	90%
Oral & Maxillofacial Surgery	49	4	1	25%
Orthopaedic Surgery	50	36	27	75%
Otolaryngology	46	7	6	86%
Pain Management	52	6	4	67%
Pediatric Cardiology	50	5	5	100%
Pediatrics	48	47	41	87%
Physical Med. & Rehabilitation	53	1	1	100%
Plastic Surgery	49	7	5	71%
Podiatrist-Foot & Ankle Surgery	47	10	5	50%
Psychiatry	60	4	2	50%
Pulmonary Disease	55	6	6	100%
Radiation Oncology	48	7	5	71%
Rheumatology	38	6	5	83%
Thoracic Surgery	58	7	5	71%
Urology	59	10	8	80%
Vascular & Interven Radiology	41	3	2	67%
Totals/Averages	50	483	380	79%

The following table lists the top twenty admitting physicians by specialty as of September 30, 2016. The top twenty admitting physicians, with an average age of approximately 48, accounted for approximately 53% of the Hospital's admissions. However, the Hospital is not overly reliant on referrals from any one physician as approximately 78% of Hospital admissions originate from the Hospital's emergency department.

**Top Twenty Admitting Physicians
(October 1, 2015 to September 30, 2016)**

Specialty	Age	Years on Medical Staff	Admissions	
			Number	Percent
Psychiatry	52	16	818	6.13%
Physical	53	16	663	4.97%
Internal Medicine	52	8	657	4.92%
Internal Medicine	51	18	623	4.67%
Internal Medicine	44	8	507	3.80%
Family Practice	68	37	395	2.96%
Family Practice	55	12	378	2.83%
Obstetrics/Gynecology	44	14	337	2.52%
Psychiatry	75	14	299	2.24%

Internal Medicine	33	3	258	1.93%
Internal Medicine	61	27	235	1.76%
Internal Medicine	39	3	234	1.75%
Internal Medicine	32	2	229	1.72%
Internal Medicine	38	7	222	1.66%
Internal Medicine	37	2	213	1.60%
Internal Medicine	33	3	212	1.59%
General Surgery	63	25	205	1.54%
Internal Medicine	48	10	202	1.51%
Internal Medicine	40	1	198	1.48%
Internal Medicine	42	2	197	1.48%
	48	11.4	7,082	53.06%

Source: Hospital records

EMPLOYEES

As of September 30, 2016 the Hospital employed 1433 full-time equivalent employees ("FTEs"). Two labor unions represent approximately 78% of the Hospital's employees. California Nurses Association (CNA) represents approximately 684 registered nurses and United Electrical, Radio & Machine Workers of America (UE) represents approximately 848 nonprofessional employees. Initial collective bargaining agreements with both unions were ratified by the respective memberships of the bargaining units on December 18, 2000 and were executed on December 24, 2000. The current CNA contract expires January 21, 2019 and the current UE (Main Unit) contract expires on January 31, 2017. Management considers its relations with employees to be good.

The CNA contracts provides for annual focal step increases as well as the potential to earn more based on exemplary performance and the UE contract provides for a performance based pay increase conducted annually on their anniversary date.

The Hospital contracts with a private company for services in the following support areas: inpatient and outpatient rehab services, dietary, housekeeping, security and maintenance. Under this agreement, the contractor provides management services for these functions and employs the staff assigned to these areas approximately 240 FTEs.

UTILIZATION DATA

The following table sets forth the Hospital's utilization data for the fiscal years ended September 30, 2014, 2015 and 2016.

Fiscal Year Ended September 30, 2015			
	2014	2015	2016
Beds			
Acute	168	168	168
Women's	17	17	17
NICU	11	11	11
Acute Rehabilitation	19	19	19
Behavioral Health	23	23	23
Total	238	238	238
Patient Days			
Acute	43,174	47,536	45,015
Women's	3,485	3,489	3,411
NICU	1,750	1,792	2,039
Acute Rehabilitation	1,843	2,133	2,059
Behavioral Health	4,811	4,870	5,653
Total	55,063	59,820	58,177
	2014	2015	2016
Occupancy			
Acute	70.41%	77.52%	73.41%
Women's	56.16%	56.23%	54.97%
NICU	43.59%	44.63%	50.78%
Acute Rehabilitation	26.58%	30.76%	29.68%
Behavioral Health	57.3%	58.01%	67.34%
Total	63.39%	68.86%	66.97%
Outpatient Visits			
Emergency Department	56,114	64,247	68,689
All Other	45,518	53,120	55,442
Totals	101,632	117,367	124,131

Source: Hospital Records

BOARD

Name	Professional Affiliation	Term Exp.
John Barstis, M.D.	Retired Member of Hospital Medical Staff	2019
Robert Benjamin	President/Owner, Western Air Parts	2019
Mark Chamberlain	Chief Operating Officer, Alfred E. Mann Foundation	2019
Richard Corlin, M.D.	Former President, American Medical Assoc.	2017
Lakbinder Dhanda, M.D.	Chief of Medical Staff, Hospital	Ex-Officio/2017
Judy Fish, PhD, Vice Chair	Retired School Superintendent	2017
Cheri Fleming	Owner-Managing Dealer, Valencia Acura	2018
Russell Hanlin	President & CEO, Sunkist Growers Inc.	2018
Don Kimball, Chair	Community President – Newhall Ranch, Five Point	2018
Mark Liker, M.D.	Member Medical Staff, Hospital	2018
Chris Luechtefeld	Vice President, Wealth Management, The Luechtefeld Group at Morgan Stanley	Ex-Officio Appointed by Foundation
Roscoe Marter, M.D.	Member of Medical Staff, Hospital	2017
Craig Peters	Executive VP, CBRE Industrial Properties	2017
Roger E. Seaver	President and CEO, HMN Hospital	Ex Officio
Todd Stevens	President & CEO, California Resources Corp.	2019

Financial

- a) *Please attach a copy of your most recent financial statements.*

*Please review Section 5 of the Continuing Disclosure Agreement and confirm that no material Listed Event has occurred. **No material events***