

United States Senate

WASHINGTON, DC 20510

April 19, 2024

Brigade Capital Management, LP
399 Park Avenue, 16th Floor
New York, NY 10022

Dear Brigade Capital Management, LP,

We write seeking information on the role of Brigade Capital Management, LP (“Brigade”) in the ongoing financial crisis facing Steward Health Care (Steward) in Massachusetts. Steward’s Massachusetts hospitals are in deep financial distress and appear to be in danger of closure because of years of mismanagement, private equity schemes, and executive profiteering.¹ The primary threat to the hospitals appears to be their significant debt – much of which you hold as the result of a 2023 loan to the company.

In the summer of 2023, you were part of a group of lenders (“the consortium”) that provided a loan of approximately \$600 million to Steward to “refinance its asset-backed credit facility ... and provide significant incremental liquidity to Steward.”² In January 2024, with Steward in dire financial condition, many of these same lenders extended an additional \$150 million bridge loan to “stabilize operations” at the hospitals while Steward sought “a significant equity partner to [its] physician organization.”³

That equity partner, we have now learned, is Optum, a subsidiary of the giant conglomerate UnitedHealth Group, which is attempting to buy Steward’s physician group, Stewardship Health.⁴ This deal, which is currently under review by state and federal authorities, appears to contain no guarantees that Steward’s Massachusetts hospitals will remain open.⁵ In the

1 WBUR, “Steward Health Care says financial difficulties jeopardize care at Mass. facilities,” Deborah Becker, January 19, 2024, <https://www.wbur.org/news/2024/01/19/steward-health-care-says-financial-difficulties-jeopardize-care-at-mass-facilities>.

2 Medical Properties Trust, “Medical Properties Trust, Inc. Reports Second Quarter Results,” press release, August 8, 2023, <https://www.medicalpropertiestrust.com/press-release?page=https://medicalpropertiestrust.gcs-web.com/news-releases/news-release-details/medical-properties-trust-inc-reports-second-quarter-results-0>. MPT’s contribution of \$140 million represents “an amount not to exceed” 25% of the total bridge loan.

3 Becker Hospital Review, “Steward puts financial Band-Aid on Massachusetts hospitals,” Madeline Ashley, February 2, 2024, <https://www.beckershospitalreview.com/finance/steward-puts-financial-band-aid-on-massachusetts-hospitals.html>. Business Wire, “Steward Health Care Announces Six-Point Action Plan and Framework for Future System,” February 23, 2024, <https://www.businesswire.com/news/home/20240223023787/en/Steward-Health-CareAnnounces-Six-Point-Action-Plan-and-Framework-for-Future-System>.

4 WBUR, “In distress, Steward proposes sale of doctors group to Optum,” Priyanka Dayal McCluskey, March 27, 2024, <https://www.wbur.org/news/2024/03/27/steward-hospitals-physician-network-united-health-care>.

5 Commonwealth Beacon, “Health Policy Commission wary of Steward-Optum deal,” Jennifer Smith, April 11, 2024, <https://commonwealthbeacon.org/health-care/health-policy-commission-wary-of-steward-optum-deal/>.

meantime, Steward is reported to be preparing for a potential bankruptcy⁶ following threats from your company and other members of the consortium to call the loan.

This would be deeply troubling: Steward’s Massachusetts hospitals are a critical part of the state’s health care system. Steward is the third-largest hospital operator in the Commonwealth, employing nearly 16,000 individuals and serving tens of thousands of patients each year.⁷ And Steward’s Massachusetts hospitals serve largely underserved communities, with a large proportion of patients enrolled in Medicare and Medicaid.⁸ As one of the largest holders of Steward’s debt, you have the power to help keep those hospitals open and preserve access to care for communities in Massachusetts.

We have significant questions about your involvement as a private credit provider. Private credit is a rapidly growing industry: in 2023, the private credit industry reached \$1.7 trillion.⁹ In order to compete with public lending, private creditors provide quick liquidity to distressed companies — but their fast cash comes at a high cost. Some syndicated private banks charge as more than 6 percentage points more than banks with comparable lending terms.¹⁰ Management fees and other expenses add another nearly 4 percent to borrowing costs.¹¹ Even within the private credit industry, distressed borrowers, like Steward, on average pay the highest management fees.¹² Private credit funds’ high interest rates and fees on already-distressed companies have led to several high-profile bankruptcies including SmileDirectClub and Bed Bath & Beyond.¹³

Steward’s financial ruin would be devastating for the people of Massachusetts, and it would be deeply troubling if private lenders like Brigade were to continue squeezing Steward rather than assist in potential solutions to keep the hospitals open. Your company has an important opportunity to help Steward’s Massachusetts hospitals overcome this crisis by offering loan modifications that would make it financially feasible for new operators to take over. We hope that you will reconsider your aggressive posture and instead help to preserve jobs and ensure that residents of the Commonwealth have access to health care at hospitals in their communities.

⁶ Wall Street Journal, “Steward Health Taps Restructuring Advisers Following Worsening Financials,” Alexander Gladstone et. al, January 25, 2024, <https://www.wsj.com/articles/steward-health-taps-restructuring-advisers-following-worsening-financials-1ebed2a1>.

⁷ Boston Globe, “Steward Health Care’s financial issues could spell catastrophe for the state,” Jessica Bartlett, January 19, 2024, <https://www.bostonglobe.com/2024/01/19/business/steward-health-care-hospital-closures/>; WBUR, “Steward hospital chain’s financial woes could spread to other states,” Deborah Becker, February 23, 2024, <https://www.wbur.org/news/2024/02/23/massachusetts-steward-hospitals-financial-woes-states>.

⁸ *Id.*

⁹ Federal Reserve, “Private Credit: Characteristics and Risks,” Fang Cai and Sharjil Haque, February 23, 2024, <https://www.federalreserve.gov/econres/notes/feds-notes/private-credit-characteristics-and-risks-20240223.html>.

¹⁰ Reuters, “Breakdown: Private credit’s main threat is itself,” Jonathan Guilford and Neil Unmack, July 7, 2022, <https://www.reuters.com/breakingviews/breakdown-private-credits-main-threat-is-itself-2022-07-07/>.

¹¹ Cliffwater, “Cliffwater 2023 Study on Private Fund Fees & Expenses for Direct Lending,” April 18, 2023, <https://cliffwater.com/files/cliffwaterfunds/data/pdfs/PrivateFundFeesExpensesForDirectLending2022.pdf>.


¹² Callan Institute, “2023 Private Credit Fees and Terms Study,” 2023, p. 9, [On File with the Office of Senator Elizabeth Warren].

¹³ Wall Street Journal, “How Risky is Private Credit? Analysts Are Piecing Together Clues,” Ben Foldy, November 10, 2023, <https://www.wsj.com/finance/how-risky-is-private-credit-analysts-are-piecing-together-clues-79762038>.

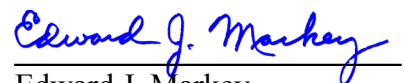
Given Steward’s importance to our constituents in Massachusetts and the fast-approaching deadlines, we ask that you respond to the following questions by April 26, 2024:

1. How much credit has Brigade provided to Steward to date? When was this credit provided?
2. Please provide a copy of the lending agreement between Steward and Brigade.
3. What are the specific terms and conditions of this agreement? What fees were or are being charged as part of the loan? What is the interest rate?
4. How much money in total has Brigade collected — including all principal, interest, fees, or any other charges — from Steward or related companies?
 - a. How much has Brigade collected in each month since January 2024? Please provide a breakdown of principal, interest, and fees.
5. What are the provisions in the lending agreement with regard to a default on Steward’s debt?
6. Who are the senior debt holders for Steward’s refinanced debt? Who are the subordinated debt holders?
7. Please provide a copy of any due diligence report prepared for Brigade and used to assess lending to Steward, including Brigade’s credit assessment or analysis of Steward.
8. On February 23, Steward announced it was further restructuring its debt with the help of Alix Partners.¹⁴ Is the consortium or the consortium’s lending agreement with Steward related at all to Alix Partners’ planned restructuring of Steward’s debt?
9. What specific loan modifications has Brigade offered in the context of discussions about keeping the hospitals open?
10. Are any of Brigade’s loans underwritten in partnership with or financed by entities located outside of the United States? If yes, please name the domicile of each underwriter.

Sincerely,



Elizabeth Warren
United States Senator



Edward J. Markey
United States Senator

¹⁴ Business Wire, “Steward Health Care Announces Six-Point Action Plan and Framework for Future for Future System,” February 23, 2024, <https://www.businesswire.com/news/home/20240223023787/en/Steward-Health-Care-Announces-Six-Point-Action-Plan-and-Framework-for-Future-System>.

United States Senate

WASHINGTON, DC 20510

April 19, 2024

MidOcean Credit Partners
245 Park Avenue, 38th Floor
New York, NY 10167

Dear MidOcean Credit Partners,

We write seeking information on the role of MidOcean Credit Partners (“MidOcean”) in the ongoing financial crisis facing Steward Health Care (Steward) in Massachusetts. Steward’s Massachusetts hospitals are in deep financial distress and appear to be in danger of closure because of years of mismanagement, private equity schemes, and executive profiteering.¹ The primary threat to the hospitals appears to be their significant debt – much of which you hold as the result of a 2023 loan to the company.

In the summer of 2023, you were part of a group of lenders (“the consortium”) that provided a loan of approximately \$600 million to Steward to “refinance its asset-backed credit facility ... and provide significant incremental liquidity to Steward.”² In January 2024, with Steward in dire financial condition, many of these same lenders extended an additional \$150 million bridge loan to “stabilize operations” at the hospitals while Steward sought “a significant equity partner to [its] physician organization.”³

That equity partner, we have now learned, is Optum, a subsidiary of the giant conglomerate UnitedHealth Group, which is attempting to buy Steward’s physician group, Stewardship Health.⁴ This deal, which is currently under review by state and federal authorities, appears to contain no guarantees that Steward’s Massachusetts hospitals will remain open.⁵ In the

1 WBUR, “Steward Health Care says financial difficulties jeopardize care at Mass. facilities,” Deborah Becker, January 19, 2024, <https://www.wbur.org/news/2024/01/19/steward-health-care-says-financial-difficulties-jeopardize-care-at-mass-facilities>.

2 Medical Properties Trust, “Medical Properties Trust, Inc. Reports Second Quarter Results,” press release, August 8, 2023, <https://www.medicalpropertytrust.com/press-release?page=https://medicalpropertytrust.gcs-web.com/news-releases/news-release-details/medical-properties-trust-inc-reports-second-quarter-results-0>. MPT’s contribution of \$140 million represents “an amount not to exceed” 25% of the total bridge loan.

3 Becker Hospital Review, “Steward puts financial Band-Aid on Massachusetts hospitals,” Madeline Ashley, February 2, 2024, <https://www.beckershospitalreview.com/finance/steward-puts-financial-band-aid-on-massachusetts-hospitals.html>. Business Wire, “Steward Health Care Announces Six-Point Action Plan and Framework for Future System,” February 23, 2024, <https://www.businesswire.com/news/home/20240223023787/en/Steward-Health-CareAnnounces-Six-Point-Action-Plan-and-Framework-for-Future-System>.

4 WBUR, “In distress, Steward proposes sale of doctors group to Optum,” Priyanka Dayal McCluskey, March 27, 2024, <https://www.wbur.org/news/2024/03/27/steward-hospitals-physician-network-united-health-care>.

5 Commonwealth Beacon, “Health Policy Commission wary of Steward-Optum deal,” Jennifer Smith, April 11, 2024, <https://commonwealthbeacon.org/health-care/health-policy-commission-wary-of-steward-optum-deal/>.

meantime, Steward is reported to be preparing for a potential bankruptcy⁶ following threats from your company and other members of the consortium to call the loan.

This would be deeply troubling: Steward’s Massachusetts hospitals are a critical part of the state’s health care system. Steward is the third-largest hospital operator in the Commonwealth, employing nearly 16,000 individuals and serving tens of thousands of patients each year.⁷ And Steward’s Massachusetts hospitals serve largely underserved communities, with a large proportion of patients enrolled in Medicare and Medicaid.⁸ As one of the largest holders of Steward’s debt, you have the power to help keep those hospitals open and preserve access to care for communities in Massachusetts.

We have significant questions about your involvement as a private credit provider. Private credit is a rapidly growing industry: in 2023, the private credit industry reached \$1.7 trillion.⁹ In order to compete with public lending, private creditors provide quick liquidity to distressed companies — but their fast cash comes at a high cost. Some syndicated private banks charge as more than 6 percentage points more than banks with comparable lending terms.¹⁰ Management fees and other expenses add another nearly 4 percent to borrowing costs.¹¹ Even within the private credit industry, distressed borrowers, like Steward, on average pay the highest management fees.¹² Private credit funds’ high interest rates and fees on already-distressed companies have led to several high-profile bankruptcies including SmileDirectClub and Bed Bath & Beyond.¹³

Steward’s financial ruin would be devastating for the people of Massachusetts, and it would be deeply troubling if private lenders like MidOcean were to continue squeezing Steward rather than assist in potential solutions to keep the hospitals open. Your company has an important opportunity to help Steward’s Massachusetts hospitals overcome this crisis by offering loan modifications that would make it financially feasible for new operators to take over. We hope that you will reconsider your aggressive posture and instead help to preserve jobs and ensure that residents of the Commonwealth have access to health care at hospitals in their communities.

⁶ Wall Street Journal, “Steward Health Taps Restructuring Advisers Following Worsening Financials,” Alexander Gladstone et. al, January 25, 2024, <https://www.wsj.com/articles/steward-health-taps-restructuring-advisers-following-worsening-financials-1ebed2a1>.

⁷ Boston Globe, “Steward Health Care’s financial issues could spell catastrophe for the state,” Jessica Bartlett, January 19, 2024, <https://www.bostonglobe.com/2024/01/19/business/steward-health-care-hospital-closures/>; WBUR, “Steward hospital chain’s financial woes could spread to other states,” Deborah Becker, February 23, 2024, <https://www.wbur.org/news/2024/02/23/massachusetts-steward-hospitals-financial-woes-states>.

⁸ *Id.*

⁹ Federal Reserve, “Private Credit: Characteristics and Risks,” Fang Cai and Sharjil Haque, February 23, 2024, <https://www.federalreserve.gov/econres/notes/feds-notes/private-credit-characteristics-and-risks-20240223.html>.

¹⁰ Reuters, “Breakdown: Private credit’s main threat is itself,” Jonathan Guilford and Neil Unmack, July 7, 2022, <https://www.reuters.com/breakingviews/breakdown-private-credits-main-threat-is-itself-2022-07-07/>.

¹¹ Cliffwater, “Cliffwater 2023 Study on Private Fund Fees & Expenses for Direct Lending,” April 18, 2023, <https://cliffwater.com/files/cliffwaterfunds/data/pdfs/PrivateFundFeesExpensesForDirectLending2022.pdf>.

¹² Callan Institute, “2023 Private Credit Fees and Terms Study,” 2023, p. 9, [On File with the Office of Senator Elizabeth Warren].

¹³ Wall Street Journal, “How Risky is Private Credit? Analysts Are Piecing Together Clues,” Ben Foldy, November 10, 2023, <https://www.wsj.com/finance/how-risky-is-private-credit-analysts-are-piecing-together-clues-79762038>.

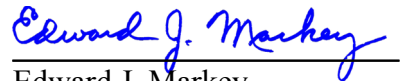
Given Steward’s importance to our constituents in Massachusetts and the fast-approaching deadlines, we ask that you respond to the following questions by April 26, 2024:

1. How much credit has MidOcean provided to Steward to date? When was this credit provided?
2. Please provide a copy of the lending agreement between Steward and MidOcean.
3. What are the specific terms and conditions of this agreement? What fees were or are being charged as part of the loan? What is the interest rate?
4. How much money in total has MidOcean collected — including all principal, interest, fees, or any other charges — from Steward or related companies?
 - a. How much has MidOcean collected in each month since January 2024? Please provide a breakdown of principal, interest, and fees.
5. What are the provisions in the lending agreement with regard to a default on Steward’s debt?
6. Who are the senior debt holders for Steward’s refinanced debt? Who are the subordinated debt holders?
7. Please provide a copy of any due diligence report prepared for MidOcean and used to assess lending to Steward, including MidOcean’s credit assessment or analysis of Steward.
8. On February 23, Steward announced it was further restructuring its debt with the help of Alix Partners.¹⁴ Is the consortium or the consortium’s lending agreement with Steward related at all to Alix Partners’ planned restructuring of Steward’s debt?
9. What specific loan modifications has MidOcean offered in the context of discussions about keeping the hospitals open?
10. Are any of MidOcean’s loans underwritten in partnership with or financed by entities located outside of the United States? If yes, please name the domicile of each underwriter.

Sincerely,



Elizabeth Warren
United States Senator



Edward J. Markey
United States Senator

¹⁴ Business Wire, “Steward Health Care Announces Six-Point Action Plan and Framework for Future for Future System,” February 23, 2024, <https://www.businesswire.com/news/home/20240223023787/en/Steward-Health-Care-Announces-Six-Point-Action-Plan-and-Framework-for-Future-System>.

United States Senate

WASHINGTON, DC 20510

April 19, 2024

Oaktree Capital Management
333 South Grand Ave, 28th Floor
Los Angeles, CA 90071

Dear Oaktree Capital Management,

We write seeking information on the role of Oaktree Capital Management (“Oaktree”) in the ongoing financial crisis facing Steward Health Care (Steward) in Massachusetts. Steward’s Massachusetts hospitals are in deep financial distress and appear to be in danger of closure because of years of mismanagement, private equity schemes, and executive profiteering.¹ The primary threat to the hospitals appears to be their significant debt – much of which you hold as the result of a 2023 loan to the company.

In the summer of 2023, you were part of a group of lenders (“the consortium”) that provided a loan of approximately \$600 million to Steward to “refinance its asset-backed credit facility ... and provide significant incremental liquidity to Steward.”² In January 2024, with Steward in dire financial condition, many of these same lenders extended an additional \$150 million bridge loan to “stabilize operations” at the hospitals while Steward sought “a significant equity partner to [its] physician organization.”³

That equity partner, we have now learned, is Optum, a subsidiary of the giant conglomerate UnitedHealth Group, which is attempting to buy Steward’s physician group, Stewardship Health.⁴ This deal, which is currently under review by state and federal authorities, appears to contain no guarantees that Steward’s Massachusetts hospitals will remain open.⁵ In the

1 WBUR, “Steward Health Care says financial difficulties jeopardize care at Mass. facilities,” Deborah Becker, January 19, 2024, <https://www.wbur.org/news/2024/01/19/steward-health-care-says-financial-difficulties-jeopardize-care-at-mass-facilities>.

2 Medical Properties Trust, “Medical Properties Trust, Inc. Reports Second Quarter Results,” press release, August 8, 2023, <https://www.medicalpropertytrust.com/press-release?page=https://medicalpropertytrust.gcs-web.com/news-releases/news-release-details/medical-properties-trust-inc-reports-second-quarter-results-0>. MPT’s contribution of \$140 million represents “an amount not to exceed” 25% of the total bridge loan.

3 Becker Hospital Review, “Steward puts financial Band-Aid on Massachusetts hospitals,” Madeline Ashley, February 2, 2024, <https://www.beckershospitalreview.com/finance/steward-puts-financial-band-aid-on-massachusetts-hospitals.html>. Business Wire, “Steward Health Care Announces Six-Point Action Plan and Framework for Future System,” February 23, 2024, <https://www.businesswire.com/news/home/20240223023787/en/Steward-Health-CareAnnounces-Six-Point-Action-Plan-and-Framework-for-Future-System>.

4 WBUR, “In distress, Steward proposes sale of doctors group to Optum,” Priyanka Dayal McCluskey, March 27, 2024, <https://www.wbur.org/news/2024/03/27/steward-hospitals-physician-network-united-health-care>.

5 Commonwealth Beacon, “Health Policy Commission wary of Steward-Optum deal,” Jennifer Smith, April 11, 2024, <https://commonwealthbeacon.org/health-care/health-policy-commission-wary-of-steward-optum-deal/>.

meantime, Steward is reported to be preparing for a potential bankruptcy⁶ following threats from your company and other members of the consortium to call the loan.

This would be deeply troubling: Steward’s Massachusetts hospitals are a critical part of the state’s health care system. Steward is the third-largest hospital operator in the Commonwealth, employing nearly 16,000 individuals and serving tens of thousands of patients each year.⁷ And Steward’s Massachusetts hospitals serve largely underserved communities, with a large proportion of patients enrolled in Medicare and Medicaid.⁸ As one of the largest holders of Steward’s debt, you have the power to help keep those hospitals open and preserve access to care for communities in Massachusetts.

We have significant questions about your involvement as a private credit provider. Private credit is a rapidly growing industry: in 2023, the private credit industry reached \$1.7 trillion.⁹ In order to compete with public lending, private creditors provide quick liquidity to distressed companies — but their fast cash comes at a high cost. Some syndicated private banks charge as more than 6 percentage points more than banks with comparable lending terms.¹⁰ Management fees and other expenses add another nearly 4 percent to borrowing costs.¹¹ Even within the private credit industry, distressed borrowers, like Steward, on average pay the highest management fees.¹² Private credit funds’ high interest rates and fees on already-distressed companies have led to several high-profile bankruptcies including SmileDirectClub and Bed Bath & Beyond.¹³

Steward’s financial ruin would be devastating for the people of Massachusetts, and it would be deeply troubling if private lenders like Oaktree were to continue squeezing Steward rather than assist in potential solutions to keep the hospitals open. Your company has an important opportunity to help Steward’s Massachusetts hospitals overcome this crisis by offering loan modifications that would make it financially feasible for new operators to take over. We hope that you will reconsider your aggressive posture and instead help to preserve jobs and ensure that residents of the Commonwealth have access to health care at hospitals in their communities.

⁶ Wall Street Journal, “Steward Health Taps Restructuring Advisers Following Worsening Financials,” Alexander Gladstone et. al, January 25, 2024, <https://www.wsj.com/articles/steward-health-taps-restructuring-advisers-following-worsening-financials-1ebed2a1>.

⁷ Boston Globe, “Steward Health Care’s financial issues could spell catastrophe for the state,” Jessica Bartlett, January 19, 2024, <https://www.bostonglobe.com/2024/01/19/business/steward-health-care-hospital-closures/>; WBUR, “Steward hospital chain’s financial woes could spread to other states,” Deborah Becker, February 23, 2024, <https://www.wbur.org/news/2024/02/23/massachusetts-steward-hospitals-financial-woes-states>.

⁸ *Id.*

⁹ Federal Reserve, “Private Credit: Characteristics and Risks,” Fang Cai and Sharjil Haque, February 23, 2024, <https://www.federalreserve.gov/econres/notes/feds-notes/private-credit-characteristics-and-risks-20240223.html>.

¹⁰ Reuters, “Breakdown: Private credit’s main threat is itself,” Jonathan Guilford and Neil Unmack, July 7, 2022, <https://www.reuters.com/breakingviews/breakdown-private-credits-main-threat-is-itself-2022-07-07/>.

¹¹ Cliffwater, “Cliffwater 2023 Study on Private Fund Fees & Expenses for Direct Lending,” April 18, 2023, <https://cliffwater.com/files/cliffwaterfunds/data/pdfs/PrivateFundFeesExpensesForDirectLending2022.pdf>.

¹² Callan Institute, “2023 Private Credit Fees and Terms Study,” 2023, p. 9, [On File with the Office of Senator Elizabeth Warren].

¹³ Wall Street Journal, “How Risky is Private Credit? Analysts Are Piecing Together Clues,” Ben Foldy, November 10, 2023, <https://www.wsj.com/finance/how-risky-is-private-credit-analysts-are-piecing-together-clues-79762038>.

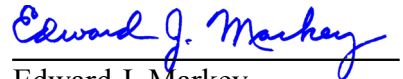
Given Steward’s importance to our constituents in Massachusetts and the fast-approaching deadlines, we ask that you respond to the following questions by April 26, 2024:

1. How much credit has Oaktree provided to Steward to date? When was this credit provided?
2. Please provide a copy of the lending agreement between Steward and Oaktree.
3. What are the specific terms and conditions of this agreement? What fees were or are being charged as part of the loan? What is the interest rate?
4. How much money in total has Oaktree collected — including all principal, interest, fees, or any other charges — from Steward or related companies?
 - a. How much has Oaktree collected in each month since January 2024? Please provide a breakdown of principal, interest, and fees.
5. What are the provisions in the lending agreement with regard to a default on Steward’s debt?
6. Who are the senior debt holders for Steward’s refinanced debt? Who are the subordinated debt holders?
7. Please provide a copy of any due diligence report prepared for Oaktree and used to assess lending to Steward, including Oaktree’s credit assessment or analysis of Steward.
8. On February 23, Steward announced it was further restructuring its debt with the help of Alix Partners.¹⁴ Is the consortium or the consortium’s lending agreement with Steward related at all to Alix Partners’ planned restructuring of Steward’s debt?
9. What specific loan modifications has Oaktree offered in the context of discussions about keeping the hospitals open?
10. Are any of Oaktree’s loans underwritten in partnership with or financed by entities located outside of the United States? If yes, please name the domicile of each underwriter.

Sincerely,



Elizabeth Warren
United States Senator



Edward J. Markey
United States Senator

¹⁴ Business Wire, “Steward Health Care Announces Six-Point Action Plan and Framework for Future for Future System,” February 23, 2024, <https://www.businesswire.com/news/home/20240223023787/en/Steward-Health-Care-Announces-Six-Point-Action-Plan-and-Framework-for-Future-System>.

United States Senate

WASHINGTON, DC 20510

April 19, 2024

Owl Creek Asset Management, LP
640 Fifth Avenue
New York, NY 10019

Dear Owl Creek Asset Management, LP,

We write seeking information on the role of Owl Creek Asset Management, LP (“Owl Creek”) in the ongoing financial crisis facing Steward Health Care (Steward) in Massachusetts. Steward’s Massachusetts hospitals are in deep financial distress and appear to be in danger of closure because of years of mismanagement, private equity schemes, and executive profiteering.¹ The primary threat to the hospitals appears to be their significant debt – much of which you hold as the result of a 2023 loan to the company.

In the summer of 2023, you were part of a group of lenders (“the consortium”) that provided a loan of approximately \$600 million to Steward to “refinance its asset-backed credit facility ... and provide significant incremental liquidity to Steward.”² In January 2024, with Steward in dire financial condition, many of these same lenders extended an additional \$150 million bridge loan to “stabilize operations” at the hospitals while Steward sought “a significant equity partner to [its] physician organization.”³

That equity partner, we have now learned, is Optum, a subsidiary of the giant conglomerate UnitedHealth Group, which is attempting to buy Steward’s physician group, Stewardship Health.⁴ This deal, which is currently under review by state and federal authorities, appears to contain no guarantees that Steward’s Massachusetts hospitals will remain open.⁵ In the

1 WBUR, “Steward Health Care says financial difficulties jeopardize care at Mass. facilities,” Deborah Becker, January 19, 2024, <https://www.wbur.org/news/2024/01/19/steward-health-care-says-financial-difficulties-jeopardize-care-at-mass-facilities>.

2 Medical Properties Trust, “Medical Properties Trust, Inc. Reports Second Quarter Results,” press release, August 8, 2023, <https://www.medicalpropertytrust.com/press-release?page=https://medicalpropertytrust.gcs-web.com/news-releases/news-release-details/medical-properties-trust-inc-reports-second-quarter-results-0>. MPT’s contribution of \$140 million represents “an amount not to exceed” 25% of the total bridge loan.

3 Becker Hospital Review, “Steward puts financial Band-Aid on Massachusetts hospitals,” Madeline Ashley, February 2, 2024, <https://www.beckershospitalreview.com/finance/steward-puts-financial-band-aid-on-massachusetts-hospitals.html>. Business Wire, “Steward Health Care Announces Six-Point Action Plan and Framework for Future System,” February 23, 2024, <https://www.businesswire.com/news/home/20240223023787/en/Steward-Health-CareAnnounces-Six-Point-Action-Plan-and-Framework-for-Future-System>.

4 WBUR, “In distress, Steward proposes sale of doctors group to Optum,” Priyanka Dayal McCluskey, March 27, 2024, <https://www.wbur.org/news/2024/03/27/steward-hospitals-physician-network-united-health-care>.

5 Commonwealth Beacon, “Health Policy Commission wary of Steward-Optum deal,” Jennifer Smith, April 11, 2024, <https://commonwealthbeacon.org/health-care/health-policy-commission-wary-of-steward-optum-deal/>.

meantime, Steward is reported to be preparing for a potential bankruptcy⁶ following threats from your company and other members of the consortium to call the loan.

This would be deeply troubling: Steward’s Massachusetts hospitals are a critical part of the state’s health care system. Steward is the third-largest hospital operator in the Commonwealth, employing nearly 16,000 individuals and serving tens of thousands of patients each year.⁷ And Steward’s Massachusetts hospitals serve largely underserved communities, with a large proportion of patients enrolled in Medicare and Medicaid.⁸ As one of the largest holders of Steward’s debt, you have the power to help keep those hospitals open and preserve access to care for communities in Massachusetts.

We have significant questions about your involvement as a private credit provider. Private credit is a rapidly growing industry: in 2023, the private credit industry reached \$1.7 trillion.⁹ In order to compete with public lending, private creditors provide quick liquidity to distressed companies — but their fast cash comes at a high cost. Some syndicated private banks charge as more than 6 percentage points more than banks with comparable lending terms.¹⁰ Management fees and other expenses add another nearly 4 percent to borrowing costs.¹¹ Even within the private credit industry, distressed borrowers, like Steward, on average pay the highest management fees.¹² Private credit funds’ high interest rates and fees on already-distressed companies have led to several high-profile bankruptcies including SmileDirectClub and Bed Bath & Beyond.¹³

Steward’s financial ruin would be devastating for the people of Massachusetts, and it would be deeply troubling if private lenders like Owl Creek were to continue squeezing Steward rather than assist in potential solutions to keep the hospitals open. Your company has an important opportunity to help Steward’s Massachusetts hospitals overcome this crisis by offering loan modifications that would make it financially feasible for new operators to take over. We hope that you will reconsider your aggressive posture and instead help to preserve jobs and ensure that residents of the Commonwealth have access to health care at hospitals in their communities.

⁶ Wall Street Journal, “Steward Health Taps Restructuring Advisers Following Worsening Financials,” Alexander Gladstone et. al, January 25, 2024, <https://www.wsj.com/articles/steward-health-taps-restructuring-advisers-following-worsening-financials-1ebed2a1>.

⁷ Boston Globe, “Steward Health Care’s financial issues could spell catastrophe for the state,” Jessica Bartlett, January 19, 2024, <https://www.bostonglobe.com/2024/01/19/business/steward-health-care-hospital-closures/>; WBUR, “Steward hospital chain’s financial woes could spread to other states,” Deborah Becker, February 23, 2024, <https://www.wbur.org/news/2024/02/23/massachusetts-steward-hospitals-financial-woes-states>.

⁸ *Id.*

⁹ Federal Reserve, “Private Credit: Characteristics and Risks,” Fang Cai and Sharjil Haque, February 23, 2024, <https://www.federalreserve.gov/econres/notes/feds-notes/private-credit-characteristics-and-risks-20240223.html>.

¹⁰ Reuters, “Breakdown: Private credit’s main threat is itself,” Jonathan Guilford and Neil Unmack, July 7, 2022, <https://www.reuters.com/breakingviews/breakdown-private-credits-main-threat-is-itself-2022-07-07/>.

¹¹ Cliffwater, “Cliffwater 2023 Study on Private Fund Fees & Expenses for Direct Lending,” April 18, 2023, <https://cliffwater.com/files/cliffwaterfunds/data/pdfs/PrivateFundFeesExpensesForDirectLending2022.pdf>.

¹² Callan Institute, “2023 Private Credit Fees and Terms Study,” 2023, p. 9, [On File with the Office of Senator Elizabeth Warren].

¹³ Wall Street Journal, “How Risky is Private Credit? Analysts Are Piecing Together Clues,” Ben Foldy, November 10, 2023, <https://www.wsj.com/finance/how-risky-is-private-credit-analysts-are-piecing-together-clues-79762038>.

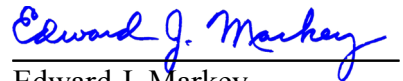
Given Steward’s importance to our constituents in Massachusetts and the fast-approaching deadlines, we ask that you respond to the following questions by April 26, 2024:

1. How much credit has Owl Creek provided to Steward to date? When was this credit provided?
2. Please provide a copy of the lending agreement between Steward and Owl Creek.
3. What are the specific terms and conditions of this agreement? What fees were or are being charged as part of the loan? What is the interest rate?
4. How much money in total has Owl Creek collected — including all principal, interest, fees, or any other charges — from Steward or related companies?
 - a. How much has Owl Creek collected in each month since January 2024? Please provide a breakdown of principal, interest, and fees.
5. What are the provisions in the lending agreement with regard to a default on Steward’s debt?
6. Who are the senior debt holders for Steward’s refinanced debt? Who are the subordinated debt holders?
7. Please provide a copy of any due diligence report prepared for Owl Creek and used to assess lending to Steward, including Owl Creek’s credit assessment or analysis of Steward.
8. On February 23, Steward announced it was further restructuring its debt with the help of Alix Partners.¹⁴ Is the consortium or the consortium’s lending agreement with Steward related at all to Alix Partners’ planned restructuring of Steward’s debt?
9. What specific loan modifications has Owl Creek offered in the context of discussions about keeping the hospitals open?
10. Are any of Owl Creek’s loans underwritten in partnership with or financed by entities located outside of the United States? If yes, please name the domicile of each underwriter.

Sincerely,



Elizabeth Warren
United States Senator



Edward J. Markey
United States Senator

¹⁴ Business Wire, “Steward Health Care Announces Six-Point Action Plan and Framework for Future for Future System,” February 23, 2024, <https://www.businesswire.com/news/home/20240223023787/en/Steward-Health-Care-Announces-Six-Point-Action-Plan-and-Framework-for-Future-System>.

United States Senate

WASHINGTON, DC 20510

April 19, 2024

Sound Point Capital Management, LP
375 Park Ave 34th Floor
New York, NY 10152

Dear Sound Point Capital Management,

We write seeking information on the role of Sound Point Capital Management (“Sound Point”) in the ongoing financial crisis facing Steward Health Care (Steward) in Massachusetts. Steward’s Massachusetts hospitals are in deep financial distress and appear to be in danger of closure because of years of mismanagement, private equity schemes, and executive profiteering.¹ The primary threat to the hospitals appears to be their significant debt – much of which you hold as the result of a 2023 loan to the company.

In the summer of 2023, you were part of a group of lenders (“the consortium”) that provided a loan of approximately \$600 million to Steward to “refinance its asset-backed credit facility ... and provide significant incremental liquidity to Steward.”² In January 2024, with Steward in dire financial condition, many of these same lenders extended an additional \$150 million bridge loan to “stabilize operations” at the hospitals while Steward sought “a significant equity partner to [its] physician organization.”³

That equity partner, we have now learned, is Optum, a subsidiary of the giant conglomerate UnitedHealth Group, which is attempting to buy Steward’s physician group, Stewardship Health.⁴ This deal, which is currently under review by state and federal authorities, appears to contain no guarantees that Steward’s Massachusetts hospitals will remain open.⁵ In the

1 WBUR, “Steward Health Care says financial difficulties jeopardize care at Mass. facilities,” Deborah Becker, January 19, 2024, <https://www.wbur.org/news/2024/01/19/steward-health-care-says-financial-difficulties-jeopardize-care-at-mass-facilities>.

2 Medical Properties Trust, “Medical Properties Trust, Inc. Reports Second Quarter Results,” press release, August 8, 2023, <https://www.medicalpropertytrust.com/press-release?page=https://medicalpropertytrust.gcs-web.com/news-releases/news-release-details/medical-properties-trust-inc-reports-second-quarter-results-0>. MPT’s contribution of \$140 million represents “an amount not to exceed” 25% of the total bridge loan.

3 Becker Hospital Review, “Steward puts financial Band-Aid on Massachusetts hospitals,” Madeline Ashley, February 2, 2024, <https://www.beckershospitalreview.com/finance/steward-puts-financial-band-aid-on-massachusetts-hospitals.html>. Business Wire, “Steward Health Care Announces Six-Point Action Plan and Framework for Future System,” February 23, 2024, <https://www.businesswire.com/news/home/20240223023787/en/Steward-Health-CareAnnounces-Six-Point-Action-Plan-and-Framework-for-Future-System>.

4 WBUR, “In distress, Steward proposes sale of doctors group to Optum,” Priyanka Dayal McCluskey, March 27, 2024, <https://www.wbur.org/news/2024/03/27/steward-hospitals-physician-network-united-health-care>.

5 Commonwealth Beacon, “Health Policy Commission wary of Steward-Optum deal,” Jennifer Smith, April 11, 2024, <https://commonwealthbeacon.org/health-care/health-policy-commission-wary-of-steward-optum-deal/>.

meantime, Steward is reported to be preparing for a potential bankruptcy⁶ following threats from your company and other members of the consortium to call the loan.

This would be deeply troubling: Steward’s Massachusetts hospitals are a critical part of the state’s health care system. Steward is the third-largest hospital operator in the Commonwealth, employing nearly 16,000 individuals and serving tens of thousands of patients each year.⁷ And Steward’s Massachusetts hospitals serve largely underserved communities, with a large proportion of patients enrolled in Medicare and Medicaid.⁸ As one of the largest holders of Steward’s debt, you have the power to help keep those hospitals open and preserve access to care for communities in Massachusetts.

We have significant questions about your involvement as a private credit provider. Private credit is a rapidly growing industry: in 2023, the private credit industry reached \$1.7 trillion.⁹ In order to compete with public lending, private creditors provide quick liquidity to distressed companies — but their fast cash comes at a high cost. Some syndicated private banks charge as more than 6 percentage points more than banks with comparable lending terms.¹⁰ Management fees and other expenses add another nearly 4 percent to borrowing costs.¹¹ Even within the private credit industry, distressed borrowers, like Steward, on average pay the highest management fees.¹² Private credit funds’ high interest rates and fees on already-distressed companies have led to several high-profile bankruptcies including SmileDirectClub and Bed Bath & Beyond.¹³

Steward’s financial ruin would be devastating for the people of Massachusetts, and it would be deeply troubling if private lenders like Sound Point were to continue squeezing Steward rather than assist in potential solutions to keep the hospitals open. Your company has an important opportunity to help Steward’s Massachusetts hospitals overcome this crisis by offering loan modifications that would make it financially feasible for new operators to take over. We hope that you will reconsider your aggressive posture and instead help to preserve jobs and ensure that residents of the Commonwealth have access to health care at hospitals in their communities.

⁶ Wall Street Journal, “Steward Health Taps Restructuring Advisers Following Worsening Financials,” Alexander Gladstone et. al, January 25, 2024, <https://www.wsj.com/articles/steward-health-taps-restructuring-advisers-following-worsening-financials-1ebed2a1>.

⁷ Boston Globe, “Steward Health Care’s financial issues could spell catastrophe for the state,” Jessica Bartlett, January 19, 2024, <https://www.bostonglobe.com/2024/01/19/business/steward-health-care-hospital-closures/>; WBUR, “Steward hospital chain’s financial woes could spread to other states,” Deborah Becker, February 23, 2024, <https://www.wbur.org/news/2024/02/23/massachusetts-steward-hospitals-financial-woes-states>.

⁸ *Id.*

⁹ Federal Reserve, “Private Credit: Characteristics and Risks,” Fang Cai and Sharjil Haque, February 23, 2024, <https://www.federalreserve.gov/econres/notes/feds-notes/private-credit-characteristics-and-risks-20240223.html>.

¹⁰ Reuters, “Breakdown: Private credit’s main threat is itself,” Jonathan Guilford and Neil Unmack, July 7, 2022, <https://www.reuters.com/breakingviews/breakdown-private-credits-main-threat-is-itself-2022-07-07/>.

¹¹ Cliffwater, “Cliffwater 2023 Study on Private Fund Fees & Expenses for Direct Lending,” April 18, 2023, <https://cliffwater.com/files/cliffwaterfunds/data/pdfs/PrivateFundFeesExpensesForDirectLending2022.pdf>.

¹² Callan Institute, “2023 Private Credit Fees and Terms Study,” 2023, p. 9, [On File with the Office of Senator Elizabeth Warren].

¹³ Wall Street Journal, “How Risky is Private Credit? Analysts Are Piecing Together Clues,” Ben Foldy, November 10, 2023, <https://www.wsj.com/finance/how-risky-is-private-credit-analysts-are-piecing-together-clues-79762038>.

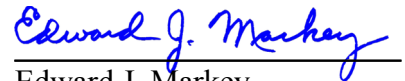
Given Steward’s importance to our constituents in Massachusetts and the fast-approaching deadlines, we ask that you respond to the following questions by April 26, 2024:

1. How much credit has Sound Point provided to Steward to date? When was this credit provided?
2. Please provide a copy of the lending agreement between Steward and Sound Point.
3. What are the specific terms and conditions of this agreement? What fees were or are being charged as part of the loan? What is the interest rate?
4. How much money in total has Sound Point collected — including all principal, interest, fees, or any other charges — from Steward or related companies?
 - a. How much has Sound Point collected in each month since January 2024? Please provide a breakdown of principal, interest, and fees.
5. What are the provisions in the lending agreement with regard to a default on Steward’s debt?
6. Who are the senior debt holders for Steward’s refinanced debt? Who are the subordinated debt holders?
7. Please provide a copy of any due diligence report prepared for Sound Point and used to assess lending to Steward, including Sound Point’s credit assessment or analysis of Steward.
8. On February 23, Steward announced it was further restructuring its debt with the help of Alix Partners.¹⁴ Is the consortium or the consortium’s lending agreement with Steward related at all to Alix Partners’ planned restructuring of Steward’s debt?
9. What specific loan modifications has Sound Point offered in the context of discussions about keeping the hospitals open?
10. Are any of Sound Point’s loans underwritten in partnership with or financed by entities located outside of the United States? If yes, please name the domicile of each underwriter.

Sincerely,



Elizabeth Warren
United States Senator



Edward J. Markey
United States Senator

¹⁴ Business Wire, “Steward Health Care Announces Six-Point Action Plan and Framework for Future for Future System,” February 23, 2024, <https://www.businesswire.com/news/home/20240223023787/en/Steward-Health-Care-Announces-Six-Point-Action-Plan-and-Framework-for-Future-System>.

United States Senate

WASHINGTON, DC 20510

April 19, 2024

WhiteHawk Capital Partners, LP
11601 Wilshire Blvd, Ste 1250
Los Angeles, CA 90025

Dear WhiteHawk Capital Partners, LP

We write seeking information on the role of White Hawk Capital Partners, LP (“WhiteHawk”) in the ongoing financial crisis facing Steward Health Care (Steward) in Massachusetts. Steward’s Massachusetts hospitals are in deep financial distress and appear to be in danger of closure because of years of mismanagement, private equity schemes, and executive profiteering.¹ The primary threat to the hospitals appears to be their significant debt – much of which you hold as the result of a 2023 loan to the company.

In the summer of 2023, you were part of a group of lenders (“the consortium”) that provided a loan of approximately \$600 million to Steward to “refinance its asset-backed credit facility ... and provide significant incremental liquidity to Steward.”² In January 2024, with Steward in dire financial condition, many of these same lenders extended an additional \$150 million bridge loan to “stabilize operations” at the hospitals while Steward sought “a significant equity partner to [its] physician organization.”³

That equity partner, we have now learned, is Optum, a subsidiary of the giant conglomerate UnitedHealth Group, which is attempting to buy Steward’s physician group, Stewardship Health.⁴ This deal, which is currently under review by state and federal authorities, appears to contain no guarantees that Steward’s Massachusetts hospitals will remain open.⁵ In the

1 WBUR, “Steward Health Care says financial difficulties jeopardize care at Mass. facilities,” Deborah Becker, January 19, 2024, <https://www.wbur.org/news/2024/01/19/steward-health-care-says-financial-difficulties-jeopardize-care-at-mass-facilities>.

2 Medical Properties Trust, “Medical Properties Trust, Inc. Reports Second Quarter Results,” press release, August 8, 2023, <https://www.medicalpropertytrust.com/press-release?page=https://medicalpropertytrust.gcs-web.com/news-releases/news-release-details/medical-properties-trust-inc-reports-second-quarter-results-0>. MPT’s contribution of \$140 million represents “an amount not to exceed” 25% of the total bridge loan.

3 Becker Hospital Review, “Steward puts financial Band-Aid on Massachusetts hospitals,” Madeline Ashley, February 2, 2024, <https://www.beckershospitalreview.com/finance/steward-puts-financial-band-aid-on-massachusetts-hospitals.html>. Business Wire, “Steward Health Care Announces Six-Point Action Plan and Framework for Future System,” February 23, 2024, <https://www.businesswire.com/news/home/20240223023787/en/Steward-Health-CareAnnounces-Six-Point-Action-Plan-and-Framework-for-Future-System>.

4 WBUR, “In distress, Steward proposes sale of doctors group to Optum,” Priyanka Dayal McCluskey, March 27, 2024, <https://www.wbur.org/news/2024/03/27/steward-hospitals-physician-network-united-health-care>.

5 Commonwealth Beacon, “Health Policy Commission wary of Steward-Optum deal,” Jennifer Smith, April 11, 2024, <https://commonwealthbeacon.org/health-care/health-policy-commission-wary-of-steward-optum-deal/>.

meantime, Steward is reported to be preparing for a potential bankruptcy⁶ following threats from your company and other members of the consortium to call the loan.

This would be deeply troubling: Steward’s Massachusetts hospitals are a critical part of the state’s health care system. Steward is the third-largest hospital operator in the Commonwealth, employing nearly 16,000 individuals and serving tens of thousands of patients each year.⁷ And Steward’s Massachusetts hospitals serve largely underserved communities, with a large proportion of patients enrolled in Medicare and Medicaid.⁸ As one of the largest holders of Steward’s debt, you have the power to help keep those hospitals open and preserve access to care for communities in Massachusetts.

We have significant questions about your involvement as a private credit provider. Private credit is a rapidly growing industry: in 2023, the private credit industry reached \$1.7 trillion.⁹ In order to compete with public lending, private creditors provide quick liquidity to distressed companies — but their fast cash comes at a high cost. Some syndicated private banks charge as more than 6 percentage points more than banks with comparable lending terms.¹⁰ Management fees and other expenses add another nearly 4 percent to borrowing costs.¹¹ Even within the private credit industry, distressed borrowers, like Steward, on average pay the highest management fees.¹² Private credit funds’ high interest rates and fees on already-distressed companies have led to several high-profile bankruptcies including SmileDirectClub and Bed Bath & Beyond.¹³

Steward’s financial ruin would be devastating for the people of Massachusetts, and it would be deeply troubling if private lenders like WhiteHawk were to continue squeezing Steward rather than assist in potential solutions to keep the hospitals open. Your company has an important opportunity to help Steward’s Massachusetts hospitals overcome this crisis by offering loan modifications that would make it financially feasible for new operators to take over. We hope that you will reconsider your aggressive posture and instead help to preserve jobs and ensure that residents of the Commonwealth have access to health care at hospitals in their communities.

⁶ Wall Street Journal, “Steward Health Taps Restructuring Advisers Following Worsening Financials,” Alexander Gladstone et. al, January 25, 2024, <https://www.wsj.com/articles/steward-health-taps-restructuring-advisers-following-worsening-financials-1ebed2a1>.

⁷ Boston Globe, “Steward Health Care’s financial issues could spell catastrophe for the state,” Jessica Bartlett, January 19, 2024, <https://www.bostonglobe.com/2024/01/19/business/steward-health-care-hospital-closures/>; WBUR, “Steward hospital chain’s financial woes could spread to other states,” Deborah Becker, February 23, 2024, <https://www.wbur.org/news/2024/02/23/massachusetts-steward-hospitals-financial-woes-states>.

⁸ *Id.*

⁹ Federal Reserve, “Private Credit: Characteristics and Risks,” Fang Cai and Sharjil Haque, February 23, 2024, <https://www.federalreserve.gov/econres/notes/feds-notes/private-credit-characteristics-and-risks-20240223.html>.

¹⁰ Reuters, “Breakdown: Private credit’s main threat is itself,” Jonathan Guilford and Neil Unmack, July 7, 2022, <https://www.reuters.com/breakingviews/breakdown-private-credits-main-threat-is-itself-2022-07-07/>.

¹¹ Cliffwater, “Cliffwater 2023 Study on Private Fund Fees & Expenses for Direct Lending,” April 18, 2023, <https://cliffwater.com/files/cliffwaterfunds/data/pdfs/PrivateFundFeesExpensesForDirectLending2022.pdf>.

¹² Callan Institute, “2023 Private Credit Fees and Terms Study,” 2023, p. 9, [On File with the Office of Senator Elizabeth Warren].

¹³ Wall Street Journal, “How Risky is Private Credit? Analysts Are Piecing Together Clues,” Ben Foldy, November 10, 2023, <https://www.wsj.com/finance/how-risky-is-private-credit-analysts-are-piecing-together-clues-79762038>.

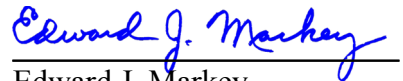
Given Steward’s importance to our constituents in Massachusetts and the fast-approaching deadlines, we ask that you respond to the following questions by April 26, 2024:

1. How much credit has WhiteHawk provided to Steward to date? When was this credit provided?
2. Please provide a copy of the lending agreement between Steward and WhiteHawk.
3. What are the specific terms and conditions of this agreement? What fees were or are being charged as part of the loan? What is the interest rate?
4. How much money in total has WhiteHawk collected — including all principal, interest, fees, or any other charges — from Steward or related companies?
 - a. How much has WhiteHawk collected in each month since January 2024? Please provide a breakdown of principal, interest, and fees.
5. What are the provisions in the lending agreement with regard to a default on Steward’s debt?
6. Who are the senior debt holders for Steward’s refinanced debt? Who are the subordinated debt holders?
7. Please provide a copy of any due diligence report prepared for WhiteHawk and used to assess lending to Steward, including WhiteHawk’s credit assessment or analysis of Steward.
8. On February 23, Steward announced it was further restructuring its debt with the help of Alix Partners.¹⁴ Is the consortium or the consortium’s lending agreement with Steward related at all to Alix Partners’ planned restructuring of Steward’s debt?
9. What specific loan modifications has WhiteHawk offered in the context of discussions about keeping the hospitals open?
10. Are any of WhiteHawk’s loans underwritten in partnership with or financed by entities located outside of the United States? If yes, please name the domicile of each underwriter.

Sincerely,



Elizabeth Warren
United States Senator



Edward J. Markey
United States Senator

¹⁴ Business Wire, “Steward Health Care Announces Six-Point Action Plan and Framework for Future for Future System,” February 23, 2024, <https://www.businesswire.com/news/home/20240223023787/en/Steward-Health-Care-Announces-Six-Point-Action-Plan-and-Framework-for-Future-System>.