EXHIBIT 3

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
NORTHERN DIVISION — BAY CITY

In re:	)	
	)	Case No. 12-20666
COMMUNITY MEMORIAL HOSPITAL	)	
dba CHEBOYGAN MEMORIAL HOSPITAL,	)	Chapter 11
a Michigan nonprofit corporation,	)	
	)	Judge Daniel S. Opperman
Debtor.	)	
	)	

VERIFIED STATEMENT OF PHILIP W. NANTZ PURSUANT TO BANKRUPTCY RULE 2014(A) AND DISCLOSURE OF COMPENSATION PURSUANT TO 11 U.S.C. § 329 AND BANKRUPTCY RULE 2016(B)

I, PHILIP W. NANTZ, state as follows:

1. I am the owner of the law firm of Nantz PLLC, the office of which is located at 2025 East Beltline, S.E., Ste. 104, Grand Rapids, MI 49546. I am a member in good standing of the Bar of the State of Michigan. I make this Statement: (a) in support of the application for my retention as special counsel for the above-captioned debtor and debtor in possession (the "Debtor"); and (b) in accordance with sections 327(e) and 328 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the "Bankruptcy Code") and Rule 2014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules").

2. I am willing to serve as special counsel for the Debtor in its chapter 11 case and to accept compensation for professional services rendered and reimbursement of expenses incurred in accordance with the provisions of sections 327, 328, 330, and 331 of the Bankruptcy Code, the applicable Bankruptcy Rules, and the General Orders in effect in this District. I intend to charge for my legal services in this chapter 11 case in accordance with Nantz PLLC's usual and customary billing practices. My current rate is $175.00 per hour.

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3. I arranged to have Nantz PLLC's computer database of client matters searched to determine if Nantz PLLC has or has had any relationship with the Debtor's officers and directors, the Debtor's top 20 unsecured creditors and the parties in significant litigation with the Debtor. The names and entities that were searched for conflicts are disclosed on Schedule 1 attached hereto and incorporated herein by reference.

4. Based upon the foregoing search, I have determined that:

a. Prior to the Petition Date, I represented the Debtor, as an ordinary course professional in labor relations and employment matters unrelated to the Debtor's bankruptcy case. I do not represent any party in significant litigation with the Debtor.

b. I do not represent any creditor of the Debtor in matters relating to the Debtor.

c. One of the unsecured creditors listed by Debtor as holding the 20 largest unsecured claims is Nantz, Litowich, Smith, Girard and Hamilton. That unsecured creditor is a former law firm with which I was previously associated. My association with that firm ceased effective November 1, 2011. Unknown to me, I was identified in Debtor's chapter 11 petition as an employee or agent of Nantz, Litowich, Smith, Girard and Hamilton who may be contacted regarding the former firm's unsecured claim. This is in error. I am not an employee or agent of the dissolved former firm. I have not and will not represent the dissolved firm with regard to the unsecured claim nor in any manner adverse to the Debtor.

5. Neither I nor Nantz PLLC, insofar as I have been able to ascertain, hold or represent an interest adverse to the Debtor or its estate. Further, insofar as I have been able to ascertain, other than in connection with this chapter 11 case, neither I nor Nantz PLLC have any connection (defined as a professional relationship) with the Debtor's creditors, its respective attorneys or accountants, the United States Trustee, any other person with actual or potential interest in this chapter 11 case, or persons employed thereby. Accordingly, I am a "disinterested person" within the meaning of sections 101(14) and 327 of the Bankruptcy Code.

6. No promises have been received by myself or Nantz PLLC thereof as to compensation or reimbursement of expenses in connection with the Debtor's chapter 11 case. I have no agreement with any other entity to share with such entity any compensation received, nor will any be made, except as permitted under section 504(b)(1) of the Bankruptcy Code.

7. According to my books and records, during the two years prior to the filing of the chapter 11 case, the Debtor paid to Nantz PLLC approximately $45,000.00 for legal services rendered and $230.00 for expenses incurred for matters unrelated to the Debtor's bankruptcy case.

8. My proposed employment is not prohibited by, or improper under, Bankruptcy Rule 5002. I am qualified to represent the Debtor in the matters for which I am proposed to be employed.

9. I intend to apply to the Court for payment of compensation and reimbursement of expenses in accordance with applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, and the Local Bankruptcy Rules of this Court and pursuant to any additional procedures that may be established by the Court in these cases.

10. For the reasons set forth above, I am qualified to act as special counsel for the Debtor. I will not while employed by the Debtor, represent in connection with the Debtor's chapter 11 case any other entity holding an interest adverse to the Debtor or its estate.

11. I will file supplemental statements regarding this retention if any additional relevant information comes to my attention.

12. I declare under penalty of perjury that the foregoing is true and correct. Executed on this 16th day of March, 2012.

Philip W. Nantz

Philip W. Nantz

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SCHEDULE 1

SCHEDULE OF INTERESTED PARTIES FOR CONFLICT CHECK

The Debtor
Community Memorial Hospital dba Cheboygan Memorial Hospital

The Debtor's Officers and Board of Trustees
Board of Trustees
James McClurg - *Chair*
Nancy Dextrom - *Vice Chair*
Carl Franzon - *Secretary*
Brian Burns
Eugene Cooley
Daniel Nieland
Marvin Coy, D.O.
Donald Watson, D.O.
Jeffrey Chaulk, M.D.
Shari Schult
John Everett, D.O.
Kristy Smolinski, VP/Clinical Operations
Gary Lewins, Interim CFO
Pat Wallace, Director/Information Technology

Officers
Shari Schult, CEO and CNO

The Debtor's Professionals
McDonald Hopkins LLC
Conway MacKenzie, Inc.

The Debtor's Secured Lenders
AmerisourceBergen Drug Corporation
Citizens National Bank of Cheboygan
Eplus Technology, Inc.
Fleetwood Financial, a Div of IDB Leasing, Inc.
General Electric Capital Corporation
Leasing Associates of Barrington, Inc.
Med One Capital Funding, LLC
Republic Bank
Siemens Financial Services, Inc.
Siemens Medical Solutions USA, Inc.
-Stryker Sales Corporation
The United States Department of Agriculture
US Foods, Inc.
Winthrop Resource Corporation

The Debtor's 20 Largest Unsecured Creditors
Agility Therapy
Alliance-HNI LLC
Anesthesia Staffing Consultants
American United Life
Consumers Energy
Dell Perot Systems
Gordon Food Service
Healthcare Claims Solutions Inc.
John E Green Co. Inc.
Life Care Sleep and Health Center
Medical Information Technology Inc.
Mayo Collaborative Services, Inc.
MHA Insurance Company
MHA Unemployment Comp Program
Munson Medical Center
Nantz Litowich Smith Girard & Hamil
Northern MI Hospital
Phoenix Health Sys., Inc.
Sanofi Pasteur Inc.
State of Michigan

Parties to Litigation:
Christopher McKenna
Dana Wenger
Lisa Bischer
Thomas E. Raymus
Winthrop Resources Corporation

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