15-010

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT

RECEIVED
FEB 25 2015
HEALTH FACILITIES & SERVICES REVIEW BOARD

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: Hyde Park Surgery Center		
Street Address: 1644 E. 53rd Street, Suite 108A		
City and Zip Code: Chicago, Illinois 60615		
County: Cook	Health Service Area: 006	Health Planning Area: 030

Applicant /Co-Applicant Identification
[Provide for each co-applicant [refer to Part 1130.220].

Exact Legal Name: Hyde Park Surgical Center, LLC
Address: 9680 Golf Road, Des Plaines, Illinois, 60016
Name of Registered Agent: Edward J. Green, Esq.
Name of Chief Executive Officer: Darrel J. Saldanha, M.D.
CEO Address: 9680 Golf Road, Des Plaines, Illinois, 60016
Telephone Number: (847) 212-8227

Type of Ownership of Applicant/Co-Applicant

☐	Non-profit Corporation	☐	Partnership		
☐	For-profit Corporation	☐	Governmental		
☒	Limited Liability Company	☐	Sole Proprietorship	☐	Other

- Corporations and limited liability companies must provide an **Illinois certificate of good standing.**
- Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.

APPEND DOCUMENTATION AS ATTACHMENT-1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Primary Contact
[Person to receive all correspondence or inquiries during the review period]

Name: Edward J. Green, Esq.
Title: Attorney
Company Name: Foley & Lardner LLP
Address: 321 North Clark Street, Suite 2800, Chicago, Illinois 60654
Telephone Number: (312) 832-4375
E-mail Address: egreen@foley.com
Fax Number: (312) 832-4700

Additional Contact
[Person who is also authorized to discuss the application for permit]

Name: Darrel J. Saldanha, M.D.
Title: Chief Executive Officer
Company Name: Hyde Park Surgical Center, LLC
Address: 9680 Golf Road, Des Plaines, Illinois, 60016
Telephone Number: (847) 212-8227
E-mail Address: saldanha85@gmail.com
Fax Number: (847) 296-5686

Post Permit Contact

[Person to receive all correspondence subsequent to permit issuance-**THIS PERSON MUST BE EMPLOYED BY THE LICENSED HEALTH CARE FACILITY AS DEFINED AT 20 ILCS 3960**

Name: Darrel J. Saldanha, M.D.
Title: Chief Executive Officer
Company Name: Hyde Park Surgical Center, LLC
Address: 1644 E. 53rd Street, Suite 108A, Chicago, Illinois 60615
Telephone Number: (847) 212-8227
E-mail Address: saldanha85@gmail.com
Fax Number: (847) 296-5685

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: 1644 E 53rd LLC
Address of Site Owner: 1644 E 53rd LLC c/o MAC Property Management, 32 N. Dean Street, Englewood, NJ 07631
Street Address or Legal Description of Site: 1644 E. 53rd Street, Suite 108A, Chicago, Illinois 60615 **Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statement, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease or a lease.**
APPEND DOCUMENTATION AS ATTACHMENT-2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Operating Identity/Licensee

[Provide this information for each applicable facility, and insert after this page.]

Exact Legal Name: Hyde Park Surgical Center, LLC
Address: 1644 E. 53rd Street, Suite 108A, Chicago, Illinois 60615

☐	Non-profit Corporation	☐	Partnership		
☐	For-profit Corporation	☐	Governmental		
☒	Limited Liability Company	☐	Sole Proprietorship	☐	Other

- Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.
- Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.
- **Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.**

APPEND DOCUMENTATION AS ATTACHMENT-3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Organizational Relationships

Provide (for each co-applicant) an organizational chart containing the name and relationship of any person or entity who is related (as defined in Part 1130.140). If the related person or entity is participating in the development or funding of the project, describe the interest and the amount and type of any financial contribution.

APPEND DOCUMENTATION AS ATTACHMENT-4, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Flood Plain Requirements

[Refer to application instructions.]

Provide documentation that the project complies with the requirements of Illinois Executive Order #2005-5 pertaining to construction activities in special flood hazard areas. As part of the flood plain requirements please provide a map of the proposed project location showing any identified floodplain areas. Floodplain maps can be printed at **www.FEMA.gov** or **www.illinoisfloodmaps.org**. **This map must be in a readable format**. In addition please provide a statement attesting that the project complies with the requirements of Illinois Executive Order #2005-5 **(http://www.hfsrb.illinois.gov)**. **[NOT APPLICABLE]**

APPEND DOCUMENTATION AS ATTACHMENT -5, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Historic Resources Preservation Act Requirements

[Refer to application instructions.]

Provide documentation regarding compliance with the requirements of the Historic Resources Preservation Act. **[NOT APPLICABLE]**

APPEND DOCUMENTATION AS ATTACHMENT-6, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

DESCRIPTION OF PROJECT

1. Project Classification

[Check those applicable - refer to Part 1110.40 and Part 1120.20(b)]

Part 1110 Classification:	Part 1120 Applicability or Classification: [Check one only.]
☐ Substantive	☐ Part 1120 Not Applicable
☒ Non-substantive	☒ Category A Project
	☐ Category B Project
	☐ DHS or DVA Project

2. Narrative Description

Provide in the space below, a brief narrative description of the project. Explain **WHAT** is to be done in **State Board defined terms**, **NOT WHY** it is being done. If the project site does NOT have a street address, include a legal description of the site. Include the rationale regarding the project's classification as substantive or non-substantive.

Dr. Darrel Saldanha and Dr. David Saldanha (collectively, the "Members"), and Hyde Park Surgical Center, LLC (the "Buyer," and collectively with the Members, the "Applicants"), hereby seek a Certificate of Need ("CON") from the Illinois Health Facilities and Services Review Board (the "Review Board") to allow consummation of a proposed transaction (the "Transaction") between the Buyer and Hyde Park Surgery Center, LLC (the "Seller"), whereby the Buyer would acquire (the "Project") the Hyde Park Surgery Center (the "Surgery Center") pursuant to that certain Asset Purchase Agreement (the "APA"), a copy of which is attached at Attachment 19, for One Million, Three Hundred Thousand Dollars ($1,300,000).

The proposed Transaction contemplates a 100% change in the ownership of the Surgery Center, an ambulatory surgical treatment center located at 1644 E. 53rd Street, Suite 108A, Chicago, Illinois 60615.

The proposed Transaction is projected to be completed by April 30, 2015, subject to approval by the Review Board.

The Project has been classified as non-substantive because it proposes a change of ownership which constitutes a facility conversion pursuant to 77 Ill. Admin. Code 1110.40(b

Project Costs and Sources of Funds

Complete the following table listing all costs (refer to Part 1120.110) associated with the project. When a project or any component of a project is to be accomplished by lease, donation, gift, or other means, the fair market or dollar value (refer to Part 1130.140) of the component must be included in the estimated project cost. If the project contains non-reviewable components that are not related to the provision of health care, complete the second column of the table below. Note, the use and sources of funds must equal.

Project Costs and Sources of Funds			
USE OF FUNDS	**CLINICAL**	**NONCLINICAL**	**TOTAL**
Preplanning Costs			
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts			
Modernization Contracts			
Contingencies			
Architectural/Engineering Fees			
Consulting and Other Fees			
Movable or Other Equipment (not in construction contracts)			
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Space Lease			
Other Costs To Be Capitalized	$1,300,000		$1,300,000
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	**$1,300,000**		**$1,300,000**
SOURCE OF FUNDS	**CLINICAL**	**NONCLINICAL**	**TOTAL**
Cash and Securities	$325,000		$325,000
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages	$975,000		$975,000
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	**$1,300,000**		**$1,300,000**

NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT-7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Related Project Costs

Provide the following information, as applicable, with respect to any land related to the project that will be or has been acquired during the last two calendar years:

Land acquisition is related to project ☐ Yes ☒ No
Purchase Price: $_____
Fair Market Value: $_____

The project involves the establishment of a new facility or a new category of service
☐ Yes ☒ No

If yes, provide the dollar amount of all **non-capitalized** operating start-up costs (including operating deficits) through the first full fiscal year when the project achieves or exceeds the target utilization specified in Part 1100.

Estimated start-up costs and operating deficit cost is ___.

Project Status and Completion Schedules

Indicate the stage of the project's architectural drawings:

☒ None or not applicable ☐ Preliminary
☐ Schematics ☐ Final Working

The proposed Transaction is projected to be completed by April 30, 2015.

Indicate the following with respect to project expenditures or to obligation (refer to Part 1130.140):

☐ Purchase orders, leases or contracts pertaining to the project have been executed.
☐ Project obligation is contingent upon permit issuance. Provide a copy of the contingent "certification of obligation" document, highlighting any language related to CON Contingencies
☒ Project obligation will occur after permit issuance.

APPEND DOCUMENTATION AS ATTACHMENT-8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

State Agency Submittals

Are the following submittals up to date as applicable: Yes. All applicable reports have been submitted.
☐ Cancer Registry
☐ APORS
☒ All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
☒ All reports regarding outstanding permits
Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.

Cost Space Requirements

Provide in the following format, the department/area **DGSF** or the building/area **BGSF** and cost. The type of gross square footage either **DGSF** or **BGSF** must be identified. The sum of the department costs **MUST** equal the total estimated project costs. Indicate if any space is being reallocated for a different purpose. Include outside wall measurements plus the department's or area's portion of the surrounding circulation space. **Explain the use of any vacated space. [NOT APPLICABLE]**

		Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
Dept. / Area	**Cost**	**Existing**	**Proposed**	**New Const.**	**Modernized**	**As Is**	**Vacated Space**
Non-Hospital Based Ambulatory Surgical Treatment Center – Clinical/Reviewable Portions							
Non-Hospital Based Ambulatory Surgical Treatment Center – Non Clinical/Non Reviewable Portions							
TOTAL							

APPEND DOCUMENTATION AS ATTACHMENT-9, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Facility Bed Capacity and Utilization

Complete the following chart, as applicable. Complete a separate chart for each facility that is a part of the project and insert following this page. Provide the existing bed capacity and utilization data for the latest **Calendar Year for which the data are available. Include observation days in the patient day totals for each bed service.** Any bed capacity discrepancy from the Inventory will result in the application being deemed **incomplete**.

FACILITY NAME: Hyde Park Surgery Center, LLC		**CITY: Chicago, Illinois**			
REPORTING PERIOD DATES:		**From:**	**1/1/2013**	**to:**	**12/31/2013**
Category of Service	**Authorized Beds**	**Admissions**	**Patient Days**	**Bed Changes**	**Proposed Beds**
Medical/Surgical					
Obstetrics					
Pediatrics					
Intensive Care					
Comprehensive Physical Rehabilitation					
Acute/Chronic Mental Illness					
Neonatal Intensive Care					
General Long Term Care					
Specialized Long Term Care					
Long Term Acute Care					
Other (identify) -- ASTC	1 Operating Room	526 Total Surgeries			1 Operating Room
TOTALS:	**1 Operating Room**	**526 Total Surgeries**			**1 Operating Room**

CERTIFICATION

The application must be signed by the authorized representative(s) of the applicant entity. The authorized representative(s) are:

- in the case of a corporation, any two of its officers or members of its Board of Directors;
- in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist);
- in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- in the case of a sole proprietor, the individual that is the proprietor.

This Application for Permit is filed on the behalf of Hyde Park Surgical Center, LLC* in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this application for permit on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the permit application fee required for this application is sent herewith or will be paid upon request.

SIGNATURE

Darrel J. Saldanha, M.D.
PRINTED NAME

Member and Manager
PRINTED TITLE

Notarization:
Subscribed and sworn to before me this 17 day of FEBRUARY 2015

Signature of Notary

Seal

OFFICIAL SEAL
SHARON A. CARRARA
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES: 07-06-2017

SIGNATURE

David F. Saldanha, M.D.
PRINTED NAME

Member
PRINTED TITLE

Notarization:
Subscribed and sworn to before me this 17 day of FEBRUARY 2015

Signature of Notary

Seal

OFFICIAL SEAL
SHARON A. CARRARA
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES: 07-06-2017

*Insert EXACT legal name of the applicant

CERTIFICATION

The application must be signed by the authorized representative(s) of the applicant entity. The authorized representative(s) are:

- in the case of a corporation, any two of its officers or members of its Board of Directors;
- in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist);
- in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- in the case of a sole proprietor, the individual that is the proprietor.

This Application for Permit is filed on the behalf of Darrel J. Saldanha, M.D., an Illinois resident* in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this application for permit on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the permit application fee required for this application is sent herewith or will be paid upon request.

SIGNATURE	SIGNATURE
Darrel J. Saldanha, M.D. PRINTED NAME	PRINTED NAME
PRINTED TITLE	PRINTED TITLE
Notarization: Subscribed and sworn to before me this 17 day of FEBRUARY 2015	Notarization: Subscribed and sworn to before me this _____ day of _____
Signature of Notary	Signature of Notary
Seal OFFICIAL SEAL SHARON A. CARRARA NOTARY PUBLIC, STATE OF ILLINOIS MY COMMISSION EXPIRES: 07-06-2017	Seal

*Insert EXACT legal name of the applicant

CERTIFICATION

The application must be signed by the authorized representative(s) of the applicant entity. The authorized representative(s) are:

- in the case of a corporation, any two of its officers or members of its Board of Directors;
- in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist);
- in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- in the case of a sole proprietor, the individual that is the proprietor.

This Application for Permit is filed on the behalf of David Saldanha, M.D., an Illinois resident* in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this application for permit on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the permit application fee required for this application is sent herewith or will be paid upon request.

SIGNATURE

David Saldanha, M.D.
PRINTED NAME

PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 17 day of FEBRUARY 2015

Signature of Notary

Seal

OFFICIAL SEAL
SHARON A. CARRARA
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES: 07-06-2017

SIGNATURE

PRINTED NAME

PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this _____ day of _____

Signature of Notary

Seal

*Insert EXACT legal name of the applicant

SECTION III – BACKGROUND, PURPOSE OF THE PROJECT, AND ALTERNATIVES - INFORMATION REQUIREMENTS

This Section is applicable to all projects except those that are solely for discontinuation with no project costs.

Criterion 1110.230 – Background, Purpose of the Project, and Alternatives

READ THE REVIEW CRITERION and provide the following required information:

BACKGROUND OF APPLICANT

1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.
2. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant during the three years prior to the filing of the application.
3. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to: official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. **Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.**
4. If, during a given calendar year, an applicant submits more than one application for permit, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest the information has been previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant is able to submit amendments to previously submitted information, as needed, to update and/or clarify data.

APPEND DOCUMENTATION AS ATTACHMENT-11, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-4) MUST BE IDENTIFIED IN ATTACHMENT 11.

PURPOSE OF PROJECT

1. Document that the project will provide health services that improve the health care or well-being of the market area population to be served.
2. Define the planning area or market area, or other, per the applicant's definition.
3. Identify the existing problems or issues that need to be addressed, as applicable and appropriate for the project. [See 1110.230(b) for examples of documentation.]
4. Cite the sources of the information provided as documentation.
5. Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.
6. Provide goals with quantified and measurable objectives, with specific timeframes that relate to achieving the stated goals **as appropriate**.

For projects involving modernization, describe the conditions being upgraded if any. For facility projects, include statements of age and condition and regulatory citations if any. For equipment being replaced, include repair and maintenance records.

NOTE: Information regarding the "Purpose of the Project" will be included in the State Agency Report.

APPEND DOCUMENTATION AS ATTACHMENT-12, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-6) MUST BE IDENTIFIED IN ATTACHMENT 12.

ALTERNATIVES

1) Identify **ALL** of the alternatives to the proposed project:

Alternative options **must** include:

A) Proposing a project of greater or lesser scope and cost;

B) Pursuing a joint venture or similar arrangement with one or more providers or entities to meet all or a portion of the project's intended purposes; developing alternative settings to meet all or a portion of the project's intended purposes;

C) Utilizing other health care resources that are available to serve all or a portion of the population proposed to be served by the project; and

D) Provide the reasons why the chosen alternative was selected.

2) Documentation shall consist of a comparison of the project to alternative options. The comparison shall address issues of total costs, patient access, quality and financial benefits in both the short term (within one to three years after project completion) and long term. This may vary by project or situation. **FOR EVERY ALTERNATIVE IDENTIFIED THE TOTAL PROJECT COST AND THE REASONS WHY THE ALTERNATIVE WAS REJECTED MUST BE PROVIDED.**

3) The applicant shall provide empirical evidence, including quantified outcome data that verifies improved quality of care, as available.

APPEND DOCUMENTATION AS ATTACHMENT-13, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION VI - MERGERS, CONSOLIDATIONS AND ACQUISITIONS/CHANGES OF OWNERSHIP

This Section is applicable to projects involving merger, consolidation or acquisition/change of ownership.

NOTE: For all projects involving a change of ownership THE TRANSACTION DOCUMENT must be submitted with the application for permit. The transaction document must be signed dated and contain the appropriate contingency language.

A. Criterion 1110.240(b), Impact Statement

Read the criterion and provide an impact statement that contains the following information:

1. Any change in the number of beds or services currently offered.
2. Who the operating entity will be.
3. The reason for the transaction.
4. Any anticipated additions or reductions in employees now and for the two years following completion of the transaction.
5. A cost-benefit analysis for the proposed transaction.

B. Criterion 1110.240(c), Access

Read the criterion and provide the following:

1. The current admission policies for the facilities involved in the proposed transaction.
2. The proposed admission policies for the facilities.
3. A letter from the CEO certifying that the admission policies of the facilities involved will not become more restrictive.

C. Criterion 1110.240(d), Health Care System

Read the criterion and address the following:

1. Explain what the impact of the proposed transaction will be on the other area providers.
2. List all of the facilities within the applicant's health care system and provide the following for each facility.
   a. the location (town and street address);
   b. the number of beds;
   c. a list of services; and
   d. the utilization figures for each of those services for the last 12 month period.
3. Provide copies of all present and proposed referral agreements for the facilities involved in this transaction.
4. Provide time and distance information for the proposed referrals within the system.
5. Explain the organization policy regarding the use of the care system providers over area providers.
6. Explain how duplication of services within the care system will be resolved.
7. Indicate what services the proposed project will make available to the community that are not now available.

APPEND DOCUMENTATION AS ATTACHMENT-19, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

The following Sections DO NOT need to be addressed by the applicants or co-applicants responsible for funding or guaranteeing the funding of the project if the applicant has a bond rating of A- or better from Fitch's or Standard and Poor's rating agencies, or A3 or better from Moody's (the rating shall be affirmed within the latest 18 month period prior to the submittal of the application):

- **Section 1120.120 Availability of Funds – Review Criteria**
- **Section 1120.130 Financial Viability – Review Criteria**
- **Section 1120.140 Economic Feasibility – Review Criteria, subsection (a)**

VIII. - 1120.120 - Availability of Funds

The applicant shall document that financial resources shall be available and be equal to or exceed the estimated total project cost plus any related project costs by providing evidence of sufficient financial resources from the following sources, as applicable: **Indicate the dollar amount to be provided from the following sources:**

$ 325,000	a)	Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to: 1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and 2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;
_____	b)	Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.
_____	c)	Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;
$ 975,000	d)	Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including: 1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated; 2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate; 3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.; 4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment; 5) For any option to lease, a copy of the option, including all terms and conditions.
_____	e)	Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;
_____	f)	Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
_____	g)	All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
$1,300,000	**TOTAL FUNDS AVAILABLE**	

APPEND DOCUMENTATION AS ATTACHMENT-36, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

IX. 1120.130 - Financial Viability

All the applicants and co-applicants shall be identified, specifying their roles in the project funding or guaranteeing the funding (sole responsibility or shared) and percentage of participation in that funding.

Financial Viability Waiver

The applicant is not required to submit financial viability ratios if:

1. **"A" Bond rating or better**
2. **All of the projects capital expenditures are completely funded through internal sources**
3. **The applicant's current debt financing or projected debt financing is insured or anticipated to be insured by MBIA (Municipal Bond Insurance Association Inc.) or equivalent**
4. **The applicant provides a third party surety bond or performance bond letter of credit from an A rated guarantor.**

See Section 1120.130 Financial Waiver for information to be provided

APPEND DOCUMENTATION AS ATTACHMENT-37, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

The applicant or co-applicant that is responsible for funding or guaranteeing funding of the project shall provide viability ratios for the latest three years for which **audited financial statements are available and for the first full fiscal year at target utilization, but no more than two years following project completion.** When the applicant's facility does not have facility specific financial statements and the facility is a member of a health care system that has combined or consolidated financial statements, the system's viability ratios shall be provided. If the health care system includes one or more hospitals, the system's viability ratios shall be evaluated for conformance with the applicable hospital standards. **(SEE ATTACHED)**

Provide Data for Projects Classified as:	Category A or Category B (last three years)			Category B (Projected)
Enter Historical and/or Projected Years:				2015
Current Ratio				1.98
Net Margin Percentage				48.37%
Percent Debt to Total Capitalization				78.88%
Projected Debt Service Coverage				6.89
Days Cash on Hand				260.67
Cushion Ratio				3.19

Provide the methodology and worksheets utilized in determining the ratios detailing the calculation and applicable line item amounts from the financial statements. Complete a separate table for each co-applicant and provide worksheets for each.

2. Variance

Applicants not in compliance with any of the viability ratios shall document that another organization, public or private, shall assume the legal responsibility to meet the debt obligations should the applicant default.

APPEND DOCUMENTATION AS ATTACHMENT 38, IN NUMERICAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

X. 1120.140 - Economic Feasibility

This section is applicable to all projects subject to Part 1120.

A. Reasonableness of Financing Arrangements

The applicant shall document the reasonableness of financing arrangements by submitting a notarized statement signed by an authorized representative that attests to one of the following:

1) That the total estimated project costs and related costs will be funded in total with cash and equivalents, including investment securities, unrestricted funds, received pledge receipts and funded depreciation; or

2) That the total estimated project costs and related costs will be funded in total or in part by borrowing because:

A) A portion or all of the cash and equivalents must be retained in the balance sheet asset accounts in order to maintain a current ratio of at least 2.0 times for hospitals and 1.5 times for all other facilities; or

B) Borrowing is less costly than the liquidation of existing investments, and the existing investments being retained may be converted to cash or used to retire debt within a 60-day period.

B. Conditions of Debt Financing

This criterion is applicable only to projects that involve debt financing. The applicant shall document that the conditions of debt financing are reasonable by submitting a notarized statement signed by an authorized representative that attests to the following, as applicable:

1) That the selected form of debt financing for the project will be at the lowest net cost available;

2) That the selected form of debt financing will not be at the lowest net cost available, but is more advantageous due to such terms as prepayment privileges, no required mortgage, access to additional indebtedness, term (years), financing costs and other factors;

3) That the project involves (in total or in part) the leasing of equipment or facilities and that the expenses incurred with leasing a facility or equipment are less costly than constructing a new facility or purchasing new equipment.

C. **Reasonableness of Project and Related Costs**

Read the criterion and provide the following:

1. Identify each department or area impacted by the proposed project and provide a cost and square footage allocation for new construction and/or modernization using the following format (insert after this page).

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE

Department (list below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot New	Cost/Square Foot Mod.	Gross Sq. Ft. New	Gross Sq. Ft. Circ.*	Gross Sq. Ft. Mod.	Gross Sq. Ft. Circ.*	Const. $ (A x C)	Mod. $ (B x E)	
Contingency									
TOTALS									

* Include the percentage (%) of space for circulation

D. Projected Operating Costs

The applicant shall provide the projected direct annual operating costs (in current dollars per equivalent patient day or unit of service) for the first full fiscal year at target utilization but no more than two years following project completion. Direct cost means the fully allocated costs of salaries, benefits and supplies for the service.

E. Total Effect of the Project on Capital Costs

The applicant shall provide the total projected annual capital costs (in current dollars per equivalent patient day) for the first full fiscal year at target utilization but no more than two years following project completion.

APPEND DOCUMENTATION AS ATTACHMENT-39, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

XI. Safety Net Impact Statement

SAFETY NET IMPACT STATEMENT that describes all of the following must be submitted for ALL SUBSTANTIVE AND DISCONTINUATION PROJECTS:

1. The project's material impact, if any, on essential safety net services in the community, to the extent that it is feasible for an applicant to have such knowledge.

2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.

3. How the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.

Safety Net Impact Statements shall also include all of the following:

1. For the 3 fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by hospital applicants shall be in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act. Non-hospital applicants shall report charity care, at cost, in accordance with an appropriate methodology specified by the Board.

2. For the 3 fiscal years prior to the application, a certification of the amount of care provided to Medicaid patients. Hospital and non-hospital applicants shall provide Medicaid information in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source" as required by the Board under Section 13 of this Act and published in the Annual Hospital Profile.

3. Any information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other service.

A table in the following format must be provided as part of Attachment 43.

Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	**Year**	**Year**	**Year**
Inpatient			
Outpatient			
Total			
Charity (cost In dollars)			
Inpatient			
Outpatient			
Total			
MEDICAID			
Medicaid (# of patients)	**Year**	**Year**	**Year**
Inpatient			
Outpatient			
Total			

Medicaid (revenue)			
Inpatient			
Outpatient			
Total			

APPEND DOCUMENTATION AS ATTACHMENT-40, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

XII. Charity Care Information

Charity Care information MUST be furnished for ALL projects.

1. All applicants and co-applicants shall indicate the amount of charity care for the latest three audited fiscal years, the cost of charity care and the ratio of that charity care cost to net patient revenue.

2. If the applicant owns or operates one or more facilities, the reporting shall be for each individual facility located in Illinois. If charity care costs are reported on a consolidated basis, the applicant shall provide documentation as to the cost of charity care; the ratio of that charity care to the net patient revenue for the consolidated financial statement; the allocation of charity care costs; and the ratio of charity care cost to net patient revenue for the facility under review.

3. If the applicant is not an existing facility, it shall submit the facility's projected patient mix by payer source, anticipated charity care expense and projected ratio of charity care to net patient revenue by the end of its second year of operation.

Charity care" means care provided by a health care facility for which the provider does not expect to receive payment from the patient or a third-party payer. (20 ILCS 3960/3) Charity Care must be provided at cost.

A table in the following format must be provided for all facilities as part of Attachment 44.

CHARITY CARE			
	Year	Year	Year
Net Patient Revenue			
Amount of Charity Care (charges)			
Cost of Charity Care			

APPEND DOCUMENTATION AS ATTACHMENT-41, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Section I
Attachment 1
Applicant Identification

The Certificate of Good Standing for Hyde Park Surgical Center, LLC (the "Buyer") is attached at ATTACHMENT 1.

Darrel J. Saldanha, M.D. ("Darrel Saldanha"), an Illinois resident, is a member, manager, and 90% owner of the Buyer. David Saldanha, M.D. ("David Saldanha") is a member and 10% owner of the Buyer.

File Number 0504945-8

STATE OF ILLINOIS

OFFICE OF THE SECRETARY OF STATE

To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that

HYDE PARK SURGICAL CENTER, LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON DECEMBER 09, 2014, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A DOMESTIC LIMITED LIABILITY COMPANY IN THE STATE OF ILLINOIS.

In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this* 9TH *day of* FEBRUARY *A.D.* 2015 .

Jesse White

SECRETARY OF STATE

Authentication #: 1504001170

Authenticate at: http://www.cyberdriveillinois.com

ATTACHMENT 1

Section I
Attachment 2
Site Ownership

A copy of the proposed Commercial Center Individual Space Lease between 1644 E 53rd LLC and Hyde Park Surgical Center, LLC is attached at ATTACHMENT 2.

1644 E 53RD LLC

COMMERCIAL CENTER
INDIVIDUAL SPACE LEASE

This Lease is made and executed on February __, 2015 by and between 1644 E 53rd LLC, herein referred to as **Lessor**, and Hyde Park Surgical Center, LLC herein referred to as **Lessee**.

This Lease is contingent on satisfaction of the following conditions (together, the "**Conditions**"): 1) issuance by the Illinois Health Facilities and Services Review Board of a Certificate of Need for Tenant to operate its business at the Premises (as defined below); and 2) obtaining an executed lease termination agreement (in form and content approved by Lessor) from Hyde Park Surgical Center, LLC (the "**Former Tenant**") for termination of its current lease at the Premises. If both of the Conditions are not satisfied prior to June 9, 2015, the Lessor, may terminate this Lease by written notice to Lessee in which event neither party will have any further obligations under this Lease.

SECTION ONE
DEMISE AND DESCRIPTION OF PREMISES

Lessor leases to Lessee and Lessee leases and takes from Lessor that certain space, which space is herein referred to as the demised premises situated in the City of Chicago, County of Cook and State of Illinois, the area, location and description of which is more particularly described as **1644 East 53rd Street, Unit 108 East, Chicago, Illinois** consisting of approximately **2,400 square feet** (the "**Premises**"). The Premises are a portion of the building commonly known as 1644 E 53rd Street which is a commercial center ("**Commercial Center**") containing other stores and offices, a parking area, and common facilities for the use and benefit of all tenants of the building.

The term "common facilities" as used herein shall be construed to include those facilities within the Commercial Center for the nonexclusive use of Lessee in common with other authorized users, and shall include, but not be limited to sidewalks, planted areas and open means of ingress and egress.

Lessee acknowledges that Former Tenant currently operates the Foot and Ankle Clinic (the "**Foot Clinic**") in the space adjacent to the Premises that is commonly identified as Unit 108 (the "**Adjacent Space**"). In the event that Former Tenant vacates the Adjacent Space or assigns or subleases the Adjacent Space to a party unrelated to Lessee, Lessor shall have the right to separate the Premises and the Adjacent Space with partitions or a demising wall in which case Lessee will not have any access or control over the Adjacent Space and will not have direct access to 53rd Street. Lessor, at Lessor's cost, will repair any damage that it causes to the Premises as a result of dividing the Premises and the Adjacent Space. Lessor will provide Lessee a right of first offer with respect to the Adjacent Space prior to dividing the Premises and the Adjacent Space. Lessor shall notify Lessee in writing via certified mail of terms for lease of the Adjacent Space and Lessee shall have 14 days to accept in writing via certified mail. If Lessee does not accept Lessor's offer in writing per the previous sentence, then Lessee will have no further rights to the Adjacent Space and Lessor will have the right to divide the space and lease or develop the Adjacent Space in Lessor's sole discretion.

SECTION TWO
PARKING AREA AND COMMON FACILITIES

A. MAINTENANCE: Lessor, throughout the term of this lease, shall maintain and keep the

parking are and common facilities of the Commercial Center in good order, condition and repair, including adequate lighting, painting, drainage, supervision and the like, but all costs and expenses incurred in connection therewith, including but not limited to, cleaning, repairs, snow removal, janitorial expense, management expenses, utilities, accounting, fire comprehensive and public liability insurance, shall be paid by Lessor. Lessee shall pay as additional rent, its prorated share of any increases in taxes within 130 days of the end of each calendar year. Lessor shall render a statement of the actual taxes incurred during the prior calendar year. All sums due Lessor shall be reflected on the next current billing statement rendered to Lessee by Lessor.

B. USE: Lessee and all those having business with it, will in common with the other tenants and their customers and others having business with them, have the right to use and enjoy the parking area and common facilities for their intended purposes, except that trucks belonging to Lessee shall be admitted to the parking area only upon Lessor's consent and subject to Lessor's rules and regulations hereinafter promulgated. Lessee shall use Lessee's best efforts to require suppliers of Lessee to make all deliveries to the rear of the Premises.

C. PARKING FACILITIES: Lessor reserves the right to rearrange, lease, assign, rent or relocate the parking and common areas. Parking facilities are not for the use of the employees, but only customers of the Commercial Center.

D. GOVERNING REGULATIONS: Lessee will comply and cause its employees and agents to comply with all rules and regulations adopted by Lessor in connection with the use of the parking area and common facilities, and with all supplements thereto and amendments thereof which Lessor may hereafter adopt. All such rules and regulations shall pertain to the safety, care, use and cleanliness of the parking area and common facilities and the preservation of good order therein and thereon. No rules or regulations now in effect or hereafter adopted shall be inconsistent with any provisions of this lease or unreasonably interfere with Lessee's use and enjoyment of the Premises.

All rules and regulations and supplements thereto and amendments thereof which Lessor may adopt shall be in writing and a copy thereof shall be delivered to Lessee.

E. VIOLATIONS OF REGULATIONS: If Lessee shall fail within seven (7) days after receipt of written notice of any violation by Lessee or its employees or agents of any such rules or regulations to cure such violation, such violation shall constitute a default under this lease.

SECTION THREE
RENTAL AND RELATED CHARGES

A. BASIC RENT: Lessee shall pay beneficiary of Lessor as a fixed minimum annual rental for the term of this lease at c/o MAC Property Management, 5454 South Shore Drive, Chicago, Illinois 60615, or such other place as Lessor may from time to time designate, as follows:

	ANNUAL BASE RENT	MONTHLY BASE RENT
February __, 2015 to December 31, 2019	$43,200.00	$3,600.00
January 1, 2020 to December 31, 2020	$84,000.00	$7,000.00
January 1, 2021 to December 31, 2021	$86,520.00	$7,210.00
January 1, 2022 to December 31, 2022	$89,115.00	$7,426.00
January 1, 2023 to December 31, 2023	$91,788.00	$7,649.00
January 1, 2024 to December 31, 2024	$94,541.00	$7,878.00

January 1, 2025 to December 31, 2025	$97,377.00	$8,114.00

B. ALL RENT SHALL BE DUE AND PAYABLE ON THE FIRST DAY OF EACH MONTH DURING THE TERM OF THIS LEASE AND SHALL BE SUBJECT TO A 5% LATE CHARGE IF NOT PAID BY THE FIFTH (5TH) DAY OF EACH MONTH. NSF CHECKS RECEIVED FROM BANK WILL BE SUBJECT TO A $50.00 COLLECTION FEE.

SECTION FOUR ASSIGNMENT/SUBLETTING RESTRICTIONS

Lessor's Consent Required.

A. Without first obtaining Lessor's prior written consent, Lessee shall not sublet all or any portion of the Premises, nor shall Lessee pledge, hypothecate or assign all or any of its interest in this Lease, whether for collateral purposes, by operation of law or otherwise. Any such subletting or assignment shall be referred to as a "Transfer," and the person to whom Lessee's interest is transferred shall be referred to as a "Transferee." For purposes of this Article XV, a Transfer shall include any change in the control of Lessee or any guarantor, if the same is a corporation (other than a corporation listed on a "national securities exchange" as defined in the Securities Exchange Act of 1934), partnership, limited liability company or other similar entity. For purposes of this Article XV, "control" shall mean the possession (directly or indirectly) of the power to direct or cause the direction of management and policies of the Lessee (or the guarantor, as the case may be) whether by ownership of securities or otherwise.

B. If Lessee desires the consent of Lessor to a Transfer, Lessee shall submit to Lessor, at least sixty (60) days prior to the proposed effective date of the Transfer, a written notice which includes such information as Lessor may require about the proposed Transfer and the Transferee. If Lessor does not terminate this Lease, in whole or in part, pursuant to Section 15.1(C), Lessor shall not unreasonably withhold its consent to any assignment or sublease. Lessor shall not be deemed to have unreasonably withheld its consent if, in the judgment of Lessor: (i) the Transferee is of a character, image or reputation which is not in keeping with the standards or criteria used by Lessor in leasing the Retail Development; (ii) the financial condition of the Transferee is such that it may not be able to perform its obligations in connection with this Lease; (iii) the purpose for which the Transferee intends to use the Premises or portion thereof differs in any way from the Permitted Use; (iv) the Transferee is a Lessee of the Development; (v) the Transfer is for less than all of the Premises; or (vi) any other bases which Lessor reasonably deems appropriate. If Lessor wrongfully withholds its consent to any Transfer, Lessee's sole and exclusive remedy therefor shall be to seek specific performance of Lessor's obligation to consent to such Transfer.

C. Lessor shall have the right to terminate this Lease as to that portion of the Premises covered by a Transfer. Lessor may exercise such right to terminate by giving notice to Lessee at any time within thirty (30) days after the date on which Lessee has furnished to Lessor all of the items required under Section 15.1(B) above. If Lessor exercises such right to terminate, Lessor shall be entitled to recover possession of, and Lessee shall surrender such portion of, the Premises (with appropriate demising partitions erected at the expense of Lessee) on the later of (i) the effective date of the proposed Transfer, or (ii) sixty (60) days after the date of Lessor's notice of termination. In the event Lessor exercises such right to terminate, Lessor shall have the right to enter into a lease with the proposed Transferee without incurring any liability to Lessee on account thereof. Notwithstanding anything to the contrary contained in this Lease, in the event Lessor exercise its right to terminate the lease in accordance with this Section, Lessee will have the right to rescind its notice of Transfer within five (5) days after receiving Lessor's notice of termination. In the

event Lessee rescinds its notice of Transfer, the Transfer may not occur and the Lease will remain in full force and effect.

D. Any Transfer by Lessee shall be only for the Permitted Use and for no other use or purpose. In no event shall any Transfer release or relieve Lessee from any of its obligations under this Lease, and any Transferee shall assume Lessee's obligations under this Lease. At least thirty (30) days prior to the effective date of the Transfer, the Transferee shall deliver to Lessor the proposed sublease, assignment and assumption agreement or other instrument evidencing the Transfer, which shall be subject to Lessor's approval, which shall not be unreasonably withheld. In the event of a Transfer (i) in the nature of an assignment, Lessee shall pay as Additional Rent to Lessor all monies and other consideration of every kind whatsoever paid or payable to Lessee for such Transfer and for all property transferred to the Transferee as part of the consideration including, without limitation, non-trade fixtures and other Leasehold Improvements, but excluding Lessee's Property (collectively, all of the foregoing shall be referred to as the "Transfer Consideration"); and (ii) in the nature of a sublease, Lessee shall pay as Additional Rent to Lessor along with the monthly payments of Rent due under this Lease, the Transfer Consideration less the Rent reserved under this Lease as reasonably determined by Lessor.

E. Any Transfer without Lessor's consent shall not be binding upon Lessor, and shall confer no rights upon any third person. Each such unpermitted Transfer shall, without notice or grace period of any kind, constitute a default by Lessee under this Lease. The acceptance by Lessor of the payment of Rent following any Transfer prohibited by this Article XV shall not be deemed to be either a consent by Lessor to any such Transfer or a waiver by Lessor of any remedy of Lessor under this Lease. Consent by Lessor to any one Transfer shall not constitute a waiver of the requirement for consent to any other Transfer. No reference in this Lease to assignees, Concessionaires, sublessees or licensees shall be deemed to be a consent by Lessor to the occupancy of the Premises by any such assignee, Concessionaire, subtenant or licensee. Lessee shall pay Lessor a review fee of $1,000.00 in connection with any Transfer and shall reimburse Lessor for its reasonable out-of-pocket third party expenses actually incurred in connection with reviewing any proposed Transfer.

SECTION FIVE
OCCUPANCY AND ACCEPTANCE OF PREMISES

By entering into and occupying the Premises, Lessee shall be deemed to acknowledge that the Premises are in good order and repair, and that the Premises have been constructed substantially in accordance with the approved plans and specifications thereof. The entering on the Premises by Lessee for the purpose of installation of trade fixtures, furnishings and equipment, or the storage of merchandise shall not be construed as an acceptance of the Premises.

SECTION SIX
USE OF PREMISES

A. PURPOSES: Lessee shall use the Premises for the purpose of conducting thereon and there from a **Multi-Specialty Surgery Center**. The Premises may not be used for any other legal purpose without the prior written consent of Lessor.

B. BUSINESS NAME: The name of Lessee's business will be **"**Hyde Park Surgical Center LLC**"** and will remain so and shall not be changed except with the written consent of Lessor, which consent will not be withheld unreasonably. Lessee will be solely responsible for any costs of changing the name as it is featured in any signs of the Commercial Center.

C. BUSINESS HOURS: Lessee will operate the Premises and have the same fully open and available for business during the usual business hours then being observed for the businesses similar to the Lessee's business. During all such time as Lessee may be open for business, Lessee will provide adequate personnel and sales force to service the customers of

such business; provided, however, that if Lessee is unable to comply herewith by reason of shortage of material, strikes, acts of God, destruction of the Premises by fire, or any other reason or cause beyond Lessee's control (financial inability of Lessee excepted), Lessee shall not be deemed to be in default thereunder. Lessee shall maintain business hours no earlier than 7:00 a.m. and no later than 10:00 p.m.

D. PUBLIC AUCTIONS: No sale at auction by Lessee or others shall be made in or from the Premises.

E. MAINTENANCE OF PREMISES: Lessee shall at all times maintain the Premises in a clean, neat and orderly condition.

Lessee shall not use the Premises or any part thereof, or permit any part of the Premises to be used or permit any act whatsoever to be done on the Premises in a manner that will violate or make void or inoperative any policy of insurance held by Lessor.

F. STORAGE OF MERCHANDISE: Lessee shall warehouse, store, or stock in the Premises, at all times during the term hereof, only such goods, wares and merchandise as the Lessee intends to use in connection with a service offered by Lessee in the regular course of Lessee's business and shall use for office or clerical purpose only such space in the Premises as is from time to time reasonably required for Lessee's business therein.

G. STORAGE OF INFLAMMABLE MATERIALS: Lessee shall not keep or permit to be kept at, in or about the Premises any gasoline, distillate or other petroleum product or any other substance or material of an explosive or inflammable nature in such quantities as may endanger any part of the Premises without the written consent of all insurance companies carrying fire or rent insurance on all of the Commercial Center or any part thereof, or do any act or engage in any conduct which shall cause an increase in the fire insurance rates covering the Commercial Center over those charged by reason of the use thereof of the character permitted to Lessee.

H. USE IMPAIRING STRUCTURAL STRENGTH: Lessee shall not permit the Premises or any part thereof to be used in any manner that will impair the structural strength thereof, or permit the installation of any machinery or apparatus, the weight or vibration of which may tend to injure or impair the foundations or structural strength thereof.

I. GARBAGE DISPOSAL: Lessee shall not burn or incinerate any rubbish, garbage or debris at, in or about the Premises, and shall cause all containers, rubbish, garbage and debris accumulated therein to be stored within the Premises to be hauled away there from for disposal prior to the accumulation of any quantity.

J. PUBLIC REGULATIONS: In the conduct of its business in and about the Premises, Lessee shall observe and comply with all laws, ordinances and regulations of public authorities.

SECTION SEVEN
INSTALLATION AND MAINTENANCE OF FIXTURES

Lessee shall purchase and install in the Premises all trade fixtures, lighting fixtures, floor coverings, all required equipment and furnishings to be installed in the Premises and necessary or proper for the operation of its business as expeditiously as possible and in any event not later than 30 days after commencement of the term of this lease; provided, however, that in the event the installation of such fixtures, furnishings and equipment is delayed by reason of strikes, lockouts, war or any other cause or causes beyond the control of Lessee (excluding financial inability), a time equal to such delay or delays shall be added to the date on which such installation shall be completed.

All such trade fixtures, lighting fixtures, floor coverings, all required equipment and furnishings shall be of first quality and commensurate in appearance and in keeping with the Premises; and Lessee, through the term of this Lease, shall maintain the same in good order, condition and repair at its own expense.

SECTION EIGHT
SIGN, EXTERIOR LIGHTING AND FIXTURES

A. INSTALLATION AND REMOVAL OF SIGNS: Installation of all exterior signs on the Premises shall be subject to the prior written approval of Lessor as to design, size and location, and further in accordance with all governmental regulations. Lessee acknowledges that the Premises are part of an integrated and uniform Commercial Center and that control of exterior signs by Lessor is essential in order to maintain uniformity and aesthetic values in the Commercial Center.

B. INSTALLATION OF EXTERIOR LIGHTING AND FIXTURES: Lessee shall not install any exterior lighting, exterior plumbing facilities, shades or awnings, amplifiers or similar devices, or use any advertising medium which may be heard or experienced outside the Premises such as loudspeakers, phonographs or radio broadcasts without Lessor's prior written consent.

SECTION NINE
ALTERATIONS, CHANGES AND ADDITIONS

No structural changes, alterations or additions shall be made by Lessee to the Premises without the prior written consent of Lessor, which will not be unreasonably or arbitrarily withheld, and any such structural change, alteration or addition to or on the Premises made with the aforesaid written consent of Lessor shall remain for the benefit of and become the property of Lessor, unless otherwise provided in the written consent.

SECTION TEN
DEFECTS, DEFECTIVE CONDITION, WIND, ACTS OF THIRD PERSONS

A. LESSOR'S LIABILITY: Except for Lessor's gross negligence or intentional misconduct, Lessor shall not be liable to Lessee for any damage or injury to Lessee or Lessee's property occasioned by any defect of plumbing, heating, air cooling, air conditioning equipment and ducts, electrical wiring or insulation thereof, gas pipes or steam pipes, or from broken steps or from the backing up of any sewer pipe or from the bursting, leaking or running of any tank, tub, washstand, toilet or waste pipe, drain or any other pipe or tank in, on or about the Premises, or from the escape of steam or hot water from any boiler or radiator, or for any such damage or injury occasioned by water being on or coming through the roof, stairs, walks or any other place on or near the Premises unless Lessor neglects or fails to make necessary repairs required of it to be made under the terms of this Lease after receipt of written notice thereof from Lessee, or for any such damage or injury done or occasioned by the falling of any fixture, plaster or stucco, or for any such damage or injury caused by wind or by the act, omission or negligence of co-tenants or of other persons or occupants of the same building or adjacent buildings or contiguous property.

B. WAIVER OF CLAIMS AGAINST LESSOR: All claims against Lessor for any damage or injury as provided in Paragraph A of this section are hereby expressly waived by Lessee, except those claims occasioned by Lessor's neglect or failure to make repairs for which Lessor is responsible under this lease after due written notice thereof by Lessee.

SECTION ELEVEN

CASUALTY, DAMAGE, REPAIR, ABATEMENT OF RENT

A. USE OF PARTIALLY DAMAGED PREMISES: In the event of partial damage or destruction of the Premises, Lessee shall continue to utilize the Premises for the operation of its business to the extent that it may be practicable to do so from the standpoint of good business.

B. RIGHT TO TERMINATE ON DESTRUCTION OF PREMISES WHERE DAMAGE EXCEEDS TWO-THIRDS OF RECONSTRUCTION COST: Either party hereto shall have the right to terminate this lease if, during the last three (3) months of the term hereof, the Premises are damaged to an extent exceeding two-thirds of the then reconstruction cost of such store building as a whole; provided that, in such an event, such termination of this lease shall be effected by written notice to that effect to the other party delivered within fourteen (14) days of the happening of such casualty causing the damage.

C. REPAIRS BY LESSOR: If the Premises shall, either prior to the beginning of or during the term hereof, be damaged or destroyed by fire or by any other cause whatsoever beyond Lessee's control, Lessor except as hereinafter otherwise provided, shall immediately on receipt of insurance proceeds paid in connection with such casualty insurance, but in no event later than 30 days after such damage has occurred, proceed to repair or rebuild the same including any addition or improvements made by Lessor or by Lessee with Lessor's consent, on the same plan and design as existed immediately before such damage or destruction occurred subject to such delays as may be reasonably attributable to governmental restrictions or failure to obtain materials or labor, or other causes, whether similar or dissimilar, beyond the control of Lessor. Materials used in repair shall be as nearly like original materials as may then be reasonably procured in regular channels of supply.

Whenever a strike, act of God or cause beyond the power of the party affected to control causes delay, the period of such delay so caused shall be added to the period limited in this lease for the completion of such work, reconstruction or replacement.

D. REPAIR OR REPLACEMENT OF FIXTURES: Lessee shall, as soon as reasonably possible, replace or repair all fixtures in the Premises which may be damaged or destroyed by fire or any other cause whatsoever.

SECTION TWELVE
REPAIRS GENERALLY

A. BY LESSOR: Except to the extent caused by the negligence or intentional misconduct of the Lessee, Lessor shall, at its own expense, repair any damage to the Premises occasioned by termites, dry rot or fungus, and keep and maintain the roof and exterior walls (plate glass and glazing excepted) of the Premises in good repair at all times, and will further keep and maintain all underground plumbing in good order and repair, but not including the repair of plumbing stopped up by reason of foreign matter introduced into the plumbing fixtures in the Premises and common area by acts or damage caused by Lessee. Lessor will maintain the common facilities. There shall be no obligation on the part of Lessor to make any of the repairs required in this section unless and until Lessee gives Lessor at least seven (7) days written notice, advising Lessor of the necessity of the repair or repairs, and Lessor shall not be liable to Lessee for any loss or damage caused by any failure of Lessor to make any repairs required of it thereunder unless Lessor, on receipt of such notice, shall fail to proceed with due diligence to make repairs to the interior surfaces thereof. Except as provided herein, Lessee shall not call on Lessor to make any improvements or repairs whatsoever in or on the Premises.

B. BY LESSEE: Lessee shall, at its own expense, keep and maintain all of the Premises, including but not limited to separately installed and metered air-conditioning equipment, plumbing, heating, storefronts, bulkheads, exterior entry and exit doors, ornamental facing, plate glass and glazing in or on the Premises in good order, condition and repair and in compliance

with all laws and regulations applicable thereto during the entire term of this lease except for those repairs required of Lessor to be made and damage occasioned by fire, earthquake or other cause or causes as provided for in Section Eleven hereof.

C. EMERGENCY REPAIRS: Notwithstanding the provisions hereof, in the event repairs which Lessor is required to make hereunder become immediately necessary in order to avoid possible injury or damage to persons or property, Lessee shall be entitled to make such repairs and to charge the cost for same against the account of Lessor without giving the required notice.

SECTION THIRTEEN
UTILITIES

Lessee shall pay, before delinquency, all charges for gas, heat, electricity, power, telephone service and other similar charges incurred by Lessee with respect to and during its occupancy of the Premises. All of said utility charges to be metered, at sole expense of Lessor for the subject store unit.

SECTION FOURTEEN
INSURANCE

A. INSURANCE COMPANIES: All policies of insurance to be kept and maintained in force by the respective parties hereto shall be obtained from good and solvent insurance companies.

B. LESSEE TO OBTAIN LIABILITY INSURANCE: Lessee shall, at its own expense and at all times during the term of this lease, maintain in force a policy or policies of insurance written by one or more responsible insurance carriers reasonably approved by Lessor, which will insure Lessor against liability for injury to or death of persons or loss or damage to property occurring in or about the Premises. The liability under such insurance shall not be less than $500,000.00 for any one person killed or injured, $500,000.00 for any one accident, and $1,000,000.00 property damage.

C. LESSEE TO OBTAIN PLATE GLASS INSURANCE: Lessee shall maintain and keep in force adequate plate glass insurance on all plate glass on the Premises, or in the alternative, shall be responsible to repair or replace all plate glass damage to the Premises.

D. LESSEE TO OBTAIN WORKMAN'S COMPENSATION INSURANCE:
Lessee shall maintain and keep in force all employees' compensation insurance required under the laws of the State of Illinois, and such other insurance as may be necessary to protect Lessor against any other liability to persons or property arising hereunder by operation of law, whether such law is now in force or is adopted subsequent to the execution hereof.

E. LESSEE TO OBTAIN FIRE INSURANCE ON FIXTURES AND INVENTORY: Lessee shall maintain in force at all times during the term of this lease on all fixtures and equipment in the Premises, a policy or policies of fire insurance in companies reasonably approved by Lessor to the extent of at least 80% of the insurable replacement value thereof, and an adequate inventory insurance, the proceeds of which will, so long as this lease is in effect, be used for the repair or replacement of the property so insured. Such policies shall name Lessor as a beneficiary thereof.

F. LESSOR TO OBTAIN FIRE INSURANCE ON PREMISES: Lessor shall maintain in force at all times during the term of this lease a policy or policies of fire insurance. If permitted without additional charge Lessor shall cause to be endorsed on its fire insurance, and on any extended coverage policy or policies, the waiver of right of subrogation.

G. LESSEE's WAIVER OF CASUALTY INSURANCE PROCEEDS: In the event the

Premises shall be damaged or destroyed by fire, or other casualty so insured against, Lessee shall claim no interest in any insurance settlement arising out of any such loss where premiums are paid by Lessor or where Lessor is named as the sole beneficiary, and shall execute any and all documents required by Lessor or the insurance company or companies that may be necessary for use in connection with settlement of any such loss.

H. CONTROL OF INSURANCE PROCEEDS TO AVOID TAXABLE GAIN:
Notwithstanding anything to the contrary contained in this Lease, it is understood and agreed by the parties that in the event the Premises, including any improvements, additions or betterments, shall be damaged or destroyed in whole or in part in any manner, and
the receipt of any insurance proceeds or other reimbursement for such damage would result in the realization of taxable gain for federal or state purposes, the party hereto to whom such gain would be taxed shall have the right to take any and all action respecting such proceeds or reimbursements as may be necessary or enable such party to comply with any laws or regulations of the appropriate taxing authorities to the end that such gain will not be construed to entitle Lessor to delay the making of any repairs to or restoration of all or any part of the building or improvements in the event of damage or destruction.

I. LESSEE'S FAILURE TO INSURE: Should Lessee fail to keep in effect and pay for such insurance as it is in this Section required to maintain, Lessor may do so, in which event the insurance premiums paid by Lessor shall become due and payable forthwith, and failure of Lessee to pay same on demand shall constitute a breach of this lease.

SECTION FIFTEEN
TRANSFER OR PLEDGE OF LEASEHOLD INTEREST

Subject to the provisions contained in Section 4 of this Lease, Lessee shall not assign this lease or any interest therein, or sublet the Premises or any part thereof, or license the use of all or any portion of the Premises or business conducted thereon or therein, or encumber or hypothecate this lease without first obtaining the written consent of Lessor, which consent shall not be unreasonably withheld; and any assignment, subletting, licensing, encumbering or hypothecating of this lease without such prior written consent shall, at the option of Lessor, terminate this lease.

SECTION SIXTEEN
SURRENDER OF PREMISES

Lessee shall, at the termination of this lease, vacate the Premises in as good condition as they were at the time of entry thereof by Lessee except for reasonable use and wear thereof, acts of God or damage by casualty beyond the control of Lessee, and on vacating shall leave the Premises free and clear of all rubbish and debris.

SECTION SEVENTEEN
INDEMNIFICATION OF LESSOR

A. LESSEE'S NOTICE OF WORK TO BE PERFORMED: Lessee shall serve a written notice on Lessor at least ten (10) days prior to permitting any work involving repairs, improvements, construction and the like to be commenced in or on the Premises.

B. LIENS AND ENCUMBRANCES: Lessee shall indemnify Lessor and the Premises and all improvements placed thereon against all claims, mechanic's liens, claims of lien, demands, charges, encumbrances or litigation arising directly or indirectly out of or by reason of any work or Lessee on the Premises, and shall forthwith and within ten (10) days after the filing of any lien

for record fully pay and satisfy the same, and shall reimburse Lessor for all loss, damage and expense, including reasonable attorneys' fees which it may suffer or be put to by reason of any such claims of lien, demands, charges, encumbrances or litigation.

In the event Lessee shall fail to pay and fully discharge any claim, mechanic's lien, claims of lien, demand, charge, encumbrance or litigation, or should proceedings be instituted for the foreclosure of any lien or encumbrance, Lessor shall have the right, at its option, at any time after the expiration of such ten (10) day period to pay the same or any portion thereof, with or without the costs and expenses claimed by such claimant, and in making such payment, Lessor shall be the sole judge of the legality thereof. All amounts so paid by Lessor shall be repaid by Lessee to Lessor, on demand.

C. PERSONAL INJURIES; VIOLATION OF LAW: Lessee shall indemnify Lessor and the Premises against any cost, liability or expense arising out of any claims of any person or persons whatsoever by reason of the use or misuse of the Premises, parking area or common facilities by Lessee or any person or persons holding under Lessee, and shall indemnify Lessor against any penalty, damage or charge incurred or imposed by reason of any violation of law or ordinance by Lessee or any person or persons holding under Lessee, against any costs, damage or expense arising out of the death of or injury to any person or persons holding under Lessee.

SECTION EIGHTEEN
SUBORDINATION OF LEASE

Lessee shall execute any instrument permitting a first mortgage or deed of trust to be placed on the Premises or any part thereof as security for any indebtedness and subordinating this lease to such first mortgage or trust deed if required to do so by the secured party.

Lessee shall have the right but not the obligation to make payment of any defaults under any mortgage, trust deeds or liens of record on the Premises and to receive reimbursement for such payment by deduction and credit from and against rentals becoming due hereunder.

SECTION NINETEEN
LESSOR'S RIGHT OF INSPECTION

Lessor shall have access to the Premises, and each part thereof, during Lessee's regular business hours for the purpose of inspecting the same, making repairs and posting notices, which Lessor may deem to be for the protection of Lessor or the Premises.

SECTION TWENTY
DEFAULT

A. LESSOR'S RIGHT TO REPOSSESS, OPERATE OR RELET: If the rental reserved by this lease or other charges to be paid hereunder by Lessee or any part thereof are not paid when due and shall remain unpaid for a period of five (5) days after notice thereof in writing, or if Lessee shall fail to promptly perform any other covenant, condition or provision by it to be performed hereunder, and such failure shall continue for a period of 30 days after notice in writing specifying the nature of such failure, or if Lessee abandons the Premises, or if Lessee breaches any obligation under this lease by it to be performed which cannot be cured, then, and in any such event, Lessee shall be deemed to be in default and Lessor, without further notice, may at its option re-enter and take possession of the Premises including all improvements thereon and fixtures and equipment located at, in or about the same, and take, operate or relet the same in whole or in part for the account of Lessee at such rental and on such agreement and conditions and to such tenant or tenants as Lessor in good faith may deem proper for a term not exceeding the unexpired period of the full term of this lease. Lessor shall receive all proceeds and rent accruing from such operation or reletting of the Premises or fixtures and

equipment, including reasonable attorneys' fees, commissions and collection fees, and any alterations or repairs reasonably necessary to enable Lessor to operate or relet the Premises or fixtures and equipment, and to the payment of all such amounts as may be due or become payable under the provisions of this lease, and the balance remaining, if any, at the expiration of the full term of this lease or on the sooner termination thereof by written notice of termination given by Lessor to Lessee shall be paid over the Lessee.

B. REPOSSESSION OR RELETTING NOT A TERMINATION; LESSOR'S RIGHT TO TERMINATION NOT FORFEITED: No re-entry, repossession, operation or reletting of the Premises or of fixtures and equipment shall be construed as an election by Lessor to terminate this lease unless a written notice of such intention is given by Lessor to Lessee, and notwithstanding any such operation or reletting without terminating this lease, Lessor may at any time elect to terminate this lease in the event at such time Lessee remains in default hereunder.

C. LESSEE'S OBLIGATION TO PAY DEFICIENCIES: In the event the proceeds or rentals received by Lessor under the provisions of this section are insufficient to pay all costs and expenses and all amounts due and becoming due hereunder, Lessee shall pay to Lessor on demand such deficiency as may from time to time occur or exist.

D. LESSOR'S RIGHT TO PERFORM LESSEE'S DUTIES AT LESSEE'S COST: Notwithstanding any provision as to notice contained in this lease, if, in the judgment of Lessor, the continuance of any default by Lessee other than for the payment of money for the full period of the notice otherwise provided for will jeopardize the Premises or the rights of Lessor, Lessor may, without notice, elect to perform those acts in respect of which Lessee is in default, at the expense of Lessee, and Lessee shall thereupon reimburse Lessor.

E. LESSOR'S RIGHT TO TERMINATE LEASE: In the event of Lessee's default as stated herein, Lessor may, at its option without further notice, terminate this lease and any and all interest of Lessee hereunder, and may thereupon immediately re-enter and take possession of the Premises.

F. LESSOR'S RIGHT ON TERMINATION TO RECOVER AMOUNT EQUAL TO RENT RESERVED: If this lease is terminated by Lessor by reason of any default by Lessee, Lessor shall be entitled to recover from Lessee at the time of such termination the excess, if any, of the amount of rent reserved in this lease for the balance of the term thereof over the then reasonable rental value of the Premises for the same period. It is agreed that the "reasonable rental value" shall be the amount of rental, which Lessor can obtain as rent for the remaining balance of the term.

G. LESSOR'S REMEDIES CUMULATIVE: Each and all of the remedies given to Lessor in this lease or by law shall be cumulative and the exercise of one right or remedy by Lessor shall not impair its right to exercise any other right or remedy.

H. LESSEE'S WAIVER OF CLAIMS AGAINST LESSOR: Lessee hereby waives all claims or demands for damages that may be caused by Lessor in re-entering and taking possession of the Premises as hereinbefore provided, and all claims or demands for damages which may result from the destruction of or damage to the Premises and all claims or demands for damages or loss of property belonging to Lessee or to any other person, firm or corporation as may be in or on the Premises at the time of such re-entry.

I. LIMITATION OF NOTICE PERIOD BY GOVERNMENTAL ORDER: Notwithstanding any provision as to notice in this Section, if Lessee is required to comply with any governmental regulation or order within a period less than that to which Lessee would otherwise be entitled to notice, Lessee shall not be entitled to notice beyond the period within which such compliance may be required by such regulation or order.

SECTION TWENTY-ONE
EXPENSES OF ENFORCEMENT

Should Lessor incur any expense in enforcing any provision of this lease, Lessee shall pay all expenses so incurred including reasonable attorneys' fees.

SECTION TWENTY-TWO
EFFECT OF BANKRUPTCY

If at any time during the term of this lease there shall be filed by or against Lessee in any court, pursuant to any statute either of the United States or any state, petition in bankruptcy or insolvency, or for reorganization or for the appointment of a receiver or trustee of all or a portion of Lessee's property, or it Lessee makes an assignment for the benefit of creditors, Lessee shall have breached this lease and this lease, at the option of Lessor, exercised after expiration of the period provided below, may be cancelled and terminated provided such petition in bankruptcy or insolvency or for reorganization or for the appointment of a receiver or trustee shall continue for a period of 30 days. In such event, neither Lessee nor any person claiming through or under Lessee by virtue of any statute or of an order of any court shall be entitled to possession or to remain in possession of the Premises, but shall forthwith quit and surrender the Premises.

SECTION TWENTY-THREE
EMINENT DOMAIN

A. OVER CERTAIN PERCENTAGE TAKEN: In the event 33-1/3% or more of the area of the Premises shall be taken for public or quasi-public use, this lease shall terminate as of the date of the actual physical taking and the parties shall thereupon be released from any and all further liability hereunder.

B. LESS THAN CERTAIN PERCENTAGE TAKEN: In the event of a partial taking of less than 33-1/3% of the area of the Premises, Lessor shall, with reasonable diligence, proceed at its own expense to reconstruct or repair the Premises and place the same in a tenantable condition within 30 days after the date of the actual physical taking; provided, however, that if 33-1/3% or more of the area of the Commercial Center as a whole is taken, Lessor alternately may elect to terminate this lease notwithstanding that less than 33-1/3% of the area of the Premises were taken. In the event of such termination, the parties hereto shall be released from any and all further liability under this lease.

C. ABATEMENT OF RENT: During any reconstruction or repairing as hereinabove provided, Lessee shall be required to pay only that proportion of the fixed minimum monthly rental herein reserved as the area of the Premises remaining in a tenantable condition during such reconstruction or repairing bears to the entire area herein leased. On completion of such reconstruction or repairing, the fixed minimum monthly rental herein reserved shall be adjusted in the proportion that the reconstructed Premises bears to the original Premises bears to the original Premises, and thereafter, Lessee shall be required to pay such adjusted fixed minimum monthly rental in accordance with the provisions of this lease.

There shall be no abatement of any rental due until such time as there shall be an actual physical possession of that portion of the Premises taken, and in no event shall there be any change made in the method of computing the percentage rental and there shall be no reduction of percentage rental.

D. RIGHT TO CONDEMNATION AWARD: Any award made in any condemnation proceeding for the taking of any part or all of the Premises shall be the sole property of and be paid to Lessor and Lessee to the extent of Lessee's right to be compensated for fixtures and leasehold improvements. Further, this compensation right shall not affect Lessee's relocation

benefits or its right to damages for loss of goodwill or going concern value.

SECTION TWENTY-FOUR
GOVERNMENTAL INTERFERENCE WITH POSSESSION

Lessee shall not be released from its obligations hereunder should its possession of the Premises be interfered with or affected by reason of the passage or adoption of any law, ordinance, resolution, regulation or act of any legal or governmental authority, or any order of abatement or judgment preventing the use of the Premises made on the ground that the Premises or the business operated there from constitutes a nuisance.

SECTION TWENTY-FIVE
QUIET ENJOYMENT

Lessor hereby covenants and warrants that, subject to any trust deeds or mortgages now of record or hereafter placed on record, it is the owner of the Premises and that Lessee, on payment of rents herein provided for and performance of the provisions hereof on its part to be performed, shall and may peacefully possess and enjoy the Premises during the term hereof without any interruption or disturbance.

SECTION TWENTY-SIX WAIVER OF BREACH

No waiver of any breach or breaches of any provision of this lease shall be construed to be a waiver of any preceding or succeeding breach of such provision or of any other provision hereof.

SECTION TWENTY-SEVEN
TIME OF THE ESSENCE

Time is of the essence of each and every provision hereof.

SECTION TWENTY-EIGHT
HEADINGS FOR CONVENIENCE ONLY

The headings used herein are for convenience and shall not be resorted to for purposes of interpretation or construction hereof.

SECTION TWENTY-NINE
PRONOUNS

Feminine or neuter pronouns shall be substituted for those of masculine form or vice versa, and the plural shall be substituted for the singular number or vice versa in any place or places in which the context may require such substitution or substitutions.

SECTION THIRTY
AMENDMENTS TO BE IN WRITING

This lease may be modified or amended only by a writing duly authorized and executed by both Lessor and Lessee. It may not be amended or modified by oral agreements or understandings between the parties unless the same shall be reduced to writing duly authorized and executed by either Lessor or Lessee.

SECTION THIRTY-ONE
PARTIES BOUND

Each and every provision of this lease shall bind and shall inure to the benefit of the parties hereto and their legal representatives. The term "legal representatives" is used in this lease in its broadest possible meaning and includes, in addition to executors and administrators, every person, partnership, corporation or association succeeding to the interest or to any part of the interest in or to this lease or in or to the premises of either Lessor or Lessee herein, whether such succession results from the act of a party in interest, occurs by operation of the law, or is the effect of the operation of law together with the act of such party. Each and every agreement and condition of this lease by Lessee to be performed shall be binding on all assignees, subtenants, concessionaires and/or licensees of Lessee.

SECTION THIRTY-TWO
HOLDING OVER

No holding over and continuation of any business by Lessee after the expiration of the term shall be considered to be a renewal or extension of this lease unless written approval of such holdover and a definite agreement to such effect is signed by Lessor defining the length of such additional term. Any holdover without the consent of Lessor shall be considered to be a day- to-day tenancy at a rental of two times the daily rate of the fixed minimum monthly rental provided herein computed on the basis of a 30-day month.

SECTION THIRTY-THREE
NOTICES

All notices or demands of any kind which Lessor may be required or may desire to serve on Lessee under the terms of this lease may be served on Lessee as an alternative to personal service by leaving a copy of such demand or notice, or by mailing a copy thereof by registered or certified mail, postage prepaid, addressed to Lessee at the Premises or at such other address or addresses as may from time to time be designated by Lessee in writing to Lessor. Service shall be deemed complete at the time of the leaving of such notice as aforesaid or within five (5) days within mailing of same. All notices and demands from Lessee to Lessor may be similarly served on Lessor at 32 N Dean Street 2nd Floor, Englewood, NJ 07631, or at such other address as Lessor may in writing designate to Lessee.

LESSOR:

1644 E 53rd LLC
c/o MAC Property Management
32 N Dean Street,
Englewood, NJ 07631
Attention: David Gefsky
201-541-8003

By: _____

Date: _____

LESSEE:

By: _____
Hyde Park Surgical Center LLC

Date: _____

Section I
Attachment 3
Operating Entity/Licensee

The Certificate of Good Standing for Hyde Park Surgical Center, LLC is attached at ATTACHMENT 1.

Darrel J. Saldanha, M.D., an Illinois resident, is a member, manager, and 90% owner of Hyde Park Surgical Center, LLC. David Saldanha, M.D., an Illinois resident, is a member and 10% owner of Hyde Park Surgical Center, LLC.

Section I
Attachment 4
Organizational Relationships

Hyde Park Surgery Center, LLC (the "Seller") is an Illinois limited liability company.

Hyde Park Surgical Center, LLC (the "Buyer") is an Illinois limited liability company. The Buyer is a special purpose vehicle and was organized specifically for the Transaction. Darrel J. Saldanha, an Illinois resident, is a member, a manager, and 90% owner of the Buyer. David Saldanha, an Illinois resident, is a member and 10% owner of the Buyer.

The organizational chart for the Buyer is attached at ATTACHMENT 4.

ATTACHMENT
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Section I
Attachment 5
Flood Plain Requirements

This Project involves a change of ownership. This Project does not involve any construction or modernization. Accordingly, this criterion is not applicable.

Section I
Attachment 6
Historic Resources Preservation Act Requirements

This Project involves a change of ownership. This Project does not involve any construction or modernization. Accordingly, this criterion is not applicable.

Section I
Attachment 7
Project Costs

The total cost of the Project will be $1,300,000.

Section I
Attachment 8
Project Status and Completion Schedules

The proposed Transaction is projected to be completed by April 30, 2015.

Section I
Attachment 9
Cost/Space Requirements

This Project involves a change of ownership. This Project does not involve any construction or modernization. Accordingly, this criterion is not applicable.

Section III
Attachment 11
Criterion 1110.230(a), Background of The Applicants

1a. The Buyer is a special purpose vehicle that was specifically organized for the Transaction. Thus, the Buyer does not currently own or operate any licensed health care facilities in Illinois.

1b. Darrel Saldanha, M.D., a 90% owner of the Buyer, does not currently own or operate any licensed health care facilities in Illinois. Darrel Saldanha is an interventional pain management anesthesiologist. Darrel Saldanha graduated summa cum laude from the University of Illinois at Chicago in 2005 with a B.A. in Economics. Darrel Saldanha received his M.D. (with honors) from the University of Illinois at Chicago in 2009. Darrel Saldanha completed his residency in anesthesiology at the University of Illinois Hospital & Health Sciences System in 2013. Darrel Saldanha was the Chief Resident from 2012 to 2013. Darrel Saldanha completed his fellowship in pain medicine at the University of Illinois Hospital & Health Sciences System in 2014. Darrel Saldanha is Board Certified in Pain Medicine. A copy of Darrel Saldanha's CV is attached at ATTACHMENT 11.

1c. David Saldanha, M.D., a 10% owner of the Buyer, does not currently own or operate any licensed health care facilities in Illinois. David Saldanha is an interventional radiologist. David Saldanha graduated with honors from the University of Illinois at Chicago in 2003 with a B.A. in Economics and a B.S. in Biochemistry. David Saldanha received his M.D. from the University of Illinois at Chicago in 2007. David Saldanha completed his internship in internal medicine in 2008 at Advocate Illinois Masonic Medical Center. David Saldanha completed his residency in diagnostic radiology at the University of Illinois Hospital & Health Sciences System in 2012. David Saldanha completed his fellowship in vascular and interventional radiology at the University of Illinois Hospital & Health Sciences System in 2013. David Saldanha is Board Certified in Diagnostic Radiology. A copy of David Saldanha's CV is attached at ATTACHMENT 11.

2a. The Buyer is a special purpose vehicle that was specifically organized for the Transaction. Thus, no adverse actions have been taken against any Illinois licensed facility owned and/or operated by the Buyer in the last three years.

2b. Darrel Saldanha does not currently own or operate any licensed health care facilities in Illinois. Thus, no adverse actions have been taken against any Illinois licensed facility owned and/or operated by Darrel Saldanha in the last three years.

2c. David Saldanha does not currently own or operate any licensed health care facilities in Illinois. Thus, no adverse actions have been taken against any Illinois licensed facility owned and/or operated by David Saldanha in the last three years.

2d. Letters certifying the aforementioned information are attached at ATTACHMENT 11.

3. Authorization letters granting access to the Review Board and the Illinois Department of Public Health ("IDPH") to verify information about the Buyer, Darrell Saldanha, and David Saldanha are attached at ATTACHMENT 11.

4. The Buyer, Darrel Saldanha, and/or David Saldanha have not submitted any certificate of need applications in the past year.

Permanent Address
31 Forest Lane
South Barrington, IL 60010

Home Phone: 847-907-4060
Cell Phone: 847-212-8227
Email: saldanha85@gmail.com

Darrel J. Saldanha, M.D.

Personal

I am trained in Interventional, Acute and Chronic Pain Management. I completed a four year anesthesiology residency and served as Chief Resident during my final year at the University of Illinois at Chicago Hospital. I am also trained and experienced in ultrasound and landmark-guided peripheral nerve blocks, cancer pain, and implants such as spinal cord stimulation and intrathecal pump placement. My current practice involves treatment of acute and chronic pain syndromes using a variety of multimodal techniques.

I am currently working in a comprehensive pain management practice, named Midwest Anesthesia and Pain Specialists, S.C., I founded with 6 locations and 6 pain medicine physicians.

Education

2013-2014 University of Illinois Hospital & Health Sciences System
- Pain Medicine Fellow, 2013 - 2014

2009-2013 University of Illinois Hospital & Health Sciences System
- Chief Resident, 2012-2013
- Anesthesiology Resident, 2009-2013

2005-2009 University of Illinois at Chicago - College of Medicine
- M.D. with Honors

2002-2005 University of Illinois at Chicago
- B.A. with College Honors and High Distinction in Economics
- Graduated Summa Cum Laude
- GPA 3.98/4.00

1999-2002 Illinois Mathematics & Science Academy
- Nationally ranked high school

Honors

2012 – 2013: Chief Resident — Department of Anesthesiology, University of Illinois Hospital and Health Sciences System

2011: Walter Kowalski Achievement Award given annually to the most outstanding new resident in anesthesiology

2011: 1st Place — Midwest Anesthesiology Research Conference, Airway Category

2002 – 2009: Guaranteed Professional Program Admissions — University of Illinois at Chicago Medical School 6 year combined BA/MD program

2002 – 2005: Honors College Scholarship Program — University of Illinois – Chicago

ATTACHMENT
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2002 – 2005: University of Illinois at Chicago Dean's List

Research

2010 – 2012: Department of Anesthesiology, University of Illinois Hospital and Health Sciences System

- D. Saldanha M.D., V. Krishnamoorthy, M.D. Created a classification system to categorize airways based on a pre-operative indirect mirror laryngoscopy exam. This system was used in a prospective study designed to predict a potentially difficult tracheal intubation.

2006 – 2007: Department of Hepatology, University of Illinois Medical Center

- Scott Cotler, M.D. Aided in data collection and blood draws of patients undergoing liver transplantation to study viral kinetics of Hepatitis C after transplant. Patients received treatment for with interferon and ribavirin for 12 weeks prior to transplantation.

2000-2004: Department of Physiology, Northwestern University – Feinberg School of Medicine

- John Disterhoft, Ph.D. Studied afferent and efferent connections of the caudal medial prefrontal cortex in rabbits. Successfully mapped a circuit mediating early acquisition of the trace eyeblink conditioning reflex.

- Craig Weiss, Ph.D. Studied effects of aging and hippocampal lesions in associative learning tasks such as Pavlovian eyeblink conditioning. Investigated drugs such as nimodipine that were shown to increase associative learning abilities in rats and rabbits.

Presentations/Papers

2013 Saldanha, Darrel, M.D. et al, The Case of The Migrated Lead, The North American Neuromodulation Society's 17th Annual Meeting 2013, Las Vegas, NV

2012 The Role of Long Term Peripheral Nerve Blocks in the Treatment of Non-healing Wounds. Pontinen T, Saldanha D, et al. University of Illinois at Chicago Department of Anesthesiology - this paper is currently under review for publication

2011: Saldanha, Darrel, M.D., Krishnamoorthy, Vijay, M.D. Pre-Operative Indirect Mirror Laryngoscopy Used as a Means of Predicting a Difficult Airway. Annual Meeting of the American Society of Anesthesiologists.

2011: Saldanha, Darrel, M.D., Krishnamoorthy, Vijay, M.D. Pre-Operative Indirect Mirror Laryngoscopy Used as a Means of Predicting a Difficult Airway. Midwest Anesthesiology Residents Conference. 1st place presentation in the airway category

2002: Disterhoft, John, Ph.D., Weiss, Craig, Ph.D., Saldanha, Darrel. Afferent and efferent connections of the caudal medial prefrontal cortex in rabbit: a proposed circuit mediating early acquisition of the trace eyeblink conditioned reflex. Illinois Mathematics and Science Academy Inquiry and Research Forum.

Volunteer Experience

2006-2011: Served as main organizer of free primary care clinic, annual

	health fair and toy drive in the medically underserved south side Chicago neighborhood of Roseland through sponsorship of a prominent local medical center. 2005-2009: Volunteered extensively in a variety of University of Illinois College of Medicine sponsored free clinics, such as the UIC Student Run Free Clinic.
Personal	Sixteen years of Spanish language education with fluency especially in medical Spanish Hobbies include competitive swimming, baseball, and woodcrafting. Trained for fourteen years as a classical concert and jazz pianist
Certifications	American Board of Anesthesiology Primary Certification in April 2014 for ten years American Board of Anesthesiology Pain Medicine Certification in September 2014 for ten years ACLS/BLS – 6/2012 - currently valid
Licenses	State of Illinois Permanent Physician License No. 036-130154 State of Illinois Controlled Substance License Federal DEA license – Schedule 2, 2N, 3, 3N, 4, 5
Professional Affiliations	American Society of Anesthesiologists, 2009 – Current American Society of Regional Anesthesia and Pain Medicine, 2009-Current American Medical Association, 2005 – Current Illinois State Medical Society, 2005 – Current Chicago Medical Society, 2005 – Current
References	Available upon request

David Saldanha MD, RPVI

31 Forest Lane
South Barrington, IL 60010
Ph: 847-212-0316
Email: davidsaldanha1581@gmail.com

Work Experience

- Interventional Radiologist – Radiology Consultants of Rockford at Swedish American Hospital, Rockford, IL 08/2013 to Present

Board Certifications

- Diagnostic Radiology with Authorized User Status – American Board of Radiology 06/2012

Education

University of Illinois Hospital – Chicago, IL 07/2012 to 06/2013

- Fellowship – Vascular and Interventional Radiology

University of Illinois Hospital – Chicago, IL 07/2008 to 06/2012

- Residency – Diagnostic Radiology

Advocate Illinois Masonic Medical Center – Chicago, IL 07/2007 to 06/2008

- Internal Medicine Preliminary – Year Internship

M.D., University of Illinois at Chicago College of Medicine – Chicago, IL 08/2003 to 05/2007

B.A., Economics; University of Illinois
B.S., Biochemistry; University of Illinois – Chicago, IL 08/1999 to 05/2003

Honors/Awards

University of Illinois Hospital Diagnostic Radiology Residency Program

- PGY-1 - Society of Interventional Radiology Resident-In-Training Scholarship
- PGY-4 - Junior Chief
- PGY-5 - Senior Chief

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David Saldanha MD, RPVI

31 Forest Lane
South Barrington, IL 60010
Ph: 847-212-0316
Email: davidsaldanha1581@gmail.com

University of Illinois at Chicago College of Medicine

- Top 25% of Medical School Graduate Class
- Association of Pathology Chairs Honor Society

University of Illinois at Chicago

- College Honors and High Distinction in Economics
- College Honors in Biochemistry

Professional Organizations

- Society of Interventional Radiology (2007 to Present)
- Radiological Society of North America (2007 to Present)
- American Medical Student Association (2003 to 2007)
- Society of Prospective Surgeons (2005 to 2006)

Presentations

- Klug RA, Chow JC, Pike A, Chadia A, Gussous Y, Saldanha D, and Lim R. Poor Functional Outcome in Hip Fracture Patients. Poster presentation. Mid-American Orthopaedic Association (MAOA) annual meeting, San Antonio, Texas, April 19-23, 2006.

- Klug RA, Chow JC, Pike A, Chadia A, Gussous Y, Saldanha D, and Lim R. Short Term Mortality in Hip Fracture Patients. Poster presentation, Mid-American Orthopaedic Association (MAOA) annual meeting, San Antonio, Texas, April 19-23, 2006.

- Klug RA, Chow JC, Pike A, Chadia A, Gussous Y, Saldanha D, and Lim R. Loss of Functional Independence after Hip Fracture Surgery. Paper/podium presentation, American Academy of Orthopaedic Surgeons (AAOS) 73rd annual meeting, Chicago, Illinois, March 22-26, 2006.

ATTACHMENT
11

David Saldanha MD, RPVI

31 Forest Lane
South Barrington, IL 60010
Ph: 847-212-0316
Email: davidsaldanha1581@gmail.com

- Saldanha DF, Kumar N, Balla A, Deane LA, Mar WA, Macias V, Parikh K, Xie K. 3T MR Imaging of the Prostate with Clinical and Histopathologic Correlation. Educational Exhibit, RSNA 2011.

Publications/Presentations

- Saldanha, DF; Khiatani, VL; Carrillo, TC; Yap, FY; Bui, JT; Knuttinen, MG; Owens, CA; Gaba, RC. Current Tumor Ablation Technologies: Basic Science and Device Review. Seminars in Interventional Radiology. Image-Guided Tumor Ablation. 27(3):247-254, September 2010.

- Gaba RC, Saldanha DF, Minocha J, Knuttinen MG, Setty S, Akkina S, Tang IY, Oberholzer J, Bui JT. Surveillance protocol transplant renal biopsy: assessment of safety in 549 cases at a tertiary care transplantation center. Oral presentation; Society of Interventional Radiology 2013 annual meeting, New Orleans LA, 04/2013.

Future Publications

- Saldanha, DF; Mendenhall, C; Knuttinen, MG. Current Evidence Chapter. Cholangiocarcinoma: Diagnosis and Treatment, edited by Gaba, RG, Knuttinen, MG, and Ray, CE. To be submitted 07/15/2014.

Submitted Abstracts/Presentations

- Saldanha DF, Gaba RC. "How to" and technical considerations for percutaneous pancreatic islet cell transplantation for treatment of type 1 diabetes. Abstract Submitted to Society of Interventional Radiology 2013 annual meeting, New Orleans LA, 04/2013.

Additional Research Experience

- Co-Investigator, University of Illinois at Chicago College of Dentistry; Donald Chambers, PhD. 2001 to 2003.
    - Investigated the quantitative expression of cAMP and TNF-

David Saldanha MD, RPVI
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alpha proteins and mRNAs after stimulating beta-adrenergic receptors on RAW 247.5 macrophage cells with norepinephrine. Synthesized hypotheses and designed experiments in order to identify potential biomolecular targets for pharmaceutical therapies against post-traumatic stress disorder.

- Co-Investigator, University of Chicago Hospitals Department of Radiology; Abraham Dachman, MD. 2006.
  - Investigated patient outcomes with the introduction of the deflation method during virtual colonoscopies by MDCT.

- Co-Investigator, Northwestern Memorial Hospital Department of Radiology; Paul Nikolaidis, MD. 2006 to 2007.
  - Investigated safety and efficacy of uterine artery embolization of in patients with large uteri and large uterine fibroids between 01/2003 and 09/2005.

- Co-Investigator, University of Illinois Hospital Department of Radiology; Ron Gaba, MD. 2009.
  - Investigated safety of gel foam tract embolization versus slow withdrawal of percutaneous portal vein access following islet cell transplantation.

Additional Academic Activities

- Member – Early Career/Transitions Section, SIR Pilot Program. 04/2014 to Present.
- Member – Vascular Disease Service Line Committee, SIR. 03/2014 to Present.

Non-academic Activities

- Volunteer - University of Illinois College of Medicine free clinics (2004 to 2006).

ATTACHMENT
11

David Saldanha MD, RPVI
31 Forest Lane
South Barrington, IL 60010
Ph: 847-212-0316
Email: davidsaldanha1581@gmail.com

- Volunteer - University of Illinois College of Medicine sponsored free health fair (2006).

- Volunteer - Project E.S.T.E.E.M.; Scientific mentor program to children at DCFS Maryville Children's Shelter (2001 to 2003).

ATTACHMENT
11

Hyde Park Surgical Center, LLC

February 9, 2015

Ms. Courtney R. Avery
Administrator
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761-0001

Mr. Michael Constantino
Supervisor, Project Review Section
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761-0001

Re: Authorization to Access Information, Criterion 1110.230(a)(3)(C)

Dear Ms. Avery and Mr. Constantino:

Pursuant to 77 Ill. Admin. Code § 1110.230(a)(3)(C), I hereby authorize the Illinois Health Facilities & Services Review Board (the "Board") and the Illinois Department of Public Health ("IDPH") to access all information necessary to verify any documentation or information submitted by Hyde Park Surgical Center, LLC with this application. I further authorize the Board and IDPH to obtain any additional documentation or information which the Board or IDPH finds pertinent and necessary to process this application.

Sincerely,

Darrel J. Saldanha, M.D.
Member and Manager
Hyde Park Surgical Center, LLC

SUBSCRIBED AND SWORN
to before me this 17 day
of February, 2015.

OFFICIAL SEAL
SHARON A. CARRARA
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES: 07-06-2017

Notary Public

February 9, 2015

Ms. Courtney R. Avery
Administrator
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761-0001

Mr. Michael Constantino
Supervisor, Project Review Section
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761-0001

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Sincerely,

Darrel J. Saldanha, M.D.

SUBSCRIBED AND SWORN
to before me this 17 day
of February, 2015.

Notary Public

OFFICIAL SEAL
SHARON A. CARRARA
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES: 07-06-2017

February 12, 2015

Ms. Courtney R. Avery
Administrator
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761-0001

Mr. Michael Constantino
Supervisor, Project Review Section
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761-0001

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Sincerely,

David Saldanha, M.D.

SUBSCRIBED AND SWORN
to before me this 17 day
of February, 2015.

OFFICIAL SEAL
SHARON A. CARRARA
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES: 07-06-2017

Notary Public

Hyde Park Surgical Center, LLC

February 9, 2015

Ms. Courtney R. Avery
Administrator
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761-0001

Mr. Michael Constantino
Supervisor, Project Review Section
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761-0001

Re: Criterion 1130.520(b)(3), No Adverse Actions Certification

Dear Ms. Avery and Mr. Constantino:

I hereby certify, under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109, and pursuant to 77 Ill. Admin. Code § 1130.520(b)(3), that there have been no adverse actions taken against any facility owned or operated by Hyde Park Surgical Center, LLC during the three (3) years prior to the filing of this Certificate of Need.

Sincerely,

Darrel J. Saldanha, M.D.
Member and Manager
Hyde Park Surgical Center, LLC

SUBSCRIBED AND SWORN
to before me this 17 day
of February, 2015.

OFFICIAL SEAL
SHARON A. CARRARA
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES: 07-06-2017

Notary Public

February 9, 2015

Ms. Courtney R. Avery
Administrator
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761-0001

Mr. Michael Constantino
Supervisor, Project Review Section
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761-0001

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Sincerely,

Darrel J. Saldanha, M.D.

SUBSCRIBED AND SWORN
to before me this 17 day
of February, 2015.

OFFICIAL SEAL
SHARON A. CARRARA
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES: 07-06-2017

Notary Public

Ms. Courtney R. Avery
Administrator
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761-0001

Mr. Michael Constantino
Supervisor, Project Review Section
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, Second Floor
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Sincerely,

David Saldanha, M.D.

SUBSCRIBED AND SWORN
to before me this 17 day
of February, 2015.

OFFICIAL SEAL
SHARON A. CARRARA
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES: 07-06-2017

Notary Public

Section III
Attachment 12
Criterion 1110.230(b), Purpose of Project

Purpose Statement

The Applicants seek a Certificate of Need from the Illinois Health Facilities & Services Review Board (the "Review Board") to allow the consummation of the proposed Transaction between Hyde Park Surgery Center, LLC (the "Seller") and Hyde Park Surgical Center, LLC (the "Buyer"), whereby the Buyer will acquire the Hyde Park Surgery Center (the "Surgery Center") from the Seller, pursuant to an Asset Purchase Agreement, a copy of which is attached at ATTACHMENT 19. The Buyer intends to maintain and enhance patient access to health care services in the service area through the recruitment of new physicians and increased coordination with other service area healthcare providers following the Transaction.

Supporting Statements & Documentation

1. This Project involves a change of ownership. Thus, the Surgery Center will remain open and continue to provide access to health care.

2. Darrel Saldanha, M.D., is an interventional pain management anesthesiologist. He currently has a thriving pain management practice (Midwest Anesthesia and Pain Specialists, S.C.) with six locations and six pain management physicians.

3. David Saldanha, M.D., is an interventional radiologist. He currently has a thriving interventional radiology practice.

4. If this Project is approved by the Review Board, Darrel Saldanha and David Saldanha intend to treat their own patients and to recruit new physicians to the Surgery Center.

5. If this Project is approved by the Review Board, the Buyer, Darrel Saldanha and David Saldanha intend to make additional capital expenditures at the Surgery Center in the future to meet the equipment needs of their own practices and the practices of the newly recruited physicians.

6. The Surgery Center is currently located in Health Service Area 6. Because this Project involves a change of ownership, the Health Service Area will not change.

7. Thus, this Project will actually improve access to healthcare in the service area.

Section III
Attachment 13
Criterion 1110.230(c), Alternatives to Proposed Project

The Applicants reviewed no less than four other alternatives before electing to file this Certificate of Need. As discussed below, the primary options reviewed included: (i) purchase another surgery center; (ii) purchase less than a controlling interest in the Hyde Park Surgery Center (the "Surgery Center"); (iii) do nothing; or (iv) purchase the Surgery Center and obtain a Certificate of Need. The last option is the only real viable option for the Applicants. Accordingly, it was chosen as the preferred option.

Alternative #1: Purchase Another Surgery Center

The Applicants have been actively searching for a surgery center to purchase in order to treat their own patients in a licensed surgery center setting. Just as importantly, the Surgery Center is well managed, well maintained, has an extensive compliance program and provides quality care to its patients. Darrel Saldanha is currently on the medical staff at the Surgery Center and is personally familiar with the internal working of the Surgery Center and the quality of care provided at the Surgery Center. In addition, the Seller negotiated in good faith and demonstrated a clear desire to facilitate a transaction.

For all of these reasons, the Applicants elected to move forward with the Seller and execute the Asset Purchase Agreement (versus purchasing another surgery center).

Alternative #2: Purchase Less Than a Controlling Interest

The Seller and the Applicants specifically explored a non-controlling interest transaction. For a variety of reasons, that option was rejected by both the Seller and the Applicants. In particular, the Applicants wanted the flexibility to recruit additional physicians to the Surgery Center and offer said physicians ownership interests in the Surgery Center in the future.

Alternative #3: Do Nothing

As was mentioned in Alternative #1, the Applicants have been actively searching for a surgery center to purchase and the Seller was desirous of selling the Surgery Center. If the "do nothing" alternative were chosen, neither the Applicants nor the Seller would have achieved their objectives.

Alternative #4: Purchase the Surgery Center

In the final analysis, and in light of the significant issues expressed in the other alternatives, the Applicants and the Seller elected to execute the Asset Purchase Agreement, thereby facilitating the sale of the Surgery Center to the Applicants.

Section VI
Attachment 19
Criterion 1110.240, Mergers, Consolidations and Acquisitions/Changes of Ownership

Criterion 1110.240(b), Impact Statement

1. Transaction Documents. The executed Asset Purchase Agreement (the "Asset Purchase Agreement") between Hyde Park Surgery Center, LLC (the "Seller") and Hyde Park Surgical Center, LLC (the "Buyer") is attached at ATTACHMENT 19. The Asset Purchase Agreement contains the appropriate contingency language regarding approval by the Review Board. See Sections 13 and 23(F) of the Asset Purchase Agreement ("Buyer and Seller acknowledge and agree that the transactions set forth in this Agreement shall be subject to approval by the IHFSRB.")

2. Services Currently Offered. The Hyde Park Surgery Center (the "Surgery Center") is currently licensed as an ambulatory surgical treatment center with one operating room. Following the Transaction, the Surgery Center will continue to be licensed as a multi-specialty ambulatory surgical treatment center with one operating room.

3. Operating Entity. Hyde Park Surgical Center, LLC will be the operating entity following the Transaction.

4. Reason for Transaction. The Seller has indicated a desire to sell the Surgery Center and the Buyer has indicated a desire to purchase the Surgery Center. The Buyer intends to maintain and enhance patient access to health care services in the service area through the recruitment of new physicians and increased coordination with other service area healthcare providers.

5. Anticipated Additions or Reductions of Employees. No significant additions or reductions in the number of clinical employees at the Surgery Center are anticipated now or for the next two years as a result of the Transaction. All current employees at the Surgery Center will be retained for 60 days following the Transaction.

6. Cost-Benefit Analysis. This is an arms length financial transaction between Hyde Park Surgery Center, LLC and Hyde Park Surgical Center, LLC. Under the terms of the Transaction, Hyde Park Surgical Center, LLC will purchase the Hyde Park Surgery Center from Hyde Park Surgery Center, LLC for $1,300,000. The Transaction satisfies the desire of Hyde Park Surgery Center, LLC to sell the Hyde Park Surgery Center; as well as satisfying the desire of Hyde Park Surgical Center, LLC to purchase the Hyde Park Surgery Center.

AGREEMENT FOR PURCHASE OF THE

HYDE PARK SURGERY CENTER

THIS AGREEMENT, made and entered into this 10th day of December, 2014, by and between **Hyde Park Surgery Center, LLC**, an Illinois Limited Liability Company, hereinafter referred to as "Seller," and **Hyde Park Surgical Center, LLC**, hereinafter referred to as "Buyer," and **Dr. Darryl J. Saldanha**, hereinafter referred to as "Guarantor."

WITNESSETH:

WHEREAS, the Seller owns and operates a surgery center, known as the Hyde Park Surgery Center, located at 1644 E. 53rd Street, Suite 108A, Chicago, Illinois. The Seller is desirous of selling certain assets, telephone numbers and entitlements relating to the operation of the surgery center; and

WHEREAS, the Buyer is desirous of purchasing the same upon the terms hereinafter provided.

NOW, THEREFORE, for and in consideration of the mutual covenants, promises, warranties and agreements hereinafter expressed, and other good and valuable consideration, the receipt of which is hereby confessed and acknowledged by all parties,

IT IS HEREBY COVENANTED AND AGREED as follows:

1. **ASSETS TO BE ACQUIRED:** On the closing date (hereinafter defined), Seller shall transfer, assign and convey to Buyer as follows:

   A. All medical fixtures, equipment, chairs, surgical instruments and instruments located at the Surgery Center, as more fully set forth on Exhibit A;

   B. All entitlements granted to the surgery center for operation by the State of Illinois, County of Cook and City of Chicago, to the extent assignable;

C. All of Seller's right, title and interest to and including the business known as Hyde Park Surgery Center, excluding account receivables;

D. All leasehold improvements to the extent owned by the Seller;

E. The Telephone Number 773-752-6340.

IT IS AGREED AND UNDERSTOOD THAT NO REAL ESTATE IS ASSOCIATED WITH THE SALE. SELLER IS A TENANT AND THE LEASE SHALL BE ASSIGNED AS OTHERWISE PROVIDED HEREIN.

2. **THE SELLER SHALL RETAIN IN PARTICULAR THE FOLLOWING ASSETS**:

A. Cash; and

B. Accounts Receivable billed or for work performed to and including the date of closing.

3. **CONSIDERATION TO BE PAID BY BUYER:** The Purchase Price for the said business shall be **One Million Three Hundred Thousand Dollars ($1,300,000.00)** subject to the adjustments and contingencies as contained herein. In reliance upon the conveyances, agreements, representations and warranties of Seller contained herein, and subject to the terms and conditions herein, Buyer has paid to Chicago Title & Trust Company, or other mutually agreed upon facility, as escrow agent, the sum of $25,000.00 as earnest money for the performance of this Agreement. The balance of the Purchase Price plus or minus prorations shall be paid by wire transfer at closing.

4. **ALLOCATION OF PURCHASE PRICE**:

A.	Leasehold Improvements as Existing	$450,000.00
B.	Supplies	$ 5,000.00
C.	Goodwill	$845,000.00

5. **CLOSING DATE**: The closing date shall be March 15, 2015 at the offices of Seller unless otherwise provided by mutual agreement of the parties.

6. **OPERATION OF FACILITY FROM AND AFTER THE CLOSING**:

(a) Charity Care. Consistent with the requirements of the Illinois Health Facilities & Services Review Board ("IHFSRB"), Buyer shall maintain Seller's existing charity care policies and practices for a period of at least twenty-four (24) months following the Closing Date.

(b) Service Commitments. Consistent with the requirements of the IHFSRB, Buyer shall not close or discontinue any operating rooms or substantially reduce any services at the Facility for a period of at least twelve (12) months following the Closing Date. Following the Closing Date, Buyer shall maintain ownership and control of the Facility for a period of at least thirty-six (36) months.

7. **REPRESENTATIONS AND WARRANTIES OF THE SELLER: Licenses, Regulatory Matters and Compliance With Laws.**

(a) Seller has all franchises, permits, licenses and other rights and privileges ("Licenses") necessary to permit it to own its property and to conduct its business as it is presently conducted. Seller's Licenses are not subject to any conditions or requirements that are not generally imposed on the holders thereof, and all the Licenses are valid and in full force and effect; and no proceeding is pending or, to the knowledge of Seller, threatened to revoke, suspend, cancel, terminate or otherwise adversely modify any of the Licenses. Seller is in compliance with the terms of the Licenses, and to the knowledge of Seller, there is no matter which would adversely affect the maintenance of the Licenses.

(b) The Facility is accredited by applicable accrediting agencies as necessary for its operations in the manner presently operated, including but not limited to accreditation by the Joint Commission. The Facility is certified for participation in the Medicare and Medicaid programs and has current and valid supplier contracts with such programs and to Seller's knowledge is in material compliance with the conditions of participation of such programs and has received all approvals or qualifications necessary for reimbursement. The Seller has not received a written notice from any governmental authority which enforces the statutory or regulatory provisions in respect to either the Medicare or Medicaid program of any pending or threatened investigations with respect to the Facility, and to the knowledge of Seller, there is no matter which would materially and adversely affect the maintenance of such program participations or accreditations.

(c) Seller is and since its organization has been in material compliance with all federal, state, local and foreign laws and regulations ("Laws") applicable to Seller, including, but not limited to, the false claims, false representations, anti-kickback and all other provisions of the Medicare/Medicaid fraud and abuse laws and the physician self-referral

provisions of the Stark Law. Seller has timely filed all reports, returns, data and other information required by all governmental authorities which control, directly or indirectly, any of Seller's activities to be filed therewith. No such report or return has been inaccurate, incomplete or misleading in any material respect.

(d) Litigation. There is no order, judgment, or decree, injunction, or legal action, suit, claim, to Seller's knowledge, investigation or legal, administrative, arbitration or other proceeding instituted or, to Seller's knowledge, pending against Seller or its assets, or which may call into question the validity or hinder the enforceability of this Agreement or the transactions contemplated hereby, at law or in equity, or before or by any governmental entity or body. All claims and professional liability incident reports relating to the Facility and required to be submitted to Seller's insurers have been submitted to such insurer(s). Seller has provided or made available to Buyer a complete list of all general liability incidents, incident reports and malpractice claims that have occurred at the Facility in the last seven (7) years. To Seller's knowledge, no governmental entity or body is currently conducting an investigation of Seller and, to Seller's actual knowledge, no such investigation has been threatened.

(e) The premises leased to Seller under that lease attached hereto as Exhibit B constitutes all real property used or occupied by Seller in connection with the operation of the Facility (the "Real Property Lease"). Seller has provided Buyer with a true, complete and accurate copy of the Real Property Lease, including any amendments or addenda thereto. Seller is in material compliance with the terms of its Real Property Lease, to Seller's knowledge, the premises demised under the Real Property Lease is in compliance in all material respects with all applicable zoning requirements, codes, ordinances and other laws, regulations and requirements, and the consummation of the transactions contemplated herein will not result in a violation of any such law or regulation or the termination of any applicable variance from any such law or regulation now existing. No portion of the Facility is subject to any pending or, to Seller's knowledge, threatened condemnation proceeding. Except as provided on the attached lease, there are no leases, subleases, licenses, concessions or other agreements, written or oral, by and between Seller and any other party, granting to any such party or parties the right of use or occupancy of any portion of the Facility. The Facility is supplied with utilities and other services necessary for the intended operation of the Facility.

(f) **Government Imposed Compliance Obligations, Etc.** Seller (a) is not a party to a Corporate Integrity Agreement with the Office of Inspector General of the Department of Health and Human Services; (b) does not have any reporting obligations pursuant to any settlement agreement entered into with any governmental authority; (c) to Seller's knowledge, has not been the subject of any government payor program investigation conducted by any federal or state enforcement agency; (d) has not been a defendant in any qui tam/False Claims Act or similar litigation; and (e) has not been served with or received any search warrant, subpoena, civil investigative demand, contact letter, or telephone or personal contact by or from any federal or state enforcement agency (except in connection with medical services provided to third parties who may be defendants or the subject of investigation into conduct unrelated to the operation of the Facility).

8. **COLLECTION OF SELLER'S RECEIVABLES**: To the extent Seller's receivables and accounts for work performed by Seller prior to the date of closing are remitted to Buyer after closing, they shall be paid to Seller within ten (10) business days after receipt.

9. **DOCUMENTS TO BE DELIVERED ON CLOSING DATE:** At the closing, Seller shall deliver to Buyer:

A. A Bill of Sale covering the purchased assets warranting Seller to be the owner of all such assets and containing Seller's representation and warranty that Seller has title to such assets and the right to sell the same free and clear of any and all liens and encumbrances of whatever kind;

B. Physical possession of the purchased assets;

C. A Certificate of Good Standing from the Illinois Secretary of State;

D. Compliance by Seller with the Illinois statutes pertaining to the Bulk Sale of Assets with notifications to the Illinois Department of Revenue and the Illinois Department of Employment Security;

E. Commercial lien searches from the Cook County Recorder of Deeds and the Illinois Secretary of State showing no liens recorded under the Illinois Uniform Commercial Code together with Seller's representation that no amounts are due and owing to any third party in connection with Seller's medical practice or the current lease. All utility expenses, including phone and internet, shall be paid and/or prorated by/to the date of closing;

F. All copies of all pertinent records and lists;

G. An assignment of the Seller's lease with full indemnification by Buyer, a copy of which is attached hereto as Exhibit B; and

H. All other customary documents required to permit the Buyer to apply for and receive an approval letter from IHFSRB issued by the Illinois Department of Public Health, pertaining to the surgery center.

10. **INDEMNIFICATION BY SELLER**: It is not intended that Buyer assume or will assume any of the liabilities or obligations of Seller. Seller agrees to and does hereby indemnify Buyer and hold Buyer free and harmless from and against any and all liabilities, indebtedness and obligations of Seller of any kind or nature, fixed or contingent with respect to the purchase of assets purchased hereunder, and against any loss, cost, damage or expense arising from the assertion of any such claim against Buyer and against any suits, actions, proceedings, reasonable attorneys' fees, court costs, judgments and decrees with respect to such claim.

11. **INDEMIFICATION BY BUYER:** It is not intended that Seller assume or will assume any of the liabilities or obligations of Buyer. Buyer agrees to and does hereby indemnify Seller and hold Seller free and harmless from and against any and all liabilities, indebtedness and obligations of Buyer of any kind or nature, fixed or contingent with respect to the purchase of assets purchased hereunder, and against any loss, cost, damage or expense arising from the from the assertion of any such claim against Seller and against any suits, actions, proceedings, reasonable attorneys' fees, court costs, judgments and decrees with respect to such claim.

12. **EXCLUDED LIABILITIES**. Buyer shall not assume and under no circumstances shall Buyer be obligated to pay or assume, and none of the assets of Buyer shall be or become liable for or subject to any liability, indebtedness, commitment, or obligation of Seller, whether known or unknown, fixed or contingent, recorded or unrecorded, currently existing or hereafter arising or otherwise (collectively, the "Excluded Liabilities"), including, without limitation, the following Excluded Liabilities:

(i) any debt, obligation, expense or liability of Seller that is not an Assumed Liability;

(ii) claims or potential claims for medical malpractice or general liability arising from events that occurred prior to the Closing;

(iii) those claims and obligations (if any) specified in Schedule 1.4 hereto;

(iv) any liabilities associated with or arising out of any of the Excluded Assets;

(v) federal, state or local tax liabilities or obligations of Seller in respect of periods prior to the Closing including, without limitation, any income tax, any franchise tax, any tax recapture, any sales and/or use tax, and any FICA, FUTA, workers' compensation, and any and all other taxes or amounts due and payable as a result of the exercise by the employees at the Facility of such employee's right to vacation, sick leave, and holiday benefits accrued while in the employ of Seller (provided, however, that this clause (e) shall not apply to any and all taxes payable with respect to any employee benefits, including PTO Liability, constituting Assumed Liabilities);

(vi) liability for any and all claims by or on behalf of Seller's employees relating to periods prior to the Closing including, without limitation, liability for any Benefit Plan, liability for any EEOC claim, ADA claim, FMLA claim, wage and hour claim, unemployment compensation claim, or workers' compensation claim (provided, however, that this clause (f) shall not apply to any employee benefits, including the PTO Liability, constituting Assumed Liabilities);

(vii) any obligation or liability accruing, arising out of, or relating to any federal, state or local investigations of, or claims or actions against, Seller

or any of its affiliates or any of their employees, medical staff, agents, vendors or representatives with respect to acts or omissions prior to the Closing;

(viii) any civil or criminal obligation or liability accruing, arising out of, or relating to any acts or omissions of Seller, its affiliates or their directors, officers, employees and agents claimed to violate any constitutional provision, statute, ordinance or other law, rule, regulation, interpretation or order of any governmental entity;

(ix) liability for any amount (including, if applicable, any penalty or interest) due or that may become due to Medicare or Medicaid or any other health care reimbursement or payment intermediary or other person or entity on account of any overpayment or duplicate payment or otherwise attributable to any period prior to the Closing; liabilities or obligations arising as a result of any breach by Seller at any time of any contract or commitment that is not assumed by Buyer;

(x) liabilities or obligations arising out of any breach by Seller prior to the Closing of any Contract (as hereinafter defined in Section 2.8); and

(xi) any debt, obligation, expense, or liability of Seller arising out of or incurred as a result of any transaction of Seller occurring after the Closing or for any violation by Seller of any law, regulation, or ordinance at any time.

Buyer will promptly notify Seller of any claim so asserted against them. Seller shall keep Buyer informed as to the progress of any negotiations or litigation which may result from such claims. Seller may settle any such claim or suit at his own cost or expense.

13. **CONTINGENCY OF SALE**: This agreement and all of the obligations of the parties hereto is specifically contingent up and subject to the condition that the Seller shall have obtained the approval and consent of this Agreement, the consummation of the transactions contemplated by this Agreement, and the performance of the obligations of the Seller hereunder by all required parties, including its Board of Managers, all governmental entities, regulatory agencies, accreditation organizations, utility providers, material vendors, lenders, and other parties which are necessary or appropriate to the consummation of the transactions contemplated by this Agreement, and the performance of the obligations of Seller hereunder. The Buyer shall have obtained the approval and consent of this Agreement by all required third parties, including all governmental entities, regulatory agencies, accreditation organizations, utility providers, material vendors, lenders, and other parties which are necessary or appropriate to the consummation of the transactions contemplated by this Agreement, and the performance of the obligations of Buyer hereunder. Buyer and Seller acknowledge and agree that the transactions set forth in this Agreement shall be subject to approval by the IHFSRB.

14. **SELLER'S CONDUCT OF BUSINESS PENDING CLOSING**: During the period from the date of this Agreement to the closing date, Seller shall:

A. Take no action which would interfere with her ability to perform or would prevent the performance of this Agreement; and

B. Mortgage, pledge, hypothecate or subject to lien or other encumbrances any of the purchased assets.

15. **SALE OF TRADE NAME:** Seller shall transfer its right and interest in the trade name "Hyde Park Surgery Center" at closing.

16. **CUSTODIAN AGREEMENT FOR PATIENT LISTS AND RECORDS**: At closing, Seller shall give to Buyer all patient lists, telephone directories, mailing lists and only those patient charts for patients of the surgery center who have expressly provided authorization in writing to transfer records to Buyer. Buyer agrees as follows:

A. To maintain in a confidential manner, store and safeguard all Seller's records of patients who have not supplied authorization to transfer such records to Buyer. However, Seller shall have access to such records as necessary to comply with its continuing obligations under the law;

B. To transfer copies of records to other medical providers if notified by any patient of such election;

C. To safeguard and assimilate records of patients who have supplied written authorization to transfer such records to the Buyer, into the Buyer's record system;

D. To maintain or store all records as provided herein, either as transferee or custodian until permitted by law to destroy such records, but not less than eight (8) years;

E. To provide access to Seller or Dr. Fortunee Massuda to review and copy such records as required for tax, professional or other purposes permitted by law; and

F. To be custodian of all of Seller's records, including the transfer of copies of the records to other designees.

NO RECORDS OF THE ADJOINING MEDICAL PRACTICE OPERATED BY FOOT AND ANKLE CLINICS OF AMERICA, LLC OR DR. FORTUNEE MASSUDA SHALL BE TRANSFERRED TO OR CONSIDERED TO BE PURCHASED ASSETS OF THE BUYER.

17. **COVENANTS REGARDING COMPETION:**

A. Seller and Dr. Fortunee Massuda agree and covenant that neither any corporation of which they are an officer, member, director or stockholder, nor themselves individually, will, for a period of two (2) years from the date of Closing, within a five (5) mile radius of each other's practice(s), directly or indirectly, engage in the operation of a surgery center.

B. All employees of the surgery center shall be deemed terminated by the Seller at closing. Seller shall pay terminated employees all accrued vacation pay and any other accrued benefits due such employees prior to or at closing. Buyer shall be free to re-employ any employees of the surgery center.

18. **CONTINUATION AND SURVIVAL OF REPRESENTATIONS AND WARRANTIES**: All representations and warranties made in this Agreement shall continue to be true and correct at and after the closing date (except to the extent that such representations and warranties shall be satisfied as of the closing date because of events or changes occurring after the date hereof, either in the ordinary course of business or as contemplated and provided for in this Agreement), and shall survive the consummation of the transaction provided for in this Agreement for one (1) year.

19. **DEFAULT**: In the event that the Buyer fails to perform its covenants and payments under this Agreement, then all earnest money previously paid shall, at the election of Seller, be forfeited to Seller as liquidated damages, in which case the parties shall be discharged from further liability to one another. If, however, the Seller fails to perform its obligations under this Agreement, Buyer shall be entitled to the full return of the earnest money.

20. **TERMINATION**: The Buyer shall have the right to terminate this Agreement if, during the period from the date hereof to the closing date, Seller shall suffer from loss by fire, explosion or other casualty which affects the conduct of Seller's business, or, irrespective of insurance, the value of the purchased assets.

21. **NOTICES**: Any notice or communication to any party pursuant hereto shall be deemed to have been given or delivered when deposited in the United States mail, registered or certified mail, and with proper postage, registration or certification fees prepaid, addressed to the party for whom intended, as follows:

FOR SELLER: Hyde Park Surgery Center, LLC
Dr. Fortunee F. Massuda
1644 E. 53rd Street
Chicago, IL 60615

With A Copy to:	David B. Sosin Sosin & Arnold, Ltd. 9501 W. 144th Place, Suite 205 Orland Park, IL 60462
FOR BUYER:	Hyde Park Surgical Center, LLC Dr. Darrel J. Saldanha 9680 Golf Road Des Plaines, IL 60016
With A Copy To:	Edward J. Green Foley & Lardner 321 N. Clark Street Chicago, IL 60654-5313

or to such other address as the party to be given such notice may designate by written notice to the other party in the manner hereinbefore provided.

22. **PRIOR UNDERSTANDING SUPERSEDED**: This Agreement represents the entire understanding of the parties and supersedes all prior agreements and understandings, none of which shall be used or referred to in interpreting this Agreement.

23. **COVENANTS OF THE SELLER AND BUYER:**

A. **Joint Communication: Required Disclosures**. The Parties shall jointly develop and implement a communication plan and process for purposes of publicly announcing this transaction. If either party determines that it is required by law to make any disclosure concerning this transaction, it shall notify the other party and parties shall cooperatively prepare the proposed disclosure, and the means of disclosure.

B. **Expenses of Transaction.** Each party shall be responsible for paying its own expenses relating to this transaction, including all legal, accounting, banking charges and consultant expenses.

C. **Equitable Remedies.** In the event of breach or threatened breach of the terms and conditions of this agreement, the aggrieved party may pursue all available remedies at law or in equity.

D. **Assignment.** The right and obligations of the parties to this agreement shall not be assignable, in whole or part, without the prior written consent of the other party. Provided, however, Buyer may assign his rights and obligation hereunder to a single purpose acquisition corporation or limited liability company, owned by Buyer and only by Buyer. Such assignment shall not relieve the Buyer from any liability created hereunder.

E. **Employees**. Buyer covenants and agrees to retain all employees for 60 days following closing. Thereafter, Buyer shall have the sole discretion to offer employment to

each of Seller's employees on an at-will basis in accordance with the customary employment practices, policies and procedures of Buyer.

F. **Governmental Approvals**. Seller and Buyer shall use commercially reasonable efforts to (i) obtain all governmental approvals (or exemptions therefrom) necessary or required to allow it to perform its obligations under this Agreement; and (ii) assist and cooperate with each other and their respective representatives and counsel in obtaining all governmental consents, approvals, and licenses which a party deems necessary or appropriate and in the preparation of any document or other material which may be required by any governmental agency as a predicate to or as a result of the transactions contemplated herein. Buyer and Seller acknowledge and agree that the transactions set forth in this Agreement shall be subject to approval by the IHFSRB.

G. **Access to Records**. After the Closing Date, Buyer shall provide Seller with reasonable access to the records in Buyer's possession that were transferred to Buyer by Seller, during normal business hours and on reasonable notice, to enable Seller to collect accounts receivables, to prepare financial statements or tax returns or deal with audits, or for the purpose of defending against or testifying in any litigation concerning liability asserted against Seller. After the Closing Date, Seller shall provide Buyer with reasonable access to the records relating to the Excluded Assets and the Excluded Liabilities, and to records which by law Seller is required to maintain in its possession, during normal business hours and on reasonable notice, as reasonably requested in connection with Buyer's operation of the Purchased Assets.

H. **Brokers**. The parties warrant to one another that the consummation of this transaction shall not require the payment of any finders fee or brokerage fee to any third party.

I. **Entire Agreement.** This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements, understandings, letter of intent, or understandings, written or oral, between the parties with respects to the subject matters of this agreement.

J. **Governing Law.** This Agreement shall be governed by and construed under the laws of the State of Illinois in all respects.

THIS AGREEMENT is hereby entered into the day and year first above written.

BUYER:

Hyde Park Surgical Center, LLC
an Illinois limited liability company:

By: _____
Darrel J. Saldanha, Manager
12/11/2014

SELLER:

Hyde Park Surgery Center, LLC
an Illinois limited liability company:

By: _____
Fortunee F. Massuda, Manager
12/11/2014

11

PERSONAL GUARANTEE

FOR VALUE RECEIVED, the undersigned, **Darryl J. Saldanha,** Guarantor, hereby guarantees the performance of all covenants and the payment of all sums due the Seller by the Buyer.

GUARANTOR:

Darryl J. Saldanha

12/11/2014

ATTACHMENT
19

EXHIBIT A

EQUIPMENT AND FIXED ASSETS

HYDE PARK SURGERY CENTER

Surgery center equipment

Champion manufacturing Ile (Chair 1) SN 44981 (Chair 2) SN 44982

1. Stryker bed Stretcher(1) SN 0406059001 Bed (2) SN 0909035202
2. Phillips (mp20 Junior) monitor wall SN De50403624
3. Phillips (mp20 Junior) monitor wall SN DE62218424
4. Built ice maker SN BR82132048F50099
5. Life Pack12 monitor SN 049992
6. Vacuum Regular SN MO2689
7. Zeiss Microscope SN 6633122075 & foot paddle SN 102871
8. Infiniti machine SN 0903299701X
9. Hydrim C51W instrument washer SN hmOldd003 Model C51wmol
10. Sterilizer portable steam generator Model rh20 SN 040461059
11. 3M Attest 290 Auto Reader Model ote4812-A3 SN 3c9298858
12. Printer (Desktop) HP Laser jet 1536dnf mfp SN cng8fdbcbl
13. Xiscan small c-ann SN agw14035 model wvbm1410
14. video SN con020213001 Model office4
15. C-arm mini CR0202213001
16. Printer video copier model p91w
17. Sony HR Trinitron Monitor 2003858 Model pum1353md
18. Camera Stryker endoscopy SN 00d005394 model 888
19. Stryker lamp SN 94031474q4 model 220170000
20. Stryker pump 038534
21. Color video printer model up2300 SN 12683
22. Stryker foot pedal SN 98050803
23. Stryker interventional spine (radio frequency machine) SN LES6072
24. Aspen MF180B (Bovie Machine) BD118903 Model 605110001
25. Phillips 24/26 monitor SN 4308A17537 Model M1204R
26. OEC 9900 Elite monitor ES 1175
27. OEC 9900 Elite C-arm SN 91208987
28. Stryker (eye bed) SN 0903031261
29. Model Basicia Morgan Medesign SN 29h02 (pain bed)
30. Stryker eye Stool (1) SN 1002030565 (2) SN 1006030928
31. Data Scope Spectrum monitor SN mm01457E3
32. Narkomed GS model 15866 (anesthesia machine)
33. Bair Hugger Model 505 SN 61303
34. Precision medical vacuum (Portable Vacuum Suction) Model pm3100 SN 063632
35. ATS Tourniquet System SN An018510 Model ATS1000
36. B Braun Melsungen AG (IV Pump) NR95490 TYP 8713130
37. Skytron Elite 6001 (Podiatry bed) SN 510049

Small eye tray consists of

Lens inserter Speculum
S Shape I/A hand piece
Needle Holder Stitch Scissors Tissue forceps
Tying forceps straight curved
Corneal forceps Suturing forceps Loading forceps Nucleus Chopper
Iris hook
Hydrodissection Cannula
Drape scissors

3 Full Eye Trays Consist of

1 Wire Speculums
1 Aspirating Speculums
1 iris retractors collar button straight and angle
1 Calipers
1 Iris Spatulas
1 Cyclodialysis spatulas
I Iris hooks (Kuglen)
1 Fixation rings
1 manipulating hooks
1 lens hooks
1 optic markers
1 phaco choppers
1 loading forceps
1 implantation forceps
1 Carones dispensers
1 Kalman Forceps
1 Fixation Forceps
1 tissue Forceps
1 dressing forceps
1 Tying Forceps
1 Suturing forceps
1 cartridge loading forceps
1 lens removal forceps
2 blade handles
1 Stitch Scissors
1 Needle Holders
1 Vannas scissors
1 Lens loops
1 Lens manipulators
1 nucleus rotators
3 hydrodisection cannulas
1 tooth forceps
1 S Shape I/A hand piece
1 90 degree I/A hand piece
1 45 degree 1/A hand piece
1 corneal forceps curved & straight
1 Capsulon-hexis forceps

Extra Eye Instruments

3 Spatulas
3 straight tips for I/A
Capsulorrhexis forceps
51 tip I/A hand pieces
2 Eye Prism
4 utradas
corneal section scissors
Direct Action folding forceps Colibri forceps
4 Phaco Hand pieces
14 Lights handles
Torec set
Diamond Knife
Kelman tying forceps
Kraft nucleus Splitter
Nucleus Cracker
3 lens inserters
3 kelman forceps
reverse cannula sand blasting
4 sinskey hooks
unihand spring injector
3 Micro fingers left handed
3 Chalazion clamps
3 Jewelers forceps with eraser tip
3 nucleus fragment forceps
3 curetts

Sterile podiatry Trays

1Small fragment Set
1 Mini Fragment Set
(2) Vilex Screw Sets Consist of Screw Driver & and Screws
1 Multi Pack Blue Riley Scope Set
(3) Power Tray Set Consist of 1 Sagittal saw, 1 Reciprocating saw, 1 Oscallating saw, 1 micro drill, 1 Power Cord, 1 Wire Driver, and 1 Screw Driver

5 Instrument Trays Consist of The Following:

1 Small Towel Clamp
2 Large Towel Clamp
1 Beaver Handle
2 Blade Handles
1 Alice
2 Curved Hemostats
2 Straight Hemostats
1 Small Rasp
1 Big Rasp
1 Rounger
2 Scissors- Large and Small
2 Retractors- Small (blunt) Large (Sharp)
2 Mandolars Retracts
1 Freer or Elevator I pick up
1 Adson-Brown
2 pick- Ups w/Teeth
2 Skin Hooks
2 Needle Holders
2 Needle Holders w/ Scissors
1 Curved Mayo Scissors
1 Witlander Retractor
1 Scissors Long & Curved

Sterilized Extra Instruments

5 Large Bowls
10 Small Bowls
1 Basin
9 Light Handles
5 thimble Cups
7 Mallets
19 Allis clamps
5 Knockers
7 Babcock's
22 Multiple Retractors
9 Tissue Nail Clippers
36 Miscellaneous old instruments
23 Blade handles
44 Scissors
75 Straight & Curved Long Hemostats
32 Tissue forceps with teeth
1 Double Headed Rasp
26 Rasps
11 Chisels
11 curettes
7 Screw drivers
11 Needle Holders
22 Towel Clamps

EXHIBIT B
Real Property Lease & Assignment

Criterion 1110.240(c), Access

1. Current Admissions Policy. A copy of the current admissions policy for the Hyde Park Surgery Center is attached at ATTACHMENT 19.

2. Proposed Admissions Policy. Hyde Park Surgical Center, LLC intends to maintain the current admissions policy for the Hyde Park Surgery Center following the Transaction.

3. Admissions Policy Certification. Affidavits from Hyde Park Surgical Center, LLC, and Darrel Saldanha, the manager and member of Hyde Park Surgical Center, LLC, certifying that the admission policies at the Hyde Park Surgery Center will not become more restrictive following the Transaction are attached at ATTACHMENT 19.

HP
Surgery Center

Clinical Policies and Procedures Manual

TITLE: **PATIENT PREOPERATIVE ASSESSMENT/ADMISSION**

REVISION DATE: 04/2013

I POLICY

All patients schedule for a surgical/invasive procedure will have a preoperative assessment completed prior to the patient's arrival in the OR suite. This pre-operative assessment includes a comprehensive health history, Psychiatric conditions, allergies, current medications, etc.

II. PURPOSE

To provide consistent guidelines for individuals involved in preparing for surgical procedures.

II. PROCEDURE

A. The patient's preoperative assessment form is completed by nursing personnel preferably one week to two days prior to the scheduled procedure. The preoperative assessment may be done by telephone or by personal interview.

B. The preoperative assessment form is reviewed by the anesthetist/ anesthesiologist for determination of preoperative orders, anesthesia plan of care, postoperative orders, and any diagnostic tests to be performed prior to surgery, and where these tests can be performed.

C. During the preoperative assessment the day and time of surgery are confirmed and the patient is instructed on arrival time at the Surgery Center. The type of surgery and site is confirmed

D. Patients are instructed to:

1. Remain NPO.
    a. Do not eat or drink anything 7 hours before surgery.
2. Take specified medications (insulin, BP, seizure, or Cardiac as directed by the surgeon, with sip of water the morning of surgery).
3. Wear comfortable clothing.
4. Remove jewelry.
5. Wear no make-up or nail polish.
6. Bring equipment –such as crutches- with them the day of surgery.
7. Have a responsible adult to drive them home after surgery.
8. No contacts or hearing aids.
9. Patients will be given a brief explanation of the procedure to be preformed and what to expect preoperatively, (IV, surgical attire, etc.) intra operatively, and post operatively (dressing availability of pain medications, availability of food or drink.)

F. Patient are encouraged to ask questions about their surgical procedure. They are instructed to call the Surgery Center with any questions or problems prior to their schedule operative procedure. After their questions are answered, the Operative Permit is read and signed.

*Assuming the absence of known aspiration risk factors i.e. pregnancy, trauma, narcotic, mechanical or functional obstruction to digestion, gastroesophageal junction dysfunction, obesity, and incoordination of swallowing and respiration.

Hyde Park Surgical Center, LLC

February 9, 2015

Ms. Courtney R. Avery
Administrator
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761-0001

Mr. Michael Constantino
Supervisor, Project Review Section
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761-0001

Re: Criterion 1110.240(c), Admission Policy & Access to Care Certification

Dear Ms. Avery and Mr. Constantino:

I hereby certify, under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109, and pursuant to 77 Ill. Admin. Code § 1110.240(c), that Hyde Park Surgical Center, LLC (the "Purchaser") shall not cause Hyde Park Surgery Center, LLC (the "Surgery Center") to adopt more restrictive admission policies or take measures to reduce access to care at the Surgery Center following the proposed transaction between the Purchaser and the Surgery Center.

Sincerely,

Darrel J. Saldanha, M.D.
Member and Manager
Hyde Park Surgical Center, LLC

SUBSCRIBED AND SWORN
to before me this 17 day
of February, 2015.

OFFICIAL SEAL
SHARON A. CARRARA
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES: 07-06-2017

Notary Public

February 9, 2015

Ms. Courtney R. Avery
Administrator
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761-0001

Mr. Michael Constantino
Supervisor, Project Review Section
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761-0001

Re: Criterion 1110.240(c), Admission Policy & Access to Care Certification

Dear Ms. Avery and Mr. Constantino:

I hereby certify, under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109, and pursuant to 77 Ill. Admin. Code § 1110.240(c), that I shall not cause Hyde Park Surgery Center, LLC (the "Surgery Center") to adopt more restrictive admission policies or take measures to reduce access to care at the Surgery Center following the proposed transaction between Hyde Park Surgical Center, LLC and Hyde Park Surgery Center, LLC.

Sincerely,

Darrel J. Saldanha, M.D.

SUBSCRIBED AND SWORN
to before me this 17 day
of February, 2015.

OFFICIAL SEAL
SHARON A. CARRARA
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES: 07-06-2017

Notary Public

Criterion 1110.240(d), Health Care System

This criterion is not applicable to the Transaction because Hyde Park Surgical Center, LLC is not part of a health care system.

Section VIII
Attachment 36
Criterion 1120.120, Availability of Funds

The Applicants will fund the Transaction with $325,000 in cash from Darrel Saldanha and David Saldanha and an acquisition loan in the amount of $975,000 from Evergreen Bank Group.

The Applicants escrowed $25,000 in cash with Chicago Title & Trust Company (Escrow Trust Number F3-201452690) on December 11, 2014, as an earnest money deposit for the Transaction. The Applicants will also establish a $150,000 working capital line of credit to support the Surgery Center's ongoing working capital needs following the Transaction.

An affidavit from Darrel Saldanha attesting to these statements is attached at ATTACHMENT 36. A commitment letter from Evergreen Bank Group is attached at ATTACHMENT 36.

Hyde Park Surgical Center, LLC

February 9, 2015

Ms. Courtney R. Avery
Administrator
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761-0001

Mr. Michael Constantino
Supervisor, Project Review Section
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761-0001

Re: Criterion 1120.120, Availability of Cash Certification

Dear Ms. Avery and Mr. Constantino:

I hereby certify, under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109, and pursuant to 77 Ill. Admin. Code § 1120.120, to the following:

1. Hyde Park Surgical Center, LLC (the "Purchaser") will fund the Transaction set forth in that certain Asset Purchase Agreement between the Purchaser and Hyde Park Surgery Center, LLC (the Seller") with $325,000 in cash and an acquisition loan in the amount of $975,000 from Evergreen Bank Group. The Purchaser will also establish a $150,000 working capital line of credit to support the ongoing working capital needs of the Hyde Park Surgery Center, LLC following the Transaction.

2. The members of the Purchaser (the "Members") will personally fund the $325,000 in cash from their own funds, which are readily available.

3. The Members have already escrowed $25,000 in cash with Chicago Title & Trust Company (Escrow Trust Number 201452690) as an earnest money deposit for the Transaction.

Sincerely,

Darrel J. Saldanha, M.D.
Member and Manager
Hyde Park Surgical Center, LLC

SUBSCRIBED AND SWORN
to before me this 17 day
of February, 2015.

Notary Public

OFFICIAL SEAL
SHARON A. CARRARA
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES: 07-06-2017

EVERGREEN BANK
GROUP

February 5, 2015

Darrel J. Saldanha, M.D.

RE: Commitment to Lend

Darrel J. Saldanha, M.D.:

Evergreen Bank Group (hereinafter "Lender") is pleased to commit to the following financing facility (hereinafter referred to "Loan") pursuant to the terms and conditions set forth herein, and the execution and delivery of the appropriate Loan Documents as required at the Lender's sole discretion.

BORROWERS:	Hyde Park Surgical Center, LLC
LOAN FACILITIES:	I. $ 150,000 Working Capital Line of credit.
	II. $ 975,000 Term loan to finance purchase of Hyde Park Surgical Center, LLC
LOAN PURPOSE:	Above listed loan facilities are to provide for the acquisition of the Hyde Park Surgery Center, LLC and to provide a working capital loan facility.
INTEREST RATE:	I. Prime Floating, with a Floor of 4.25% fixed for one year. II. 5.25% fixed for 5 years.
LOAN FEE:	I. $ 750.00- ½% loan fee and any third party costs (UCC Filing fees).
REPAYMENT:	II. $4,875.00 – ½% loan fee and any third party costs (UCC Filing fees).
	I. Interest payments due on a monthly basis.
	II. Monthly interest payments for the first 12 months and then monthly principal and interest payments based on a 4 year fully amortizing facility.
MATURITY:	I. Loan shall mature 1 year from date of funding.
	II. Loan shall mature 5 years from date of funding.
PREPAYMENT PENALTY:	I. None II. 5/4/3/2/1 and only applies if refinanced by a non-Evergreen Bank Group lender.
COLLATERAL:	I., & II. Facility will be secured by a first lien UCC Filing on all business assets of the Hyde Park Surgical Center, LLC including accounts receivable and a specific filing on individual pieces of equipment and other real estate.

EVERGREEN BANK
GROUP

CONDITIONS OF LOAN DISBURSEMENT

Conditions:
The Lender shall not be obligated to make the disbursement for the loan proceeds until the following conditions at minimum have been performed to the Lender's satisfaction:

1. The Notes, Mortgage, Assignments, and Loan Agreements and all of the instruments by which Notes are secured have been approved by Lender, duly executed by the borrower and delivered.

2. Evidence of title insurance, from a Lender approved title insurance company to issue a loan policy in the total amount of the loan commitment in an ALTA title insurance format, showing fee simple title to the property in the name of the Borrower. The title commitment shall show the Lender in first, prior and paramount lien position, and shall show no exceptions other than those approved by the Lender. The title commitment shall contain a zoning endorsement and such other endorsements as reasonably required by Lender.

3. Current ALTA plat of survey of the properties acceptable to Bank and Title Company.

4. Lender is to be furnished with hazard insurance coverage in an amount equal to the full insurable value of the subject property with a company acceptable to Lender and with the mortgagee's clause as follows:

   Evergreen Bank Group Its Successors and or Assigns
   1515 West 22nd Street, Suite 100W
   Oak Brook, IL 60523

5. Prior to closing, the Lender shall order a flood zone determination on the real estate (if applicable). In the event that all or part of the real estate is located in a Flood Hazard Zone in which flood insurance has been made available under the National Flood Insurance Act, Lender will be provided a policy of flood insurance in an amount of at least equal to the lesser of (1) the principal amount of the loan or (2) the maximum limit of coverage available under the National Flood Insurance Act, as amended

6. Lender reserves the right to terminate this commitment at any time prior to loan disbursement in the event of our receipt of any adverse credit information, or change in the personal or financial status of the Borrower, or if the premises are damaged or destroyed by fire or other casualty.

7. Documentation to be attorney prepared at Borrower's expense.

8. Receipt and satisfactory review of an updated personal financial statement completed on the Evergreen Bank Group form from all personal guarantors.

FINANCIAL MONITORING REQUIREMENTS:

1. Annual corporate tax return for borrower.
2. Annual personal financial statements for guarantors.
3. Annual personal tax return for guarantors.
4. Quarterly corporate financial statements for Hyde Park Surgical Center, LLC
5. Quarterly accounts receivable aging for Hyde Park Surgical Center, LLC

CANCELLATION

Lender reserves the right within reason to cancel this Commitment and to terminate its obligation hereunder by written notice to the Borrower at any time prior to the expiration date hereof without any liability or obligation to the Borrower, if any of the following events shall occur:

1. The failure of the Borrower to comply within the time specified with any of the provisions and conditions applicable to this Commitment.

2. The non-payment within prescribed time of any fees and expenses provided for this Commitment.

3. The disapproval of title to the project by the Lender or the disapproval by the Lender of any of the documentation delivered or executed hereunder.

4. The filing by or against the Borrower of any petition (1) of bankruptcy or insolvency, (2) for reorganization, or (3) for the appointment of a receiver or trustee or the making of an assignment for the benefit of the Borrower's creditors.

5. The occurrence of any material change following the date of this Commitment in the assets, net worth or credit standing of the Borrower. The entry of any judgment against the Borrower which could materially and adversely affect their credit standing or their ability to perform under the Commitment.

6. Failure by the Borrower to provide additional information or execute other documentation that the Lender may reasonably request.

MISCELLANEOUS

1. All reasonable costs, expenses, and charges incurred in the making and disbursement of the Loan shall be charged and borne by the Borrower. Such charges shall include but are not limited to appraisal fees, title insurance fees, and for any service rendered the Lender contemplated herein including attorney fees for the Lender.

2. Along with the fact that the laws of the State of Illinois as applicable shall govern the creation, validity, and enforcement of liens upon properties located therein, the Loan shall be considered an Illinois loan and all rights, duties, and obligations under the Note and other instruments provided herein, including legality of the rate of interest borne by the Note, shall be determined in accordance with the laws of the State of Illinois.

3. The Lender shall not by under any obligation to fund the Loan should there be any material adverse change in the Borrower's financial position from that reflected in the financial information and other date previously submitted to the Lender, or if any information previously submitted to the Lender proves to be false, and no liability shall be attached to the Lender by reason thereof. If during the term of this Commitment, the Borrower files or has filed against it a petition for the appointment of a receiver of all or any party of the subject project, or an assignment for the benefit of creditors, or for bankruptcy or insolvency, or for liquidation under the proceedings of any federal or state insolvency law, the Lender may at its option, terminate this commitment by written notice thereof delivered to the Borrower.

4. The terms and conditions set out in the Commitment Letter shall be construed where possible to apply to the continuing relationship of the Lender and the Borrower and to supplement the various documents to be executed at closing, and to that extend the terms and conditions of this Commitment Letter shall survive the closing.

5. In the event the Lender is named in any legal action brought against the Borrower and/or the Lender for actions occurring during or after the period of the Loan (other than due to direct acts of the Lender), the Borrower shall indemnify and hold the Lender fully harmless for any and all claims arising out of or resulting from any such claim, and all expenses of the Lender which shall include but not be limited to reasonable attorney's fees. This section shall apply to any and all environmental cause of action that may be brought. This indemnity shall extend to all successor and assigns of the Lender.

6. This Commitment is subject to full compliance with all applicable state and federal laws and regulations, which may govern the Lender and other institutions of like type and to comply with all formal directives of state regulations and rules. In the event that this Commitment must be cancelled due to the action of a government agency the Commitment fee due the Lender, if any, shall be refunded less any reasonable expense incurred by the Lender.

BORROWER COVENANTS

The Borrower, in addition to the covenants contained in the Loan Documents, covenants to the Lender are as follows:

Negative Covenants:

1. There will be no material change in ownership or management by the Borrower without the prior written approval of the Lender. Material change is defined as 25% or greater. Change in ownership may be allowed if such transfer conveyance or assignment is to a family member or to a trust controlled by the member of the Borrower for estate planning purposes. The Lender will require notice of any change in ownership.

2. The Borrower will not change the location of its principal office unless it gives not less than ten (10) days prior written notice of such change to the Lender.

Affirmative Covenants:

3. The Borrower will promptly notify the Lender of any orders in any material proceedings to which the Borrower is a party, issued by any court or regulatory agency, federal or state, and if the Lender should so request, a copy of any such order.

4. Immediately upon learning of the occurrence of an Event of default (as defined in the Loan Documents), or the institution of or any adverse determination in any litigation, arbitration proceeding or governmental proceeding which is material to the Borrower, or the occurrence of any event which could have a material adverse effect upon the Borrower, the Borrower will provide the Lender with written notice thereof describing the same and the steps being taken with respect thereto.

5. The Borrower and Guarantor will provide the Lender from time to time such other information concerning the Borrower and Guarantor as the Lender may reasonably request.

6. The Borrower will pay when due all taxes, license fees, assessments and other liabilities except, such as are being contested in good faith and by appropriate proceedings and for which appropriate reserves have been established.

7. The Borrower will maintain compliance with the applicable provisions of all federal, state and local statutes, ordinances and regulations, and any court order, or orders of regulatory authorities issued thereunder.

8. The Borrower will be prohibited from incurring additional indebtedness without the Lender's prior approval.

THE BORROWER'S REPRESENTATION

The Borrower warrants and represents that all representations, statements, matters, documents, information and instruments furnished or made by or on behalf of the Borrower to the Lender and upon which the issuance of this Commitment is based are complete and accurate, that there are not adverse changes in such representations, statements, matters, documents, instruments and information since the date said terms were furnished to the Lender. It is expressly agreed that any breach of the foregoing representations by the Borrower shall constitute grounds for the termination of this Commitment by the Lender at the Lender's option.

EVERGREEN BANK
GROUP

AGREEMENT

This Commitment contains the complete agreement between the Lender and the Borrower concerning the conditions of the Lender's agreement to extend the Loan and the terms of the Loan. This Commitment supersedes all other negotiations, understandings or representations made by and between the parties hereto. This Commitment may not be modified except by a writing executed by the Lender and the Borrower.

If the terms and conditions are agreeable, Lender asks that a copy of this Letter be remitted to the Bank signed by authorized representatives of the Borrower along with a check to Lender for the Loan Fee of $6,000.00, representing loan documentation costs, on or before the tenth (10) days from the issue date of this letter. The time for acceptance of this Commitment expires on the close of business of the Lender ten (10) days from the issue date of this letter.

If the Borrower accepts this Commitment, but the loan does not close for any reason by **June 5, 2015** this Commitment shall become null and void unless extended by mutual agreement of the parties hereto. A copy of this letter is enclosed for your records.

Thank you for considering Evergreen Bank Group for your financing needs.

Sincerely,

By: _____ 2-5-2015
Michael R. Chock, Senior Vice President Date

Section IX
Attachment 38
Criterion 1120.130, Financial Viability

1. Project Funding. The Applicants will fund the Transaction with $325,000 in cash and an acquisition loan in the amount of $975,000 from Evergreen Bank Group. Of the $1,300,000 in cash, $25,000 in cash has already been escrowed with Chicago Title & Trust Company (Escrow Trust Number F3-201452690) as an earnest money deposit for the Transaction. The Applicants will also establish a $150,000 working capital line of credit to support the Surgery Center's ongoing working capital needs following the Transaction. An affidavit from Darrel Saldanha attesting to these statements is attached at ATTACHMENT 36. A commitment letter from Evergreen Bank Group is attached at ATTACHMENT 36.

2. Viability Ratios. Hyde Park Surgical Center, LLC is a special purpose vehicle and was specifically organized for the Transaction. Thus, Hyde Park Surgical Center, LLC does not have any historical financial information.

The Applicants engaged the certified public accounting firm of FGMK, LLC to prepare the proforma financial statements for Hyde Park Surgical Center, LLC following the Transaction (the "Proformas"). The Proformas are attached at ATTACHMENT 38.

FGMK, LLC also calculated all of the ratios set forth in the below chart:

Financial Viability Analysis						
	Year 1 (2015)	State Norm	Year 1 vs. Norm	Year 2 (2016)	State Norm	Year 2 vs. Norm
Current Ratio	1.98	1.5	Satisfies	5.89	1.5	Satisfies
Net Margin Percentage	48.37%	3.5%	Satisfies	53.46%	3.5%	Satisfies
Percent Debt to Total Capitalization	78.88%	80%	Satisfies	30.23%	80%	Satisfies
Projected Debt Service Coverage	6.89	1.75	Satisfies	4.64	1.75	Satisfies
Days Cash on Hand	260.67	45	Satisfies	483.22	45	Satisfies
Cushion Ratio	3.19	3	Satisfies	5.91	3	Satisfies

3. Variances. The Applicants have satisfied the financial viability ratios.

Hyde Park Surgery Center
Utilization Analysis
January 2015

(Per Case in Hours)

Case Type	Anesth Type	Surgery Time	OR Time	Est Volume	% of Total Volume	Preop Time	Total OR Time	Set Up /Clean Up	Recovery Time
20610 - Major Joint Injection	MAC	0.17	0.50	400	13.2%	100.10	201.53	33.37	200.20
64450 - Major Peripheral Nerve Injection	MAC	0.17	0.50	801	26.3%	200.20	403.07	66.73	400.40
62310 - Cervical Epidural Steroid Inection	MAC	0.25	0.58	458	15.0%	114.40	266.93	38.13	228.80
G0260 - Sacroiliac Joint Injection	MAC	0.25	0.58	208	6.8%	52.00	121.33	17.33	104.00
64483 - Transforaminal Epidural Steroid Injection	MAC	0.17	0.50	624	20.5%	156.00	314.08	52.00	312.00
64635 - Lumbar Facet Joint Denervation (RF)	MAC	0.50	0.83	260	8.5%	65.00	216.67	21.67	130.00
64493 - Lumbar Facet Joint Injection	MAC	0.17	0.50	291	9.6%	72.80	146.57	24.27	145.60
Total				**3,042**	**100.0%**	**760.50**	**1,670.19**	**253.50**	**1,521.00**

Total OR Time	**1,670.19**
Available OR Time	**1,500.00**
Actual Utilization	**111.35%**

0097

Assumptions:

All time is converted to hours

Surgery Time includes patient prep, positioning *and* physician procedural time

OR Time includes Surgery Time and Anesthesia Time - additional 0.33 hours (20 minutes) added for MAC (10 min to sleep, 10 min to wake)

Recovery Time assumes .50 for MAC anesthesia

Preop Time assumes .25 per patient

Setup/Clean-up assumes .08 (5 minutes) per patient

ATTACHMENT 38

Hyde Park Surgery Center
Revenue Projections - Year 1
January 2015

Revenue By Case	Blended Avg Reimbursement	MONTH 1	2	3	4	5	6	7	8	9	10	11	12	Totals
20610 - Major Joint Injection	$ 138.00	$ -	$ -	$ 4,604	$ 4,604	$ 4,604	$ 4,604	$ 4,604	$ 4,604	$ 4,604	$ 4,604	$ 4,604	$ 4,604	$ 46,044
64450 - Major Peripheral Nerve Injection	$ 159.36	-	-	10,635	10,635	10,635	10,635	10,635	10,635	10,635	10,635	10,635	10,635	106,347
62310 - Cervical Epidural Steroid Inection	$ 648.35	-	-	24,724	24,724	24,724	24,724	24,724	24,724	24,724	24,724	24,724	24,724	247,237
G0260 - Sacroiliac Joint Injection	$ 480.72	-	-	8,332	8,332	8,332	8,332	8,332	8,332	8,332	8,332	8,332	8,332	83,325
64483 - Transforaminal Epidural Steroid Injection	$ 648.35	-	-	33,714	33,714	33,714	33,714	33,714	33,714	33,714	33,714	33,714	33,714	337,141
64635 - Lumbar Facet Joint Denervation (RF)	$ 1,051.50	-	-	22,783	22,783	22,783	22,783	22,783	22,783	22,783	22,783	22,783	22,783	227,825
64493 - Lumbar Facet Joint Injection	$ 480.72	-	-	11,665	11,665	11,665	11,665	11,665	11,665	11,665	11,665	11,665	11,665	116,655
Total Collections		$ -	$ -	$ 116,457	$ 116,457	$ 116,457	$ 116,457	$ 116,457	$ 116,457	$ 116,457	$ 116,457	$ 116,457	$ 116,457	$ 1,164,575

Assumption - No Collections Until Day 61

	Payor Mix →	25% Medicare	25% Wrkr Comp	50% Commercial	100% Blended
20610 - Major Joint Injection		28.77	448.41	37.40	138.00
64450 - Major Peripheral Nerve Injection		52.51	448.41	68.26	159.36
62310 - Cervical Epidural Steroid Inection		370.07	1,261.14	481.09	648.35
G0260 - Sacroiliac Joint Injection		370.07	590.63	481.09	480.72
64483 - Transforaminal Epidural Steroid Injection		370.07	1,261.14	481.09	648.35
64635 - Lumbar Facet Joint Denervation (RF)		809.47	1,291.91	1,052.31	1,051.50
64493 - Lumbar Facet Joint Injection		370.07	590.63	481.09	480.72

Assume Fee Schedule = 300% Medicare
Assume Commercial Pays 130% Medicare

Medicare Notes
Data from 2015 ASCA Medicare Rate Calculator
Cook County (CBSA Chicago-Naper-Arlington Heights - ASC WI 1.0419)
Rates Include Sequester Reduction

Workers Comp Notes
Source is iwecc.ingenix.com
ASTC fees for non-hospital Region 1 (Cook)
POC 53.2 means workers comp pays 53.2% of charges
No data available for G0260 - need CPT code

Hyde Park Surgery Center
Revenue Projections - Year 1 - Cash Basis
January 2015

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Totals
Revenues													
Collections	$ -	$ -	$ 116,457	$ 116,457	$ 116,457	$ 116,457	$ 116,457	$ 116,457	$ 116,457	$ 116,457	$ 116,457	$ 116,457	$ 1,164,575
	-	-	116,457	116,457	116,457	116,457	116,457	116,457	116,457	116,457	116,457	116,457	1,164,575
Expenses													
Rent	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	43,200
Interest - Term Note	4,333	4,333	4,333	4,333	4,333	4,333	4,270	4,206	4,141	4,077	4,012	3,947	50,653
Interest - Line of Credit	250	625	750	750	750	750	750	750	750	750	750	750	8,375
Clinical & Admin Staff	31,096	31,096	31,096	31,096	31,096	31,096	31,096	31,096	31,096	31,096	31,096	31,096	373,152
Medical Director	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	20,000
Drugs & Supplies	7,746	7,746	7,746	7,746	7,746	7,746	7,746	7,746	7,746	7,746	7,746	7,746	92,950
EMR Support	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Linens & Laundry	1,014	1,014	1,014	1,014	1,014	1,014	1,014	1,014	1,014	1,014	1,014	1,014	12,168
Office Supplies	600	600	600	600	600	600	600	600	600	600	600	600	7,200
Equipment Repairs & Maintenance	250	250	250	250	250	250	250	250	250	250	250	250	3,000
Housekeeping	400	400	400	400	400	400	400	400	400	400	400	400	4,800
Waste (Hazardous) Removal	150	150	150	150	150	150	150	150	150	150	150	150	1,800
Malpractice & Business Insurance	7,000	-	-	7,000	-	-	7,000	-	-	7,000	-	-	28,000
Telephone / Internet / Utilities	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	14,400
Dues, Subs & Licenses	300	300	300	300	300	300	300	300	300	300	300	300	3,600
Legal & Accounting	10,000	600	600	600	600	600	600	600	600	600	600	600	16,600
Advertising	1,000	1,000	700	700	700	700	700	700	700	700	700	700	9,000
Depreciation	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Accreditation	-	-	-	-	-	2,585	-	-	-	-	-	-	2,585
Other	500	500	500	500	500	500	500	500	500	500	500	500	6,000
Total Expenses	73,106	57,081	56,906	63,906	56,906	59,491	63,842	56,778	56,714	63,649	56,585	56,520	721,483
Net Income / (Loss)	$ (73,106)	$ (57,081)	$ 59,552	$ 52,552	$ 59,552	$ 56,967	$ 52,615	$ 59,679	$ 59,744	$ 52,808	$ 59,873	$ 59,938	$ 443,092
Beginning Cash	$ -	$ 47,894	$ 51,813	$ 112,365	$ 165,917	$ 226,468	$ 249,142	$ 287,401	$ 332,660	$ 377,919	$ 416,178	$ 461,437	$ -
Add: Net Income / (Loss)	(73,106)	(57,081)	59,552	52,552	59,552	56,967	52,615	59,679	59,744	52,808	59,873	59,938	443,092
Add: Depreciation	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Less: Purchase Price	(1,300,000)												(1,300,000)
Add: Term Note Funding	1,040,000	-	-	-	-	-	-	-	-	-	-	-	1,040,000
Add: Capital Contribution	260,000	-	-	-	-	-	-	-	-	-	-	-	260,000
Less: Debt Service - Term Loan	-	-	-	-	-	(15,293)	(15,356)	(15,420)	(15,485)	(15,549)	(15,614)	(15,679)	(108,397)
Add: Line of Credit Draw / (Pay Down)	120,000	60,000	-	-	-	-	-	-	-	-	-	-	180,000
Less: Capital Expenditures	-	-	-	-	-	(20,000)	-	-	-	-	-	-	(20,000)
Ending Cash	$ 47,894	$ 51,813	$ 112,365	$ 165,917	$ 226,468	$ 249,142	$ 287,401	$ 332,660	$ 377,919	$ 416,178	$ 461,437	$ 506,695	$ 506,695

Hyde Park Surgery Center
Revenue Projections - 3 Year - Cash Basis
January 2015

	Year 1	Year 2	Year 3
Revenues			
Collections	$ 1,164,575	$ 1,537,239	$ 1,690,962
	1,164,575	1,537,239	1,690,962
Expenses			
Rent	43,200	44,496	45,831
Interest - Term Note	50,653	42,190	32,299
Interest - Line of Credit	8,375	4,500	-
Clinical & Admin Staff	373,152	384,347	395,877
Medical Director	20,000	20,600	21,218
Drugs & Supplies	92,950	95,739	98,611
EMR Support	12,000	12,360	12,731
Linens & Laundry	12,168	12,533	12,909
Office Supplies	7,200	7,416	7,638
Equipment Repairs & Maintenance	3,000	3,090	3,183
Housekeeping	4,800	4,944	5,092
Waste (Hazardous) Removal	1,800	1,854	1,910
Malpractice & Business Insurance	28,000	28,840	29,705
Telephone / Internet / Utilities	14,400	14,832	15,277
Dues, Subs & Licenses	3,600	3,708	3,819
Legal & Accounting	16,600	10,800	11,124
Advertising	9,000	9,270	9,548
Depreciation	12,000	16,000	20,000
Accreditation	2,585	2,585	2,585
Other	6,000	6,180	6,365
Total Expenses	721,483	726,283	735,722
Net Income / (Loss)	$ 443,092	$ 810,956	$ 955,240
Beginning Cash	$ -	$ 506,695	$ 940,328
Add: Net Income / (Loss)	443,092	810,956	955,240
Add: Depreciation	12,000	16,000	20,000
Less: Purchase Price	(1,300,000)	-	-
Add: Term Note Funding	1,040,000	-	-
Add: Capital Contribution	260,000	-	-
Less: Debt Service - Term Loan	(108,397)	(193,323)	(203,214)
Add: Line of Credit Draw / (Pay Down)	180,000	(180,000)	-
Less: Capital Expenditures	(20,000)	(20,000)	(20,000)
Ending Cash	$ 506,695	$ 940,328	$ 1,692,354

3 Year Projection - Cash Basis

Hyde Park Surgery Center
Revenue Projections - 3 Year - Accrual Basis
January 2015

	Year 1	Year 2	Year 3
Revenues			
Collections	$ 1,397,490	$ 1,560,530	$ 1,716,583
	1,397,490	1,560,530	1,716,583
Expenses			
Rent	43,200	44,496	45,831
Interest - Term Note	50,653	42,190	32,299
Interest - Line of Credit	8,375	4,500	-
Clinical & Admin Staff	373,152	384,347	395,877
Medical Director	20,000	20,600	21,218
Drugs & Supplies	92,950	95,739	98,611
EMR Support	12,000	12,360	12,731
Linens & Laundry	12,168	12,533	12,909
Office Supplies	7,200	7,416	7,638
Equipment Repairs & Maintenance	3,000	3,090	3,183
Housekeeping	4,800	4,944	5,092
Waste (Hazardous) Removal	1,800	1,854	1,910
Malpractice & Business Insurance	28,000	28,840	29,705
Telephone / Internet / Utilities	14,400	14,832	15,277
Dues, Subs & Licenses	3,600	3,708	3,819
Legal & Accounting	16,600	10,800	11,124
Advertising	9,000	9,270	9,548
Depreciation	12,000	16,000	20,000
Accreditation	2,585	2,585	2,585
Other	6,000	6,180	6,365
Total Expenses	721,483	726,283	735,722
Net Income / (Loss)	$ 676,007	$ 834,247	$ 980,861
Beginning Cash	$ -	$ 506,695	$ 940,328
Add: Net Income / (Loss)	676,007	834,247	980,861
Accrual to Cash Adj	(232,915)	(23,291)	(25,621)
Less: Purchase Price	(1,300,000)		
Add: Depreciation	12,000	16,000	20,000
Add: Term Note Funding	1,040,000	-	-
Add: Capital Contribution	260,000	-	-
Less: Debt Service - Term Loan	(108,397)	(193,323)	(203,214)
Add: Line of Credit Draw / (Pay Down)	180,000	(180,000)	-
Less: Capital Expenditures	(20,000)	(20,000)	(20,000)
Ending Cash	$ 506,695	$ 940,328	$ 1,692,354

Hyde Park Surgery Center
3 Year Balance Sheet Accrual Basis
January 2015

	Year 1	Year 2	Year 3
Cash	506,695	940,328	1,692,354
Accounts Receivable	232,915	256,205	281,827
Fixed Assets	80,000	100,000	120,000
Accumulated Depreciation	(12,000)	(28,000)	(48,000)
Certificate of Need	1,240,000	1,240,000	1,240,000
Total Assets	2,047,610	2,508,533	3,286,181
Line - LOC Portion	180,000	-	-
Term Note - Current Portion	193,323	203,214	213,611
Term Note - Long Term Portion	738,280	535,065	321,455
Equity	936,007	1,770,254	2,751,115
Total Liabilities & Equity	2,047,610	2,508,533	3,286,181

Hyde Park Surgery Center
Staffing
January 2015

FTE	Position	Rate	Annual	W / 20% Benes
1	Circulator - RN - DON	$30 / Hr	62,400	74,880
1	Pre/Post Op RN	$27 / Hr	56,160	67,392
1.5	PAT/Pre/Post Op RN	$27 / Hr	84,240	101,088
1	Scheduler / Reception	$16 / Hr	33,280	39,936
2	Admin / Billers	$18 / Hr	74,880	89,856
			310,960	373,152
	Per Month			31,096

Hyde Park Surgery Center
Finanical Ratios

	Target	Year 1	Year 2
Current Ratio	1.50	1.98	5.89
Net Margin Percentage	3.50%	48.37%	53.46%
LTD to Equity Ratio	80.00%	78.88%	30.23%
Debt Service Coverage Ratio	1.75	6.89	4.64
Days Cash on Hand	45.00	260.67	483.22
Cushion Ratio	3.00	3.19	5.91

Section X
Attachment 39
Economic Feasibility
Criterion 1120.140

Criterion 1120.140(a), Reasonableness of Financing Arrangements

Darrel Saldanha's Affidavit in support of this Criterion is attached as ATTACHMENT 39.

Criterion 1120.140(b), Conditions of Debt Financing

Darrel Saldanha's Affidavit in support of this Criterion is attached as ATTACHMENT 39.

Criterion 1120.140(c), Reasonableness of Project and Related Costs

This Project involves a change of ownership. Accordingly, this criterion is not applicable.

Criterion 1120.140(d), Projected Operating Expenses

This Project involves a change of ownership. Accordingly, this criterion is not applicable.

Criterion 1120.140(e), Total Effect of the Project On Capital Costs (in year one)

Capital Costs: $260,000

Cases (Projected): 3,042

Capital Costs per Case (Projected): $85.47

Hyde Park Surgical Center, LLC

February 9, 2015

Ms. Courtney R. Avery
Administrator
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761-0001

Mr. Michael Constantino
Supervisor, Project Review Section
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761-0001

Re: Criterion 1120.140(a), Reasonableness of Financing Arrangements Certification

Dear Ms. Avery and Mr. Constantino:

I hereby certify, under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109, and pursuant to 77 Ill. Admin. Code § 1120.140(a), to the following:

1. Hyde Park Surgical Center, LLC (the "Purchaser") will fund the Transaction set forth in that certain Asset Purchase Agreement between the Purchaser and Hyde Park Surgery Center, LLC with $325,000 in cash and an acquisition loan in the amount of $975,000 from _Evergreen Bank Group (the "Acquisition Loan"). The Purchaser will also establish a $150,00 working capital line of credit to support the ongoing working capital needs of the Hyde Park Surgical Center, LLC following the Transaction.

2. The members of the Purchaser (the "Members") will personally fund the $325,000 in cash from their own funds, which are readily available.

3. The Members have already escrowed $25,000 in cash with Chicago Title & Trust Company (Escrow Trust Number 201452690) as an earnest money deposit for the Transaction.

4. Borrowing the $975,000 from Evergreen Bank Group was less costly than liquidating the Members' other investments.

5. The Members' other investments can be converted to cash (if necessary) within a 60 day period to retire the Acquisition Loan. Indeed, the Members have personally guaranteed the Acquisition Loan.

Sincerely,

Darrel J. Saldanha, M.D.
Member and Manager
Hyde Park Surgical Center, LLC

SUBSCRIBED AND SWORN
to before me this 17 day
of February, 2015

Notary Public

OFFICIAL SEAL
SHARON A. CARRARA
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES: 07-06-2017

Hyde Park Surgical Center, LLC

February 9, 2015

Ms. Courtney R. Avery
Administrator
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761-0001

Mr. Michael Constantino
Supervisor, Project Review Section
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761-0001

Re: Criterion 1120.140(b), Conditions of Debt Financing Certification

Dear Ms. Avery and Mr. Constantino:

I hereby certify, under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109, and pursuant to 77 Ill. Admin. Code § 1120.140(b), to the following:

1. Hyde Park Surgical Center, LLC (the "Purchaser") will fund the Transaction set forth in that certain Asset Purchase Agreement between the Purchaser and Hyde Park Surgery Center, LLC with $325,000 in cash and an acquisition loan in the amount of $975,000 from Evergreen Bank Group (the "Acquisition Loan"). The Purchaser will also establish a $150,000 working capital line of credit to support the ongoing working capital needs of the Hyde Park Surgical Center, LLC following the Transaction (the "Working Capital Loan").

2. The Acquisition Loan and the Working Capital Loan are the lowest net cost forms of financing available to the Purchaser for this Transaction.

Sincerely,

Darrel J. Saldanha, M.D.
Member and Manager
Hyde Park Surgical Center, LLC

SUBSCRIBED AND SWORN
to before me this 17 day
of February, 2015.

OFFICIAL SEAL
SHARON A. CARRARA
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES: 07-06-2017

Notary Public
February 12, 2015

Section XI
Attachment 40
Safety Net Impact Statement

1. This Project involves a change of ownership. A change of ownership constitutes a non-substantive project. Accordingly, this criterion is not applicable. Nevertheless, for the sake of reference, the following chart summarizes the level of safety net services provided at the Surgery Center for the past 2 years.

Hyde Park Surgery Center Safety Net Information per PA 96-0031		
CHARITY CARE		
Charity (# of patients)	**2012**	**2013**
Inpatient	0	0
Outpatient	3	3
Total	**3**	**3**
Charity (cost In dollars)		
Inpatient	$0	$0
Outpatient	$6,400.00	$6,114.45
Total	**$6,400.00**	**$6,114.45**
MEDICAID		
Medicaid (# of patients)	**2012**	**2013**
Inpatient	0	0
Outpatient	39	34
Total	39	34
Medicaid (revenue)		
Inpatient	$0	$0
Outpatient	$30,848.86	$33,661.84
Total	$30,848.86	$33,661.84

2. As part of the Transaction, Hyde Park Surgical Center, LLC has agreed to adopt the Surgery Center's current charity care policies and maintain these same charity care policies for no less than two years following the Transaction.

3. Thus, the proposed Transaction will have no impact on the safety net services of the other healthcare care providers in the Surgery Center's service area.

Section XII
Attachment 41
Charity Care Information

1. The following chart summarizes the level of charity care provided at the Surgery Center for the past 2 years:

Hyde Park Surgery Center Charity Care		
	2012	2013
Net Patient Revenue	**$913,567.34**	**$816,013.58**
Amount of Charity Care (charges)	$6,400.00	$6,114.45
Cost of Charity Care	$6,400.00	$6,114.45

2. As part of the Transaction, Hyde Park Surgical Center, LLC has agreed to adopt Hyde Park Surgery Center's current charity care policies and maintain these same charity care policies for no less than two years following the Transaction.

3. A copy of the current charity policy for Hyde Park Surgery Center is attached as ATTACHMENT 41.

4. Hyde Park Surgical Center, LLC will adopt Hyde Park Surgery Center's current charity care policies and maintain these same charity care policies for no less than two years following the Transaction. An affidavit from Darrel Saldanha certifying that Hyde Park Surgical Center, LLC will adopt Hyde Park Surgery Center's current charity care policies and maintain these same charity care policies for no less than two years following the Transaction is attached at ATTACHMENT 41.

5. Hyde Park Surgical Center, LLC will also accept Medicaid and Medicare following the Transaction.

Foot and Ankle Clinics of America Surgery Center

Charity Care Policy

Objective:

This Charity Care Policy describes the policies and procedures relating to the provision of charity care to persons who are unable to pay for all or a portion of their bill. No individual will be denied medically necessary ambulatory surgical services based on a demonstrated inability to pay for those services.

Policy:

Charity Care Services: Emergency surgical services are always provided without regard to the patient's ability to pay.

Specifice Exclusions: Charity care will not be available to patients for services that are not medically necessary.

Procedures:

1. ***Confidentiality:*** The need for charity care may be a sensitive and deeply personal issue for recipients. Confidentiality of information and preservation of individual dignity shall be maintained for all who seek charitable services.

2. Any uninsured or underinsured person must cooperate with the facility billing coordinator to provide information and documentation necessary to apply for any possible existing financial resources.

3. The billing coordinator will request financial resource information to ascertain eligibility.

4. The routine billing protocol will be adhered to.

5. Statements will reflect the availability of charity care for patient financial assistance.

6. Charity care will be approved by the CEO and or COO.

8/06

ATTACHMENT
41

Hyde Park Surgical Center, LLC

February 16, 2015

Ms. Courtney R. Avery
Administrator
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761-0001

Mr. Michael Constantino
Supervisor, Project Review Section
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761-0001

Re: Charity Care Certification

Dear Ms. Avery and Mr. Constantino:

I hereby certify, under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109, that Hyde Park Surgical Center, LLC (the "Purchaser") shall not cause Hyde Park Surgery Center, LLC (the "Surgery Center") to adopt more restrictive charity care policies at the Surgery Center following the proposed transaction between the Purchaser and the Surgery Center, and for no less than two years thereafter.

Sincerely,

Darrel J. Saldanha, M.D.
Member and Manager
Hyde Park Surgical Center, LLC

SUBSCRIBED AND SWORN
to before me this 17 day
of February, 2015.

OFFICIAL SEAL
SHARON A. CARRARA
NOTARY PUBLIC, STATE OF ILLINOIS
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After paginating the entire, completed application, indicate in the chart below, the page numbers for the attachments included as part of the project's application for permit:

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