ORIGINAL

E-016-13

RECEIVED
MAY 23 2013
HEALTH FACILITIES & SERVICES REVIEW BOARD

ILLINOIS HEALTH FACILITIES PLANNING BOARD
APPLICATION FOR EXEMPTION FOR THE
CHANGE OF OWNERSHIP FOR AN EXISTING HEALTH CARE FACILITY

1. **INFORMATION FOR EXISTING FACILITY**

Current Facility Name Decatur Healthcare, LLC
Address 1700 E. Lake Shore Drive
City Decatur Zip Code 62521 County Macon
Name of current licensed entity for the facility Decatur Healthcare, LLC
Does the current licensee: own this facility _____ OR lease this facility X (if leased, check if sublease □)
Type of ownership of the current licensed entity (check one of the following:) _____ Sole Proprietorship
_____ Not-for-Profit Corporation _____ For Profit Corporation _____ Partnership _____ Governmental
X Limited Liability Company _____ Other, specify _____
Illinois State Senator for the district where the facility is located: Sen. Andy Manar
State Senate District Number 48 Mailing address of the State Senator 517 State Capitol Building, Springfield, IL 62706
Illinois State Representative for the district where the facility is located: Rep. Sue Scherer
State Representative District Number 96 Mailing address of the State Representative E-2 Stratton Office Building, Springfield, IL 62706

2. **OUTSTANDING PERMITS**. Does the facility have any projects for which the State Board issued a permit that will not be completed (refer to 1130.140 "Completion or Project Completion" for a definition of project completion) by the time of the proposed ownership change? Yes □ No **X**. If yes, refer to Section 1130.520(f), and indicate the projects by Project # n/a

3. **FACILITY'S BED OR DIALYSIS STATION CAPACITY BY CATEGORY OF SERVICE** (Complete "APPENDIX A" attached to this application)

4. **FACILITY'S OTHER CATEGORIES OF SERVICE AS DEFINED IN 77 IAC 1100** (Complete "APPENDIX A" attached to this application)

5. **NAME OF APPLICANT** (complete this information for each co-applicant and insert after this page).
Exact Legal Name of Applicant St. Mary's Hospital, Decatur, of the Hospital Sisters of the Third Order of St. Francis
Address 1800 E. Lake Shore Drive
City, State & Zip Code Decatur, IL 62521
Type of ownership of the current licensed entity (check one of the following:) _____ Sole Proprietorship
X Not-for-Profit Corporation _____ For Profit Corporation _____ Partnership _____ Governmental
_____ Limited Liability Company _____ Other, specify _____

6. **NAME OF LEGAL ENTITY THAT WILL BE THE LICENSEE/OPERATING ENTITY OF THE FACILITY NAMED IN THE APPLICATION AS A RESULT OF THIS TRANSACTION.**

Exact Legal Name of Entity to be Licensed St. Mary's Hospital, Decatur, of the Hospital Sisters of the Third Order of St. Francis
Address 1800 E. Lake Shore Drive
City, State & Zip Code Decatur, IL 62521
Type of ownership of the current licensed entity (check one of the following:) _____ Sole Proprietorship
X Not-for-Profit Corporation _____ For Profit Corporation _____ Partnership _____ Governmental _____
Limited Liability Company _____ Other, specify _____

7. **BUILDING/SITE OWNERSHIP.** NAME OF LEGAL ENTITY THAT WILL OWN THE "BRICKS AND MORTAR" (BUILDING) OF THE FACILITY NAMED IN THIS APPLICATION IF DIFFERENT FROM THE OPERATING/LICENSED ENTITY
Exact Legal Name of Entity That Will Own the Site _____
Address _____
City, State & Zip Code _____
Type of ownership of the current licensed entity (check one of the following:) _____ Sole Proprietorship
_____ Not-for-Profit Corporation _____ For Profit Corporation _____ Partnership _____ Governmental
_____ Limited Liability Company _____ Other, specify _____

CO-APPLICANTS

Exact Legal Name of Applicant Hospital Sisters Health System
Address 4936 LaVerna Road
City, State & Zip Code Springfield, IL 62707
Type of ownership of the current licensed entity (check one of the following:) _____ Sole Proprietorship
__X__ Not-for-Profit Corporation _____ For Profit Corporation _____ Partnership _____ Governmental
_____ Limited Liability Company _____ Other, specify _____

8. **TRANSACTION TYPE. CHECK THE FOLLOWING THAT APPLY TO THE TRANSACTION:**
   - X Purchase resulting in the issuance of a license to an entity different from current licensee;
   - ☐ Lease resulting in the issuance of a license to an entity different from current licensee;
   - ☐ Stock transfer resulting in the issuance of a license to a different entity from current licensee;
   - ☐ Stock transfer resulting in no change from current licensee;
   - ☐ Assignment or transfer of assets resulting in the issuance of a license to an entity different from the current licensee;
   - ☐ Assignment or transfer of assets not resulting in the issuance of a license to an entity different from the current licensee;
   - ☐ Change in membership or sponsorship of a not-for-profit corporation that is the licensed entity;
   - ☐ Change of 50% or more of the voting members of a not-for-profit corporation's board of directors that controls a health care facility's operations, license, certification or physical plant and assets;
   - ☐ Change in the sponsorship or control of the person who is licensed, certified or owns the physical plant and assets of a governmental health care facility;
   - ☐ Sale or transfer of the physical plant and related assets of a health care facility not resulting in a change of current licensee;
   - ☐ Any other transaction that results in a person obtaining control of a health care facility's operation or physical plant and assets, and explain in "Attachment 3 Narrative Description"

9. **APPLICATION FEE.** Submit the application fee in the form of a check or money order for $2,500 payable to the Illinois Department of Public Health and append as **ATTACHMENT #1.**

10. **FUNDING.** Indicate the type and source of funds which will be used to acquire the facility (e.g., mortgage through Health Facilities Authority; cash gift from parent company, etc.) and append as **ATTACHMENT #2.**

11. **ANTICIPATED ACQUISITION PRICE: $** 865,000

12. **FAIR MARKET VALUE OF THE FACILITY: $** 865,000
    (to determine fair market value, refer to 77 IAC 1130.140)

13. **DATE OF PROPOSED TRANSACTION:** On or before July 31, 2013

14. **NARRATIVE DESCRIPTION.** Provide a narrative description explaining the transaction, and append it to the application as **ATTACHMENT #3**.

15. **BACKGROUND OF APPLICANT** (co-applicants must also provide this information). Corporations and Limited Liability Companies must provide a current Certificate of Good Standing from the Illinois Secretary of State. Partnerships must provide the name and address of each partner and specify whether each is a general or limited partner. Append this information to the application as **ATTACHMENT #4**.

16. **TRANSACTION DOCUMENTS.** Provide a copy of the document(s) which detail the terms and conditions of the proposed transaction (purchase, lease, stock transfer, etc). Applicants should note that the document(s) submitted should reflect the applicant's (and co-applicant's, if applicable) involvement in the transaction. The document must be signed by both parties and contain language stating that the transaction is contingent upon approval of the Illinois Health Facilities Planning Board. Append this document(s) to the application as **ATTACHMENT #5**.

17. **FINANCIAL INFORMATION** (co-applicants must also provide this information). Per 77 IAC 1130.520(b)(3), an applicant must demonstrate it has sufficient funds to finance the acquisition **and** to operate the facility for 36 months by providing evidence of a bond rating of "A" or better (that must be less than two years old) from Fitch, Moody or Standard and Poor's rating agencies or evidence of compliance with the financial viability review criteria (as applicable) to the type of facility being acquired (as specified at 77 IAC 1120). Append as **ATTACHMENT #6**.

18. **PRIMARY CONTACT PERSON**. Individual representing the applicant to whom all correspondence and inquiries pertaining to this application are to be directed. (Note: other persons representing the applicant not named below will need written authorization from the applicant stating that such persons are also authorized to represent the applicant in relationship to this application).

    Name: Mark Swearingen, Esq.,Hall, Render, Killian, Heath & Lyman, P.C.
    Address: One American Square, Suite 2000
    City, State & Zip Code: Indianapolis, IN 46282
    Telephone (317) 977-1458 Ext. _____

City, State & Zip Code: Indianapolis, IN 46282
Telephone (317) 977-1458 Ext. _____

19. **ADDITIONAL CONTACT PERSON.** Consultant, attorney, other individual who is also authorized to discuss this application and act on behalf of the applicant.
    Name: Amy K. Bulpitt, Vice President Legal Affairs, Central Illinois Division
    Address: 800 East Carpenter Street
    City, State & Zip Code: Springfield, IL 46279
    Telephone (217) 544-6464 Ext. 48336

20. **CERTIFICATION**
    I certify that the above information and all attached information are true and correct to the best of my knowledge and belief. I certify that the categories of service, number of beds and/or dialysis stations within the facility will not change as part of this transaction. I certify that no adverse action has been taken against the applicant(s) by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois. I certify that I am fully aware that a change in ownership will void any permits for projects that have not been completed unless such projects will be completed or altered pursuant to the requirements in 77 IAC 1130.520(f) prior to the effective date of the proposed ownership change. I also certify that the applicant has not already acquired the facility named in this application or entered into an agreement to acquire the facility named in the application unless the contract contains a clause that the transaction is contingent upon approval by the State Board.

    Signature of Authorized Officer _____

    Typed or Printed Name of Authorized Officer: Kevin F. Kast

    Title of Authorized Officer: President/Chief Executive Officer

    Address: 1800 East Lake Shore Drive

    City, State & Zip Code: Decatur, IL 62521

    Telephone (217) 464-2473 Date: _____

NOTE: complete a separate signature page for each co-applicant and insert following this page.

CO-APPLICANT CERTIFICATION

I certify that the above information and all attached information are true and correct to the best of my knowledge and belief. I certify that the categories of service, number of beds and/or dialysis stations within the facility will not change as part of this transaction. I certify that no adverse action has been taken against the applicant(s) by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois. I certify that I am fully aware that a change in ownership will void any permits for projects that have not been completed unless such projects will be completed or altered pursuant to the requirements in 77 IAC 1130.520(f) prior to the effective date of the proposed ownership change. I also certify that the applicant has not already acquired the facility named in this application or entered into an agreement to acquire the facility named in the application unless the contract contains a clause that the transaction is contingent upon approval by the State Board.

Signature of Authorized Officer Larry P. Schumacher

Typed or Printed Name of Authorized Officer Larry P. Schumacher

Title of Authorized Officer: Chief Operating Officer

Address: 4936 LaVerna Road

City, State & Zip Code: Springfield, IL 62707

Telephone (217) 523-4747 Date: 5-21-13

APPENDIX A
FACILITY BED AND DIALYSIS STATION CAPACITY AND CATEGORIES OF SERVICE

Complete the following for the facility for which the change of ownership is requested. The facility's bed and dialysis station capacity must be consistent with the State Board's Inventory of Health Care Facilities.

FACILITY NAME Decatur Healthcare, LLC CITY: Decatur

1. Indicate (by placing an "X") the type of facility for which the change of ownership is requested:

   □ Hospital; □ Long-term Care Facility; □ Dialysis Facility; **X** Ambulatory Surgical Treatment Center.

2. Provide the bed capacity by category of service:

SERVICE	# of Beds	SERVICE	# of Beds
Medical/Surgical	_____	Nursing Care	_____
Obstetrics	_____	Shelter Care	_____
Pediatrics	_____	DD Adults*	_____
Intensive Care	_____	DD Children**	_____
Acute Mental Illness	_____	Chronic Mental Illness	_____
Rehabilitation	_____	Children's Medical Care	_____
Neonatal Intensive Care	_____	Children's Respite Care	_____

*Includes ICF/DD 16 and fewer bed facilities; **Includes skilled pediatric 22 years and under

3. Chronic Renal Dialysis: Enter the number of ESRD stations: _____

4. Indicate (by placing an "X") those categories of service for which the facility is approved.

   _____ Cardiac Catheterization
   _____ Subacute Care Hospital Model
   _____ Selected Organ Transplantation
   _____ Open Heart Surgery
   _____ Kidney Transplantation
   _____ Postsurgical Recovery Care Center Model

5. Non-Hospital Based Ambulatory Surgery and Ambulatory Surgical Treatment Centers

   Indicate (by placing an "X") if the facility is a □ limited or **X** multi-specialty facility and indicate the surgical specialties provided.

   _____ Cardiovascular
   _____ Dermatology
   _____ Gastroenterology
   __X__ General/Other (includes any procedure that is not included in the other specialties)
   _____ Neurological
   _____ Obstetrics/Gynecology
   __X__ Ophthalmology
   _____ Oral/Maxillofacial
   _____ Orthopedic
   _____ Otolaryngology
   _____ Plastic Surgery
   _____ Podiatry
   _____ Thoracic
   _____ Urology

ATTACHMENT #1

[APPLICATION FEE ENCLOSED]

ATTACHMENT #2

FUNDING

This project will be funded through existing cash reserves of St. Mary's Hospital.

ATTACHMENT #3

NARRATIVE DESCRIPTION

St. Mary's Hospital in Decatur intends to purchase an existing licensed ambulatory surgical treatment center. That ASTC also is located in Decatur in space that is owned by St. Mary's and leased to the ASTC. The ASTC currently is licensed to Decatur Healthcare, LLC under license number 7002637. The ASTC is a multi-specialty surgical center that has provided general surgery services and ophthalmologic surgery services. Thomas Pliura, M.D. is the majority and controlling owner of the ASTC and is responsible for its day-to-day management and oversight.

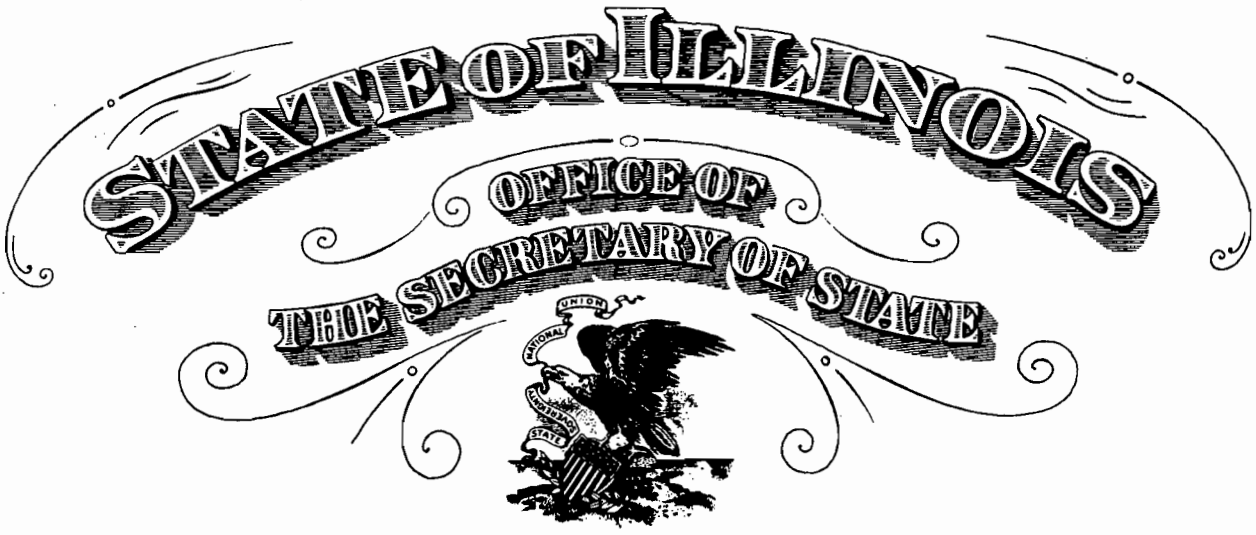
The transaction will take the form of an asset purchase. St. Mary's will not acquire the debts and other liabilities and obligations of the ASTC. St. Mary's will purchase the assets of the ASTC for the price of $865,000.

ATTACHMENT #4

See attached Certificates of Good Standing for the following entities:

1. St. Mary's Hospital of the Hospital Sisters of the Third Order of St. Francis
2. Hospital Sisters Health System

File Number 3528-159-2



To all to whom these Presents Shall Come, Greeting:

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

ST. MARY'S HOSPITAL, DECATUR, OF THE HOSPITAL SISTERS OF THE THIRD ORDER OF ST. FRANCIS, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JUNE 03, 1955, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.

Authentication #: 1308102116

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

In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this* 22ND *day of* MARCH *A.D.* 2013 .

Jesse White

SECRETARY OF STATE

File Number 5163-355-5

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

HOSPITAL SISTERS HEALTH SYSTEM, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON DECEMBER 26, 1978, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION 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* 22ND *day of* MARCH *A.D.* 2013 .

Jesse White

SECRETARY OF STATE

Authentication #: 1308102100

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

ATTACHMENT #5

Attached please find the executed Asset Purchase Agreement between St. Mary's Hospital and Thomas Pliura, M.D., both in his individual capacity and as a representative of the ASTC, dated May 15, 2013.

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT ("**Agreement**") is made effective as of the ___ day of _____, 2013 ("**Effective Date**"), by and between Decatur Healthcare, LLC, an Illinois limited liability company ("**ASC**"), Thomas Pliura, M.D. ("**Physician**") (ASC and Physician shall collectively be referred to as "**Seller**"), and **St. Mary's Hospital, Decatur, of the Hospital Sisters of the Third Order of St. Francis**, an Illinois not-for-profit corporation ("**Buyer**").

WITNESSETH

WHEREAS, the ASC is located at 1770 E Lake Shore Drive, LL 2, Decatur, IL 62521, and the Physician and the other members of the ASC desire to sell the ASC;

WHEREAS, Buyer desires to acquire the ASC by purchasing from ASC substantially all of the tangible and intangible assets relating to the ASC and by assuming certain contracts and leases upon the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer hereby agree as follows:

1. TRANSFER OF ASSETS. Subject to the terms and conditions herein set forth, the ASC, for and in consideration of the payment of the consideration and the performance of the covenants hereinafter mentioned, at the Closing (defined below) shall transfer and convey unto Buyer, free and clear of all liens, claims, pledges, charges, mortgages, security interests, or encumbrances of any kind, the assets and business operations of ASC (collectively, the "**Assets**"). However, the assets listed on the attached **Schedule 1A** (collectively, the "**Excluded Assets**") shall be excluded, and the "Assets" shall include all of the assets used by the ASC to conduct its business, including but not limited to those listed on the attached **Schedule 1B**. The Assets include, but are not limited to, the following:

1.1 All personnel files of the Employees (as defined in Section 8.10) and medical records of the ASC;

1.2 The intangible assets and goodwill of the ASC, including any and all right, title, and interest in, any intellectual property owned by the ASC, which includes but is not limited to ASC's logo, website, computer software, any trademarks, copyrights, and service marks;

1.3 All email address(es), telephone, and facsimile numbers used in the Practice;

1.4 All deposits under the Assumed Contracts (as defined below);

1.5 ASC's inventory of supplies and pharmaceuticals being transferred at Closing as listed on the attached **Schedule 1C**; and

1.6 any pre-paid expenses, such as insurance premiums and continuing medical education expenses, incurred by ASC prior to Closing, but which shall benefit Buyer after the Closing.

2. ASSIGNMENT. Subject to the terms and conditions herein set forth, for and in consideration of the payment of the Purchase Price and the performance of the covenants hereinafter mentioned, at the Closing the ASC shall grant and assign unto Buyer, and Buyer shall assume from ASC, all of ASC's rights and obligations arising on and after the Closing Date under the contracts listed on the attached **Schedule 2** (such assigned and assumed contracts will be referred to herein as the "**Assumed Contracts**"). Any contract that is not an Assumed Contract is an "**Excluded Contract.**" Any costs of transfer of the Assumed Contracts to Buyer, other than ASC's attorney's fees if any, shall be the responsibility of Buyer.

3. CONSIDERATION. As consideration hereunder:

3.1 Buyer agrees to pay ASC the sum of Eight Hundred Sixty Five Thousand and 00/100 Dollars ($865,000.00), reduced by the amount of the payments made pursuant to the Term Sheet, as amended, executed by Physician on January 18, 2013 (the "**Purchase Price**").

3.2 Ninety Percent (90%) of the Purchase Price shall be paid in cash or other immediately available funds at the Closing. The remaining ten percent (10%) of the Purchase Price, amounting to Eighty-Six Thousand Five Hundred Dollars ($86,500.00), the sum of which "**Holdback Amount**" shall be paid to Seller as follows: Fifty percent (50%) of the Holdback Amount ($43,250.00) shall be paid to Seller on the 182nd day after the Closing Date, and the remaining Fifty percent (50%) Holdback Amount ($43,250.00) shall be paid to Seller on the 365th day after the Closing Date, unless a dispute arises as to whether Seller has breached the terms of this Asset Purchase Agreement. If a dispute arises between the Buyer and the Seller after the Closing Date at any time up to the 365th day after the Closing Date, wherein Buyer alleges Seller has breached its obligations under this Asset Purchase Agreement, then the dispute shall be submitted by the parties for binding arbitration with the American Health Lawyers Association (AHLA), prior to the Holdback Amount being released to Seller by the Escrow Agent, as described in the following paragraphs. The AHLA shall promptly appoint a single arbitrator to hear the matter, and the arbitrator shall hear the matter and issue a ruling after a hearing, said hearing and prompt ruling to occur within sixty (60) days of the matter being submitted to arbitration. The AHLA arbitrator shall issue a prompt ruling and direct the Escrow Agent to release the Holdback Amount, or any portion thereof, to the Seller or Buyer as the arbitrator deems fit, after the hearing and issuing a ruling on the matter. The AHLA arbitrator shall be charged with declaring a prevailing party in the dispute. The non-prevailing party shall be responsible for paying all AHLA arbitration costs and expenses. The parties shall be responsible for their own attorney fees in arbitration.

Deposit of Holdback Money. Upon execution of this Agreement by Seller and Buyer, Buyer shall deliver to Heartland Bank & Trust, Bloomington, Illinois (hereinafter, the "Escrow Agent"), the sum of Eighty-Six Thousand Five Hundred Dollars ($86,500.00) hereafter referred to as the "Holdback Amount". Buyer and Seller shall jointly have the right to request Escrow Agent to invest such Holdback Amount in an interest-bearing account. The Holdback Amount

(together with the interest earned thereon) shall be held by the Escrow Agent pursuant to its standard joint order escrow agreement. The cost of the joint order escrow shall be divided equally between Buyer and Seller.

Disputes between the Parties. It is agreed that the Holdback Amount Deposit is made for the accommodation of the parties hereto. In the event any dispute or litigation arises between the parties to this Agreement concerning the deposit, then the parties hereto do severally and jointly agree to indemnify and save harmless the Escrow Agent from payment of any cost that may be involved in such litigation. In the event of a dispute, the Escrow Agent's only obligation shall be to retain the deposit until a final determination has been issued to pay the deposit into a court of competent jurisdiction.

Delivery of Holdback Money. The Escrow Agent shall deliver the Holdback Amount to Seller or Buyer, as the case may be, on the following conditions: (i) deliver to Seller six (6) months after the date of the Closing; (ii) deliver to Seller upon receipt of demand therefor signed by Seller stating that Buyer has defaulted in the performance of its obligations under this Agreement; provided, however, that the Escrow Agent shall not honor such demand until at least ten (10) days after the date on which the Escrow Agent shall have mailed a copy of such demand to Buyer, nor thereafter if the Escrow Agent shall have received a notice of objection from Buyer given in accordance with the provisions of this Section; or (iii) deliver to Buyer upon receipt of demand therefor signed by Buyer stating that either Seller has defaulted in the performance of its obligations under this Agreement or that Buyer is otherwise entitled to the refund of the Holdback Amount pursuant to the terms of this Agreement; provided, however, that the Escrow Agent shall not honor such demand until at least ten (10) days after the date on which the Escrow Agent shall have mailed a copy of such demand to Seller, nor thereafter following such ten (10) day period if the Escrow Agent shall have received a notice of objection from Seller given in accordance with the provisions of this Section.

Holding of Holdback Amount Pending Resolution. If the Escrow Agent shall have received a notice of objection as provided for in this Section within the time herein prescribed, then the Escrow Agent shall continue to hold the Holdback Amount until the Escrow Agent receives either (a) a written notice signed by the party from whom the notice of objection was received stating that the objection is withdrawn; or (b) a final decision of the AHLA arbitrator directing the disbursement of the Holdback Amount. The decision of the AHLA arbiter shall be a final and binding decision, and neither party shall have the right to appeal the abitrator's decision to a court of competent jurisdiction. The Escrow Agent shall not be or become liable in any way or to any Person for its refusal to comply with any such claims and demands unless it has received such direction. Upon compliance with such direction, the Escrow Agent shall be released of and from all liability hereunder.

Affirmative Action of Escrow Agent. Notwithstanding the foregoing, the Escrow Agent may, on notice to the parties, take such affirmative steps as it may, at its option, elect in order to terminate its duties hereunder, including, but not limited to, the deposit of the Holdback Amount with a court of competent jurisdiction and the commencement of an action of interpleader, the costs of which shall be borne by whichever of the parties is the losing party in

the action. Upon the taking by the Escrow Agent of the action described above, the Escrow Agent shall be released of and from all liability hereunder.

3.3 ASC agrees to transfer and convey the Assets and the Assumed Contracts from ASC to Buyer, which shall be evidenced by a Bill of Sale to be executed and delivered by ASC at Closing in the form attached hereto as **Exhibit A** and an Assignment and Assumption Agreement to be executed and delivered by ASC and Buyer at Closing in the form attached hereto as **Exhibit B**.

3.4 ASC and Buyer will each individually complete all federal, state and other income tax returns or reports of any nature required to be filed as a result of this Agreement, including the filing of Federal Form 8594 ("**Asset Acquisition Statement**"). Notwithstanding any other provisions of this Agreement, the foregoing agreement shall survive the Closing Date (defined below) without limitation.

4. EXCLUDED LIABILITIES. Notwithstanding any other provision of this Agreement, and except for the Assumed Contracts and the liabilities arising on and after the Closing Date under the Assumed Contracts, the Buyer shall not assume or be liable for any liabilities or obligations of ASC (all such liabilities not assumed by the Buyer are referred to collectively as the "**Excluded Liabilities**"). Buyer shall pay for obligations arising from the use of the Assets on and after the Closing Date (including without limitation payroll, accounts payable, and taxes that may become owing as a result of the Buyer's use of the Assets following the Closing), though any such obligations of ASC, whether arising before or after Closing, are not assumed by Buyer. The Excluded Liabilities shall include, but are not limited to, the following, :

4.1 Any liability or obligation relating to claims arising from services performed by ASC before the Closing Date;

4.2 Any liability or obligations relating to the ASC's employee benefit plans or compensation arrangements;

4.3 Any liabilities or obligations to former employees of, or former independent contractors with, ASC;

4.4 Any liabilities with respect to taxes of the ASC;

4.5 Outstanding accounts payable of the ASC;

4.6 Any liabilities or obligations relating to the medical malpractice case described in **Schedule 8.8**; and

4.7 Any contingent or unknown liability of ASC.

5. CLOSING. The closing hereunder ("**Closing**") shall take place and be effective within thirty (30) days of the receipt by Buyer of written verification from the Illinois Health

Planning Board, which verification must be reasonably satisfactory to the Buyer, that the transaction is exempt from Certificate of Need approval, or by July 31, 2013, whichever is later. The Closing shall occur at the offices of Buyer, or at such other place and time as may be mutually agreed to by the parties hereto, and may be conducted by exchange of facsimile copies of documents (and overnight delivery of originals, as applicable). The date the Closing occurs shall be referred to as the **"Closing Date."**

6. **COVENANTS.** Seller and Buyer make the following covenants and agreements:

6.1 **Accounts Receivable.** All collections of accounts receivable for services rendered by ASC prior to the Closing Date shall belong to ASC. If ASC should receive collections of accounts receivable for services rendered by Buyer on and after the Closing Date, then ASC shall promptly (and no longer that ten (10) days) remit those collections to Buyer.

6.2 **Employees.** Effective as of the Closing Date, ASC shall terminate all Employees (defined in Section 8.10 below) and Buyer may, in its sole discretion, offer to hire the Employees as of the Closing Date. Prior to the Closing Date, ASC shall continue the employment of the Employees, and shall continue the provision of any benefits incident to employment relating to the Employees.

6.3 **Notice to Third Parties.** Prior to the Closing, ASC shall notify all third parties to the Assumed Contracts that ASC has assigned those Assumed Contracts to Buyer.

6.4 **Non-Negotiation.** From and after the date hereof through and until the earlier to occur of Closing or termination of this Agreement, neither ASC nor its officers, directors, or members, nor anyone acting on behalf of ASC, shall, directly or indirectly, encourage, solicit, engage in discussions or negotiations with, or provide any information to, any person, firm, or other entity or group (other than Buyer or its representatives) concerning any merger, sale of substantial assets, purchase or sale of stock, or similar transaction involving ASC, or any other transaction inconsistent with the transaction contemplated hereby.

6.5 **Pro-Rata Liabilities.** ASC is responsible for liabilities that relate to or arise from the period on and prior to the Closing Date, and Buyer is responsible for liabilities that relate to or arise from the ASC for the period after the Closing Date. All liabilities that are incurred for a period that includes both a pre-Closing and post-Closing period (e.g., utilities, rent) will be prorated as of the Closing Date such that ASC pays the portion of such liabilities that relate to the period on and prior to the Closing Date and Buyer pays the portion of such liabilities that relate to the period after the Closing Date. Settlement of any such items that are not able to be prorated and paid at Closing shall occur within fifteen (15) business days after receipt of a request therefore accompanied by evidence that such proration and payment is required hereunder.

6.6 **Access to Medical Records.** After the Closing, to the extent authorized by the Health Insurance Portability and Accountability Act (**"HIPAA"**) and its corresponding regulations, ASC or its designated representative shall be entitled, during the regular business hours and on weekends with the prior approval of Buyer, which approval shall not be

unreasonably withheld, to access and make copies of the medical records acquired by Buyer pursuant to this Agreement for the purposes of conducting audits, defense of claims, and other legitimate business reasons. Buyer shall be responsible for the maintenance of all medical records transferred pursuant to this Agreement including archived medical records in ASC's possession at Closing in compliance with HIPAA and its corresponding regulations and all other applicable laws.

6.7 **Access to Billing Records and Software.** After Closing and until one year from the date of Closing, ASC or its designated representative shall be entitled, during the regular business hours of the Buyer's medical practice and on weekends with the prior approval of Buyer, which approval shall not be unreasonably withheld, to access and utilize all billing records related to ASC's as is necessary for billing purposes.

7. INDEMNIFICATION.

7.1 **Indemnification by Buyer.** Buyer does hereby indemnify and hold ASC harmless from and against any loss, claim, damage, or expense, including reasonable attorneys' fees, which ASC may suffer, incur, or expend, arising out of any breach of Buyer's covenants or representations and warranties herein.

7.2 **Indemnification by ASC and Physician.** ASC and Physician, individually and severally, hereby indemnify and hold Buyer harmless from and against any loss, claim, damage, or expense, including reasonable attorneys' fees, which Buyer may suffer, incur or expend, arising out of (a) any failure on the part of ASC to perform fully its obligations under the Assumed Contracts before the Closing Date, (b) the Excluded Liabilities, (c) any other liability arising from the operation of the ASC before the Closing Date, and (d) any breach of the ASC's covenants or representations and warranties herein.

8. REPRESENTATIONS OF ASC and PHYSICIAN.

ASC, and Physician, individually and severally, hereby warrant, represent, and covenant to Buyer as follows. For purposes of this Section 8, the term "knowledge" means actual or constructive knowledge of Physician or any member or officer of ASC after due inquiry.

8.1 **Authority.** ASC is a limited liability company in good standing under the laws of the State of Illinois and has full power and authority to enter into this Agreement. This Agreement has been duly executed and delivered by an authorized representative of ASC, and by Physician, and is a valid and binding obligation of ASC and Physician, enforceable against ASC and Physician in accordance with its terms.

8.2 **No Violation or Default.** The execution, delivery, and performance by ASC of this Agreement does not violate, conflict with, or constitute a default under any provision of any of the following with respect to ASC: its Articles of Incorporation, its Bylaws, any applicable order or judgment of any court, any debt instrument, or any Assumed Contract to which ASC is a party; and, no consent, waiver, authorization, or approval of any third party or governmental authority is required in connection with the execution, delivery, and performance of this Agreement by ASC, other than the Conditions to Closing set forth in Section 8.16.

8.3 **Financial Statements.** Attached as **Schedule 8.3** are true and complete copies of (a) unaudited balance sheets of the Company as of December 31 in each of 2011 and 2012, and the related unaudited statements of income, changes in members' equity and cash flows for the fiscal years then ended, and (b) an unaudited balance sheet of the Company as of December 31, 2012 and the related unaudited statements of income for each month since December 31, 2012 (such financial statements and notes contained therein in clauses (a) and (b), collectively, the "Financial Statements"). The Financial Statements fairly present in all material respects the financial condition and the results of operations, changes in members' equity, and cash flows of the Company as at the respective dates of and for the periods referred to in the Financial Statements. The Financial Statements have been prepared from the books and records of the Company (which are true and correct in all respects). There has not been any change between December 31, 2012, and the date of this Agreement which has had or is likely to have an adverse effect on the financial position, results of operations or business or prospects of the Company. The Seller acknowledges and agrees that Buyer has relied upon the financial information set forth in the Financial Statements in order to determine the Purchase Price.

8.4 **No Adverse Change.** Since 2003, the ASC has operated the ASC in the ordinary course, consistent with good business practices, and during the twelve (12) months prior to the Closing Date there has not been any material adverse change in the Assets, Assumed Contracts, business, operations, or condition (financial or other) of the ASC. ASC is not aware of any occurrence or fact that may result in a material adverse effect on the Assets, Assumed Contracts, or the Practice.

8.5 **Tax.** The ASC has filed all federal, state and local tax returns required to be filed by it and has paid or made provision for the payment of all taxes and assessments (including without limitation income, excise, unemployment, social security, occupation, franchise, property, sales and use taxes, services taxes, import duties or charges, and all penalties and interest with respect thereto) that are due and payable, whether or not in connection with such returns. The ASC has not signed any extension agreement with any taxing authority and knows of no open matters for any prior periods.

8.6 **No Material Liability.** Except as set forth in **Schedule 8.6** or on the Financial Statements, and other than trade accounts payable and payroll and benefits accrued in the ordinary course of business, the ASC has no indebtedness or liability, absolute or contingent, known or unknown, that relate to the Assets, and the Seller has no indebtedness or liability to be paid at the Closing. Except as set forth in **Schedule 8.6** or in the Financial Statements, ASC has no material refund or repayment obligations (arising from overpayments, mistaken billing, or otherwise) to any third party, including without limitation any party to any Assumed Contract.

8.7 **License and Permits.** **Schedule 8.7** sets forth a complete list of all licenses, permits, authorizations, and approvals issued or granted to ASC with respect to the ASC by any governmental authority or third party ("**Licenses and Permits**"). ASC and Physician represent that no license, permit, authorization, or approval, other than the Licenses and Permits, is required to permit the continued lawful conduct of the ASC in the manner now conducted.

8.8 **Litigation.** Except as set forth in **Schedule 8.8**, there are no claims, actions, suits, proceedings, labor disputes, investigations, or government inquiry pending or, to the knowledge of ASC or Physician, threatened, against ASC or any Employee involving, affecting or relating to the Practice, the Assets, or the transactions contemplated by this Agreement.

8.9 **Contracts.** **Schedule 2** sets forth a complete and correct list of all contracts, agreements, understandings, or commitments currently in effect, whether or not the same are in writing, to which ASC is a party, each of which constitutes an Assumed Contract, as defined above. ASC has provided true and complete copies of each of the Assumed Contracts to Buyer. ASC has performed all material obligations required to be performed by it under, and is not in default or delinquent in any material respect in performance, status, or any other respect (claimed or actual) in connection with, any Assumed Contract, and, to the knowledge of ASC and Physician, no event has occurred which, with due notice or lapse of time or both, would constitute such a default. Each Assumed Contract is valid, binding, and enforceable against the parties thereto in accordance with its terms, and in full force and effect. To the knowledge of ASC and Physician, no other party to any Assumed Contract is in material default in respect thereof. The Assumed Contracts have not been modified, amended, supplemented, extended, or renewed.

8.10 **Employees.** ASC is not a party to any collective bargaining agreement or contract with any labor union and no union application for certification exists respecting the ASC's employees.

8.11 **Legal Compliance.** The operations of the ASC have been conducted in material accordance with all applicable laws, regulations, orders, and other requirements of all courts and other governmental authorities having jurisdiction over ASC, including without limitation all such laws, regulations, orders, and requirements promulgated by or relating to consumer protection, health care (e.g., Medicare and Medicaid), equal opportunity, health, environmental, ERISA, architectural barriers to the handicapped, fire, zoning, and building and occupation safety.

8.12 **Title.** ASC has good and marketable title to the Assets, including all software, free and clear of all liens, claims, pledges, charges, mortgages, security interests, or encumbrances of any kind. The Assets (a) constitute all of the properties and assets now held or employed by ASC that are material to the operation of the ASC, and (b) constitute, and on the Closing Date will constitute, all of the property and assets that are necessary to permit the operation of the ASC as historically and currently conducted.

8.13 **Condition of Assets.** Each tangible asset included in the Assets is in good condition and repair, subject to reasonable use, wear, and tear.

8.14 **ERISA.** Except as set forth on **Schedule 8.14**, to the knowledge of ASC, there are no circumstances, conditions, or events relating to or arising under any of ASC's or its affiliates' employee benefit plans, programs, or arrangements (including, but not limited to,

employee benefit plans within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") that could result in any liability to Buyer.

8.15 **Performance of Covenants and Obligations.** All of the covenants and obligations that ASC is required to perform or to comply with pursuant to this Agreement at or prior to the Closing (considered collectively), and each of these covenants and obligations (considered individually), must have been duly performed and complied with in all material respects before Closing. All of ASC's and Physician's representations and warranties in this Agreement (considered collectively), and each of these representations and warranties (considered individually), must have been accurate in all material respects as of the date of this Agreement, and must be accurate in all material respects as of the Closing as if made on the Closing. Buyer's obligation to purchase the Assets and to complete the transactions contemplated by this Agreement shall be subject to Buyer's due diligence review of the ASC and the Exhibits provided by the ASC to be attached to this Agreement, and Buyer shall have found the results of such due diligence review to be satisfactory in Buyer's reasonable discretion. Buyer shall have the right to terminate this Agreement, and not consummate the acquisition of the Assets, if the Exhibits and other deliverables are not reasonably acceptable to Buyer in Buyer's reasonable discretion; provided, however, this condition shall expire on the Closing. Seller shall have the right to terminate this Agreement, and not consummate the acquisition of the Assets, in the event Buyer determines that the outcome of diligence warrants a change to any of the provisions in this Agreement, however, this condition shall expire on the Closing.

8.16 **Condition of Closing.** Seller agrees and acknowledges that conditions of Closing include the following: (i) Buyer has obtained the necessary corporate approvals, including but not limited to approval from Buyer's Board and the HSHS Board; (ii) Buyer has obtained Certificate of Need (CON) or Certificate of Exemption (COE) approval by the Illinois Health Planning Board for the change of ownership of the ASC; (iii) completion of a billing and coding audit, and other reasonable diligence by Buyer, with a diligence report containing findings that are satisfactory to Buyer; and, (iv) all the members of the ASC have been informed of the sale of the assets of the ASC, that no member has filed or threatened to file a challenge to the sale, and that the ASC will timely distribute the ASC's profits as required by the ASC's Operating Agreement.

8.17 **Taxes.** The Company has filed all federal, state and local tax returns required to be filed by it and has paid or made provision for the payment of all taxes and assessments (including without limitation income, excise, unemployment, social security, occupation, franchise, property, sales and use taxes, services taxes, import duties or charges, and all penalties and interest with respect thereto) that are due and payable, whether or not in connection with such returns. The Company has not signed any extension agreement with any taxing authority and knows of no open matters for any prior periods.

8.18 **Compliance with ASC's Operating Agreement.** All the members of the ASC have been informed of the sale of the assets of the ASC, that no member has filed or threatened to file a challenge to the sale, and that the ASC will timely distribute the ASC's profits as required by the ASC's Operating Agreement.

9. REPRESENTATIONS OF BUYER. Buyer hereby warrants, represents, and covenants to ASC as follows:

9.1 **Authority**. Buyer is a not-for-profit corporation in good standing under the laws of the State of Illinois and has full power and authority to enter into this Agreement. This Agreement has been duly executed and delivered by Buyer and is a valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms.

9.2 **No Violation or Default**. The execution, delivery, and performance by Buyer of this Agreement do not violate, conflict with, or constitute a default under any provision of any of the following with respect to Buyer: its Articles of Incorporation; its Bylaws; any applicable order or judgment of any court; or, any contract to which Buyer is a party.

9.3 **Performance of Covenants and Obligations**. All of the covenants and obligations that Buyer is required to perform or to comply with pursuant to this Agreement at or prior to the Closing (considered collectively), and each of these covenants and obligations (considered individually), must have been duly performed and complied with in all material respects before Closing. All of Buyer's representations and warranties in this Agreement (considered collectively), and each of these representations and warranties (considered individually), must have been accurate in all material respects as of the date of this Agreement, and must be accurate in all material respects as of the Closing as if made on the Closing.

9.4 **Contracts.** Buyer acknowledges receipt of complete copies of each of the Assumed Contracts listed in **Schedule 2** from ASC.

9.5 **Condition of Closing**. Buyer agrees and acknowledges that the conditions of Closing include the following: (i) Buyer obtaining the necessary corporate approvals, including but not limited to approval from Buyer's Board and the HSHS Board; (ii) Buyer obtaining Certificate of Need (CON) or Certificate of Exemption (COE) approval by the Illinois Health Planning Board for the change of ownership of the ASC; and (iii) completion of a billing and coding audit, and other reasonable diligence by Buyer, with a report containing findings that are satisfactory to Buyer. Provided, however, the Buyer shall not have the right to delay the Closing under this Section 9.5 unless the final diligence report identifies an amount in dispute that is equal to or greater than $5,000. Disputes totaling less than $5,000 will be considered to be immaterial and will not delay Closing.

9.6 **Buyer's Failure, Refusal, or Inability to Proceed with Closing.** Notwithstanding anything contained in this Asset Purchase Agreement to the contrary, or any other written agreement between the parties, if Buyer fails to proceed with a Closing of this Asset Purchase Agreement on or before July 31, 2013, Seller may immediately terminate all further negotiations with Buyer and shall be free to proceed to negotiate with any potential Buyer of its choosing, or proceed in any other legal manner of Sellers choosing.

10. COVENANT NOT TO COMPETE. During the term of this Agreement, and for a period of two (2) years after the Closing Date, the Seller shall not own, organize, consult with, manage, become an employee, or otherwise participate in any manner, with any person or entity that offers services that compete with the services offered by an ambulatory surgery center

or the Buyer and is located (1) within twenty-five (25) miles of the ASC, or (2) within Sangamon County or Effingham County, Illinois. This covenant not to compete is specifically acknowledged to be fair and appropriate to protect the interests of Buyer, and any person or entity that acquires ownership in the ASC after the Closing. This covenant not to compete is an important part of the total consideration exchanged by the Parties. Buyer and Seller specifically acknowledge and agree that it is their intention that the restrictive covenants contained in this Section are to be enforced to the maximum extent permissible by law, and that if any such covenant is determined by a court of competent jurisdiction not to be enforceable as set out herein, then the Parties shall request that such restrictive covenant shall be reformed by such court so that it is enforceable to the maximum extent permissible by law. If any provision contained in this Section is modified or held ineffective by any court in any respect, then such adjudication shall not invalidate or render ineffective the balance of the provisions of this Section, or any other provision of this Agreement. This covenant not to compete shall not be binding upon the Parties if a Closing of this Asset Purchase Agreement does not occur.

11. SUCCESSORS AND ASSIGNS. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective personal representatives, successors, and assigns. Buyer may assign its rights and obligations under this Agreement to a partially or wholly-owned subsidiary of Buyer.

12. APPLICABLE LAW. This Agreement shall be interpreted and construed in accordance with the laws of the State of Illinois.

13. HEADINGS. The headings appearing in this Agreement are inserted only as a matter of convenience and do not define, limit, construe, or prescribe the scope or intent of the sections of this Agreement nor in any way affect this Agreement.

14. SURVIVAL. All covenants and agreements which by their respective terms are intended to survive the consummation of the transactions contemplated by this Agreement (including Sellers' representations herein) shall survive such consummation in accordance with their respective terms and conditions for a period of twenty-four (24) months after Closing.

15. ENTIRE AGREEMENT. This Agreement contains the entire understanding between the parties hereto with respect to the transactions contemplated hereby and supersedes and replaces all prior and contemporaneous agreements and understandings, oral or written, with regard to such transactions. All exhibits and schedules hereto are expressly made a part of this Agreement as fully as though completely set forth herein.

16. COUNTERPARTS. This Agreement may be executed in one or more counterpart originals, each of which shall be an original and all of which taken together shall constitute one and the same instrument. The parties may execute this Agreement by exchange of facsimile signatures, and a party to this Agreement may rely on a facsimile signature of the other party so long as the relying party has provided its signature to the other party (by facsimile or otherwise).

17. AMENDMENT. This Agreement may only be amended by written agreement executed by all parties.

18. **DISCLOSURES.** A disclosure of a relevant event, fact, or item on any schedule or exhibit attached to this Agreement shall be a disclosure for all purposes, schedules, or exhibits.

19. **CONFIDENTIALITY.** Each party will hold confidential, and will cause its affiliates and agents to hold confidential, all documents and information concerning any other party furnished to it by the other party in connection with this Agreement or the transactions contemplated by it.

20. **WAIVER OF BREACH.** The waiver by any party of a breach or violation of any provision of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent breach of the same or other provision of this Agreement.

21. **OBLIGATION TO CLOSE.** Buyer's obligation to purchase the Assets and to complete the transactions contemplated by this Agreement shall be subject to the conditions to Closing set forth in Sections 8.16 and 9.5.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be properly executed by their duly authorized representatives as of the day and year first above written.

"ASC"

By: _____
Date

Printed Name: _____

"Physician"

By: _____
Thomas Pliura, M.D. Date

St. Mary's Hospital, Decatur, of the Hospital Sisters of the Third Order of St. Francis

"BUYER"

By: _____ 5.15.2013
Kevin Kast, President & CEO Date

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be properly executed by their duly authorized representatives as of the day and year first above written.

"ASC"

By: X _____ Date

Printed Name: Thomas J. Pliura
MENRSINS Member

"Physician"

By: X _____
Thomas Pliura, M.D. Date

St. Mary's Hospital, Decatur, of the Hospital Sisters of the Third Order of St. Francis

"BUYER"

By: _____
Kevin Kast, President & CEO Date

List of Exhibits and Schedules
To
ASSET PURCHASE AGREEMENT

Exhibits

Exhibit A	Bill of Sale
Exhibit B	Assignment and Assumption Agreement

Schedules

Schedule 1A	Excluded Assets
Schedule 1B	Assets
Schedule 1C	Inventory and Other Supplies Being Transferred at Closing
Schedule 2	Assumed Contracts
Schedule 8.3	Financial Statements
Schedule 8.6	Material Liabilities & Debts
Schedule 8.7	Licenses and Permits
Schedule 8.8	Litigation
Schedule 8.14	ERISA Matters

EXHIBIT A
To Asset Purchase Agreement

BILL OF SALE

FOR VALUE RECEIVED, Decatur Healthcare, LLC ("**ASC**") hereby sells, assigns, transfers, and conveys to **ST. MARY'S HOSPITAL, DECATUR, OF THE HOSPITAL SISTERS OF THE THIRD ORDER OF ST. FRANCIS** ("**Buyer**") all of the ASC's right, title, and interest in, to, and under the "Assets" as that term is defined in that certain Asset Purchase Agreement with a Closing Date of _____ _____, 2013, between the ASC, Thomas Pliura, M.D., and the Buyer ("**Agreement**").

The ASC represents and warrants to the Buyer that the ASC has and hereby conveys to the Buyer good and marketable title to the property conveyed hereby, free of all liens and encumbrances.

This Bill of Sale is made together with the benefit of all of the additional representations and warranties made by ASC in the Agreement, which shall survive the execution and delivery of this Bill of Sale.

The ASC agrees to sign and deliver to Buyer such additional documents, and to take such additional actions, as may be necessary to vest or evidence transfer of title to the Assets to Buyer.

This Bill of Sale is made effective as of the _____ day of _____, 2013.

DECATUR HEALTHCARE, LLC

"ASC"

By: _____

_____
Printed Name

EXHIBIT B
To Asset Purchase Agreement

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT ("**Agreement**") is entered into effective as of _____ _____, 2013 ("**Effective Date**") by and between **Decatur Healthcare, LLC** ("**ASC**"), **Thomas Pliura, M.D.**, and **St. Mary's Hospital, Decatur, of the Hospital Sisters of the Third Order of St. Francis** ("**Buyer**").

This Agreement is entered into pursuant to the terms of that certain Asset Purchase Agreement with a Closing Date of _____ _____, 2013 by and between Seller and Buyer ("**Purchase Agreement**"). Capitalized terms used herein and not defined herein shall have the meaning set forth in the Purchase Agreement.

1. **Assignment.** For good and valuable consideration received by Seller, the receipt and sufficiency of which are hereby acknowledged, ASC hereby grants, transfers, and assigns to Buyer all of ASC's right, title, and interest in, to, and under the Assumed Contracts.

2. **Assumption.** Buyer hereby assumes, and agrees to be bound by, all of the covenants, agreements, and obligations of ASC under each of the Assumed Contracts (other than those arising from ASC's breach or default), in each case which arise or are incurred, or are to be performed, after the date of this Agreement.

3. **Binding Effect.** This Agreement shall inure to the benefit of and be binding upon each of the parties and their respective successors and assigns.

4. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

5. **Conflict.** In the event of any conflict between this Agreement and the Purchase Agreement, the Purchase Agreement shall control.

6. **Representations and Warranties.** ASC, and Physician, individually and severally, state that the promises and representations set forth in the Asset Purchase Agreement remain true as the date of this Agreement

[Signature Page Follows]

IN WITNESS WHEREOF, Seller and Buyer have executed this Agreement, intending to be bound legally.

ST. MARY'S HOSPITAL, DECATUR, OF THE HOSPITAL SISTERS OF THE THIRD ORDER OF ST. FRANCIS

"BUYER"

By: _____
Kevin Kast, President & CEO Date

DECATUR HEALTHCARE, LLC

"ASC"

By: _____
Date

_____
Printed Name

"Physician"

By: _____
Thomas Pliura, M.D. Date

SCHEDULE 1A

To Asset Purchase Agreement

ASSETS

***The asset list is preliminary and subject to change pending final verification of the assets as the result of Buyer's diligence.**

Description	Manufacturer	Fair Market Value
STOOLS, ASSORTED EXAMINATION		$ 1,300
IV POLES		600
CURTAINS, PRIVACY W/ TRACK		900
OTOSCOPE / OPHTHAOLMOSCOPE SET W/ CHARGING STAND (WALL MOUNTED)	WELCH ALLYN	130
MONITORS, VITAL SIGNS	WELCH ALLYN	780
SPHYGMOMAN0METER, ASSORTED W/ ARM CUFFS	JM KECKLER	70
DEFIBRILLATOR / AED	PHYSIO CONTROL	2,300
CARTS, CRASH		1,800
TANKS, OXYGEN W/ REGULATOR		900
PUMPS, VACUUM		630
WHEELCHAIR		270
X-RAY FILM VIEWERS, 2 X 2		840
SCALE, 350 # BEAM	CONTINENTAL	270
INSTRUMENTS, WALL TYPE SUCTION REGUALTORS, WALL TYPE OXYGEN REGUALTORS, TABLE TOP ULTRASONIC CLEANER, ETC.		2,300
LOT OF MODULAR FURNITURE C/O:14- ACOUSTICAL PANELS, 6- OVERHEAD STORAGE CABINETS, 6- TASKLIGHTS, 6- KOARD TRAYS, ETC.		2,100
DESKS, ASSORTED DOUBLE PEDESTAL		380
DESKS, SINGLE PEDESTAL W/ RETURN		750
CHAIRS, POSTURE		730
CHAIRS, ARM		460
CHAIRS, SWIVEL ARM		230
CHAIRS, SIDE		270
CHAIRS, STACKING		120
CHAIRS, LOBBY OPEN ARM		460
CHAIRS, LOBBY CLOSE ARM, TWO- PASSENGER		1,100
CHAIR, LOBBY CLOSE ARM, THREE PASSENGER		230
RECLINER(S), ASSORTED		2,100
FILES, 2-DRAWER LETTER		170
FILE, 4-DRAWER LETTER		100
FILE, 5-DRAWER LETTER		110
FILES, 2-DRAWER LATERAL		370
FILES, 3-DRAWER LATERAL		490
FILES, 5-DRAWER LATERAL		480
LOCKERS, SINGLE DOOR		1,900
LOCKERS, DOUBLE DOOR		1,700
CARTS, ASSORTED		58,000
RACKS, CABINETS & BOOKCASES, ASSORTED		920
TABLES, BENCHES & STANDS, ASSORTED		200
TABLES, ASSORTED LOBBY		1,500
DISHWASHER 2- CABINETS, DATA ENTRY10- FRAMED PIECES OF ARTWORK 1- VACUUM CLEANERS 3- TABLE LAMPS 1- FLOOR POLISHER 1- LOT OF MISCELLANEOUS KITCHEN, JANITORIAL AND DESK EQUIPMENT		3,100
SERVER, FILE	CLONE	3,000
PERSONAL COMPUTERS, DESKTOP TYPE COMPLETE W/ MONITOR, KEYBOARD, MOUSE, & POWER STRIP	COMPAQ	610
PERSONAL COMPUTERS, DESKTOP TYPE COMPLETE W/ MONITOR, KEYBOARD, MOUSE, & POWER STRIP	DELL	610
PERSONAL COMPUTERS, LAPTOP TYPE	HEWLETT PACKARD	730
2- SCANNERS		820
LOT OF INFORMATION TECHNOLOGY COMMUNICATIONS EQUIPMENT C/O: ROUTERS, MODEMS, WIRE HUBS, ETC		2,300
LOT OF INFORMATION TECHNOLOGY EQUIPMENT NOT IN SERVICE C/O: MONITORS, PRINTERS, UNINERTRUPTABLE POWER UNIT, ETC.		210
COPIER (NEEDS REPAIR/NOT IN SERVICE)	MINOLTA	400
POSTAGE METER	PITNEY BOWES	150
TELEPHONE SYSTEM, COMPLETE W/ CONTROLLERS, APPROXIMATELY 9- DIGITAL TELEPHONES AND WIRING THRU-OUT	NORSTAR	1,100
LOT OF MINOR OFFICE EQUIPMENT C/O: 4- CALCULATORS 1- SHREDDERS 1- TIME CLOCK 1- CREDIT CARD VERIFIER 1- TELEVISION, SONY 1- VIDEO CASSETTE RECORDER 4- STEREO SOUND EMS		510
PERSONAL COMPUTERS, TABLET TYPE	HEWLETT PACKARD	1,700
PERSONAL COMPUTERS, DESKTOP TYPE COMPLETE W/ MONITOR, KEYBOARD, MOUSE, & POWER STRIP	GATEWAY	1,700
ANALYZER, GLUCOSE	TOUCH ONE	20
HYFRECATOR	VALLEY LAB	5,600
STRETCHER(S)	STRYKER	21,000
STRETCHER(S)	HAUSTED	12,000
MONITORS, PATIENT	DATASCOPE	14,000
CHAIRS, PATIENT TRANSHER		180
CABINETS, BEDSIDE	HILL-ROM	1,800

Description	Manufacturer	Fair Market Value
ICE MACHINE	LEE-O-MATIC	900
X-RAY MACHINE, C-ARM TYPE, COMPLETE,(NEEDS REPAIR)	OEC	5,000
ANESTHESIA MACHINES WITH VENTILATOR, COMPLETE	OHMEDA	13,000
ANESTHESIA MACHINES WITH VENTILATOR, COMPLETE	OHMEDA	13,000
ANESTHESIA MACHINES WITH VENTILATOR, COMPLETE	OHMEDA	10,000
WARMING CABINET	STERIS	3,000
STERILIZER, PRE-VAC STEAM TYPE COMPLETE	STERIS	18,000
STERILIZER, COMPLETE	STERIS	24,000
LIGHTS, SURGICAL, OVERHEAD CEILING MOUNTED FLOATING ARM W/ CONTROLLER	SKYTRON	57,000
TABLES, SURGICAL, COMPLETE W/ ARM & LEG HOLDER ATTACHEMNTS	STERIS	26,000
TABLE, SURGICAL, COMPLETE W/ ARM & LEG HOLDER ATTACHEMNTS	SHAMPAINE	13,000
DRILLS, SURGICAL	STRYKER	6,400
LOT OF ASSORTED LAPAROSCOPIC INTRUMENTS & EQUIPMENT	STRYKER	35,000
TOURNIQUETS	ZIMMER	7,400
MICROPSCOPES, SURGICAL TYPE, OVERHEAD CEILING MOUNTED FLOATING ARM, COMPLETE	LEIKA	28,000
PHACO MACHINES	ALCON	36,000
LASER, SURGICAL, "YAG" EYE	ALCON	5,000
LASER, SURGICAL, "ARGO" GLACOMA(NOT IN SERVICE)	TELSTAR COHERENT	500
LOT OF CATARACT SURGICAL INTRUMENTS		29,000
LOT OF ASSORTED GENERAL SURGICAL INTRUMENTS		21,000
LOT OF ASSORTED VASCULAR & ORTHOPEDIC SURGICAL INTRUMENTS		17,000
LOT OF GI PROCEDURE EQUIPMENT C/O: LIGHT SOURCE, IRRIGATION PUMP, COLONOSCOPE, EGD SCOPE, PRINTER & CART	SONY/PENTAX	19,000
LOT OF GI PROCEDURE EQUIPMENT C/O: LIGHT SOURCE, IRRIGATION PUMP, COLONOSCOPE, EGD SCOPE, PRINTER & CART	SONY/PENTAX	19,000
MONITORS, VIDEO	SONY	250
CONTROLLER/RECORDER, CAMERA	DYONICS	260
LIGHT SOURCE	DYONICS	280
ASPIRATOR/LIPOSUCTION MACHINE(NOT IN SERVICE)	BRYON MEDICAL	500
MONITORS, VIDEO		330
CONTROLLERS/RECORDER, CAMERA	PANASONIC	260
PUMP, ARTHOSCOPY	STRYKER	280
WARMERS, PATIENT	BAIRHUGGER	900
PUMP, SYRINGE		150
LOT OF SURGICAL EQUIPMENT & FURNISHINGS C/O:41- CARTS, ASSORTED STAINLESS STEEL 5- HAMPERS12- STEP STOOLS 4- MAYO STANDS 6- KICK PAILS		8,800
TABLES, OVERBED TYPE		630
STOOL, SURGERY	STRYKER	2,400
CLEANER, ULTRASONIC, 2-TRAY TYPE	CREST/SKYTRON	12,000
WASHER/PROCESSOR	STERIS	500
Total Property, Plant and Equipment	**$ 595,560**	

Source: Equipment Listing provided by Management.

SCHEDULE 1B
To
Asset Purchase Agreement

EXCLUDED ASSETS

1. Working Capital as of Closing

SCHEDULE 1C
To
Asset Purchase Agreement

INVENTORY AND OTHER SUPPLIES BEING TRANSFERRED AT CLOSING

***The list of Medical Supplies, Pharmaceutical Supplies and Office Supplies will be identified by Buyer during diligence and this Schedule will be completed at that time.**

MEDICAL SUPPLIES		
QTY	**ITEM DESCRIPTION**	**UNITS**
PHARMACEUTICAL SUPPLIES		
QTY	**ITEM DESCRIPTION**	**UNITS**
OFFICE SUPPLIES		
QTY	**ITEM DESCRIPTION**	**UNITS**

SCHEDULE 2
To
Asset Purchase Agreement

ASSUMED CONTRACTS

EQUIPMENT LEASES: (If none, state "None.")

1. None

LEASE AGREEMENTS: (If none, state "None.")

1. None

SERVICE & SUPPORT AGREEMENT: (If none, state "None.")

1. None

SCHEDULE 8.2
To
Asset Purchase Agreement

THIRD PARTY CONSENTS TO BE OBTAINED BY ASC

SERVICE & SUPPORT AGREEMENT:

1. None

SCHEDULE 8.6
To
Asset Purchase Agreement

MATERIAL LIABILITIES & DEBTS

None.

SCHEDULE 8.7
To
Asset Purchase Agreement

LICENSES AND PERMITS

1. Ambulatory Surgery Treatment Center license issued by State of Illinois Department of Public Health.

2. Certificate of Exemption issued by the State of Illinois Health Facilities and Services Review Board

SCHEDULE 8.8
To
Asset Purchase Agreement

LITIGATION

1. None

SCHEDULE 8.14
To
Asset Purchase Agreement

ERISA MATTERS

None.

ATTACHMENT #6

Evidence of bond rating is attached.

FitchRatings

FITCH RATES HOSPITAL SISTERS SERVICES, INC. (IL) SERIES 2012 REVS 'AA-' AND 'AA-/ F1+'

Fitch Ratings-Chicago-30 August 2012: Fitch Ratings has assigned 'AA-' ratings to the following revenue bonds issued on behalf of Hospital Sisters Services, Inc. (HSSI):

--$63 million Wisconsin Health and Educational Facilities Authority, series 2012B;
--$36.1 million Illinois Finance Authority, series 2012C;
--$77.5 million Wisconsin Health and Educational Facilities Authority, series 2012D*;
--$41.7 million Wisconsin Health and Educational Facilities Authority, series 2012E*;
--$50.7 million Illinois Finance Authority, series 2012F*;
--$50.7 million Illinois Finance Authority, series 2012G*;

*Underlying rating. The bonds are expected to be supported by an irrevocable direct pay letter of credit issued by the Bank of Montreal, N.A.

In addition, Fitch Ratings has assigned 'AA-/ F1+' ratings to the following variable-rate demand revenue bonds issued on behalf of HSSI. The 'F1+' is based on the sufficiency of the self-liquidity provided by HSSI:

--$66.2 million Illinois Finance Authority, series 2012H;
--$89.9 million Illinois Finance Authority, series 2012I;
--$14.2 million Wisconsin Health and Educational Facilities Authority, series 2012J.

In addition, Fitch affirms the 'AA-' and 'F1+' ratings on approximately $529 million of bonds outstanding currently rated by Fitch.

The series 2012 bonds are expected to price the week of Sept. 10 via negotiation. Proceeds from the series 2012 bonds and a $121.8 million private placement will be used to refund approximately $456 million of outstanding bonds (listed at the end of the rating action commentary), fund certain capital projects at St John's Hospital and St Joseph's Hospital ($160 million) and pay costs of issuance. Total outstanding debt after this issuance is approximately $684.0 million.

The Rating Outlook is Stable.

SECURITY: Joint and severable liability of each member of the obligated group

KEY RATING DRIVERS

STRONG LIQUIDITY POSITION: HSSI's robust liquidity position provides a strong financial cushion which mitigates the system's depressed operating profitability and the risks associated with its variable-rate debt exposure.

SOLID DEBT SERVICE COVERAGE: HSSI's light debt burden (pro-forma maximum annual debt service (MADS) equaled a modest 1.7% of fiscal 2011 revenues) results in very solid historical coverage of pro forma MADS by EBITDA of 5.6x and 5.5x in fiscal 2011 and 2010, respectively. However, given HSSI's strong balance sheet and poor operating performance, solid EBITDA generation has been dependent on investment returns.

DEPRESSED OPERATING PERFORMANCE: Operating profitability has been materially depressed over the last two years reflecting the impact of reduced inpatient volumes and the system's continued investment in its physician alignment strategies. Operating EBITDA margin declined to 4.2% in fiscal 2011 from 7.2% in fiscal 2010. However, Fitch expects operating margins to improve to at least breakeven by fiscal 2014.

CHALLENGING SERVICE AREAS: HSSI's location in mid-sized markets with stagnant growth, the concentration of system revenue at St. John's (the flagship hospital in Springfield), and its reliance on its five Wisconsin hospitals to cover losses at its Illinois facilities continue to be credit concerns.

AMPLE INTERNAL LIQUIDITY: HSSI maintains ample cash and investments which can be liquidated to fund any failed remarketing on approximately $170.5 million variable-rate demand bonds exceeding Fitch's criteria for assignment of an 'F1+' short-term rating.

WHAT COULD TRIGGER A RATING ACTION

CONTINUED WEAK OPERATING PERFORMANCE: The failure to meet projected operating performance improvement targets would likely result in negative rating pressure.

CREDIT PROFILE

The 'AA-' rating reflects the benefits of HSSI's robust balance sheet, light debt burden and solid debt service coverage which mitigate the recent deterioration in operating profitability. HSSI's strong liquidity position provides a strong financial cushion against the recent decline in operating profitability and is considered a primary credit strength. At May 31, 2012, HSSI's unrestricted cash and investments totaled $1.44 billion, which translates into 294 days cash on hand (DCOH), a 42.4x cushion ratio (based on pro forma MADS) and cash-to-long-term debt of 260%; all of which well exceed Fitch's respective 2012 'AA' category medians of 241.1, 24.1x and 169.4%.

Upon closing of the series 2012 financing, HSSI's debt burden remains light as reflected by pro forma MADS equating to 1.7% of fiscal 2011 total revenues and pro forma debt to capitalization (at May 31, 2012) of 27.0%. Thus, historical coverage of pro forma MADS by EBITDA of, respectively, 5.5x and 5.6x in fiscal 2010 and 2011, exceeds the 'AA' median of 4.8x despite the system's depressed operating profitability. However, coverage by operating EBITDA at 2.4x in fiscal 2011 and 4.0x in fiscal 2010 reflects HSSI's reliance on investment income.

In fiscal 2011 (June 30 year-end), HSSI reported a $44.8 million loss from operations (-2.2% operating margin) reflecting softer inpatient volumes and on-going investments in its physician alignment strategy. While overall patient encounters increased, inpatient admissions declined 3.0% in fiscal 2011 while total surgical volumes declined 4.4%. However, through the 11 months ended May 31, 2012 (interim period), inpatient admissions and surgeries have stabilized compared to the prior year period. Operating performance in the interim period improved with a negative 0.1% operating margin ($2.8 million operating loss); however, the improvement was due, in part, to some one-time settlement payments. The fiscal 2013 budget projects a $12.4 million operating loss with breakeven operating performance achieved in fiscal 2014. HSSI also benefits from approximately $20 million of supplemental Medicaid funding annually through the Illinois hospital assessment program.

The total number of employed and aligned physician has grown by 101 since the end of fiscal 2010. Currently the system employs a total 542 physicians and mid-level providers. Along with the acquisition of established physician practices, HSSI has many newly recruited physicians, which has had a negative impact on profitability. Further growth in the employed physician group is expected to be limited going forward as management is focused on improving volumes and efficiency.

Many of HSSI's hospitals are located in mid-sized markets with little projected population growth and marginal demographics. The continued operating losses reported at St. John's-Springfield, which accounted for about 22% of total system revenues in fiscal 2011, have been an on-going credit concern. St. John's operating loss in 2011 increased to $34.4 million in 2011 from $10.9 million in the prior year and in excess of a $25 million budgeted loss. Proceeds from the series 2012 financing will be used to execute on management's planned rebuild of the surgical suites and remodel of four patient floors, which should improve surgical volumes and financial performance at St. John's upon completion. Fitch believes improved financial performance at St. John's is critical to

the overall operating success of the system. Historically, HSSI's more profitable Wisconsin operations have offset the weaker performance of the Illinois facilities. Fitch expects to see improved operating balance across the system as capital improvements and physician alignment strategies take hold.

The 'F1+' short-term rating reflects the sufficiency of HSSI's highly liquid cash and investments available to fund any failed remarketings puts on approximately $170.5 million of series 2012 variable-rate demand bonds. At July 31, 2012, after assigning appropriate discounts based on underlying ratings and maturity of its holdings, HSSI had eligible cash and fixed income investments available to fund any un-remarketed puts well in excess of the required threshold of 1.25x to achieve the 'F1+' short-term rating. The system has a written procedures letter outlining the liquidation procedures in place to ensure timely funding and provides Fitch monthly investment reports which are used to monitor its cash and investment position available for self-liquidity.

The Stable Outlook reflects the system's significant balance sheet strength and the strategies in place to create sustained operating improvements, including a physician alignment strategy. Fitch is tolerant of the recent decline in operating profitability, as the system's low leverage position allows for solid debt service coverage. However, failure to reach break-even or positive operating margins by fiscal 2014 or a deterioration in liquidity and leverage metrics would likely result in negative rating action.

HSSI is composed of 13 inpatient hospitals, with eight facilities in Illinois and five facilities in Wisconsin. In fiscal 2011, the system had 2,069 beds in operation and total revenue of $1.99 billion. HSSI covenants to provide bondholders with audited annual information within 120 days of fiscal year-end and unaudited quarterly statements within 45 days of quarter-end to the national recognized municipal securities information repositories and through Digital Assurance Certification, L.L.C. The content of HSSI's disclosure to-date has been excellent and includes a balance sheet, income statement, cash flow statement, utilization statistics, and management discussion and analysis.

Contact:

Primary Analyst
Jim LeBuhn
Senior Director
+1-312-368-2059
70 W. Madison Street
Chicago IL 60602

Secondary Analyst
Dana Sodikoff
Associate Director
+1-312 368-3215

Committee Chairperson
Emily Wong
Senior Director
+1-212-908-0651

Media Relations: Elizabeth Fogerty, New York, Tel: +1 (212) 908 0526, Email: elizabeth.fogerty@fitchratings.com.

Additional information is available at 'www.fitchratings.com'. The ratings above were solicited by, or on behalf of, the issuer, and therefore, Fitch has been compensated for the provision of the ratings.

Applicable Criteria and Related Research:
--'Revenue-Supported Rating Criteria' (June 12, 2012);

--'Nonprofit Hospitals and Health Systems Rating Criteria' (July 23, 2012);
--'Criteria for Assigning Short-Term Ratings Based on Internal Liquidity' (June 15, 2012).

Applicable Criteria and Related Research:
Criteria for Assigning Short-Term Ratings Based on Internal Liquidity
http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=681822
Nonprofit Hospitals and Health Systems Rating Criteria
http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=683418
Revenue-Supported Rating Criteria
http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=681015

ALL FITCH CREDIT RATINGS ARE SUBJECT TO CERTAIN LIMITATIONS AND DISCLAIMERS. PLEASE READ THESE LIMITATIONS AND DISCLAIMERS BY FOLLOWING THIS LINK: HTTP://FITCHRATINGS.COM/UNDERSTANDINGCREDITRATINGS. IN ADDITION, RATING DEFINITIONS AND THE TERMS OF USE OF SUCH RATINGS ARE AVAILABLE ON THE AGENCY'S PUBLIC WEBSITE 'WWW.FITCHRATINGS.COM'. PUBLISHED RATINGS, CRITERIA AND METHODOLOGIES ARE AVAILABLE FROM THIS SITE AT ALL TIMES. FITCH'S CODE OF CONDUCT, CONFIDENTIALITY, CONFLICTS OF INTEREST, AFFILIATE FIREWALL, COMPLIANCE AND OTHER RELEVANT POLICIES AND PROCEDURES ARE ALSO AVAILABLE FROM THE 'CODE OF CONDUCT' SECTION OF THIS SITE.

ATTACHMENT #7

VERIFICATIONS

In compliance with the rules of the Health Facilities Services and Review Board (the "board"), St. Mary's Hospital, Decatur, of the Hospital Sisters of the Third Order of St. Francis ("St. Mary's"), provides the following verifications in connection with the change of ownership (the "Project") of Decatur Healthcare, LLC (the "Facility"):

1. Categories of Service. Pursuant to §1130.520(b)(1) of the Board rules, St. Mary's hereby verifies that the categories of service and number of beds at the Facility, as reflected in the Inventory of Health Care Facilities, will not substantially change for at least twelve (12) months following the Project's completion date.

2. Three-Year Ownership. Pursuant to §1130.520(b)(5) of the Board rules, St. Mary's hereby verifies that it intends to maintain ownership and control of the Facility for a minimum of three (3) years.

3. Completion of Project. Pursuant to §1130.520(b)(8) of the Board rules, St. Mary's hereby verifies that it understands that failure to complete the Project in accordance with the applicable provisions of §1130.570 of the Board rules, no later than twelve (12) months from the date of exemption approval (or by a later date established by the Board upon a finding that the project has proceeded with due diligence) and failure to comply with the material change requirements of §1130.520(b)(8), will invalidate the exemption.

Signature of Authorized Officer: _____

Name of Authorized Officer: Kevin F. Kast

Title of Authorized Officer: President/Chief Executive Officer

HALL RENDER
KILLIAN HEATH & LYMAN

Professional Corporation
One American Square, Suite 2000
Box 82064, Indianapolis, IN 46282
www.hallrender.com

E-016-13

Mark J. Swearingen
mswearingen@hallrender.com
Direct Dial: (317) 977-1458
Fax: (317) 633-4878

May 22, 2013

RECEIVED
MAY 23 2013
HEALTH FACILITIES &
SERVICES REVIEW BOARD

Courtney Avery, Administrator
Illinois Health Facilities Planning Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761-0001

Re: Application for Exemption

Dear Courtney:

Enclosed please find an Application for Exemption for the Change of Ownership for an Existing Health Care Facility that we are submitting on behalf of our client, St. Mary's Hospital, Decatur. Please do not hesitate to contact me with any questions or concerns.

Very truly yours,

HALL, RENDER, KILLIAN, HEATH & LYMAN, P.C.

Mark J. Swearingen

1415342v1

Enclosures