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Via FedEx

August 9, 2016

Mike Constantino
Supervisor Project Review
Illinois Health Facilities & Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Rush Oak Brook Orthopaedic Building and Rush Oak Brook Surgery Center
Applications for CON Permit (yet to be assigned a project number)

Dear Mike:

I am following up, per our conversation and your conversation with Mr. Axel, to clarify why Midwest Orthopaedics at Rush ("MOR") is not an applicant on the above referenced applications. It is not an entity that will own, operate or control any licensed health care facility or the assets of the proposed medical office building.

You noted language in the WinTrust document contained in the application for the medical office building describing the "Borrower". The letter is simply a description of possible financing terms, and is non-binding. The Borrower referred to in the WinTrust document is the applicant Joint Venture Limited Liability Company ("JV"), which as mentioned in the CON application has two 50/50 members, neither of which is RUMC or MOR. The language references the Borrower as a single purpose entity and refers to RUMC's and MOR's control of it. The WinTrust document is inaccurate in that reference to control.

Per the anticipated financing terms, RUMC will guaranty all or a portion of the financing for construction of the medical office building and will have minimal hospital services located in the building. Hence, RUMC is an applicant along with the JV entity that will own the building. It will be a single purpose entity that will own the building and lease it to RUMC, MOR and the proposed ambulatory surgery center which is the subject of a separate CON. The entity is described as bankruptcy remote in this context. In other words, it is not a speculative commercial building with no identified tenants.

The WinTrust document describing financing terms was directed to RUMC because RUMC is guarantying the WinTrust financing. MOR was also listed as an addressee

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HEALTH FACILITIES &
SERVICES REVIEW BOARD

Mike Constantino

August 9, 2016

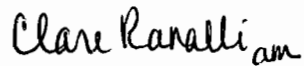
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because it, along with RUMC, will be a major tenant in the building, which is important in the context of providing financing.

As we have discussed many times, members of an entity that must be an applicant are not required to be an applicant on the basis of their membership alone. However, in this case MOR is not even a member in the JV applicants on either the medical office or ASC applications. It does not and will not control the assets of the medical office building, and for that matter neither will RUMC.

Thank you, as always. If you have any questions do not hesitate to contact me.

Very truly yours,

A handwritten signature in cursive script that reads "Clare Ranalli" followed by a small "am" in a script font.

Clare Connor Ranalli

cc: Jacob M. Axel