

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR EXEMPTION PERMIT

Original

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

RECEIVED

This Section must be completed for all projects.

MAR 22 2018

Facility/Project Identification

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Facility Name: Justice Med-Surg Center			
Street Address: 9050 West 81st Street			
City and Zip Code: Justice, IL 60458			
County: Cook	Health Service Area	007	Health Planning Area: 031

Applicant(s) [Provide for each applicant (refer to Part 1130.220)]

Exact Legal Name: Justice Med-Surg Center, LTD.	
Street Address: 9050 West 81st Street	
City and Zip Code: Justice, IL 60458	
Name of Registered Agent: Michael R. Collins	
Registered Agent Street Address: 8 South Michigan Avenue, Suite 1414	
Registered Agent City and Zip Code: Chicago, IL 60653	
Name of Chief Executive Officer: James Gianfrancisco, M.D.	
CEO Street Address: 9050 West 81st Street	
CEO City and Zip Code: Justice, IL 60458	
CEO Telephone Number: 708-594-3500	

Type of Ownership of Applicants

- | | | |
|--|--|--------------------------------|
| <input type="checkbox"/> Non-profit Corporation | <input type="checkbox"/> Partnership | |
| <input checked="" type="checkbox"/> For-profit Corporation | <input type="checkbox"/> Governmental | |
| <input type="checkbox"/> Limited Liability Company | <input type="checkbox"/> Sole Proprietorship | <input type="checkbox"/> Other |
- o Corporations and limited liability companies must provide an Illinois certificate of good standing.
 - o Partnerships must provide the name of the state in which they are 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]

Name: William Brennan
Title: Special Projects
Company Name: Nephrology Associates of Northern Illinois, LTD.
Address: 120 West 22nd Street, Oak Brook, IL 60523
Telephone Number: 630-573-5000
E-mail Address: wbrennan@nephdocs.com
Fax Number: 630-368-0331

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

Name: Mark J. Silberman
Title: Partner, CON Counsel
Company Name: Benesch, Friedlander, Coplan & Aronoff LLP

Address: 333 West Wacker Drive, Suite 1900 Chicago, IL 60606
Telephone Number: 312-212-4952
E-mail Address: msilberman@beneschlaw.com
Fax Number: 877-357-4913

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD APPLICATION FOR EXEMPTION PERMIT

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: Justice Med-Surg Center			
Street Address: 9050 West 81st Street			
City and Zip Code: Justice, IL 60458			
County: Cook	Health Service Area	007	Health Planning Area: 031

Applicant(s) [Provide for each applicant (refer to Part 1130.220)]

Exact Legal Name: Justice Vascular Care, LLC	
Street Address: 120 West 22nd Street	
City and Zip Code: Oak Brook, IL 60523	
Name of Registered Agent: Brian J. O'Dea	
Registered Agent Street Address: 120 West 22nd Street	
Registered Agent City and Zip Code: Oak Brook, IL 60523	
Name of Chief Executive Officer: Arthur Morris, M.D.	
CEO Street Address: 120 West 22nd Street	
CEO City and Zip Code: Oak Brook 60523	
CEO Telephone Number: 630-573-5000	

Type of Ownership of Applicants

<input type="checkbox"/> Non-profit Corporation <input type="checkbox"/> For-profit Corporation <input checked="" type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Partnership <input type="checkbox"/> Governmental <input type="checkbox"/> Sole Proprietorship
<input type="checkbox"/> Other	
<ul style="list-style-type: none"> o Corporations and limited liability companies must provide an Illinois certificate of good standing. o Partnerships must provide the name of the state in which they are 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]

Name: William Brennan
Title: Special Projects
Company Name: Nephrology Associates of Northern Illinois, LTD.
Address: 120 West 22nd Street, Oak Brook, IL 60523
Telephone Number: 630-573-5000
E-mail Address: bbrennan@nephdocs.com
Fax Number: 630-368-0331

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

Name: Mark J. Silberman
Title: Partner, CON Counsel
Company Name: Benesch, Friedlander, Coplan & Aronoff LLP

Address: 333 West Wacker Drive, Suite 1900 Chicago, IL 60606
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ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD APPLICATION FOR EXEMPTION PERMIT

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: Justice Med-Surg Center		
Street Address: 9050 West 81st Street		
City and Zip Code: Justice, IL 60458		
County: Cook	Health Service Area 007	Health Planning Area: 031

Applicant(s) [Provide for each applicant (refer to Part 1130.220)]

Exact Legal Name: Nephrology Associates of Northern Illinois, LTD.		
Street Address: 120 West 22nd Street		
City and Zip Code: Oak Brook, IL 60523		
Name of Registered Agent: Brian J. O'Dea		
Registered Agent Street Address: 120 West 22nd Street		
Registered Agent City and Zip Code: Oak Brook, IL 60523		
Name of Chief Executive Officer: Arthur Morris, M.D.		
CEO Street Address: 120 West 22nd Street		
CEO City and Zip Code: Oak Brook 60523		
CEO Telephone Number: 630-573-5000		

Type of Ownership of Applicants

<input type="checkbox"/> Non-profit Corporation <input checked="" type="checkbox"/> For-profit Corporation <input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Partnership <input type="checkbox"/> Governmental <input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Other
<ul style="list-style-type: none"> o Corporations and limited liability companies must provide an Illinois certificate of good standing. o Partnerships must provide the name of the state in which they are 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]

Name: William Brennan
Title: Special Projects
Company Name: Nephrology Associates of Northern Illinois, LTD.
Address: 120 West 22nd Street, Oak Brook, IL 60523
Telephone Number: 630-573-5000
E-mail Address: bbrennan@nephdocs.com
Fax Number: 630-368-0331

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

Name: Mark J. Silberman
Title: Partner, CON Counsel
Company Name: Benesch, Friedlander, Coplan & Aronoff LLP

Address: 333 West Wacker Drive, Suite 1900 Chicago, IL 60606
Telephone Number: 312-212-4952
E-mail Address: msilberman@beneschlaw.com
Fax Number: 877-357-4913

Post Exemption 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: Brian J. O'Dea

Title: COO/ CFO

Company Name: Nephrology Associates of Northern Illinois, LTD

Address: 120 West 22nd Street, Oak Brook, IL 60523

Telephone Number: 630-573-5000

E-mail Address: bodea@nephdocs.com

Fax Number: 630-368-0320

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: First Step Holdings, LLC

Address of Site Owner: 4320 Pine Lake Drive, Naperville, IL 60564

Street Address or Legal Description of the Site:

Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statements, 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: Justice Med-Surg Center, Ltd.

Address: 120 West 22nd Street, Oak Brook, IL 60523

- | | | |
|--|--|--------------------------------|
| <input type="checkbox"/> Non-profit Corporation | <input type="checkbox"/> Partnership | |
| <input checked="" type="checkbox"/> For-profit Corporation | <input type="checkbox"/> Governmental | |
| <input type="checkbox"/> Limited Liability Company | <input type="checkbox"/> Sole Proprietorship | <input type="checkbox"/> Other |

- o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.
- o 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.
- o 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 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 (Not Applicable- Explanation Attached)**[Refer to application instructions.]**

Provide documentation that the project complies with the requirements of Illinois Executive Order #2006-5 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 #2006-5 ([http:// www.illinois.gov/sites/hfsrb](http://www.illinois.gov/sites/hfsrb)).

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

Historic Resources Preservation Act Requirements (Not Applicable- Explanation Attached)**[Refer to application instructions.]**

Provide documentation regarding compliance with the requirements of the Historic Resources Preservation Act.

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:

- ☒ Change of Ownership
- ☐ Discontinuation of an Existing Health Care Facility or of a category of service
- ☐ Establishment or expansion of a neonatal intensive care or beds

2. Narrative Description

In the space below, provide 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.

This Certificate of Exemption ("COE") application addresses the change of ownership and change in control of the Justice Med-Surg Center, LTD., located at 9050 West 81st Street in Justice, Illinois. Through a proposed Stock Purchase Agreement ("Agreement"), Justice Vascular Care, LLC ("JVC"), will assume 100% ownership and control of the ambulatory surgical treatment center ("ASTC") controlled by Justice Med-Surg Center Ltd. The facility will do business as Justice Vascular Care Center.

JVC proposes to utilize the existing surgery center for a single specialty surgery center. JVC is wholly owned by Nephrology Associates of Northern Illinois, LTD. ("NANI"), thus making NANI a co-applicant.

The facility is currently licensed by the Illinois Department of Public Health ("IDPH") and is approved to provide services under the following categories of service:

- Gastroenterology;
- General/Other;
- Pain Management;
- Podiatry; and
- Urology.

The primary focus of JVC will be to provide vascular access procedures under the already approved General/Other category of service. These procedures are undertaken to support and maintain end-stage renal dialysis ("ESRD") patients and ensure they have access to the necessary care to maintain their lives. The facility will provide the full spectrum of general surgical procedures supporting the vascular health of ESRD patients.

Discussions have been had regarding if and, if so, when to discontinue any other categories of service. The Applicants believe it would be premature to discontinue the categories of services outside of the General/Other category at this time. After JVC has had the opportunity to operate the facility and to assess the needs of the community would be the appropriate time to determine which, if any, categories of service to maintain at the facility beyond those dedicated to vascular access. We do commit, herein, that we will file all appropriate notices and applications with the Board, as those decisions are made, in accordance with the Board's rules.

Page 6 is not applicable to a Change of Ownership Application and has been intentionally omitted in accordance with HFSRB Certificate of Exemption instructions.

Reasoning: This project does not involve Neonatal intensive care services as such this section is not applicable.

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	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Purchase Price: \$	_____	
Fair Market Value: \$	_____	
The project involves the establishment of a new facility or a new category of service		
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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

For facilities in which prior permits have been issued please provide the permit numbers.	
Indicate the stage of the project's architectural drawings:	
<input checked="" type="checkbox"/> None or not applicable	<input type="checkbox"/> Preliminary
<input type="checkbox"/> Schematics	<input type="checkbox"/> Final Working
Anticipated project completion date (refer to Part 1130.140): _____	
Indicate the following with respect to project expenditures or to financial commitments (refer to Part 1130.140):	
<input type="checkbox"/> Purchase orders, leases or contracts pertaining to the project have been executed. <input type="checkbox"/> Financial commitment is contingent upon permit issuance. Provide a copy of the contingent "certification of financial commitment" document, highlighting any language related to CON Contingencies	
<input checked="" type="checkbox"/> Financial Commitment 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 [Section 1130.620(c)]

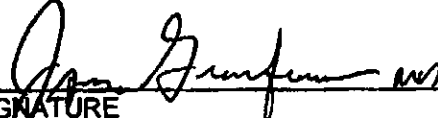
Are the following submittals up to date as applicable:
<input type="checkbox"/> Cancer Registry
<input type="checkbox"/> APORS
<input checked="" type="checkbox"/> All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
<input checked="" type="checkbox"/> All reports regarding outstanding permits
Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.

CERTIFICATION

The Application must be signed by the authorized representatives of the applicant entity. Authorized representatives are:

- o in the case of a corporation, any two of its officers or members of its Board of Directors;
- o 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);
- o 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);
- o in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- o in the case of a sole proprietor, the individual that is the proprietor.

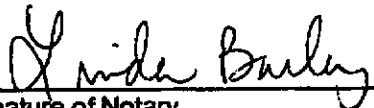
This Application is filed on the behalf of Justice Med-Surg Center, LTD. *
in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application on behalf of the applicant entity. 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 fee required for this application is sent herewith or will be paid upon request.


SIGNATURE

James Gianfrancisco, M.D.
PRINTED NAME

President, CEO and Board Member
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 12 day of March 2018


Signature of Notary

Seal

SIGNATURE

Brian French, DPM
PRINTED NAME

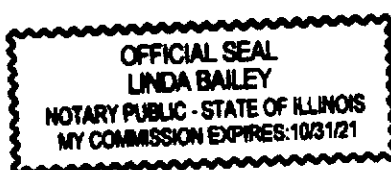
Treasurer, CFO and Board Member
PRINTED TITLE

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

Signature of Notary

Seal

*Insert the EXACT legal name of the applicant



CERTIFICATION

The Application must be signed by the authorized representatives of the applicant entity. Authorized representatives are:

- o in the case of a corporation, any two of its officers or members of its Board of Directors;
- o 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);
- o 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);
- o in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- o in the case of a sole proprietor, the individual that is the proprietor.

This Application is filed on the behalf of Justice Med-Surg Center, LTD. *
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 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 fee required for this application is sent herewith or will be paid upon request.

SIGNATURE

James Gianfrancisco, M.D.
PRINTED NAME

President, CEO and Board Member
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this _____ day of _____

Signature of Notary

Seal

SIGNATURE

Brian French, DPM
PRINTED NAME

Treasurer, CFO and Board Member
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 10 day of March

Signature of Notary

Seal

SAMER A BADER
Official Seal
Notary Public -- State of Illinois
My Commission Expires Feb 14, 2022

*Insert the EXACT legal name of the applicant

CERTIFICATION

The Application must be signed by the authorized representatives of the applicant entity. Authorized representatives are:

- o in the case of a corporation, any two of its officers or members of its Board of Directors;
- o 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);
- o 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);
- o in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- o in the case of a sole proprietor, the individual that is the proprietor.

This Application is filed on the behalf of Nephrology Associates of Northern Illinois, LTD.* 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 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 fee required for this application is sent herewith or will be paid upon request.

SIGNATURE

Brian J. O'Dea
PRINTED NAMEManager
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 16th day of March, 2018

SIGNATURE

Arthur Morris, M.D.
PRINTED NAMEManager
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 16th day of March, 2018

Signature of Notary

Seal

OFFICIAL SEAL

JENNIE KRUEGERNOTARY PUBLIC, STATE OF ILLINOIS
My Commission Expires 08/15/2018

Signature of Notary

Seal

OFFICIAL SEAL

JENNIE KRUEGERNOTARY PUBLIC, STATE OF ILLINOIS
My Commission Expires 08/15/2018

*Insert the EXACT legal name of the applicant

Pages 9-12 are not applicable to a Change of Ownership Application and has been intentionally omitted in accordance with HFSRB Certificate of Exemption instructions.

Reasoning: This project does not involve a discontinuation as such this section is not applicable.

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.

Background

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 that the information was 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.

Page 13 is not applicable to a Change of Ownership Application and has been intentionally omitted in accordance with HFSRB Certificate of Exemption instructions.

Reasoning: This project does not involve neonatal intensive care services as such this section is not applicable.

SECTION V. CHANGE OF OWNERSHIP (CHOW)**1130.520 Requirements for Exemptions Involving the Change of Ownership of a Health Care Facility**

1. Prior to acquiring or entering into a contract to acquire an existing health care facility, a person shall submit an application for exemption to HFSRB, submit the required application-processing fee (see Section 1130.230) and receive approval from HFSRB.
2. If the transaction is not completed according to the key terms submitted in the exemption application, a new application is required.
3. READ the applicable review criteria outlined below and **submit the required documentation (key terms) for the criteria:**

APPLICABLE REVIEW CRITERIA	CHOW
1130.520(b)(1)(A) - Names of the parties	X
1130.520(b)(1)(B) - Background of the parties, which shall include proof that the applicant is fit, willing, able, and has the qualifications, background and character to adequately provide a proper standard of health service for the community by certifying that no adverse action has been taken against the applicant by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois against any health care facility owned or operated by the applicant, directly or indirectly, within three years preceding the filing of the application.	X
1130.520(b)(1)(C) - Structure of the transaction	X
1130.520(b)(1)(D) - Name of the person who will be licensed or certified entity after the transaction	
1130.520(b)(1)(E) - List of the ownership or membership interests in such licensed or certified entity both prior to and after the transaction, including a description of the applicant's organizational structure with a listing of controlling or subsidiary persons.	X
1130.520(b)(1)(F) - Fair market value of assets to be transferred.	X
1130.520(b)(1)(G) - The purchase price or other forms of consideration to be provided for those assets. [20 ILCS 3960/8.5(a)]	X
1130.520(b)(2) - Affirmation that any projects for which permits have been issued have been completed or will be completed or altered in accordance with the provisions of this Section	X
1130.520(b)(2) - If the ownership change is for a hospital, affirmation that the facility will not adopt a more restrictive charity care policy than the policy that was in effect one year prior to the transaction. The hospital must provide affirmation that the compliant charity care policy will remain in effect for a two-year period following the change of ownership transaction	X
1130.520(b)(2) - A statement as to the anticipated benefits of	X

the proposed changes in ownership to the community	
1130.520(b)(2) - The anticipated or potential cost savings, if any, that will result for the community and the facility because of the change in ownership;	X
1130.520(b)(2) - A description of the facility's quality improvement program mechanism that will be utilized to assure quality control;	X
1130.520(b)(2) - A description of the selection process that the acquiring entity will use to select the facility's governing body;	X
1130.520(b)(2) - A statement that the applicant has prepared a written response addressing the review criteria contained in 77 Ill. Adm. Code 1110.240 and that the response is available for public review on the premises of the health care facility	X
1130.520(b)(2)- A description or summary of any proposed changes to the scope of services or levels of care currently provided at the facility that are anticipated to occur within 24 months after acquisition.	X

Application for Change of Ownership Among Related Persons

When a change of ownership is among related persons, and there are no other changes being proposed at the health care facility that would otherwise require a permit or exemption under the Act, the applicant shall submit an application consisting of a standard notice in a form set forth by the Board briefly explaining the reasons for the proposed change of ownership. [20 ILCS 3960/8.5(a)]

APPEND DOCUMENTATION AS ATTACHMENT 15, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Pages 16-20 are not applicable to a Change of Ownership Application and has been intentionally omitted in accordance with HFSRB Certificate of Exemption instructions.

Reasoning: This project does not involve neonatal intensive care services or a discontinuation of a health care facility; as such, this section is not applicable.

SECTION X. CHARITY CARE INFORMATION (CHOW ONLY)

Charity Care information **MUST** be furnished for **ALL** projects [1120.20(c)].

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 41.

CHARITY CARE			
	2014	2015	2016
Net Patient Revenue	\$1,997,539	\$837,358	\$409,480
Amount of Charity Care (charges)	\$52,724	\$19,031	\$21,788
Cost of Charity Care	\$52,724	\$19,031	\$21,788

APPEND DOCUMENTATION AS **ATTACHMENT 21**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

After paginating the entire completed application indicate, in the chart below, the page numbers for the included attachments:

INDEX OF ATTACHMENTS		
ATTACHMENT NO.		PAGES
1	Applicant Identification including Certificate of Good Standing	23-25
2	Site Ownership	26-37
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	38
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	39-40
5	Flood Plain Requirements	41
6	Historic Preservation Act Requirements	42
7	Project and Sources of Funds Itemization	
8	Financial Commitment Document if required	43-45
9	Cost Space Requirements	
10	Discontinuation	
11	Background of the Applicant	46-48
12	Purpose of the Project	
13	Alternatives to the Project	
	Service Specific:	
14	Neonatal Intensive Care Services	
15	Change of Ownership	49-63
	Financial and Economic Feasibility:	
16	Availability of Funds	
17	Financial Waiver	
18	Financial Viability	
19	Economic Feasibility	
20	Safety Net Impact Statement	
21	Charity Care Information	64

File Number

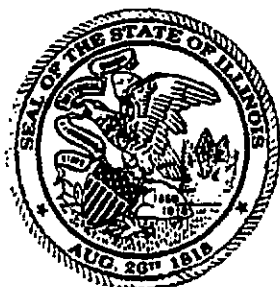
5112-723-4



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

NEPHROLOGY ASSOCIATES OF NORTHERN ILLINOIS, LTD., A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON APRIL 01, 1977, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE RELATING TO THE PAYMENT OF FRANCHISE TAXES, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



Authentication #: 1707202504 verifiable until 03/13/2018
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 13TH
day of MARCH A.D. 2017 .**

Jesse White

SECRETARY OF STATE

Attachment 1



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

JUSTICE MED-SURG CENTER, LTD., A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON SEPTEMBER 19, 2000, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE RELATING TO THE PAYMENT OF FRANCHISE TAXES, 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 4TH
day of JANUARY A.D. 2018 .***

Jesse White

SECRETARY OF STATE

Authentication #: 1800401722 verifiable until 01/04/2019
Authenticate at: <http://www.cyberdriveillinois.com>

Form LLC-5.5	Illinois Limited Liability Company Act Articles of Organization	FILE # 06500838
Secretary of State Jesse White Department of Business Services Limited Liability Division www.cyberdriveillinois.com	Filing Fee: \$500 Expedited Fee: \$100 Approved By: <u>TLB</u>	FILED SEP 01 2017 Jesse White Secretary of State

1. Limited Liability Company Name: JUSTICE VASCULAR CARE LLC
2. Address of Principal Place of Business where records of the company will be kept:
120 W 22ND STREET
OAK BROOK, IL 60523
3. The Limited Liability Company has one or more members on the filing date.
4. Registered Agent's Name and Registered Office Address:

BRIAN O'DEA
120 W 22ND STREET
OAK BROOK, IL 60523
5. Purpose for which the Limited Liability Company is organized:
"The transaction of any or all lawful business for which Limited Liability Companies may be organized under this Act."
6. The LLC is to have perpetual existence.
7. Name and business addresses of all the managers and any member having the authority of manager:

O'DEA, BRIAN J
120 W 22ND STREET
OAK BROOK, IL 60523
8. **Name and Address of Organizer**
I affirm, under penalties of perjury, having authority to sign hereto, that these Articles of Organization are to the best of my knowledge and belief, true, correct and complete.

Dated: SEPTEMBER 01, 2017

WILLIAM BRENNAN
120 W 22ND STREET
OAK BROOK, IL 60525

Site Ownership

The building in which the ASTC is currently located is owned by First Step Holdings, LLC, an Illinois corporation and Justice Vascular Care, LLC will assuming the existing lease. Attached, as evidence of control is a copy of the lease agreement.

LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is made as of the 31 day of August, 2017, by and between First Step Holdings LLC, an Illinois limited liability company ("Landlord") and Justice Med-Surg Center, LTD ("Tenant").

WITNESSETH:

WHEREAS, Landlord owns the premises known as Forest Med-Surg Center located at 9050 West 81st Street, Justice, Illinois 60458 ("Building") desires to lease to Tenant that part of the Building as depicted on Exhibit "A", solely for the use set forth in Paragraph 1 consisting of approximately 7,337 square feet identified as Room Number(s) 701 through 728 in Office Suite 700 and 801 through 803 in Office Suite 800. Tenant desires to lease the Premises from Landlord.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the parties hereto do hereby agree as follows:

1. **Premises.** Landlord hereby leases the Premises to Tenant and Tenant leases the Premises from Landlord to be occupied by Tenant solely as a professional office for the following use: Ambulatory Surgical Treatment Center and no other use without the prior written consent of Landlord, which shall not be unreasonably withheld, conditioned, or delayed.
2. **Term.** The term of this Lease shall commence on August 1, 2017 and shall continue up to and including 12:00 midnight on July 31, 2020. Tenant shall have the right to extend for two (2) successive three (3) year periods ("Renewal Terms") on the same terms and conditions as set forth herein. This agreement shall automatically terminate unless Tenant notifies Landlord by written notice of its intention to renew sixty (60) days prior to commencement of the succeeding Renewal Term.
3. **Base Rent.**
 - A. Tenant hereby agrees to pay directly to Landlord, by the tenth (10th) day of each month during the term of this Lease, as rent the amount of \$31,000.00 ("Base Rent"). The Base Rent, including increases thereto, and any other payments to be made by Tenant to Landlord all shall be deemed to be rent and shall be made without any setoff, deduction or reductions of any kind or nature or for any reason whatsoever. All payments such shall be made to Landlord at the above mentioned address.
 - B. Tenant agrees that on January 1st of each year to increase the amount of the Base Rent by the higher of 2 percent (2%) or the percentage increase in the consumer price index "CPI-4" (Chicago-Gary-Kenosha, All Urban Consumers) as calculated from January 1 through December 31 of the preceding year. Tenant shall pay the Base Rent for the previous calendar year until Tenant receives a notice from Landlord setting forth the Base Rent for the new calendar year. Landlord may charge a late fee not to exceed two percent (2%) of Base Rent for that month if the payment of Base Rent is not received by the fifteenth (15th) of the month.

4. Additional Rent.

- A. In addition to Base Rent, Tenant shall pay to Landlord annually, beginning in calendar year 2018, the amount which is Tenant's Proportionate Share of Utilities (defined below) of the costs expended in any calendar year by Landlord for electric and gas usage ("Utilities") in Tenant premises and common areas of the Building in excess of \$54,516.00. Tenant's Proportionate Share of Utilities is agreed by the parties to be seventy percent (70%). Landlord shall bill Tenant within ninety (90) days after the close of any year for Tenant's Proportionate Share of Utilities as set forth above. Tenant shall have the right, exercisable by written notice to Landlord within thirty (30) days after Tenant receives a bill for Utilities, to have Landlord send to Tenant all back-up documentation used in calculating the amount billed to Tenant for the previous calendar year.

5. Representations of Landlord and Tenant.

- A. Landlord and Tenant hereby warrant and represent that each has the right to enter into this Lease.
- B. Landlord and Tenant warrant and represent that each will observe and perform all its obligations under this Lease.

6. Landlord and Tenant Obligations.

A. Tenant shall strictly observe, perform and abide by all the provisions of this Lease with respect to Tenant's use and occupancy of the Building, including the Rules and Regulations, as promulgated by Landlord from time to time, provided such Rules and Regulations are reasonable and apply to all tenants of the Building. Tenant shall not do or cause to be done or permit any act to be done which would or might cause Landlord to be liable for any damage, claim or penalty. In particular, Tenant shall not do nor permit anything to be done upon the Premises or any part thereof which would: (1) impair or tend to impair the appearance of the Building or the Premises; (2) impair or interfere with or tend to impair or interfere with any services for the proper and economic heating, cleaning, air conditioning or other servicing of the Premises or the Building; (3) interfere with the business of any other tenant of the building; (4) make void or voidable any insurance in force upon the Premises or the Building, or increase the cost of any insurance upon the Premises or the Building; (5) make it impossible to obtain fire or other insurance upon the Premises or the Building; (6) cause or be likely to cause structural damage or waste to the Building or any part thereof; or (7) constitute a public or private nuisance.

B. Tenant agrees to: (1) keep the Premises in as good condition and repair as they were in at the time Tenant took possession of same, reasonable wear and tear and damage from fire and other casualty for which insurance has been procured excepted; (2) keep the Premises in a clean and sanitary condition; (3) comply with all regulatory guidelines pertaining to the proper disposal and handling of potentially infectious medical waste and sharps; (4) not to commit any nuisance or waste on the

Premises, overload the Premises or the electrical, water and/or plumbing facilities in the Premises or Building, throw foreign substances in plumbing facilities, or waste any of the utilities furnished by Landlord. If Tenant shall fail to keep and preserve the Premises in the state of condition required by the provisions of this Lease, Landlord may, offer notice to Tenant and the passage of thirty (30) days without cure by Tenant, at its option put or cause the same to be put into the condition and state of repair agreed upon, and in such case Tenant, on demand, shall pay the cost thereof. Tenant agrees to use the Premises only for the purposes set forth in Paragraph 1 hereof.

C. Landlord will have the obligation to furnish the following services to the Premises 24 hours per day at Landlord's sole cost and expense:

1. Heat, ventilating and air conditioning on a 24 hour basis, 365/6 days per year so as to maintain a temperature in the Premises between 68 degrees and 74 degrees Fahrenheit;
2. Potable water in quantities sufficient for Tenant's permitted use at all times;
3. Sanitary sewer service at all times;
4. Electric service sufficient for Tenant's permitted use at all times; and/or
5. The main telephone line into the Premises..

D. If Landlord shall provide any additional office services, then Tenant shall pay Landlord charges for such office services. Tenant shall reimburse Landlord for all reasonable expenses incurred for the costs and services in the setup of the Premises, signage, directory, building passes, keys, and door locks. These expenses shall be invoiced as incurred either directly by Landlord or by a third-party provider.

E. Tenant will provide its own HVAC equipment and other equipment, furniture and furnishings for the Premises.

F. Landlord shall have the right without any diminution of Rent or other charges payable hereunder by Tenant to enter the Premises upon a minimum of 24 hours prior notice to Tenant for the purpose of exhibiting the Premises to prospective tenants. Inspection of premises also includes physical examination of cleaning, repairing, altering or improving the same. Nothing contained in this Paragraph shall be construed so as to impose any obligation on Landlord to make any repairs, alterations or improvements. Nothing herein shall permit Landlord at any time for any reason to enter any area of the Premises in which Tenant is then providing services to patients.

G. Tenant will not make any alterations, repairs, additions or improvements in or to the Premises or the Building or add, disturb or in any way change any locks, plumbing, or wiring therein without the prior written consent of Landlord. Tenant agrees to indemnify and hold Landlord free and harmless from any liability, loss, cost, damage or expense (including attorney's fees) by reasons of any said alteration, repairs, additions or improvements.

H. Tenant agrees that no signs or other advertising materials shall be erected, attached or affixed to any portion of the interior or exterior of the Premises or the Building without the express prior written consent of Landlord, which shall not be unreasonably withheld, conditioned, or delayed. Landlord hereby approves all Tenant signs in and around the Building as of the date of this Lease.

I. In addition to the Premises, Tenant shall have the right of non-exclusive use, in common with other tenants and Landlord: (1) unrestricted automobile parking areas, driveways and walkways; and (2) elevators and other facilities as may be constructed in the Building, all to be subject to the terms and conditions of this Lease Agreement and to reasonable rules and regulations for the use thereof as prescribed from time to time by Landlord. Landlord and Tenant agree that Landlord will not be responsible for any loss, theft or damage to vehicles, or the contents thereof, parked or left in the parking areas of the Building. Tenant further agrees not to use or permit its employees, visitors or invitees to use the parking areas for overnight storage of automobiles or other vehicles. Tenant further agrees not to use or permit its employees, visitors or invitees to use for storage, obstruct, interfere with, or block light from windows into the common areas, including the parking areas, sidewalk entry passages, passageways, elevators, stairwells, and other common areas ("Common Areas"). The Common Areas cannot be used for any purpose than for ingress, egress, and waiting areas to and from the Premises. All comments or complaints by Tenant must be made in writing to Landlord. Tenant shall notify Landlord immediately of any serious breakage, sickness, contamination, fire or disorder in the Premises or the Common Areas.

J. Tenant shall indemnify and hold Landlord harmless from any loss, liability, costs, and expenses, including reasonable attorney's fees, arising out of any claim of injury or damage on or about the Premises or the Building caused by the negligence or misconduct or the breach of this Lease by Tenant, its employees, agents or invitees, except to the extent any such claim arises due to the negligence of Landlord, its employees, agents or contractors.

K. Tenant may sublet any part of the Premises with Landlord's prior written consent, which shall not be unreasonably withheld, conditioned or delayed. The acceptance of rent by Landlord from any other person shall not be deemed to be a waiver by Landlord of any provision hereof. Landlord's consent shall not be required to any assignment of this Lease to an entity controlled by, controlling or under common control with Tenant.

L. If the Building or the Premises is damaged or destroyed by fire or other casualty, or if the Premises is deprived of any key service for more than 90 days, then Landlord shall have the right to terminate this Lease Agreement, provided it gives written notice thereof to the other within ninety (90) days after such damage or destruction. If a portion of the Premises is damaged by fire or other casualty, and can be repaired by Landlord within 90 days after the date of the damage, then Landlord may elect at its expense, to restore the Premises to as near the condition which existed immediately prior to such damage or destruction within such 90 day period and the rentals shall abate at the time of casualty and during such time as the Premises are untenable in the proportion that the untenable or partially tenable portion of the Premises bears to the entire Premises. If Landlord fails to complete the restoration within the 90-day period, Tenant may terminate this lease by written notice to Landlord.

M. Tenant agrees that this Lease and any lease of the Premises shall be subordinate to any mortgage(s) that may now or hereafter be placed on the Building or any part thereof, and to any and all advances to be made thereunder, and to the interest thereon, and all renewals, replacements and extensions thereof; provided, however, that the mortgagee under any such mortgage may elect to have this Lease and any lease of the Premises be a prior encumbrance to its mortgage, and in such event and upon the mortgagee notifying Tenant to that effect, this Lease and any said lease shall be deemed prior to encumbrance to such mortgage, whether this Lease or said lease is dated prior to or subsequent to the date of such mortgage. Tenant shall execute in favor of any such mortgagee such subordination and/or attornment agreements as the mortgagee may request. Tenant shall also furnish Landlord, upon Landlord's request, a statement in writing certifying that this lease is in full force and effect and unmodified (or if there have been modifications, a description of such modifications), the dates to which rental and other charges have been paid, and that there are no defaults under the lease (or a description of all defaults, if there are any). Notwithstanding the foregoing, as a condition of Tenant's performance of its obligations hereunder, Tenant shall execute a subordination non-disturbance agreement with Landlord's lender by August 31, 2017, such agreement to be reasonably acceptable to Tenant.

N. Tenant must strictly abide by all of the medical and professional requirements, restrictions, limitations, uses, rules and regulations that govern an Ambulatory Surgery Treatment Center in the State of Illinois.

O. Miscellaneous rules: (1) No sales of merchandise are permitted to be conducted anywhere in the Building or the Premises without Landlord's prior written consent; (2) No lodging or overnight stays of employees, visitors or invitees are permitted in the Premises or the Building; (3) Landlord has in all cases the sole and exclusive right to prescribe and approve the weight limit, location, position and method for protection of any heavy objects, equipment or material proposed to be brought into the Building by Tenant; (4) Tenants may not change locks or duplicate keys; (5) Tenant may not change or modify the air-conditioning system or any other aspects of the HVAC system without Landlord's prior written consent and all other necessary permits and approvals; (6) Tenant must keep the Premises in good state of preservation and cleanliness, and for such purposes shall, during this Lease, make use of the services of the janitor of the Building, and not employ any person or persons other than the janitor of the Building; (7) Tenant must dispose of all waste, including hazardous waste or contaminated materials, into suitable receptacles with the Premises, in accordance with OSHA guidelines and the Building Rules for Medical and Health Care waste; (8) No animals are permitted in the Building or to be kept in the Building except for handicap assistance animals; (9) Tenant is not permitted to install separate telephone, data or communication wiring or systems in the Premises or the Building without Landlord's prior written consent which shall not be unreasonably withheld; the placement and installation of any such connections must be approved in writing by Landlord and upon termination of the Lease, Tenant at its expense must remove the systems and connections and repair any damages caused thereby.

7. **Landlord Maintenance.** Landlord shall keep the building and Common Areas in good and working condition. Landlord shall maintain and repair the Building's exterior and interior public

portions, Common Areas, structure, foundation and roof, and plumbing, electrical, heating, ventilating, air conditioning (with the exception of the HVAC systems located within the Premises) and other mechanical systems (the "Building Systems"), landscaping, sidewalks and parking lots, in accordance with all Federal, state and local requirements and shall make all necessary repairs to the Building and Building Systems to keep the Building in the condition of a first class office building in the metropolitan area in which the Building is located.

If Landlord defaults under this Section 7, Tenant shall give Landlord written notice specifying the default. Landlord shall cure the default within fifteen (15) days (or as soon as possible in the event of a default which affects Tenant's occupancy). If Landlord has failed to cure the default, Tenant may, at its option, cure the default at its expense and Landlord shall pay Tenant's costs in effecting the cure. If Landlord has not paid Tenant within thirty (30) days of receiving an invoice from Tenant for the work, Tenant may set off the amount of the invoice against the next due installment of rent.

8. **Attorney's Fees.** In the event of any litigation between Landlord and Tenant arising out of an alleged breach of this Lease by either of them and such litigation terminates upon the issuance of a final, unappealable judicial order, the unsuccessful party therein shall pay the successful party's reasonable attorney's fees and the expenses in such litigation.

9. **Landlord Insurance.** Throughout the term of this Lease, Landlord shall maintain: (i) Commercial General Liability Insurance in an amount of not less than \$1,000,000.00 per occurrence and \$2,000,000.00 in the aggregate covering the Building (including the Common Areas) and (ii) fire and extended coverage ("all-perils") insurance covering the Building and all machinery, equipment and other personal property used in connection with the Building (but not leasehold improvements or the property of any tenants of the Building) on a full replacement cost basis.

10. **Waiver of Subrogation.** Each casualty, fire, personal property and extended coverage or "all-perils" insurance policy required under this Lease (collectively, the "Property Insurance") shall contain a clause in which the underlying Insurance carrier waives all rights of subrogation with respect to losses payable under such policies. By this paragraph, Landlord and Tenant intend, and hereby agree, that the risk of loss or damage to property shall be borne by the parties' insurance carriers. It is hereby agreed that Landlord and Tenant shall look solely to, and seek recovery from, only their respective insurance carriers in the event a loss is sustained for which Property Insurance is carried or is required to be carried under this Lease. Landlord and Tenant expressly waive any and all insurance claims, damages or losses for which Property Insurance is carried or is required to be carried hereunder.

11. **Tenant Default.**

A. If Tenant shall default in the payment of the Rent or any other sums payable hereunder when due, or in the performance of any of the other obligations imposed upon it hereunder and fails to cure such default within five (5) days after written notice thereof to Tenant, then Landlord may, at its option, terminate this Lease in which event neither Tenant nor any person claiming through or under Tenant by virtue of any statute or any 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.

B. In the event that Tenant shall be in default under this Lease and such default shall entitle Landlord to possession of the Premises as hereinabove provided, Landlord shall have the right to enter the Premises by any legal means, remove Tenant's property and effects, take and hold possession thereof, without termination of this Lease or releasing Tenant in whole or in part, from Tenant's obligations to pay rent and additional rent and its other obligations hereunder for the full term, re-let the Premises or any part thereof, for such rent and for such term or terms as Landlord may see fit, which term may, at Landlord's option, extend beyond the balance of the term of this Lease. In any such case, Landlord's may make such repairs, alterations and addition in and to the Premises and redecorate the same as it sees fit. Tenant shall pay Landlord any deficiency between the rent hereby reserved and covenanted to be paid and the net amount of the rents collected on such re-letting, for the balance of the term of this Lease, as well as any reasonable expenses incurred by Landlord in such re-letting including, but not limited to broker's fees, attorney's fees, the expenses of repairing, altering and redecorating the premises and otherwise preparing the same for re-rental. Tenant shall pay all such expenses as additional rent due upon demand of Landlord. Any deficiency in rent shall be paid immediately, upon statements rendered by Landlord to Tenant and Landlord shall have the right to immediately declare the entire rental for the balance of the term due. For the purposes of determining the deficiency in rent, whether payable in installments or the entire rental for the balance of the term, the rent reserved shall be deemed to be the Rent and any additional rent to be paid by Tenant as herein provided for, as reduced by any rent obtained by re-letting. Any suit brought to collect the amount of the deficiency for any one or more months shall not preclude any subsequent suit to collect the deficiency for any subsequent months. Without limiting the foregoing, Tenant hereby expressly waives any right to trial by jury and any service of notice under any law of the State of Illinois applicable to landlords and tenants.

C. If Tenant is in default of its non-monetary obligations under this Lease, Landlord may, after 30 days prior notice, cure the default and Tenant shall forthwith pay to Landlord, as additional rent, a sum of money equal to all amounts expended by Landlord in curing such default. Any payment by Tenant of a sum of money less than the entire amount due Landlord at the time of such payment shall be applied to the obligations of Tenant then furthest in arrears. No endorsement or statement on any check or accompanying any payment shall be deemed an accord and satisfaction and any payment accepted by Landlord shall be without prejudice to Landlord's right to obtain the balance due or pursue any other remedy available to Landlord both in law and in equity.

D. If Tenant defaults in any payment of rent or any other payments to be made by Tenant hereunder, interest shall accrue thereon from the due date until paid at a fluctuation rate equal to five (5%) percent over and above the prime rate, as hereinafter defined. The term "Prime Rate" when used herein shall mean the fluctuating annual rate of interest published by JP Morgan Chase from time to time during the term of this Agreement. Any change in such rate shall take effect on the date of such change.

E. If, at any time during the term of this Lease, there is filed by or against Tenant in any court pursuant to any statute either of the United States or any state, a petition in bankruptcy or insolvency or for the reorganization or for the appointment of a receiver, trustee or liquidator of all or

any portion of Tenant's property or if Tenant makes an assignment for the benefit of creditors, or if Tenant admits in writing its inability to pay its debts, and it, within thirty (30) days thereafter, Tenant fails to secure a discharge thereof, this Lease, at the option of Landlord, may be cancelled and terminated, in which event neither Tenant, nor any person claiming through or under Tenant by virtue of any statute or 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.

F. Anything in this Lease notwithstanding, if Tenant is in default hereunder, Landlord shall not be entitled to receive from Tenant any consequential, special or punitive costs or damages incurred by Landlord as a result of Tenant's default. In addition, if Landlord terminates Tenant's right to possession of the Premises due to a Tenant default, Landlord shall use its commercially reasonable efforts to re-let the Premises in mitigation of any damages arising from Tenant's default.

G. In addition to any and all remedies set forth herein, Landlord shall have all remedies available at law or in equity, and any and all remedies shall be cumulative and nonexclusive.

12. **Notices.** All notices, demands, submissions and consents required hereunder shall be in writing and shall be deemed given if sent by certified mail, return receipt requested, postage prepaid, with a copy by facsimile, or by overnight messenger such as Federal Express (a) to Tenant, at the address of Tenant set forth below or such other address as Tenant may designate by notice to Landlord; or (b) to Landlord, at the address of Landlord at the Building, or such other address as Landlord may designate by notice to Tenant.

Landlord's Address: First Step Holdings, LLC, 9050 W. 81st Street, Justice, IL 60458

Tenant's Address: Justice Med Surg Center, LTD, 9050 W. 81st Street, Justice, IL 60458

With a copy to Tenant's attorney:

Meltzer, Purtill and Stelle, LLC
1515 East Woodfield Road
Schaumburg, Illinois 60173-5431
Attention: Steven H. Goodman

13. **Broker.** The parties represent that no broker's fee or finder's fee is due or incurred in connection with the negotiation, execution and delivery of this Lease.

14. **Waiver.** One or more waivers of any covenant or condition by Landlord shall not be construed as a waiver of a subsequent breach of the same or any other covenant or condition, and the consent or approval by Landlord to or of any act by Tenant requiring Landlord's consent or approval cannot be construed to waive or render unnecessary Landlord's consent or approval to or of any subsequent similar act by Tenant.

15. **Effect.** This Lease shall be binding upon the parties hereto, their heirs, executors, legal representatives, successors and permitted assigns, and may not be altered, amended, terminated or modified except by written instrument executed by each of the parties hereto.

16. **Governing Law.** This Lease shall be governed by the internal laws of the State of Illinois, applicable to agreements made and to be performed entirely within such State, without regard to principles of conflict of laws.

17. **Recording.** This Lease shall not be recorded in the Office of the Recorder of Deeds or in any other office or place of public record, and if Tenant shall record this Lease or cause or permit the same to be recorded, Landlord may, at its option, elect to treat such act as a default of Tenant.

18. **Headings.** The headings for the various paragraphs herein are for reference only and are not part of this Lease.

19. **Separability of Provisions.** If any item or provision of this Lease or any application thereof shall be invalid or unenforceable, the remainder of this Lease and any other application of such term or provision shall not be affected thereby. All words used herein shall be understood and construed of such gender or number of circumstances may require.

20. **Preambles and Recitals.** The preambles and recitals are incorporated into and made a part of this Lease.

21. **Landlord Work.** Within thirty (30) days after the execution of this Lease, Landlord shall complete the following work:

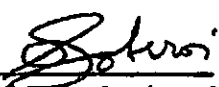
- A. Remove dead bushes in front of the Building and replace them with new landscaping.
- B. In the first floor lobby to the lobby/waiting room to the Premises, remove unworking water coolers, clean the space thoroughly and clean stained furniture or replace the upholstery thereon.
- C. Thoroughly clean front elevator and replace cracked interior panels.
- D. Clean carpets in lower level hallway.
- E. Remove debris from rear stairwells and repaint or replace rusting handrails.
- F. Remove items from hallway to rear elevator and clean thoroughly.

If Landlord does not complete Landlord's work herein by the date forty-five (45) days from the date hereof, Tenant's remedies set forth in Section 6 above shall apply.

IN WITNESS WHEREOF, the parties have hereunto affixed their hands And seals the day and year first above written.

"LANDLORD"

First Step Holdings LLC
an Illinois limited liability company

By: 
Name & Title : Sundeep Oberoi, Manager

"TENANT"

Justice Med-Surg Center, LTD

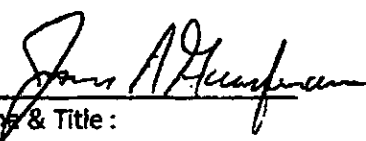
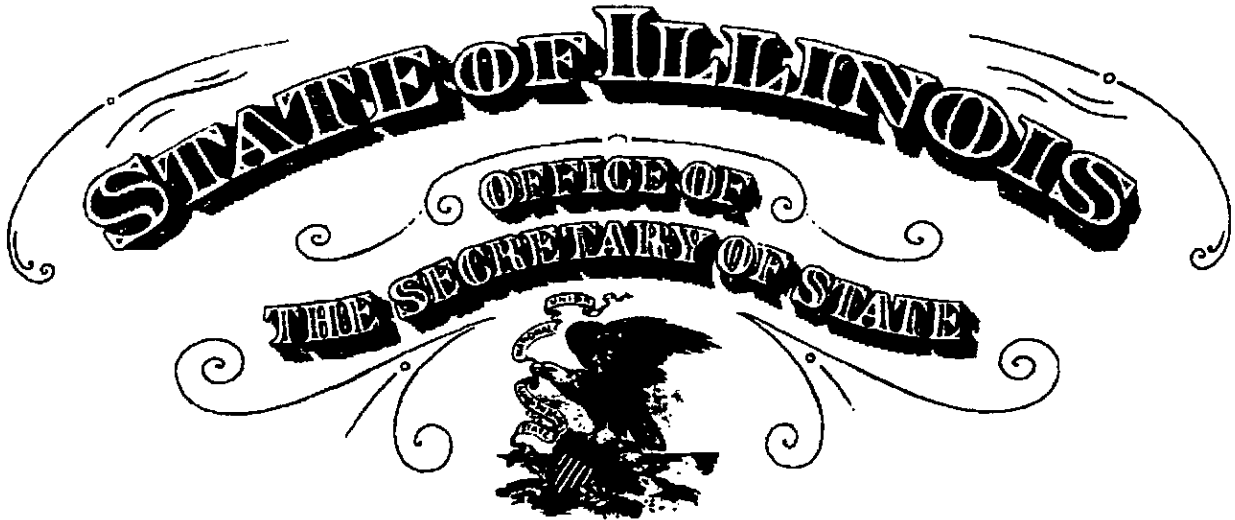
By: 
Name & Title :
James Gussman MD
President/CEO

EXHIBIT A



File Number

6124-611-8



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

JUSTICE MED-SURG CENTER, LTD., A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON SEPTEMBER 19, 2000, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE RELATING TO THE PAYMENT OF FRANCHISE TAXES, 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 4TH day of JANUARY A.D. 2018 .

Jesse White

SECRETARY OF STATE

Authentication #: 1800401722 verifiable until 01/04/2019
Authenticate at: <http://www.cyberdriveillinois.com>

Current Ownership Structure

The following individuals currently have an ownership interest exceeding 5% with no individual having an ownership interest of greater than 25% as of March 21, 2018.

Brian French, DPM	
Steve French, DPM	
James Gianfrancisco, M.D.	
Vijay Gupta, M.D.	
George Sreckovic, M.D.	
Chen H. Lin, M.D.	
Harold E. Collins	
Phillip Guastella	
<hr/>	
Total	100%

Justice Med-Surg Center, LTD. Ownership

Nephrology Associates of Northern Illinois, LTD.

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graph TD; A[Nephrology Associates of Northern Illinois, LTD.] --> B[Justice Vascular Center LLC]; A --> C[DuPage Vascular Center LLC];
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Justice Vascular
Center LLC

DuPage Vascular
Center LLC

Approved as Project #17-018

Flood Plain Requirements (Not Applicable)

This project involves a change of ownership and does not involve construction; as such, this section is not applicable.

Historic Resources Preservation Act Requirements (Not Applicable)

This project involves a change of ownership and does not involve construction; as such, this section is not applicable.

Existing Permits

Nephrology Associates of Northern Illinois, LTD. ("NANI") through a wholly owned subsidiary, DuPage Vascular Care, LLC was granted a permit for Project #17-072. A copy of the permit letter is included in this application.



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD

525 WEST JEFFERSON ST. • SPRINGFIELD, ILLINOIS 62761 • (217) 782-3516 • FAX: (217) 785-4111

September 28, 2017

Brian J. O'Dea, COO, CFO
Nephrology Associates of Illinois, Ltd.
120 West 22nd Street
Oak Brook, IL 60523

Re: Project Number: #17-018
Facility Name: DuPage Vascular Care
Facility Address: 7425 Janes Avenue, Ste 101, Woodridge, Illinois
Applicants: Nephrology Associates of Northern Illinois, Ltd. and DuPage Vascular Care, LLC
Permit Holder(s): DuPage Vascular Care, LLC
Licensor/Operating: DuPage Vascular Care, LLC
Owner(s) of Site: Pogo Properties, LLC
Project Description: Establish a single-specialty ASTC in 4,026 GSF.
Permit Amount: \$ 1,107,044
Permit Conditions: None
Financial Commitment Date: December 1, 2018
Project Completion Date: December 1, 2018
Annual Progress Report Due Date: September 26, 2018

Dear Mr. O'Dea:

On September 26, 2017, the Illinois Health Facilities and Services Review Board approved the application for permit for the above-referenced project. This approval was based upon the substantial conformance with the applicable standards and criteria in the Illinois Health Facilities Planning Act (20 ILCS 3960) and 77 Illinois Administrative Codes 1110 and 1120.

In arriving at a decision, the State Board adopted the State Board staff's report and findings, and when applicable, considered the application materials, public hearing testimony, public comments and documents, testimony presented before the Board and any additional materials requested by State Board staff.

The permit is valid only for the approved construction or modification, site, amount and the named permit holder. Please note that the permit is **not transferable or assignable**. In accordance with the Planning Act, the permit is valid until such time as the project has been completed, provided that all post-permit requirements have been fulfilled, pursuant to the requirements of 77 Illinois Administrative Code 1130. Failure to comply with post-permit requirements may result in an invalidation of the permit, sanctions, fines or State Board action to revoke the permit.

To maintain a valid permit, the permit holder is responsible for complying with the following requirements.

2. FINANCIAL COMMITMENT 1130.720

The project must be obligated by the **Financial Commitment Date**, unless the permit holder obtains an "Extension of the Commitment Period" as provided in 77 Illinois Administrative Code 1130.730. Financial Commitment is to be reported as part of the first annual progress report for permits requiring Commitment within 12 months after issuance. For major construction projects which require Commitment within 24 months after permit issuance, Commitment must be reported as part of the second annual progress report. If project completion is required prior to the respective annual progress

Attachment 8

Permit Letter
Page 2

report referenced above, Commitment must be reported as part of the notice of project completion. The reporting of Financial Commitment must reference a date certain when at least 33% of total funds assigned to project cost were expended or committed to be expended by signed contracts or other legal means.

2. ANNUAL PROGRESS REPORT-PART 1130.760

An annual progress report must be submitted to HFSRB every 12th months from the permit issuance date until such time as the project is completed.

3. PROJECT COMPLETION REQUIREMENTS-PART 1130.770

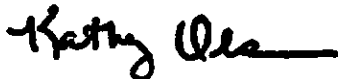
The requirements for a compliant Final Realized Costs Report are defined in the State Board's regulations under 77 Ill. Adm. Code 1130.770.

This permit does not exempt the project or permit holder from licensing and certification requirements, including approval of applicable architectural plans and specifications prior to construction.

Please note that the Illinois Department of Public Health will not license the proposed facility until such time as all of the permit requirements have been satisfied.

Should you have any questions regarding the permit requirements, please contact Jeannie Mitchell at Jeannie.Mitchell@illinois.gov or 312-814-6226.

Sincerely,



Kathy J. Olson, Chairwoman
Illinois Health Facilities and Services Review Board

cc: Courtney Avery, Administrator



**Illinois Department of
PUBLIC HEALTH**

HF113174

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

The person, firm or corporation whose name appears on this certificate has complied with the provisions of the Illinois statutes and/or rules and regulations and is hereby authorized to engage in the activity as indicated below.

Nirav D. Shah, M.D., J.D.
Director

Issued under the authority of
the Illinois Department of
Public Health

EXPIRATION DATE	CATEGORY	I.D. NUMBER
06/13/2018		7002744
Ambulatory Surgery Treatment Center		
Effective: 06/14/2017		

**Justice Med-Surg Center
dba Forest Med-Surg Center
9050 W. 81st Street**

Justice, IL 60458

The face of this license has a colored background. Printed by Authority of the State of Illinois • P.O. #48240 5M 5/16

Nephrology Associates of Northern Illinois, LTD.

Post CHOW

Justice Vascular
Care LLC

DuPage Vascular
Care LLC

Approved as Project #17-018

Justice Med-Surg Center, LTD.

Nephrology Associates of Northern Illinois, LTD

120 W 22nd Street • Oak Brook, IL 60523 • Phone 630-573-5000 • Fax 630-368-0280

March 19, 2018


Ms. Kathryn J. Olson, Chair
Illinois Health Facilities and Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761

Dear Ms. Olson:

As representative of both Justice Vascular Care, LLC and Nephrology Associates of Northern Illinois, LTD, I, Brian J. O'Dea, give authorization to the Health Facilities and Services Review Board and the Illinois Department of Public Health (IDPH) to access documents necessary to verify the information submitted including, but not limited to: official records of IDPH or other state agencies, the licensing or certification records of other states, and the records of nationally recognized accreditation organizations.

I further verify that, Nephrology Associates of Northern Illinois, LTD, owns a healthcare facility, DuPage Vascular Care, LLC (approved as Project #17-18), and neither entity has had an adverse action in the past three years.

I hereby certify this is true and based upon my personal knowledge under penalty of perjury and in accordance with 735 ILCS 5/1-109.



Brian J. O'Dea

Section 1130.520(b)(1)(A)- Names of Parties

Nephrology Associates of Northern Illinois, LTD. ("NANI") is the sole managing member of the wholly owned subsidiary Justice Vascular Care, LLC ("JVC"). JVC intends to purchase 100% of the outstanding stock of Justice Med-Surg Center, LTD. All entities are parties to this change of ownership and are applicants to this Certificate of Exemption ("COE").

Section 1130.520(b)(1)(B)- Background of the parties

"Background of the parties, which shall include proof that the applicant is fit, willing, able, and has the qualifications, background and character to adequately provide a proper standard of health service for the community by certifying that no adverse action has been taken against the applicant by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois against any health care facility owned or operated by the applicant, directly or indirectly, within three years preceding the filing of the application."

Justice Vascular Care and Nephrology Associates of Northern Illinois ("NANI") both possess the qualifications, background, and character necessary, as well as possess the financial resources to adequately provide proper services for the community.

NANI owns one ASTC, DuPage Vascular Care Center, recently approved by this Board. We certify herein that no adverse actions have been taken against any facility owned and/or operated by either co-applicant in the three years prior to this application, as evidenced by the certification accompanying Attachment 11.

NANI has been providing care in the field of nephrology for over 45 years, since the field of nephrology was just developing. Many years ago, some of the physicians associated with NANI began operating some of the first outpatient dialysis centers in the country. Since that time, NANI has added locations and doctors all around the Chicago area and throughout northern Indiana and continued its commitment to providing care to those suffering from end-stage renal disease and requiring dialysis.

With a specific focus on wanting to provide care for patients closer to their homes, the founders of the West Suburban Kidney Center created a new model for dialysis that later became NANI. The care was provided outside of the hospital in a safe medical environment closer to patients' homes and within the communities in which their patients lived. That is a part of NANI's past and, with the approval of this Ambulatory Surgical Treatment Center ("ASTC"), it hopes a part of its future.

See also the documentation reflected in Attachment 11.

Section 1130.520(b) (1)(C)- Structure of the transaction

Justice Vascular Care, LLC is acquiring 100% of the outstanding stock of Justice Med-Surg, Ltd., and will acquire both the ownership and operation control of the ASTC currently known as Forest Med-Surg Center. It will do business, moving forward, as Justice Vascular Care Center.

Section 1130.520(b) (1)(D)- Entity to be Licensed after transaction

"Name of the person who will be the licensed or certified entity after the transaction"

The entity to be licensed after the change of ownership will remain, Justice Med Surg LTD.

Section 1130.520(b) (1)(E)- List of Ownership

"List of the ownership or membership interests in such licensed or certified entity both prior to and after the transaction, including a description of the applicant's organizational structure with a listing of controlling or subsidiary persons."

Justice Vascular Care, LLC will own 100% of the outstanding stock of Justice Med. Surg. LTD. Justice Vascular Care, LLC is a wholly owned subsidiary of Nephrology Associates of Northern Illinois, LTD ("NANI"). See Attachment 11.

Section 1130.520(b) (1)(F)- Fair Market Value of the transaction

"Fair market value of assets to be transferred."

The purchase of the price of \$1,600,000 is based on an arm's length transaction and represents the fair market value of the outstanding stock being transferred.

Section 1130.520(b) (1)(G)- Purchase price

"The purchase price or other forms of consideration to be provided for those assets. [20 ILCS 3960/8.5(a)] "

The purchase price for 100% of the outstanding stock of Justice Med-Surg, LTD. is \$1,600,000.

Section 1130.520(b)(2)- Outstanding Permits

"Affirmation that any projects for which permits have been issued have been completed or will be completed or altered in accordance with the provisions of this Section"

NANI through a wholly owned subsidiary DuPage Vascular Care, LLC, was issued a permit for Project #17-018. This project was approved by the HFSRB at their September 2017 meeting. We affirm that Project #17-018 will be completed in accordance with the provisions of this Section and as described in the CON application accompanying Project #17-018.

Section 1130.520(b)(2)- Hospital Charity Care

"If the ownership change is for a hospital, affirmation that the facility will not adopt a more restrictive charity care policy than the policy that was in effect one year prior to the transaction. The hospital must provide affirmation that the compliant charity care policy will remain in effect for a two-year period following the change of ownership transaction"

NOT APPLICABLE- This change of ownership does not involve a hospital.

Section 1130.520(b)(2)- Anticipated Benefits to the Community

"A statement as to the anticipated benefits of the proposed change in ownership to the community."

This purpose of this project is to ensure the residents of the community and the patients historically served by Nephrology Associates of Northern Illinois ("NANI") will continue to have access to the vascular care surgical procedures they need. These procedures have not been sufficiently accommodated in hospital settings, and the result has been detrimental on patients. Dialysis patients can require these types of procedures frequently and they are often time sensitive. This surgery center will increase access for vascular access procedures serving a vulnerable patient population.

Section 1130.520(b)(2)- Anticipated Cost Savings for the Community and Facility

"The anticipated or potential cost savings, if any, that will result for the community and the facility because of the change in ownership"

The Center for Medicare and Medicaid Services ("CMS") has recently made changes that have fundamentally altered the reimbursement models for vascular access procedures. These changes are designed to drive the performance of these procedures to a surgery center setting. These reimbursement changes are an attempt to improve patient access, increase efficiency and contain costs. The approval of this change of ownership will serve the dual purpose of increasing access to care, and reducing costs to the Medicare program.

Section 1130.520(b)(2)- Quality Improvement Program

"A description of the facility's quality improvement program mechanism that will be utilized to assure quality control"

The ASC's quality improvement program mechanism will remain in place and in the unlikely event that the outcomes being experienced do not meet or exceed those standards, an appropriate quality improvement plan will be initiated.

Section 1130.520(b)(2)- Facility's Governing Body

"A description of the selection process that the acquiring entity will use to select the facility's governing body"

A governing board for the organization will be chosen by the managing member of Justice Vascular Center, LLC.

Section 1130.520(b)(2)- Review Criteria in 77 Ill. Admin. Code 1110.240

"A statement that the applicant has prepared a written response addressing the review criteria contained in 77 Ill. Adm. Code 1110.240 and that the response is available for public review on the premises of the health care facility"

A response has been prepared addressing the review criteria in 77 Ill. Admin. Code 1110.240 and is available for public review on the premises of the facility.

Section 1130.520(b)(2)- Summary of Propose Changes Within 24 Months

"A description or summary of any proposed changes to the scope of services or levels of care currently provided at the facility that are anticipated to occur within 24 months after acquisition."

While the primary focus of JVC will be to provide vascular access procedures, we are not discontinuing any of the categories of service outside of the General/Other category at this time. In an effort to ensure minimal disruption to the patients in the facility's area we intend to work with the physicians who currently perform surgeries at the facility categories of services that are already approved.

Charity Care Information

CHARITY CARE			
	2014	2015	2016
Net Patient Revenue	\$1,997,539	\$837,358	\$409,480
Amount of Charity Care (charges)	\$52,724	\$19,031	\$21,788
Cost of Charity Care	\$52,724	\$19,031	\$21,788

After paginating the entire completed application indicate, in the chart below, the page numbers for the included attachments:

INDEX OF ATTACHMENTS		
ATTACHMENT NO.		PAGES
1	Applicant Identification including Certificate of Good Standing	23-25
2	Site Ownership	26-37
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	38
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	39-40
5	Flood Plain Requirements	41
6	Historic Preservation Act Requirements	42
7	Project and Sources of Funds Itemization	
8	Financial Commitment Document if required	43-45
9	Cost Space Requirements	
10	Discontinuation	
11	Background of the Applicant	46-48
12	Purpose of the Project	
13	Alternatives to the Project	
	Service Specific:	
14	Neonatal Intensive Care Services	
15	Change of Ownership	49-63
	Financial and Economic Feasibility:	
16	Availability of Funds	
17	Financial Waiver	
18	Financial Viability	
19	Economic Feasibility	
20	Safety Net Impact Statement	
21	Charity Care Information	64



Juan Morado, Jr.
333 West Wacker Drive, Suite 1900
Chicago, IL 60606
Direct Dial: 312.212.4967
jmorado@beneschlaw.com

March 21, 2018

VIA FEDEX

Courtney Avery
Illinois Health Facilities and
Services Review Board
535 W. Jefferson Street, Floor 2
Springfield, IL 62761

Re: Application

Dear Courtney:

Enclosed please find our application on behalf of Justice Vascular Care, LLC and Nephrology Associates of Northern Illinois, LTD to change ownership of the Justice Med Surg Center Ambulatory Surgical Treatment Center. Accompanying the two copies of the application (original marked) is the requisite check for \$2,500. Should there be any additional information needed, please do not hesitate to contact me or my colleague, Mark Silberman, to address any questions or concerns.

If there are any questions, please do not hesitate to let us know.

Very truly yours,

BENESCH, FRIEDLANDER,
COPLAN & ARONOFF LLP

A handwritten signature in black ink, appearing to read 'Juan Morado'.

Juan Morado, Jr.

JM:mls
Encl