

E-028-18

[ORIGINAL]

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD

APPLICATION FOR PERMIT- 01/2017 Edition

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD APPLICATION FOR EXEMPTION PERMIT

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

RECEIVED

This Section must be completed for all projects.

MAY 07 2018

Facility/Project Identification

Facility Name: Satellite Dialysis of Glenview			HEALTH FACILITIES & SERVICES REVIEW BOARD
Street Address: 2601 Compass Road, Suite 145			
City and Zip Code: Glenview, IL 60026			
County: Cook	Health Service Area 7	Health Planning Area: 7	

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

Exact Legal Name: DaVita, Inc.	
Street Address: 2000 16th Street	
City and Zip Code: Denver, CO 80202	
Name of Registered Agent: Illinois Corporation Service Company	
Registered Agent Street Address: 801Adlai Stevenson Drive	
Registered Agent City and Zip Code: Springfield, IL 62703	
Name of Chief Executive Officer: Kent Thiry	
CEO Street Address: 2000 16th Street	
CEO City and Zip Code: Denver, CO 80202	
CEO Telephone Number: 303-405-2100	

Type of Ownership of Applicants

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

☐ Corporations and limited liability companies must provide an Illinois certificate of good standing.
☐ Partnerships must provide the name of the state in which 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: Kara Friedman
Title: Attorney
Company Name: Polsinelli
Address: 150 N. Riverside Plaza, Suite 3000, Chicago, IL 60606-1599
Telephone Number: 312-873-3639
E-mail Address: kfriedman@polsinelli.com
Fax Number: 312-602-3917

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

Name: Gaurav Bhattacharyya
Title: Division Vice President
Company Name: DaVita, Inc.

Address: 1301 W. 22nd Steet, Suite 603, Oak Brook, IL 60523
Telephone Number: 630-382-0490
E-mail Address: gauravb@davita.com
Fax Number: 888-467-9358

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.

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Street Address: 2601 Compass Road, Suite 145		
City and Zip Code: Glenview, IL 60026		
County: Cook	Health Service Area 7	Health Planning Area: 7

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

Exact Legal Name: Total Renal Care, Inc.	
Street Address: 2000 16th Street	
City and Zip Code: Denver, CO 80202	
Name of Registered Agent: Illinois Corporation Service Company	
Registered Agent Street Address: 801 Adlai Stevenson Drive	
Registered Agent City and Zip Code: Springfield, IL 62703	
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- 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.		
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Name: Gaurav Bhattacharyya
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Address: 1301 W. 22nd Street, Suite 603, Oak Brook, IL 60523
Telephone Number: 603-382-0490
E-mail Address: gauravb@davita.com
Fax Number: 888-467-9358

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: Kara Friedman
Title: Attorney
Company Name: Polsinelli
Address: 150 N. Riverside Plaza, Suite 3000, Chicago, IL 60606-1599
Telephone Number: 312-873-3639
E-mail Address: kfriedman@polsinelli.com
Fax Number: 312-602-3917

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: auG Six, LLC
Address of Site Owner: 2591 Compass Road, Unit 105, Glenview, IL 60025
Street Address or Legal Description of the Site: 2591 Compass Road, Unit 105, Glenview, IL 60025
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: Total Renal Care, Inc.	
Address: 2000 16th Street, Denver, CO 80202	
☐ Non-profit Corporation ☒ For-profit Corporation ☐ Limited Liability Company	☐ Partnership ☐ Governmental ☐ Sole Proprietorship
☐ Other	
- Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. - Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner. - Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	
APPEND DOCUMENTATION AS ATTACHMENT 3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

Organizational Relationships

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

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

Flood Plain Requirements

[Refer to application instructions.]

Provide documentation that the project complies with the requirements of Illinois Executive Order #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

[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.

The applicant(s) seek authority from the Illinois Health Facilities and Services Review Board ("HFSRB") for a Change of Ownership of Satellite Dialysis of Glenview, which is an approved 16-station dialysis facility located at 2601 Compass Road, Glenview, Illinois 60026. Post-closing the name of the dialysis facility will be DaVita Glenview Dialysis.

Project Costs and Sources of Funds (Neonatal Intensive Care Services only)

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

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs			
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts			
Modernization Contracts			
Contingencies			
Architectural/Engineering Fees			
Consulting and Other Fees			
Movable or Other Equipment (not in construction contracts)			
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment			
Other Costs To Be Capitalized			
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS			
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities			
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS			
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

Related Project Costs

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

Land acquisition is related to project ☐ Yes ☒ No Purchase Price: \$ _____ Fair Market Value: \$ _____
The project involves the establishment of a new facility or a new category of service ☐ Yes ☒ No
If yes, provide the dollar amount of all non-capitalized operating start-up costs (including operating deficits through the first full fiscal year when the project achieves or exceeds the target utilization specified in Part 1100. Estimated start-up costs and operating deficit cost is \$ _____.

Project Status and Completion Schedules

For facilities in which prior permits have been issued please provide the permit numbers. Indicate the stage of the project's architectural drawings: ☒ None or not applicable ☐ Preliminary ☐ Schematics ☐ Final Working
Anticipated project completion date (refer to Part 1130.140): <u>July 1, 2019</u>
Indicate the following with respect to project expenditures or to financial commitments (refer to Part 1130.140): ☐ Purchase orders, leases or contracts pertaining to the project have been executed. 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 ☒ 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: ☐ Cancer Registry ☐ APORS ☒ All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted ☒ All reports regarding outstanding permits Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.

CERTIFICATION

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

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

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

SIGNATURE

Arturo Sida

PRINTED NAME

Secretary

PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this ____ day of ____

Signature of Notary

Seal

SIGNATURE

Michael D. Staffieri

PRINTED NAME

Chief Operating Officer

PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this ____ day of ____

Signature of Notary

Seal

Lori Burk

Notary Public

State of Colorado

Notary ID 20174031018

My Commission Expires July 25, 2021

*Insert EXACT legal name of the applicant

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Los Angeles

On March 13, 2018 before me, Kimberly Ann K. Burgo, Notary Public,
(here insert name and title of the officer)

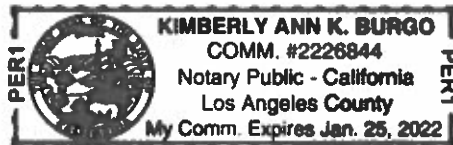
personally appeared *** Arturo Sida ***

who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~ is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity~~(ies)~~, and that by his/~~her/their~~ signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature



OPTIONAL INFORMATION

Law does not require the information below. This information could be of great value to any person(s) relying on this document and could prevent fraudulent and/or the reattachment of this document to an unauthorized document(s)

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document: IL CON Application (DaVita Inc. / Total Renal Care, Inc. (Satellite Healthcare Glenview))

Document Date: March 13, 2018

Number of Pages: 1 (one)

Signer(s) if Different Than Above: _____

Other Information: _____

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s):

☐ Individual

☒ Corporate Officer

Assistant Corporate Secretary / Secretary

(Title(s))

☐ Partner

☐ Attorney-in-Fact

☐ Trustee

☐ Guardian/Conservator

☐ Other: _____

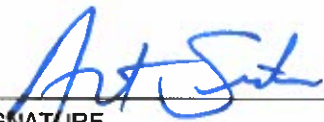
SIGNER IS REPRESENTING: Name of Person or Entity DaVita Inc. / Total Renal Care, Inc. (Satellite Healthcare Glenview)

CERTIFICATION

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

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

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



SIGNATURE

Arturo Sida

PRINTED NAME

Assistant Corporate Secretary

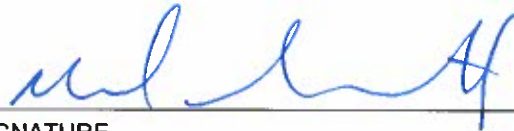
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this ____ day of ____

Signature of Notary

Seal



SIGNATURE

Michael D. Staffieri

PRINTED NAME

Chief Operating Officer – DaVita Kidney Care

PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this ____ day of ____

Signature of Notary

Seal

Lori Burk
Notary Public
State of Colorado
Notary ID 20174031018
My Commission Expires July 25, 2021

*Insert EXACT legal name of the applicant

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

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County of Los Angeles

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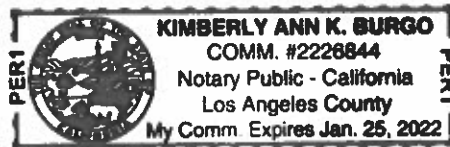
personally appeared *** Arturo Sida ***

who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~ is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity~~(ies)~~, and that by his/~~her/their~~ signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature



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Signer(s) if Different Than Above: _____

Other Information: _____

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s):

☐ Individual

☒ Corporate Officer

Assistant Corporate Secretary / Secretary

(Title(s))

☐ Partner

☐ Attorney-in-Fact

☐ Trustee

☐ Guardian/Conservator

☐ Other: _____

SIGNER IS REPRESENTING: Name of Person or Entity DaVita Inc. / Total Renal Care, Inc. (Satellite Healthcare Glenview)

**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.

Criterion 1110.230 – Purpose of the Project, and Alternatives (Not applicable to Change of Ownership)**PURPOSE OF PROJECT**

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

achieving the stated goals as appropriate.

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

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

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

ALTERNATIVES

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

Alternative options must include:

- A) Proposing a project of greater or lesser scope and cost;
- B) Pursuing a joint venture or similar arrangement with one or more providers or entities to meet all or a portion of the project's intended purposes; developing alternative settings to meet all or a portion of the project's intended purposes;
- C) Utilizing other health care resources that are available to serve all or a portion of the population proposed to be served by the project; and
- D) Provide the reasons why the chosen alternative was selected.

- 2) Documentation shall consist of a comparison of the project to alternative options. The comparison shall address issues of total costs, patient access, quality and financial benefits in both the short-term (within one to three years after project completion) and long-term. This may vary by project or situation. **FOR EVERY ALTERNATIVE IDENTIFIED, THE TOTAL PROJECT COST AND THE REASONS WHY THE ALTERNATIVE WAS REJECTED MUST BE PROVIDED.**
- 3) The applicant shall provide empirical evidence, including quantified outcome data that verifies improved quality of care, as available.

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

SECTION IV. SERVICE SPECIFIC REVIEW CRITERIA (Neonatal Intensive Care Services Only)

Criterion 1130.531 Requirements for Exemptions for the Establishment or Expansion of Neonatal Intensive Care Service and Beds

This Section is applicable to all projects proposing the establishment, or expansion of Neonatal Intensive Care Service that are subject to CON review, as provided in the Illinois Health Facilities Planning Act [20 ILCS 3960]. It is comprised of information requirements, as well as charts for the service, indicating the review criteria that must be addressed for each action (establishment, expansion and modernization). **APPLICABLE TO THE CRITERIA THAT MUST BE ADDRESSED:**

A. Criterion 1130.531 - Neonatal Intensive Care Services

1. Applicants proposing to establish, expand and/or modernize the Neonatal Intensive Care categories of service must submit the following information:
2. Indicate bed capacity changes by Service: Indicate # of beds changed by action(s):

Category of Service	# Existing Beds	# Proposed Beds
☐ Neonatal Intensive Care		

3. READ the applicable review criteria outlined below and submit the required documentation for the criteria:

APPLICABLE REVIEW CRITERIA	Establish	Expand
1130.531(a) - A description of the project that identifies the location of the neonatal intensive care unit and the number of neonatal intensive care beds proposed;	X	X
1130.531(b) - Verification that a final cost report will be submitted to the Agency no later than 90 days following the anticipated project completion date;	X	X
1130.531(c) - Verification that failure to complete the project within the 24 months after the Board approved the exemption will invalidate the exemption.	X	X

APPEND DOCUMENTATION AS ATTACHMENT 14, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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.

VI. 1120.120 - AVAILABILITY OF FUNDS (Neonatal Intensive Care Services only)

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

_____	a) Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to:
	1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and
	2) Interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;
_____	b) Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.
_____	c) Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;
_____	d) Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including:
	1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated;
	2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate;
	3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.;
	4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment;
	5) For any option to lease, a copy of the option, including all terms and conditions.
_____	e) Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;
_____	f) Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
_____	g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
	TOTAL FUNDS AVAILABLE
APPEND DOCUMENTATION AS ATTACHMENT 18, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

SECTION VII. 1120.130 - FINANCIAL VIABILITY

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

Financial Viability Waiver

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

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

See Section 1120.130 Financial Waiver for information to be provided

APPEND DOCUMENTATION AS ATTACHMENT 17, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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

	Historical 3 Years			Projected
Enter Historical and/or Projected Years:				
Current Ratio				
Net Margin Percentage				
Percent Debt to Total Capitalization				
Projected Debt Service Coverage				
Days Cash on Hand				
Cushion Ratio				

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

2. Variance

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

obligations should the applicant default.

APPEND DOCUMENTATION AS ATTACHMENT 18, IN NUMERICAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION VIII. 1120.140 - ECONOMIC FEASIBILITY

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

A. Reasonableness of Financing Arrangements

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

- 1) That the total estimated project costs and related costs will be funded in total with cash and equivalents, including investment securities, unrestricted funds, received pledge receipts and funded depreciation; or
- 2) That the total estimated project costs and related costs will be funded in total or in part by borrowing because:
 - A) A portion or all of the cash and equivalents must be retained in the balance sheet asset accounts in order to maintain a current ratio of at least 2.0 times for hospitals and 1.5 times for all other facilities; or
 - B) Borrowing is less costly than the liquidation of existing investments, and the existing investments being retained may be converted to cash or used to retire debt within a 60-day period.

B. Conditions of Debt Financing

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

- 1) That the selected form of debt financing for the project will be at the lowest net cost available;
- 2) That the selected form of debt financing will not be at the lowest net cost available, but is more advantageous due to such terms as prepayment privileges, no required mortgage, access to additional indebtedness, term (years), financing costs and other factors;
- 3) That the project involves (in total or in part) the leasing of equipment or facilities and that the expenses incurred with leasing a facility or equipment are less costly than constructing a new facility or purchasing new equipment.

C. Reasonableness of Project and Related Costs

Read the criterion and provide the following:

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

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
Department (list below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot New	Mod.	Gross Sq. Ft. New Circ.*		Gross Sq. Ft. Mod. Circ.*		Const. \$ (A x C)	Mod. \$ (B x E)	
Contingency									
TOTALS									

* Include the percentage (%) of space for circulation

D. Projected Operating Costs

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

E. Total Effect of the Project on Capital Costs

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

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

SECTION IX. SAFETY NET IMPACT STATEMENT (DISCONTINUATION ONLY)

SAFETY NET IMPACT STATEMENT that describes all of the following must be submitted for ALL SUBSTANTIVE PROJECTS AND PROJECTS TO DISCONTINUE STATE-OWNED HEALTH CARE FACILITIES [20 ILCS 3960/5.4]:

1. The project's material impact, if any, on essential safety net services in the community, to the extent that it is feasible for an applicant to have such knowledge.
2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.
3. How the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.

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

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

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

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

A table in the following format must be provided as part of Attachment 40.

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

APPEND DOCUMENTATION AS ATTACHMENT 20, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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.

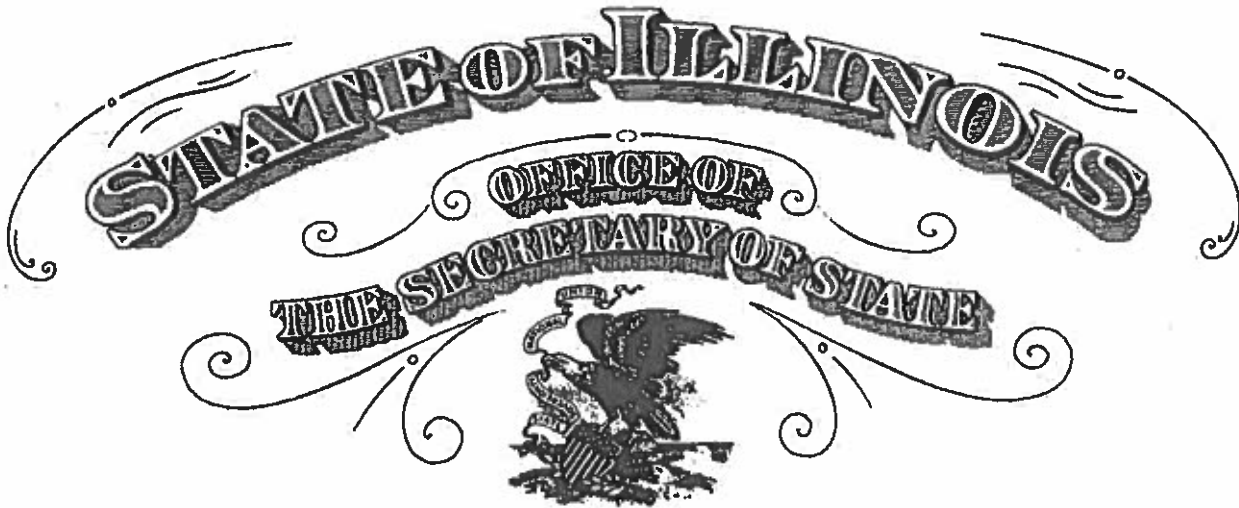
A table in the following format must be provided for all facilities as part of Attachment 41.

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

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

Section I, Identification, General Information, and Certification
Applicants

Certificates of Good Standing for DaVita Inc. and Total Renal Care Inc. (collectively, the "Applicants" or "DaVita") are attached at Attachment – 1. Total Renal Care Inc. will be the operator of DaVita Glenview Dialysis. DaVita Glenview Dialysis is a trade name of Total Renal Care Inc. and is not separately organized. As the person with final control over the operator, DaVita Inc. is named as an applicant for this COE application. DaVita Inc. does not do business in the State of Illinois. A Certificate of Good Standing for DaVita Inc. from the state of its Incorporation, Delaware, is attached.



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

TOTAL RENAL CARE, INC., INCORPORATED IN CALIFORNIA AND LICENSED TO TRANSACT BUSINESS IN THIS STATE ON MARCH 10, 1995, 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 A FOREIGN CORPORATION IN GOOD STANDING AND AUTHORIZED TO TRANSACT BUSINESS 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 24TH day of JULY A.D. 2017 .

Jesse White

SECRETARY OF STATE

Delaware

The First State

Page 1

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "DAVITA INC." IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE EIGHTH DAY OF SEPTEMBER, A.D. 2016.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL REPORTS HAVE BEEN FILED TO DATE.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "DAVITA INC." WAS INCORPORATED ON THE FOURTH DAY OF APRIL, A.D. 1994.

AND I DO HEREBY FURTHER CERTIFY THAT THE FRANCHISE TAXES HAVE BEEN PAID TO DATE.



2391269 8300

SR# 20165704525

You may verify this certificate online at corp.delaware.gov/authver.shtml

A handwritten signature in black ink, appearing to read "JBullock", is written over a horizontal line. Below the line, the text "Jeffrey W. Bullock, Secretary of State" is printed.

Authentication: 202957561

Date: 09-08-16

Section I, Identification, General Information, and Certification
Site Ownership

There is no change in site ownership. The office lease between auG SIX, LLC and Satellite Healthcare, Inc. is attached at Attachment – 2.

"Building 1"

OFFICE LEASE

BETWEEN

anG SIX, LLC, AS LANDLORD

AND

SATELLITE HEALTHCARE, INC., AS TENANT

DATED AS OF December 23, 2011

TABLE OF CONTENTS

	Page
1. TERM.....	1
2. NET RENT.....	1
3. IMPOSITIONS.....	2
A. Additional Rent.....	2
B. Impositions Escrow.....	3
C. Landlord's Right to Contest Impositions.....	3
4. USE OF PREMISES.....	4
5. CONDITION OF PREMISES.....	4
6. SERVICES.....	4
A. No Services.....	4
B. Repairs by Landlord.....	5
C. Energy Conservation.....	5
D. Utilities.....	5
7. REPAIRS BY TENANT.....	5
8. ADDITIONS AND ALTERATIONS.....	6
9. COVENANT AGAINST LIENS.....	6
10. INSURANCE.....	7
A. Property Insurance.....	7
B. Waiver of Subrogation.....	7
C. Tenant's Insurance.....	7
D. Avoid Action Increasing Rates.....	8
11. FIRE OR CASUALTY.....	8
12. WAIVER OF CLAIMS – INDEMNIFICATION.....	8
13. NON-WAIVER.....	9
14. CONDEMNATION.....	9
15. ASSIGNMENT AND SUBLETTING.....	9
16. SURRENDER.....	11
17. HOLDING OVER.....	11
18. ESTOPPEL CERTIFICATES.....	11
19. RIGHTS OF MORTGAGEES AND GROUND LESSORS.....	12
20. CERTAIN RIGHTS RESERVED BY LANDLORD.....	13
21. RULES AND REGULATIONS.....	14
22. LANDLORD'S REMEDIES.....	14
23. COVENANT OF QUIET ENJOYMENT.....	16
24. REAL ESTATE BROKER.....	17
25. OTHER AGREEMENTS OF TENANT.....	17
26. MISCELLANEOUS.....	17
A. Rights Cumulative.....	17
B. Late Payments.....	17
C. Terms.....	18
D. Binding Effect.....	18
E. Lease Contains All Terms.....	18
F. Delivery for Examination.....	18
G. No Air Rights.....	18
H. Prohibition Against Recording.....	18
I. Captions.....	18
J. Covenants and Conditions.....	18
K. Only Landlord/Tenant Relationship.....	18
L. Application of Payments.....	18
M. Governing Law.....	18
N. Partial Invalidity.....	19
O. Third Party Services.....	19
P. Hazardous Substance.....	19

Q. Financial Statements.....	19
R. Intentionally Deleted	19
S. Common Areas	19
T. Counterpart Signature Pages.....	19
U. Jury Trail Waiver.....	19
V. Reasonableness of Parties.....	20
W.	20
X.	20
27. NOTICES.....	20
28. RIGHT OF OFFER	21
A. Offer Space.....	21
B. Right to Offer	21
C. Limitations on Right of Offer	22
D. Existing Lease	22
E. Available for Lease.....	22
29. PERMIT CONTINGENCY.....	23
30. LIMITATION ON LIABILITY OF LANDLORD	23
31. LEASE CONSIDERATION	23

EXHIBITS

SCHEDULE I	NET RENT SCHEDULE
EXHIBIT 3A	EXCLUSIONS FROM IMPOSITIONS
EXHIBIT 4A	SUMMARY OF RIGHTS RESERVED
EXHIBIT A	SITE PLAN
EXHIBIT B	WORK LETTER
EXHIBIT C	ESTOPPEL CERTIFICATE

LEASE TO SATELLITE HEALTHCARE, INC.

THIS LEASE (the "Lease") made as of December 23, 2011, 2011 by and between auG SIX, LLC (the "Landlord"), and SATELLITE HEALTHCARE, INC. (the "Tenant").

WITNESSETH:

Landlord hereby leases to Tenant, subject to the terms, provisions and conditions of this Lease, and Tenant hereby accepts, the premises (the "Premises") designated as such on the plan ("Site Plan") attached hereto as Exhibit A, which Premises have approximately 7,818 square feet of rentable area, more or less. The Premises are located in the building (the "Building") known as Compass Road Medical Offices, Building 1 and are located on the land (the "Land") having a common address as 2601 Compass Road at Glenview, Illinois 60026.

Landlord and Tenant agree as follows:

1. TERM.

A. The term of this Lease (the "Term") shall commence on the "Commencement Date" which shall be the earliest of (i) 120 days after Landlord shall have delivered to Tenant possession of the Premises (the "Possession Date") and the CON (as defined in Paragraph 29 below) condition shall have been satisfied and (such date being hereinafter called the "CON Satisfaction Date"), (ii) the date Tenant shall have received a Certificate of Occupancy for the Premises or (iii) the date tenant shall open the Premises for business to the public and shall expire on the 10th anniversary of the Commencement Date (the "Expiration Date") unless sooner terminated as provided in this Lease.

B. Provided that (i) Tenant is the entity named in the Preamble to this Lease or is a "Permitted Transferee" (defined below), it being agreed by Tenant that the right contained in this Paragraph shall not inure to the benefit of any successors, assigns or other persons claiming by, through, or under Tenant, other than a Permitted Transferee and (ii) Tenant is not in default under this Lease at either (a) the date of Tenant's "Renewal Notice", or (b) the first day of any "Renewal Term", Tenant shall have the option to renew this Lease for three consecutive five year terms (each such five year period called a "Renewal Term") at the Net Rent set forth or computed in accordance with Schedule 1 but otherwise upon the same terms and conditions set forth herein except that Tenant shall have no more than three options to renew. Each option to renew shall be exercised by Tenant by notice (the "Renewal Notice") to Landlord given not less than 12 nor more than 36 months prior to Expiration Date, or not less than 12 nor more than 36 months prior to the last day of the preceding Renewal Term, as the case may be.

C. From the date of mutual execution of this Lease through the Possession Date, Landlord shall permit Tenant and Tenant's agents and contractors access to the Premises prior to the CON Satisfaction Date in order that Tenant may do any work required by Tenant to make the Premises ready for Tenant's use and occupancy; provided, however, that such entry into the Premises shall be deemed to be under all of the terms, covenants, conditions and provisions of this Lease except for the covenant to pay Net Rent, Impositions and other sums due hereunder other than the actual costs of utilities consumed by Tenant in the Premises as reasonably determined by Landlord. From the Possession Date through the Commencement Date, Tenant shall have the right to occupy the Premises subject to all of the terms, covenants, conditions and provisions of this Lease except for the covenant to pay Net Rent, Impositions and other sums due hereunder other than the actual costs of utilities consumed by Tenant in the Premises as reasonably determined by Landlord. Tenant's obligation to pay Net Rent and Impositions shall commence on the Commencement Date.

2. NET RENT. Tenant shall pay to Landlord, or to such other person or at such other place as Landlord may from time to time designate in writing, rent ("Net Rent") in accordance with Schedule 1 attached hereto, in advance on or before the first day of each and every month during the Term, without any setoff, deduction, demand or billing whatsoever except that (i) Tenant shall pay an amount equal to the first installment of Net Rent at the time of execution of this Lease, which shall be applied to the first Net Rent due and (ii) if either the Term or the obligation to pay Net Rent commences other than on the first day of the month or ends other than on the last day of the month, the Net Rent for such month(s) shall be prorated on a per diem basis. The prorated Net Rent for the part of the month in which the Term commences shall be paid on the first day of the first full month of the Term.

3. IMPOSITIONS.

A. Additional Rent. It is intended that the Net Rent provided for in Paragraph 2 shall, insofar as the Premises (as configured from time to time) are concerned, be an absolute net return to Landlord throughout the Term of this Lease, free of any expense, charge or other deduction whatsoever, with respect to the Premises. Accordingly, except as provided in Paragraph 3.B below, Tenant covenants and agrees to pay as Additional Rent without any set off, deduction, demand, or billing whatsoever (but subject to Tenant's rights set forth below) and before any fine, penalty, interest or cost which may be added thereto for the nonpayment thereof, Tenant's "Pro Rata Share" of all Taxes (defined below), regular and special assessments, water rates and charges, sewer rates and charges, including, but not limited to, any sum or sums payable for sewer or water capacity, charges for public utilities, insurance premiums (as required by Paragraph 10), street lighting, excise levies, licenses, permits, governmental inspection fees other governmental charges, and all other charges or burdens of whatsoever kind and nature (including, but not limited to, costs, fees, and expenses of complying with any restrictive covenants or similar agreements to which the Land or the improvements on the Land (the "Improvements") is subject) incurred in the use, occupancy, operation, insuring, maintaining and repairing, leasing or possession of the Land and Improvements, without particularizing by any known name or by whatever name hereafter called, and whether any of the foregoing be general or special, ordinary or extraordinary, foreseen or unforeseen (all of which are collectively called "Impositions"), which at any time during the Term may be payable. Notwithstanding any seemingly contrary provision of this Lease, (i) Tenant shall pay either to Landlord or to the Village of Glenview the entire cost of water consumed at the Premises and such costs shall not be Impositions, and (ii) the items listed on Exhibit 3A attached hereto and made apart hereof, are not Impositions, and Tenant shall have no obligation to pay for such items.

Landlord shall amortize Landlord's cost of "Major Capital Expenditures" (defined below) in equal installments over the useful life of the item in question. Landlord's cost of Major Capital Expenditures includes, but is not limited to, interest and other costs equal to the cost Landlord would have incurred to finance such Major Capital Expenditure over the useful life of the item in question. Impositions payable by Tenant with respect to Major Capital Expenditures shall include only the installment(s) payable during the Term. "Major Capital Expenditures" are those individual capital expenditures (as determined according to generally accepted U.S. accounting principles) which equal or exceed the greater of (i) \$20,000 and (ii) 20% of the average amount of Impositions for the shorter of the previous five full calendar years of the Term or the number of full calendar years since the Commencement Date.

The foregoing shall not apply to any particular capital expenditure triggered by Tenant as a result of Tenant's actual or proposed use, change in use, or modification to the Premises. In all such circumstances, Tenant shall be solely responsible for the cost of such capital expenditure. The term "Taxes" means real estate taxes and assessments, both general and special, assessed or imposed with respect to the Land or the Improvements, ad valorem taxes assessed or imposed upon personal property owned by Tenant, Landlord, or Landlord's agent, and used in the operation of the Premises, taxes upon leases or the receipt of rent which either supplement are in addition to or are in lieu of any other item described above. Notwithstanding the foregoing, Tenant shall not be obligated to pay any inheritance, estate, succession, transfer, gift, franchise, general net income, or capital stock tax imposed upon Landlord.

Tenant shall pay its Pro Rata Share of all special (or similar) assessments or installments thereof (including interest thereon) for public improvements or benefits which, during the Term shall be laid, assessed, levied or imposed upon or become a lien upon the Premises and which are payable during the Term, or any portion thereof; provided, however, that if by law any special assessment is payable (without default) or, at the option of the party obligated to make such payment, may be paid (without default) in installments (whether or not interest shall accrue on the unpaid balance of such special assessment), Tenant may pay the same, together with any interest accrued on the unpaid balance of such special assessment in installments as the same respectively become payable and before any fine, penalty, interest or cost may be added thereto for the nonpayment of any such installment and the interest thereon.

Tenant's Pro Rata Share of Impositions and each item thereof shall be the amount thereof multiplied by a fraction, the numerator of which shall be 7,818 (the rentable area from time to time in the Premises) and the denominator of which shall be 35,808 (the rentable area from time to time in the Building); provided, however, that Tenant's Pro Rata Share of Impositions related to any shared vestibule providing access both to the Premises and to other rentable area of the Building shall be the amount thereof multiplied by a fraction, the numerator of which is one and the denominator of which is the number of tenants sharing such vestibule.

B. Impositions Escrow.

(i) Landlord may, at Landlord's option, notify Tenant of Landlord's estimate of the Tenant's Pro Rata Share of Impositions for the succeeding annual period and thereafter Tenant shall pay 1/12th of such amounts in equal monthly installments on the first day of each month during such annual period. If during any annual period, Landlord revises its estimate of Tenant's Pro Rata Share of Impositions for such annual period, Landlord may notify Tenant of such revised estimate or estimates, and of the increase or decrease in monthly payments necessary to cause the total monthly payments during such annual period to equal Landlord's then current estimate of Tenant's Pro Rata Share of Impositions for such annual period, and Tenant shall pay such revised monthly payment amount on the first day of each calendar month remaining in such annual period; provided, however, Landlord shall not revise estimates more than once in each calendar year.

(ii) Tenant's Pro Rata Share of Impositions for the years in which the Term begins and ends shall be prorated on a per diem basis.

(iii) Following the close of each annual period in which Landlord requires Tenant to pay monthly installments of Impositions, Landlord shall furnish to Tenant a statement setting forth the actual amount of Impositions for such annual period together with Tenant's Pro Rata Share thereof, and, within 30 days after receipt of such statement, Tenant shall pay the excess, if any, of Tenant's Pro Rata Share of such Impositions for such annual period as shown in said statements over the amount of the payments theretofore made by Tenant with respect to the Impositions for such annual period.

(iv) If the total estimated monthly payments paid by Tenant for any annual period exceeds Tenant's Pro Rata Share of Impositions for such annual period, such excess payments shall be refunded to Tenant within 30 days of the Landlord's statement, provided, at Landlord's option any such excess shall be credited against payments due or next becoming due. Tenant or its representative shall have the right to examine copies of Landlord's books and records relative to Impositions, during normal business hours at any time within one year following the furnishing by Landlord to Tenant of any statement thereof. Unless Tenant shall, by notice to Landlord, take exception to any item in such statement within one year after the furnishing of said statement, such statement shall be conclusively binding upon Tenant and shall not be contestable by Tenant. Any amount shown by such statement to be due to Landlord, whether or not written exception is taken to such statement, shall be paid by Tenant as provided above, without prejudice to any such written exception and such payment may be made under protest pending the outcome of any audit that may be performed by Tenant. If Tenant timely gives notice of such exception, at Tenant's sole cost and expense, Tenant may retain an independent certified public accountant reasonably acceptable to Landlord, to review and audit Landlord's books and records with regard to the Impositions, and the calculations of Tenant's Pro Rata Share thereof, for the prior calendar year. If the audit performed by Tenant reveals that Landlord has overcharged Tenant, then unless Landlord disputes the results of Tenant's audit, within thirty (30) days after the results of such audit are made available to Landlord, Landlord shall either credit such amount against the next installment of payment due or becoming due or reimburse to Tenant the amount of such overcharge. If Tenant's audit reveals that Tenant was undercharged, then within thirty (30) days after the results of such audit are made available to Landlord, Tenant shall pay to Landlord the amount of such undercharge. Tenant agrees to pay the cost of such audit unless it is subsequently determined that Landlord's original statement which was the subject of such audit was in error to Tenant's disadvantage by more than 5%, in which event Landlord shall pay the reasonable cost of such audit.

C. Landlord's Right to Contest Impositions. Landlord shall have the right, but not the obligation, to contest the amount or validity, in whole or in part, of any Impositions by appropriate proceedings conducted in the name of Landlord or in the name of Tenant. If Landlord elects to contest the amount or validity, in whole or in part, of any Impositions, such contests by Landlord shall be at Landlord's expense; provided, however, that if the amounts payable by Tenant for Impositions are reduced (or if a proposed increase in such amounts is avoided or reduced) by reason of Landlord's contest of Impositions, Tenant shall reimburse Landlord for Tenant's proportionate share of costs incurred by Landlord in contesting Impositions, but such reimbursements shall not be in excess of the amount saved by Tenant by reason of Landlord's actions in contesting such Impositions.

4. USE OF PREMISES.

A. Tenant shall use and occupy the Premises for a dialysis treatment center, medical services which supplement dialysis treatment and related medical offices, and for no other purpose without the prior written approval of Landlord which approval Landlord may grant or withhold in its sole discretion. Without limiting the foregoing, Tenant shall not use the Premises for any purpose which violates any "exclusive" use listed on Exhibit 4A attached hereto. Landlord reserves the right to supplement Exhibit 4A from time to time and any such supplement shall become part of this Lease.

B. Landlord agrees that throughout the Term and any Renewal Term, Landlord shall execute no other lease of space in the Building which permits the premises leased thereby to be primarily used for a dialysis treatment center so long as (i) no default by Tenant exists under this Lease beyond any applicable notice and cure periods, and (ii) the Tenant is the entity named in the Preamble to this Lease or is a "Permitted Transferee" (defined below), it being agreed by Tenant that the right contained in this Paragraph shall not inure to the benefit of any successors, assigns or other persons claiming by, through or under Tenant other than a Permitted Transferee.

C. So long as Tenant complies with the reasonable requirements of Landlord regarding the security of the Building, Tenant shall be permitted access to and use of the Premises 24 hours a day, 7 days per week, 52 weeks per year.

5. CONDITION OF PREMISES.

A. Landlord will deliver to Tenant possession of the Premises in its present condition, professionally cleaned and with all items listed (including, but not limited to the items designated in Footnotes 1 through 4) on Exhibit B-3 completed and in good working order. Landlord represents and warrants that the roof is water tight, the Premises are, to Landlord's knowledge, in compliance with all applicable laws and codes and free of hazardous materials.

B. Tenant's taking possession of any portion of the Premises shall be conclusive evidence that such portion of the Premises was in good order and satisfactory condition when the Tenant took possession; provided, however, that the foregoing shall not relieve Landlord of the obligation to complete the "Punch List Items". Notwithstanding the foregoing, Landlord shall deliver the Premises (a) in good working order, condition and repair, including, but not limited to, landscaping, landscaping sprinklers, exterior lighting, roof membrane, HVAC units, plumbing, electrical (including panels and outlets), sprinklers, fire, safety, security, parking lot, and all other mechanical and building systems (collectively, the "Building Systems") and all other items for which Tenant shall have repair and maintenance or reimbursement responsibilities during the Term; and (b) in compliance with current municipal, federal, state and local laws and regulations, including but not limited to the American Disabilities Act ("ADA") and Hazardous Substances laws. Furthermore, the roof shall be water tight and the Premises shall be in compliance with all applicable laws and codes and free of Hazardous Substances. If a non-compliance with the foregoing exists as of the Commencement Date, Landlord at Landlord's sole obligation with respect to such matter, promptly after receipt of written notice from Tenant setting forth with specificity the nature of non-compliance, will rectify same at Landlord's expense. Landlord represents and warrants that as of the Commencement Date, Landlord is not aware of any work performed on the Premises that is without permits or which is not in compliance with applicable codes. To the extent the foregoing representations by Landlord are not true, the code compliance costs and all costs incurred to cause the Premises to be in compliance with applicable codes shall be Landlord's sole responsibility and not be included as part of the Impositions or otherwise passed through to Tenant. No promise of the Landlord to alter, remodel or improve the Premises or the Building and no representation by Landlord or its agents respecting the condition of the Premises or the Building have been made to Tenant or relied upon by Tenant other than as may be contained in this Lease or in any written amendment hereto signed by Landlord and Tenant.

6. SERVICES.

A. **No Services.** From and after the Commencement Date, Landlord shall not be responsible for any service to the Premises not provided for in this Lease. Tenant will provide water to the Premises pursuant to Paragraph 16 of Exhibit B attached hereto.

B. Repairs by Landlord.

(i) Landlord shall keep the roof, the structure and the exterior of the Building (other than (i) the Double Access Doors, defined in Paragraph 26.W. below, and those exterior parts of the Building used in conjunction with the Double Access Doors and (ii) the water line serving the Premises and its related facilities) and landscaped and parking areas in good order, repair and condition at all times during the Term (the cost of which shall be included in Impositions in accordance with the terms and conditions of Paragraph 3 and Exhibit 3A). The foregoing shall include snow removal, removal of non-medical waste and maintenance and repair of outdoor lighting facilities. In addition, Landlord shall clean, maintain and repair any vestibule in the Building providing access both to the Premises and to other rentable area in the Building.

(ii) If, during the period ending on the first anniversary of the Commencement Date, repairs or replacements must be made to the Building's electrical (including panels and outlets), mechanical, plumbing, fire safety and security systems (collectively, the "Building Systems"), Landlord shall, upon notice from Tenant, make such repairs or replacements at its expense; provided, however, that to be Landlord's obligations, the need for such repairs or replacements must be caused entirely by causes other than (i) misuse of the applicable Building Systems by Tenant, its employees and invitees or (ii) failure by Tenant to provide normal scheduled maintenance to the applicable Building Systems. In any such event, the necessary repairs shall be the obligation of Tenant under Paragraph 7 of this Lease.

(iii) If Landlord defaults in the performance of its obligations to make non-structural repairs to the Premises and as a result there exists a clear and imminent danger of either substantial property damage to the Premises or of bodily injury to occupants, and such default continues for five business days after notice from Tenant to Landlord of such imminent danger, Tenant shall have the right (but shall not be obligated) to perform such repairs and the reasonable costs incurred by Tenant in making such repairs shall be paid by Landlord to Tenant within 30 days after written demand therefor. With respect to Landlord's obligations the failure of which do not present a clear and imminent danger of bodily injury or substantial property damage to the Premises or interruption of Tenant's operations, Landlord shall have thirty (30) days after written notice from Tenant to repair. In the event Landlord fails to complete repairs within such thirty (30) day period, Tenant may, but is not obligated to, perform said repairs and the amount of such reasonable costs and expenses incurred by Tenant shall be paid by Landlord within thirty (30) days after written demand by Tenant.

C. Energy Conservation. Notwithstanding anything to the contrary in this Paragraph 6 or elsewhere in this Lease, Landlord shall have the right to institute such policies, programs and measures as may be necessary or desirable, in Landlord's reasonable discretion, for the conservation or preservation of energy, or energy related services, or as may be required to comply with any applicable codes, rules and regulations, whether mandatory or voluntary.

D. Utilities. Tenant shall pay for all electrical, gas and water services provided to the Premises directly to the respective public utility companies providing such services; provided, however, that (i) to the extent the Village of Glenview provides water to the Premises, Tenant shall pay for such water directly to the Village of Glenview and (ii) to the extent water to the Premises is provided by Landlord, that water shall be sub-metered to the Premises and Tenant shall pay directly to Landlord for water used at the Premises. Tenant acknowledges that Impositions will include the cost of water used to maintain landscaping.

7. REPAIRS BY TENANT. Except as otherwise provided in Paragraph 6.B, Tenant shall, at Tenant's expense, keep the (i) Premises, (ii) the Double Access Doors, and those exterior parts of the Building used in conjunction with the Double Access Doors and (iii) the water line serving the Premises and its related facilities, in good order, repair and condition at all times during the Term, and Tenant shall promptly and adequately repair all damage to the Premises and replace or repair all damaged or broken fixtures and appurtenances subject to the reasonable approval of the Landlord, and within any reasonable period of time specified by the Landlord. In addition, and subject to the provisions of Section 5.B above and other obligations which are Landlord's responsibility hereunder, Tenant shall, at Tenant's expense, make all repairs, installations, and additions to the Premises as may be required by any law, ordinance, regulation or ruling of any governmental authority having jurisdiction over the Premises. If the Tenant does not do so, Landlord may after written notice to Tenant, but need not, make the repairs, replacements, installations, and additions which Tenant is obligated to make, and Tenant shall pay the Landlord the cost thereof, and shall also pay to Landlord 10% of the cost thereof to reimburse Landlord for all overhead, general conditions, fees and

other costs or expenses arising from the involvement of Landlord with such repairs and replacements, the foregoing payments to be made forthwith within 30 days of being billed for same. Landlord or Landlord's agent may, but shall not be required to, enter the Premises at all reasonable times to make such repairs, installations, alterations, improvements and additions to the Premises or to the Building or to any equipment located in the Building as Landlord shall desire or deem necessary, provided that Landlord's entry into the Premises shall be in compliance with Paragraph 20 below.

8. ADDITIONS AND ALTERATIONS.

A. Tenant shall not, without the prior written consent of Landlord, which consent shall not be unreasonably withheld, make any alterations, improvements or additions (collectively "Alterations") to the Premises; provided, however, that Tenant may make non-structural alterations, the cost of which does not exceed \$50,000 without Landlord's consent. If Landlord consents to any Alterations, it may impose such conditions with respect thereto as Landlord reasonably deems appropriate, including, without limitation, requiring Tenant to furnish Landlord with (i) security for the payment of all costs to be incurred in connection with the Alterations, (ii) insurance against liabilities which may arise out of the Alterations, and (iii) copies of the plans and specifications and permits necessary for the Alterations. Any Alterations, whether prior to or subsequent to the Commencement Date, shall be completed at Tenant's expense by employees of or contractors hired by Tenant. Tenant shall promptly pay to Tenant's contractors when due, the cost of all such Alterations. Tenant shall also pay to Landlord the amount of any actual and reasonable third party expenses (including, but not limited to, those incurred in reviewing Tenant's plans and drawings) incurred by Landlord in connection with such Alterations provided that Landlord shall deliver to Tenant supporting documentation for any such expenses concurrently with its demand for reimbursement. Upon completion of such Alterations Tenant shall deliver to Landlord evidence of payment, contractors' affidavits, full and final waivers of all liens for labor, services or materials and such other supporting documentation as Landlord may reasonably require, all in form reasonably satisfactory to Landlord. Tenant shall defend and hold Landlord, the Land and the Building harmless from all costs, damages, liens and expenses related to such Alterations. All Alterations and repairs done by Tenant or its contractors pursuant to Paragraphs 7 or 8 of this Lease shall be done in a first-class, workmanlike manner using only good grades of materials and shall comply with all insurance requirements and all applicable laws, ordinances, rules and regulations of governmental departments or agencies. At all times Tenant shall cause contractors and others performing Alterations for Tenant to work in harmony with the contractors, agents, and employees performing work in the Building, for Landlord or others.

B. All Alterations, whether temporary or permanent in character, made or paid for by Landlord or Tenant, shall, without compensation to Tenant, become Landlord's property at the expiration or termination of this Lease and shall, unless Landlord requires their removal, be relinquished to Landlord in good condition, order and repair, ordinary wear and loss from casualty or condemnation excepted. In the case of Alterations which Tenant is entitled to make without Landlord's approval, Landlord's right to require removal is conditioned upon Landlord's giving Tenant notice to that effect at least 90 days prior to the expiration or termination of this Lease, unless termination results from Tenant's default in which case no Landlord's notice shall be required. In the case of Alterations for which Landlord's consent was required, Landlord may require removal only if Landlord's notice approving the Alteration(s) in question stated that Landlord required removal. If Landlord requires removal of any Alterations, Tenant shall remove the same in the same manner and time as is provided in Paragraph 16 with respect to Tenant's property.

9. COVENANT AGAINST LIENS. Tenant has no authority or power to cause or permit any lien or encumbrance of any kind whatsoever, whether created by act of Tenant, operation of law or otherwise, to attach to or be placed upon Landlord's title or interest in the Land, Building or the Premises, and any and all liens and encumbrances created by Tenant shall attach to Tenant's interest only. Tenant covenants and agrees not to suffer or permit any lien of mechanics or materialmen or others to be placed against the Land, Building or the Premises or Tenant's interest in the Premises with respect to work or services claimed to have been performed for or materials claimed to have been furnished to Tenant or the Premises, and, in case any such lien attaches, or claim of lien is asserted, Tenant covenants and agrees to cause such lien or claim of lien to be promptly released and removed of record. In the event such lien or claim of lien is not released and removed, Landlord, at its sole option and in addition to any other available rights or remedies, may take all action necessary to release and remove such lien or claims of lien (it being agreed by Tenant that Landlord shall have no duty to investigate the validity thereof) and Tenant shall promptly upon notice reimburse Landlord for all sums, costs and expenses (including reasonable attorneys' fees) incurred by Landlord in connection with such lien.

10. INSURANCE.

A. Property Insurance. Landlord shall obtain and continuously maintain in full force and effect at all times during the Term policies of insurance covering the Improvements on the Land, which insurance shall be for the benefit of and shall name (i) Landlord as insured and (ii) Landlord's designated mortgagee, if any, as mortgagee under a standard New York Mortgage Clause against the "special form" causes of loss and loss of rent coverage for at least one year, and such other risks or hazards which are now or may hereafter be customarily insured against with respect to improvements similar in construction, design, general location, use and occupancy to the Improvements (hereinafter referred to as "Property Insurance"). Tenant shall pay Tenant's Pro Rata Share of the costs of such insurance as part of Impositions hereunder.

The Property Insurance coverage shall be in an amount equal to 100% of the then "Full Replacement Cost" of the Improvements and shall include a so-called "Agreed Value Endorsement." Full Replacement Cost shall mean the cost of replacing the Improvements without deduction for depreciation, obsolescence, or wear and tear, and it shall include reasonable sums for demolition, architectural, engineering, legal, interest charges, administrative and supervisory fees connected with the restoration or replacement of the Improvements in the event of damage thereto or destruction thereof and shall cover any added cost of restoring the Improvements in compliance with then current laws and codes. Full Replacement Cost shall be determined from time to time, at the request of Tenant or of Landlord or its mortgagee, by an appraiser, engineer, architect or contractor designated by the party requesting such determination and at such party's expense.

During any period of construction of Improvements by Landlord, Landlord shall maintain in full force and effect, (i) worker's compensation insurance as may be required by the statutes of the State of Illinois or any applicable federal or municipal laws or regulations and (ii) on a completed value basis, insurance coverage on the Improvements through "builder's risk" insurance, an installation floater, or other comparable coverage.

B. Waiver of Subrogation. Each of Landlord and Tenant waives any and every claim for recovery from the other for any and all loss or damage to the Building or Premises or to the contents thereof, whether such loss or damage is due to the negligence of Landlord or Tenant or their respective agents or employees, to the extent that the amount of such loss or damage is covered under the waiving party's policies of insurance (or would have been covered had the waiving party carried the insurance required to be carried by it); provided, however, that the foregoing waiver shall not be operative in any case where its effect is to invalidate any insurance coverage of the waiving party or increase the cost of such insurance coverage; provided, further however, that in the case of an increase in the cost of insurance coverage, the insured shall give to the other party notice of such increase and of the amount thereof, and the other party may reinstate such waiver by paying to the insured the amount of the increase in the cost of insurance.

C. Tenant's Insurance. Tenant shall purchase and maintain insurance during the entire Term for the benefit of Tenant and Landlord (as their interests may appear) with terms, coverage and in companies satisfactory to Landlord, (i) commercial general liability insurance on an occurrence basis covering claims of bodily injury, personal injury and property damage arising out of Tenant's operations, assumed liabilities or use and occupancy of the Premises (which insurance shall name Landlord, the owner of the Land and Building if other than Landlord and any Mortgagee designated by Landlord or Ground Lessor (defined in Paragraph 19), as additional insureds under CG 20 11 01 96 or equivalent) and (ii) physical damage insurance covering all Alterations and other improvements to the Premises other than the improvements provided by Landlord, and all office furniture, trade fixtures, office equipment, merchandise and all other items of Tenant's property on the Premises.

All liability insurance shall initially have per occurrence limits of at least \$2,000,000 which limits shall be subject to increase from time to time as required by Landlord's lender and provided that such increase is commercially reasonable. All physical damage insurance shall be written on a "causes of loss -- special form" basis, shall be in amounts at least equal to the full replacement cost of the covered items, and shall not be subject to the application of any coinsurance clauses or requirements. Each policy of insurance shall be endorsed to provide that it will not be cancelled without at least 10 days notice to Landlord if cancellation is for failure to pay premiums and at least 30 days notice to Landlord if cancellation is for any other reason.

Tenant shall, prior to the commencement of the Term, furnish to Landlord satisfactory evidence of the coverages required by this Paragraph.

D. Avoid Action Increasing Rates. Tenant shall comply with all applicable laws and ordinances, all orders and decrees of court, all requirements of other governmental authorities, and requirements and recommendations of insurance rating agencies with respect to the Premises, and shall not, directly or indirectly, make any use of the Premises which may thereby be prohibited or be dangerous to person or property, which may jeopardize any insurance coverage, increase the cost of insurance, or require additional insurance coverage. If Tenant fails to comply with the provisions of this Paragraph 10.D, Landlord may require Tenant to make immediate payment of any increase in Landlord's insurance costs.

11. FIRE OR CASUALTY.

A. Paragraph 7 of this Lease notwithstanding, if the Premises or the Building (including machinery or equipment used in its operation) shall be damaged by fire or other casualty and if such damage does not, in the judgment of Landlord, render all or a substantial portion of the Premises or Building untenable, then Landlord shall, subject to the limitations set forth below, repair or restore such damage with reasonable promptness, subject to reasonable delays for insurance adjustments and delays caused by matters beyond Landlord's reasonable control. Landlord shall not be obligated to expend in repairs and restoration an amount in excess of the proceeds of insurance recovered with respect to such casualty. If any such damage renders all or a substantial portion of the Premises or Building untenable, Landlord shall have the right to terminate this Lease as of the date of such damage (with appropriate prorations of Net Rent being made for Tenant's possession after the date of such damage of any tenable portions of the Premises) upon giving written notice to the Tenant at any time within 60 days after the date of such damage. Landlord shall have no liability to Tenant, and Tenant shall not be entitled to terminate this Lease by virtue of any delays in completion of repairs and restoration, to the extent such delay is due to a cause or causes beyond Landlord's reasonable control. However, Net Rent shall abate as to those portions of the Premises as are, from time to time, untenable as a result of such damage until Landlord shall have completed the repairs and restoration required of Landlord hereunder.

B. Landlord's duty to repair the Premises is limited to repairing those parts of the Premises that were provided by Landlord at Landlord's cost at the beginning of the Term pursuant to the Work Letter attached hereto as Exhibit B (the "Work Letter"). Tenant shall repair all Alterations at the sole cost and expense of Tenant. If Tenant desires any other or additional repairs or restoration and if Landlord consents thereto, such repair or restoration shall be done at Tenant's sole cost and expense in accordance with the provisions of Paragraph 7 hereof. Tenant acknowledges that Landlord shall be entitled to the full proceeds of any insurance coverage, whether carried by Landlord or Tenant, for damage to those items or decorations provided by Landlord either directly or through an allowance to Tenant, which Landlord is obligated to repair.

C. In the event Landlord shall not have completed Landlord's repair or restoration of the Premises within one year from the date that Landlord shall have received the insurance proceeds related to such repair or restoration, as such period shall be extended by causes beyond Landlord's reasonable control, including, but not limited to, force majeure, Tenant shall have the right to terminate this Lease and all further liability of Tenant hereunder by notice to Landlord given within five business days after the expiration of such one year period, time being of the essence. In addition, Tenant shall have the right to terminate the Lease in the event the Premises are damaged by any peril within twelve (12) months of the last day of the Term and, in the reasonable opinion of Landlord's architect or construction consultant, the restoration of the Premises cannot be substantially completed within ninety (90) days after the date of such damage, which right may be exercised only by delivery to Landlord of a written notice of election to terminate within ten business days after Tenant receives from Landlord the estimate of the time needed to complete such restoration.

12. **WAIVER OF CLAIMS -- INDEMNIFICATION.** Neither Landlord nor the members in Landlord nor their respective officers, agents, servants or employees shall be liable for any of (i) any damage either to person or property or for loss of the use of property sustained by Tenant or by any other person due to the Building, any part of the Building or its appurtenances becoming out of repair or due to the happening of any accident or event in or about the Building or (ii) loss or damage to any personal property of Tenant located on the Premises or upon loading docks, receiving and holding areas or freight elevators of the Building or (iii) theft of any property of Tenant. The foregoing waiver shall not apply to loss or damage to the extent caused by the negligence or willful misconduct of Landlord; provided, however, that the foregoing waiver shall apply to each and every act of any tenant or occupant of the Building or of any other person.

Without limitation of any other provisions hereof, Tenant agrees, to the extent permitted by law, to defend, protect, indemnify and save harmless Landlord from and against all liability to third parties (including, but not limited to, the officers, agents, contractors, and business associates of Tenant) arising out of Tenant's use and occupancy of the Premises or acts or omissions of Tenant (whether or not such acts or omissions constitute a violation of applicable law or of this Lease) and its officers, servants, agents, employees, contractors, suppliers, workers and invitees; provided, however, that this indemnity shall not apply to the extent of Landlord's negligence or willful misconduct.

13. **NON-WAIVER.** No waiver of any provision of this Lease shall be implied by any failure of Landlord to enforce any remedy on account of the violation of such provision, even if such violation be continued or repeated subsequently, and no express waiver shall affect any provision other than the one specified in such waiver and that one only for the time and in the manner specifically stated. No receipt of monies by Landlord from Tenant after the termination of this Lease shall in any way alter the length of the Term or of Tenant's right of possession hereunder or after the giving of any notice shall reinstate, continue or extend the Term or affect any notice given Tenant prior to the receipt of such moneys, it being agreed that after the service of notice or the commencement of a suit or after final judgment for possession of the Premises, Landlord may receive and collect any Net Rent or other sum due, and the payment of said Net Rent or other sum shall not constitute a waiver of or affect said notice, suit or judgment.

14. **CONDEMNATION.** If the Land or the Building or any portion thereof shall be taken or condemned or purchased under the threat of condemnation by any competent authority for any public or quasi-public use or purpose, or if the configuration of any street, alley, bridge, railroad facility or other improvement or structure adjacent to the Building is changed by any competent authority and such taking or change in configuration makes it necessary to remodel or reconstruct the Building, Landlord shall have the right, exercisable at its sole discretion, to cancel this Lease upon notice given not less than 90 days prior to the date of cancellation designated in the notice, but only if Landlord is terminating all the other leases of other occupants in the affected area of the Building. Tenant shall have the right to terminate this Lease by notice to Landlord given within thirty days after the date of a taking if ten percent (10%) or more of the Premises is taken and the remaining of the Premises is not reasonably sufficient for Tenant to continue operation of its business. If either Landlord or Tenant so elects to terminate this Lease, the Lease shall terminate on the thirtieth (30th) day after either such notice. The Net Rent and Tenant's Pro Rata Share of Impositions shall be prorated to the date of termination. If this Lease continues in force upon a partial taking, the Net Rent and Tenant's Pro Rata Share shall be equitably adjusted according to the remaining rentable area of the Premises and Building. No money or other consideration shall be payable by Landlord to Tenant for the right of cancellation and whether or not the Lease is terminated pursuant to this Paragraph, Tenant shall have no right to share in the condemnation award or in any judgment for damages caused by such taking or change in configuration, it being agreed by Tenant that each such award is the sole property of Landlord and that Tenant has no interest therein. The foregoing notwithstanding, Landlord shall turn over to Tenant, promptly after receipt thereof by Landlord, that portion of any such award received by Landlord hereunder (net of the cost incurred by Landlord to obtain such portion) which is attributable to Tenant's fixtures and equipment which are condemned as part of the property taken but which Tenant would otherwise be entitled to remove, and the appraisal of the condemning authority with respect to the amount of any such award allocable to such items shall be conclusive. This Paragraph shall not, however, be deemed to restrict Tenant's right to pursue a separate award specifically for its relocation expenses or the taking of Tenant's personal property or trade fixtures so long as such separate award does not diminish any award otherwise due Landlord as a result of such condemnation or taking.

15. **ASSIGNMENT AND SUBLETTING.**

A. Tenant shall have the right, from time to time, to sublease a portion or portions of the Premises or assign this Lease to a parent, subsidiary or corporation controlling, controlled by or under common control with Tenant (any of the foregoing being called an "In-House Transfer"), in each instance without having to obtain the consent of Landlord; provided, however, that it shall be a condition to Tenant's ability to complete any In-House Transfer that Tenant shall have given Landlord at least ten business days' notice that Tenant will complete such In-House Transfer, which notice shall be accompanied by a copy of the documents by which Tenant will complete such In-House Transfer; provided, that Landlord shall (and shall use commercially reasonable efforts to cause anyone acting under or on behalf of Landlord to) keep the nature and contents of such notice confidential until such transaction becomes public knowledge.

B. Except as permitted under Paragraph 15.A above, Tenant shall not, without the prior written consent of Landlord (which consent shall not be unreasonably withheld and as provided below), (i) assign, convey or mortgage this Lease or any interest hereunder; (ii) permit or suffer to exist any assignment of this Lease, or any lien upon Tenant's interest, voluntarily or by operation of law; (iii) sublet the Premises or any part thereof to any third party; or (iv) permit the use of the Premises by any parties other than Tenant and its employees and sublessees permitted under Paragraph 15.A above. Any such action on the part of Tenant shall be void and of no effect. Landlord's consent to any assignment, subletting or transfer or Landlord's election to accept any assignee, subtenant or transferee as the tenant hereunder and to collect rent from such assignee, subtenant or transferee shall not release Tenant or any subsequent tenant from primary liability to perform each covenant or obligation to be performed by Tenant under this Lease. Landlord's consent to any assignment, subletting or transfer shall not constitute a waiver of Landlord's right to withhold its consent to any future assignment, subletting or transfer.

C. In connection with the sale of all or substantially all of Tenant's business, Tenant may assign this Lease without Landlord's consent to the purchaser thereof provided Tenant delivers notice to Landlord of such sale within ten (10) business days before the closing of such sale, provided that Landlord shall (and shall cause anyone acting under or on behalf of Landlord to) keep the nature and contents of such notice confidential until such sale becomes public knowledge.

D. In the event that Landlord consents to any assignment or sublease of any portion of the Premises requiring Landlord's consent herein (i.e., an assignment or sublease which is not an In-House Transfer or an assignment described in subparagraph 15.C above), as a condition of Landlord's consent, 50% of all profit received by Tenant from time to time from such assignment or subletting shall be payable to Landlord, such profit to be computed in accordance with generally accepted U.S. accounting principles consistently applied. In calculation such profit, Tenant may deduct the amortized (in accordance with GAAP accounting) portion of Tenant's expenses incurred in such assignment or sublease for (1) any changes, alterations and improvements to the Premises paid for by Tenant in connection with the assignment or sublease, (2) any other out-of-pocket monetary concessions provided by Tenant to the assignee or sublessee, and (3) any brokerage commissions and attorneys fees paid for by Tenant in connection with the assignment or transfer. Tenant shall furnish Landlord with a statement, certified by an independent certified public accountant, setting forth in detail the computation of profit (which computation shall be based upon generally accepted U.S. accounting principles), and Landlord, or its representatives shall have access to the books, records and papers of Tenant in relation thereto, and the right to make copies thereof. If a part of the consideration for such assignment or subletting shall be payable other than in cash, the payment to Landlord shall be payable in accordance with the foregoing percentage of the cash and other non-cash consideration, in such form as is satisfactory to Landlord. Such percentage of Tenant's profit shall be paid to Landlord promptly by Tenant upon Tenant's receipts from time to time of periodic payments from such assignee or subtenant or at such other time as Tenant shall realize profit from such assignment or sublease. Tenant shall, from time to time, at the request of Landlord provide a statement to Landlord of the profit from any assignment or subletting certified by Tenant to have been prepared in accordance with generally accepted U.S. accounting principles. Landlord or its representatives shall have the right, upon reasonable notification to Tenant, to inspect, abstract and copy the books and records of Tenant related to such profit.

E. If Tenant is a corporation, any transaction or series of transactions (including, without limitation, any dissolution, merger, consolidation or other reorganization of Tenant, or any issuance, sale, gift, transfer or redemption of any capital stock of Tenant, whether voluntary, involuntary or by operation of law, or any combination of any of the foregoing transactions) resulting in the transfer of control of Tenant, other than by reason of death, shall be deemed to be a voluntary assignment of this Lease by Tenant subject to the provisions of this Paragraph. If Tenant is a partnership, any transaction or series of transactions (including, without limitation, any withdrawal or admittance of a partner or any change in any partner's interest in Tenant, whether voluntary, involuntary or by operation of law, or any combination of any of the foregoing transactions) resulting in the transfer of control of Tenant, other than by reason of death, shall be deemed to be a voluntary assignment of this Lease by Tenant subject to the provisions of this Paragraph. If Tenant is a limited liability company or another form of business entity, any transaction or series of transactions (including, without limitation, any withdrawal or admittance of a member or any change in any member's interest in Tenant, whether voluntary, involuntary or by operation of law, or any combination of any of the foregoing transactions) resulting in the transfer of control of Tenant, other than by reason of death, shall be deemed to be a voluntary assignment of this Lease by Tenant subject to the provisions of this Paragraph. The term "control" as used in this Paragraph means the power to directly or indirectly direct or cause the direction of the management or policies of Tenant. If Tenant is a corporation, no transfer of control shall be deemed to have occurred so long as shareholders who are shareholders at the date of this Lease own 50% of the issued and outstanding stock of Tenant, nor if Tenant

has more than 500 shareholders shall the trading of the shares of Tenant on a recognized market or over the counter be deemed to result in a transfer of control of Tenant. If Tenant is a partnership or limited liability company, no transfer of control shall be deemed to have occurred so long as partners/members who are partners/members at the date of this Lease own a 50% interest in the profits, losses and capital of such partnership or limited liability company as the case may be.

F. Tenant shall pay to Landlord upon demand by Landlord, notwithstanding that Landlord may have withheld its consent to any transfer contemplated by this Paragraph 15, an amount sufficient to reimburse Landlord or Landlord's agent for all costs incurred by them or either of them, including, but not limited to, reasonable attorneys' fees, in determining whether to grant or withhold any consent contemplated by this Paragraph or otherwise in connection with any assignment, subletting or other transfer of Tenant's interest in this Lease, or any attempt to do any of the foregoing.

G. In no event shall Tenant Transfer any interest in this Lease under an arrangement which provides for a rental or other payment for such use, occupancy or utilization based in whole or in part on the income or profits derived by any person (other than an amount based on a fixed percentage or percentages of receipts or sales), and Tenant agrees that all Transfers shall provide that the person having an interest in the possession, use, occupancy or utilization of the Premises shall not enter into any lease, sublease, license, concession or other agreement for use, occupancy or utilization of space in the Premises which provides for a rental or other payment for such use, occupancy or utilization based in whole or in part on the income or profits derived by any person from the Premises leased, used, occupied or utilized (other than an amount based on fixed percentage or percentages of receipts or sales). Tenant further agrees that any such purported Transfer shall be absolutely void and ineffective as a conveyance of any right or interest in the possession, use, occupancy or utilization of any part of the Premises.

16. SURRENDER. Upon the expiration of the Term or upon the termination of Tenant's right of possession, whether by lapse of time or at the option of Landlord as herein provided, Tenant shall forthwith surrender the Premises to Landlord in good order, repair and condition, ordinary wear and tear excepted. Prior to the expiration or termination of the Term or of Tenant's right of possession of the Premises, Tenant shall remove its office furniture, trade fixtures, office equipment and all other items of Tenant's property from the Premises. In addition, Tenant shall remove from the Premises those Alterations which Tenant is obligated to remove as set forth in Paragraph 8 above. Tenant shall pay to Landlord upon demand the cost of repairing any damage to the Premises and to the Building caused by any such removal. If Tenant shall fail or refuse to remove any such property from the Premises, Tenant shall be conclusively presumed to have abandoned the same, and title thereto shall thereupon pass to Landlord without any cost to Landlord, whether by setoff, credit, allowance or otherwise, and Landlord may at its option accept the title to such property or at Tenant's expense may (i) remove the same or any part in any manner that Landlord shall choose, repairing any damage to the Premises caused by such removal, and (ii) store, destroy or otherwise dispose of the same without incurring liability to Tenant or any other person. In the event Landlord incurs any storage or other costs by reason of Tenant's failure to remove any property which Tenant is obligated to remove under this Paragraph, Tenant upon demand shall pay to Landlord the amount of costs so incurred.

17. HOLDING OVER. In addition to performing all of Tenant's other obligations set forth in this Lease, Tenant shall pay to Landlord an amount equal to 200% of the Net Rent and 200% of the monthly installment of estimated Impositions payable by Tenant for the last month of the Term, for each month or portion thereof during which Tenant shall retain possession of the Premises or any part thereof after the expiration or termination of the Term or of Tenant's right of possession, whether by lapse of time or otherwise, and also shall pay all damages sustained by Landlord whether direct or consequential, on account of Tenant's so retaining possession provided that Landlord shall first deliver thirty (30) days prior written notice to Tenant that such consequential damages will be incurred; provided, however, that at the option of Landlord, expressed in a written notice to Tenant and not otherwise, such holding over shall constitute a renewal of this Lease for a period of 1 year at such Net Rent and Impositions as would have applied had the Term originally included such year. The provisions of this Paragraph 17 shall not be deemed to limit or constitute a waiver of any other rights or remedies of Landlord provided herein or at law.

18. ESTOPPEL CERTIFICATES. Tenant agrees, that, from time to time upon not less than 10 business days prior request by Landlord, Tenant, or Tenant's duly authorized representative having knowledge of the facts, will execute and deliver to Landlord an estoppel certificate in the form attached hereto as Exhibit C and made a part hereof, together with a written statement certifying as to such other matters regarding this Lease as Landlord may request, it being intended that any such statements and certificates may be relied upon by any mortgagees or

prospective mortgagees of the Land or Building, or any prospective assignee of any such mortgagee, or any prospective or subsequent purchaser or transferee of all or a part of Landlord's interest in the Land or the Building or this Lease or any prospective transferee of all or any part of the interests in Landlord or in any partner in Landlord. Tenant's failure to execute and deliver any statement or certificate contemplated by this Paragraph within 10 days after if a second written request by Landlord shall be a default under this Lease.

19. RIGHTS OF MORTGAGEES AND GROUND LESSORS.

A. Landlord has heretofore encumbered the Land and the Building with a Mortgage and may hereafter encumber the Land and the Building, or any interest therein with additional mortgages, may sell and lease back the Land, or any part of the Land, and may encumber the leasehold estate under such a sale and leaseback arrangement with one or more mortgages. (Any such mortgage is herein called a "Mortgage" and the holder of any such mortgage is herein called a "Mortgagee". Any such lease of the Land is herein called a "Ground Lease" and the lessor under any such lease is herein called a "Ground Lessor".) This Lease and the rights of Tenant hereunder shall be and are hereby expressly made subject to and subordinate at all times to the lien of each Mortgage and to any Ground Lease (it being agreed by Tenant that in the case of a Ground Lease, Tenant's right to possession shall be as a subtenant) now or hereafter existing, and to all amendments, modifications, renewals, extensions, consolidations and replacements of each of the foregoing, and to all advances made or hereafter to be made upon the security thereof. The subordination expressed in the preceding sentence shall be automatic and shall require no further action by Landlord or Tenant for its effectiveness; provided, however, that subordination to the lien of any Mortgage is conditioned upon Tenant's having received of the written agreement of the Mortgagee that in consideration for Tenant's agreement to attorn to the Mortgagee and so long as Tenant is not in default under this Lease beyond any applicable notice and cure period, the Mortgagee will not disturb Tenant's possession under this Lease. Tenant agrees to execute and deliver to Landlord such instruments of subordination, non-disturbance and attornment as Landlord may request and reasonably acceptable to Tenant within 10 business days after Tenant's receipt of such written request.

B. If any Mortgage is foreclosed, or Landlord's interest under this Lease is conveyed or transferred in lieu of foreclosure, or if any Ground Lease is terminated:

(i) No person or entity which as the result of any of the foregoing has succeeded to the interest of Landlord in this Lease (any such person or entity being hereafter called a "Successor") shall be liable for any default by Landlord or any other matter which occurred prior to the date such Successor succeeded to Landlord's interest in this Lease nor shall such Successor be bound by or subject to any offsets or defenses which Tenant may have against Landlord or any other predecessor in interest to such Successor; provided, however, from the date Successor succeeds Landlord as the "Landlord" under this Lease, Successor shall be responsible for the cost of correcting continuing defaults in the nature of repairs, maintenance, replacement obligations of Landlord or providing services by Landlord as set for in the Lease.

(ii) Upon request of any Successor, Tenant will attorn, as Tenant under this Lease subject to the provisions of this Paragraph 19.B. and Paragraph 19.D. below, to such successor and will execute and deliver such instruments as may be necessary or appropriate to evidence such attornment within 10 business days after receipt of a written request to do so; and

(iii) No Successor shall be bound to recognize any prepayment by more than 30 days of Net Rent or Impositions.

C. Notwithstanding anything to the contrary contained herein, any Mortgagee or Ground Lessor may subordinate, in whole or in part, its Mortgage or Ground Lease (as the case may be) to this Lease by sending Tenant notice in writing subordinating such Mortgage or Ground Lease to this Lease, and Tenant agrees to execute and deliver to such Mortgagee or Ground Lessor such further instruments consenting to or confirming the subordination of such Mortgage or Ground Lease to this Lease and containing such other provisions which may be requested in writing by such Mortgagee or Ground Lessor within 10 business days after notice to Tenant of such request.

D. Whether or not any Mortgage is foreclosed or any Ground Lease is terminated, or any Successor succeeds to any interest of Landlord under this Lease, no Mortgagee or Ground Lessor or Successor shall have any liability to Tenant for any security deposit paid to Landlord by Tenant hereunder, unless such security deposit has actually been received by or credited to such Mortgagee or Ground Lessor or Successor.

E. Should any prospective Mortgagee or Ground Lessor require a modification or modifications of this Lease, which modification or modifications will not cause an increased cost or expense to Tenant or in any other way materially and adversely change the rights and obligations of Tenant hereunder, then and in such event, Tenant agrees that this Lease may be so modified and agrees to execute whatever documents are required therefor and deliver the same to Landlord within 10 business days following the request therefor. Should any prospective Mortgagee or Ground Lessor require execution of a short form of lease for recording (containing, among other customary provisions, the names of the parties, a description of the Premises and the term of this Lease), Tenant agrees to execute such short form of Lease and deliver the same to Landlord within 10 business days following the Landlord's written request therefor.

F. [Intentionally deleted].

G. Tenant agrees that the provisions of this Paragraph shall remain in full force and effect, notwithstanding that any Mortgagee or Ground Lessor may directly or indirectly own or have an interest in Landlord, or in the Land or the Building in addition to its interest as Mortgagee or Ground Lessor.

20. CERTAIN RIGHTS RESERVED BY LANDLORD. Landlord shall have the following rights, each of which Landlord may exercise without liability to Tenant for damage or injury to property, person or business on account of such exercise, and the exercise of any such rights shall not be deemed to constitute an eviction or disturbance of Tenant's use or possession of the Premises nor shall such exercise give rise to any claim for setoff or abatement of rent or any other claim:

(i) To change the name or street address of the Building.

(ii) To install, affix and maintain any and all signs on the exterior and on the interior of the Building.

(iii) To decorate or to make repairs, alterations, additions or improvements, whether structural or otherwise, in and about the Building, or any part thereof (including, without limitation, alterations in the locations or configurations of any common areas of the Building), and for such purposes to enter upon the Premises, and during the continuance of any of said work, if reasonably necessary, to temporarily close doors, entryways, public space and corridors in the Building and to interrupt or temporarily suspend services or use of facilities, all without affecting any of Tenant's obligations hereunder, so long as the Premises are reasonably accessible and usable. However, except in emergencies, Landlord will not close the Premises if the work can reasonably be completed on weekends and Building after-hours.

(iv) To furnish door keys or other entry devices for the entry door(s) in the Premises at the commencement of the Term and to retain at all times, and to use in appropriate instances, keys and other entry devices to all doors within and into the Premises.

(v) To designate and approve all window coverings used in the Building.

(vi) To approve the weight, size and location of safes, vaults, computers and other heavy equipment and articles in and about the Premises and the Building so as not to exceed the legal live load per square foot designated by the structural engineers for the Building, and to require all such items and furniture and similar items to be moved into or out of the Building and Premises only at such times and in such manner as Landlord shall direct in writing.

(vii) To establish controls for the purpose of regulating all property and packages, both personal and otherwise, to be moved into or out of the Building and Premises and all persons using the Building after normal office hours.

(viii) To regulate delivery and service of supplies and the usage of the loading docks, receiving areas and freight elevators.

(ix) During the last 12 months of the Term of Renewal Term, as the case may be, show the Premises to prospective tenants at reasonable times, and if vacated or abandoned, to show the Premises at any time and to prepare the Premises for re-occupancy.

(x) To erect, use and maintain pipes, ducts, wiring and conduits, and appurtenances thereto, in and through the Premises at reasonable locations reasonably acceptable to Tenant.

(xi) To enter the Premises at any reasonable time to inspect the Premises.

(xii) To grant to any person or to reserve unto itself the exclusive right to conduct any business or render any service in the Building.

Landlord acknowledges that Tenant is subject to the provisions of the Health Insurance Portability and Accountability Act of 1996 and related regulations ("HIPAA") and that HIPAA requires Tenant to ensure the safety and confidentiality of patient medical records. Landlord further acknowledges that in order for Tenant to comply with HIPAA, Tenant must restrict access to the portions of the Premises where patient medical records are kept or stored. Landlord hereby agrees that, notwithstanding the rights granted to Landlord pursuant to this Paragraph 20 and under this Lease, except when accompanied by an authorized representative of Tenant (and Tenant agrees to make itself or Tenant's authorized representative available to accompany Landlord upon reasonable notice from Landlord), neither Landlord nor its employees, agents, representatives or contractors shall be permitted to enter those areas of the Premises designated by Tenant as locations where patient medical records are kept or stored or where such entry is prohibited by applicable state or federal health care privacy laws. Landlord agrees that it shall not disclose nor shall it permit its contractors or agents to disclose information contained in Tenant's patients' records.

Landlord, in exercising its rights under this Paragraph 20 and elsewhere in the Lease where entry to the Premises is required, shall, without expense or liability to Landlord, do so to the extent reasonably necessary so as to minimize interference with the Tenant's use and enjoyment of the Premises. With respect to any entry into the Premises, except in emergencies, Landlord shall provide Tenant with reasonable prior notice (at least 24 hours in advance) of entry into the Premises. Tenant shall be entitled to have an employee of Tenant accompany the person(s) entering the Premises, provided Tenant makes such employee available at the time Landlord desires to enter the Premises.

21. RULES AND REGULATIONS. Tenant shall, and shall cause all of its subtenants and occupants, its and their agents, employees, invites and licensees to, observe faithfully, and comply strictly with, all rules and regulations promulgated from time to time by Landlord, as in the Landlord's judgment may be desirable for the safety, care and cleanliness of the Building and the Premises, or for the preservation of good order therein. Landlord shall not be liable to Tenant for violation of such rules and regulations by, or for Landlord's failure to enforce the same against, any other tenant, its subtenants and occupants and its and their agents, employees, invites or licensees, nor shall any such violation or failure to constitute, or be treated as contributing to, an eviction, actual or constructive, or affect Tenants' covenants and obligations hereunder, or allow Tenant to reduce, abate or offset the payment of any Net Rent or other sum under this Lease.

22. LANDLORD'S REMEDIES.

A. If (i) Tenant defaults in the payment of Net Rent, Impositions, or any installment of the foregoing, or in the payment of any other sum required to be paid by Tenant either under this Lease, or under the terms of any other written agreement between Landlord and Tenant (the foregoing defaults being collectively called "Payment Defaults"), and such Payment Default is not cured within five business days after written notice to Tenant, or (ii) Tenant defaults in the observance or performance of any of the other covenants or conditions in this Lease which Tenant is required to observe and perform and such default is not cured within 30 business days after written notice to Tenant (or if such default involves a hazardous condition and is not cured by Tenant promptly upon written notice to Tenant), or (iii) the interest of Tenant in this Lease shall be levied on under execution or other legal process, or (iv) Tenant becomes the subject of an involuntary case under the federal bankruptcy law as now or hereafter constituted, or there is filed a petition against Tenant seeking reorganization, arrangement, adjustment or composition of or in respect of Tenant under the federal bankruptcy law as now or hereafter constituted, or under any other applicable federal or state bankruptcy, insolvency, reorganization or other similar law, or seeking the appointment of a receiver, liquidator or assignee, custodian, trustee, sequestrator (or similar official) of Tenant or any substantial part of

its property, or seeking the winding-up or liquidation of its affairs and such involuntary case or petition is not dismissed within 60 days after the filing thereof, or (v) Tenant commences a voluntary case or institutes proceedings to be adjudicated a bankrupt or insolvent, or consents to the institution of bankruptcy or insolvency proceedings against it, under the Federal bankruptcy laws as now or hereafter constituted, or any other applicable Federal or state bankruptcy or insolvency or other similar law, or consents to the appointment of or taking possession by a receiver or liquidated or assignee, trustee, custodian, sequestrator (or other similar official) of Tenant or of any substantial part of its property, or makes any assignment for the benefit of creditors or admits in writing its inability to pay its debts generally as they become due or (vi) Tenant, its stockholders or Board of Directors or any committee thereof takes any action contemplating, in preparation for or in the furtherance of any of the occurrences, steps or proceedings in items (iv) or (v) above, or (vii) any material representation or warranty made by Tenant is not accurate and correct, then Landlord may treat that occurrence of any one or more of the foregoing events as a breach of this Lease, and thereupon at its option may, with or without notice or demand of any kind to Tenant or any other person, have any one or more of the following described remedies in addition to all other rights and remedies provided at law or in equity or elsewhere herein:

(a) Landlord may terminate this Lease by giving to Tenant written notice of Landlord's election to do so, in which event the Term and all right, title and interest of Tenant hereunder shall end on the date stated in such notice;

(b) Landlord may terminate the right of Tenant to possession of the Premises without terminating this Lease, by giving written notice to Tenant that Tenant's right of possession shall end on the date stated in such notice, whereupon the right of Tenant to possession of the Premises or any part thereof shall cease on the date stated in such notice; and

(c) Landlord may enforce the provisions of this Lease and may enforce and protect the rights of Landlord hereunder by a suit or suits in equity or at law for the specific performance of any covenant or agreement contained herein, and for the enforcement of any other appropriate legal or equitable remedy, including without limitation (aa) injunctive relief, (bb) recovery of all moneys due or to become due from Tenant under any of the provisions of this Lease, and (cc) any other damages incurred by Landlord by reason of Tenant's default under this Lease.

B. If Landlord exercises any of the remedies provided for in Subparagraphs (a) or (b) above, Tenant shall surrender possession of and vacate the Premises and immediately deliver possession thereof to Landlord, and Landlord may re-rent and take complete and peaceful possession of the Premises.

C. If Landlord terminates the right of Tenant to possession of the Premises without terminating this Lease, such termination of possession shall not release Tenant, in whole or in part, from Tenant's obligation to pay the Net Rent hereunder for the full Term, and the present value of the excess of the aggregate amount of the Net Rent and Impositions (in the case of Impositions, at the then current rates therefor) over the fair rental value of the Premises for the period from the date stated in the notice terminating possession to the Expiration Date (such present value to be computed on the basis of a per annum discount rate equal to 3%) shall, at the option of the Landlord, be immediately due and payable by Tenant to Landlord, together with any other moneys due hereunder, and Landlord shall have the right to immediate recovery of all such amounts. In the alternative, Landlord shall have the right from time to time, to recover from Tenant, and Tenant shall remain liable for, all Net Rent not theretofore accelerated and paid pursuant to the foregoing sentence and any other sums thereafter accruing as they become due under this Lease during the period from the date of such notice of termination of possession to the Expiration Date. In any such case, Landlord may (but shall be under no obligation to, except as may be required by law) relet the Premises or any part thereof for the account of Tenant for such rent, for such time (which may be for a term extending beyond the Term of this Lease) and upon such terms as Landlord in Landlord's sole but reasonable discretion shall determine. Also, in any such case, Landlord may change the locks or other entry devices of the Premises and make repairs, alterations, and additions in or to the Premises and redecorate the same to the extent deemed by Landlord necessary or desirable, and Tenant shall upon written demand pay the cost thereof together with Landlord's expenses of reletting, including, without limitation, brokerage commissions payable to Landlord's Agent or to others. Landlord may collect the rents from any such reletting and apply the same first to the payment of the expenses of reentry, redecoration, repair and alterations and the expenses of reletting and second to the payment of Net Rent and Impositions herein provided to be paid by Tenant, and any excess or residue shall operate only as an offsetting credit against the amount of Net Rent and Impositions due and owing or paid as a result of acceleration or as the same thereafter becomes due and payable hereunder, but the use of

such offsetting credit to reduce the amount of Net Rent and Impositions due Landlord, if any, shall not be deemed to give Tenant any right, title or interest in or to such excess or residue and any such excess or residue shall belong to Landlord solely; provided that in no event shall Tenant be entitled to a credit on its indebtedness to Landlord in excess of either the aggregate sum (including Net Rent and Impositions) due and owing or paid as a result of acceleration or which would have been paid by Tenant for the period for which the credit to Tenant is being determined, had no default occurred, as applicable. No such reentry, repossession, repairs, alterations, additional or reletting shall be construed as an eviction or ouster of Tenant or as an election on Landlord's part to terminate this Lease, unless a written notice of such intention is given to Tenant, or shall operate to release Tenant in whole or in part from any of Tenant's obligations hereunder, and Landlord may, at any time from time to time, sue and recover judgment for any deficiencies from time to time remaining after the application from time to time of the proceeds of any such reletting.

D. In the event of the termination of this Lease by Landlord as provided for by Paragraph 22.A above, Landlord shall be entitled to recover from Tenant all damages and other sums which Landlord is entitled to recover under any provision of this Lease or at law or equity, including, but not limited to, all the fixed dollar amounts of Net Rent accrued and unpaid for the period up to and including such termination date, as well as all other additional sums payable by Tenant, or for which Tenant is liable or in respect of which Tenant has agreed to indemnify Landlord under any of the provisions of this Lease, which may be then owing and unpaid, and all costs and expenses, including without limitation, court costs and reasonable attorneys' fees incurred by Landlord in the enforcement of its rights and remedies hereunder and, in addition, any damages provable by Landlord as a matter of law including, without limitation, an amount equal to the excess of the Net Rent provided to be paid for the remainder of the Term over the fair market rental value of the Premises (determined at the date of termination of this Lease) after deduction of all anticipated expenses of reletting. In the alternative, Landlord shall have the right, from time to time, to recover from Tenant, and Tenant shall remain liable for, all Rent, Impositions and other amounts due and owing under this Lease not theretofore accelerated and paid pursuant to the provisions of this Lease plus (x) damages equal to all other sums which would have accrued under this Lease after the date of termination had it not been terminated, such damages to be due and payable as such sums would have become due, less (y) such amounts as Landlord may receive from reletting after first paying all costs of such reletting, including, without limitation, brokerage commissions and the costs of repairs, alterations, additional and redecoration, and the expenses of re-entry, and the net amounts of rent collected remaining after such expenses shall operate only as an off-setting credit against the amount due hereunder with any excess or residue belonging to Landlord solely. Should the fair market value of the Premises after deduction of all anticipated expenses of reletting exceed the Net Rent provided to be paid by Tenant for the remainder of the Term, Landlord shall not be obligated to pay to Tenant any part of such excess or to credit any part of such excess against any other sums or damages for which Tenant may be liable to Landlord.

E. During any period when Tenant is in default under this Lease, Landlord may at Landlord's option, exercised by notice to Tenant, collect all amounts payable to Tenant by any subtenant directly from such subtenant. Tenant shall not hinder or interfere with Landlord's collecting rent from any subtenant. Landlord shall apply amounts collected from any subtenant to mitigate Landlord's damages by reason of Tenant's default. By exercising Landlord's right to receive payment directly from any subtenant, Landlord does not assume or agree to perform any obligations of Tenant to such subtenant nor does Landlord accept or otherwise agree to accept any sublease or any attornment by the subtenant.

F. Should either Landlord or Tenant sue the other to enforce the provisions of this Lease, the non-prevailing party shall pay to the prevailing party all of the prevailing party's costs, charges and expenses, including, without limitation, court costs and reasonable attorneys' fees and expenses incurred in such suit. In addition, Tenant shall pay all of Landlord's costs, charges, and expenses incurred by Landlord in any litigation, negotiation or transaction in which Tenant causes Landlord, without Landlord's fault, to become involved or concerned.

G. In the event that Tenant shall file for protection under the Bankruptcy Code now or hereafter in effect, or a Trustee in bankruptcy shall be appointed for Tenant, Landlord and Tenant agree, to the extent permitted by law, to request that the debtor-in-possession or trustee-in-bankruptcy, if one shall have been appointed, either assume or reject this Lease within 60 days after such appointment.

23. COVENANT OF QUIET ENJOYMENT. Landlord agrees that Tenant, on paying the Net Rent, Impositions, charges for services, if any, and other payments herein reserved and on keeping, observing and performing all the other terms, covenants, conditions, provisions and agreements herein contained on the part of

Tenant to be kept, and observed and performed, shall, during the Term, peaceably and quietly have, hold and enjoy the Premises subject to the terms, covenants, conditions, provisions and agreements hereof free from hindrance by Landlord or any person claiming by, through, or under Landlord.

24. **REAL ESTATE BROKER.** Landlord represents that the Landlord has retained Jeff Clousing of Waveland Property Group, Inc. as Landlord's broker in connection with this Lease. Tenant represents that Tenant has retained Mark A. Caston of Voit Real Estate Services in connection with this Lease. Insofar as Tenant knows, no other broker negotiated this Lease or is entitled to any commission in connection with this Lease. Tenant agrees to indemnify, defend and hold Landlord, the members in Landlord and their respective officers, employees, agents, members and partners, harmless from and against any claims made by any other broker or finder claiming by, through or under Tenant for a commission or fee in connection with this Lease. Landlord discloses to Tenant that James J. Boures, a shareholder of Landlord's Manager is a real estate broker, licensed by the State of Illinois. Landlord shall pay brokerage commission to Landlord's broker and Tenant's broker pursuant to a separate agreement.

25. **OTHER AGREEMENTS OF TENANT.**

A. Notwithstanding the provisions of this Lease granting Landlord access to the Premises, Tenant relieves and releases the Landlord of all responsibility arising out of theft, robbery, pilferage and personal assault, except to the extent that any of the foregoing results from the negligence or willful misconduct of Landlord. Upon the expiration of the Term or Tenant's right to possession, Tenant shall return all keys to Landlord and shall disclose to Landlord the combination of any safes, cabinets or vaults left in the Premises.

B. Tenant shall not install or operate machinery or any mechanical devices of a nature not directly related to Tenant's ordinary use of the Premises without the prior written consent of Landlord. Movements of Tenant's property into or out of the Building or Premises and within the Building are entirely at the risk and responsibility of Tenant.

C. If Landlord elects to make available to tenants in the Building any services or supplies, or arranges a master contract therefor, such services or master contract which affect Tenant's obligations or liabilities shall be subject to Tenant's prior written approval.

D. Tenant shall at all times ventilate the Premises in a way to prevent chemical or other odors from invading any space outside of the Premises.

26. **MISCELLANEOUS.**

A. **Rights Cumulative.** All rights and remedies of Landlord under this Lease shall be cumulative and shall not exclude any other rights and remedies allowed under this Lease or by law or equity.

B. **Late Payments.**

(i) All payments becoming due under this Lease and remaining unpaid for more than 30 days of their respective due dates shall bear interest from their due dates until paid at a rate per annum equal to the greater of (a) 10% and (b) 4% per annum plus the prime rate of interest published from time to time in the Wall Street Journal or any successor, such rate to change when and as such prime rate changes (but in no event at a rate which is more than the highest rate which is at the time lawful in the State of Illinois).

(ii) Tenant recognizes that late payment of Net Rent or any other sum due hereunder will result in administrative expenses to Landlord, the extent of which additional expenses are extremely difficult and economically impractical to ascertain. Tenant therefore agrees that when Net Rent or any other sum is due and payable from Tenant to Landlord pursuant to the terms of this Lease, and such amount remains unpaid for more than five days after such amount is due, the amount of such unpaid Net Rent or other sum shall be increased by a late charge to be paid to Landlord by Tenant equal to the greater of (a) \$100.00 and (b) 5% of the unpaid Net Rent or other sum. Notwithstanding the foregoing, Landlord will not assess a late charge until Landlord has given written notice of such late payment for the first late payment in any twelve (12) month period and after Tenant has not cured such late payment within three (3) days from receipt of such notice. No other notices will be required during the following twelve (12) months for a late charge to be incurred.

The provisions of this Paragraph shall in no way relieve Tenant of the obligation to pay Net Rent or other payments on or before the date on which they are due, nor shall the collection by Landlord of any amount under either Subparagraph hereof impair (a) the ability of Landlord to collect the amount charged under the other Subparagraph hereof or (b) Landlord's Remedies set forth in Paragraph 22 of this Lease.

C. Terms. The necessary grammatical changes required to make the provisions hereof apply either to corporation or partnerships or individuals, men or women, as the case may require, shall in all cases be assumed as though in each case fully expressed. Tenant acknowledges that "rentable area" as used in this Lease includes a portion of the common and service areas of the Building.

D. Binding Effect. Except as otherwise provided in this Lease, each of the provisions of this Lease shall extend to and shall, as the case may require, bind or inure to the benefit not only of Landlord and of Tenant, but also of their respective successors and assigns, provided this Paragraph shall not permit any assignment by Tenant contrary to the provisions of this Lease.

E. Lease Contains All Terms. All of the obligations of Landlord are contained herein and in the Work Letter and other Exhibits attached hereto (all of which are part of this Lease) and no modification, waiver or amendment of this Lease or any to its conditions or provisions shall be binding upon the Landlord unless in writing signed by Landlord or by a duly authorized agent of Landlord empowered by a written authority signed by Landlord.

F. Delivery for Examination. Submission of the Lease for examination shall not bind Landlord in any manner, and no Lease or obligations of the Landlord shall arise until this instrument is signed by both Landlord and Tenant and delivery is made to each. In the event Landlord fails to sign the Lease and deliver a fully executed Lease to Tenant within ten business days following Tenant's execution and delivery of the Lease to Landlord, Tenant may, at Tenant's option, cancel this Lease and thereafter, there shall be no further obligations on either party with respect to the Lease except that Landlord shall return to Tenant any prepaid rent previously delivered by Tenant to Landlord within five business days of such lease cancellation.

G. No Air Rights. No rights to any view or to light or air over any property, whether belonging to Landlord or any other person, are granted to Tenant by this Lease.

H. Prohibition Against Recording. Neither the Lease, nor any memorandum, affidavit or other writing with respect to this Lease, shall be recorded by Tenant or by anyone acting through, under or on behalf of Tenant, and the recording thereof in violation of this provision shall make this Lease null and void at Landlord's election.

I. Captions. The captions of paragraphs and subparagraphs are for convenience only and shall not be deemed to limit, construe, affect, or alter the meaning of such Paragraphs or Subparagraph.

J. Covenants and Conditions. All of the covenants of Tenant hereunder shall be deemed and construed to be "conditions", if Landlord so elects, as well as "covenants" as though the words specifically expressing or importing covenants and conditions were used in each separate instance.

K. Only Landlord/Tenant Relationship. Nothing contained in this Lease shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent, partnership, joint venture or any association between Landlord and Tenant, it being expressly understood and agreed that neither the method of computation of Net Rent or any act of the parties hereto shall be deemed to create any relationship between Landlord and Tenant other than the relationship of Landlord and Tenant.

L. Application of Payments. Landlord shall have the right to apply payments received from Tenant pursuant to this Lease (regardless of Tenant's designation of such payments) to satisfy any obligations of Tenant hereunder, in such order and amounts, as Landlord in its sole discretion, may elect.

M. Governing Law. Interpretation of this Lease shall be governed by the law of the State where the Premises are located.

N. Partial Invalidity. If any term, provision or condition contained in this Lease shall, to any extent, be invalid or unenforceable, the remainder of this Lease (or the application of such term, provision or condition to persons or circumstances other than those in respect of which it is invalid or unenforceable) shall not be affected thereby, and each and every other term, provisions and condition of this Lease, shall be valid and enforceable to the fullest extent possible permitted by law.

O. Third Party Services. Tenant agrees that in the event that any third party shall furnish any utility or other service (including, but not limited to, telephone service) to the Premises pursuant to an agreement between Tenant and such third party, Landlord shall not, so long as such failure is not caused by the negligence or willful misconduct of Landlord or Landlord's officers, agents, employees, or contractors, be liable in damages by abatement of Net Rent or otherwise in the event that such third party shall fail to furnish or delay in furnishing any such service or for any diminution in the quality or quantity thereof, and no such failure or delay or diminution shall be deemed to constitute an eviction of Tenant or disturbance of Tenant's use and possession of the Premises.

P. Hazardous Substance. Landlord has delivered to Tenant, and Tenant acknowledges receipt of, copies of all reports in its possession addressing whether or not there are Hazardous Substances in or about the Building, including, without limitation, mold, asbestos or other Hazardous Substance in the Land, under and about the Building. Landlord represents that to Landlord's actual knowledge Landlord represents that there is no asbestos in or about the Premises or Hazardous Substance other than various forms of medical waste in or about the Premises or the Building. Tenant agrees not to use or store on or in the Premises, any Hazardous Substances or any material deemed to be toxic or hazardous by any governmental authority having jurisdiction over the Land, except in full compliance with all applicable laws, statutes, regulations or ordinances.

Q. Financial Statements. Whenever Landlord may from time to time request, but not more than once per calendar year, except to the extent required by a prospective mortgagee, Ground Lessor or purchaser, Tenant shall provide Landlord with financial statements accurately representing Tenant's financial condition as of the date of Landlord's request.

R. [Intentionally Deleted].

S. Common Areas. Tenant will not use the parking areas or other common areas in the Land for anything other than their intended purpose. Tenant will neither use nor permit the use of the parking areas for the practice of medicine from a mobile medical facility. The foregoing shall not apply to ambulances or other emergency or other transport vehicles which come on the Land to transport patients.

T. Counterpart Signature Pages. This Lease may be executed in several counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. In addition, this Lease may contain more than one counterpart of the signature page and this Lease may be executed by the affixing of the signatures of each of the parties to one of such counterpart signature pages. All of such counterpart signature pages shall be read as though all of the signers had signed a single signature page.

U. JURY TRIAL WAIVER. EACH PARTY WAIVES ITS RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BETWEEN THE PARTIES BASED UPON, OR RELATED TO, THE SUBJECT MATTER OF THIS DOCUMENT AND THE OTHER DOCUMENTS EXECUTED PURSUANT HERETO OR IN CONJUNCTION HERewith AND THE BUSINESS RELATIONSHIP THAT IS BEING ESTABLISHED. THIS WAIVER IS KNOWINGLY, INTENTIONALLY AND VOLUNTARILY MADE BY THE PARTIES AND EACH PARTY ACKNOWLEDGES THAT NO OTHER PARTY OR ANY PERSON ACTING ON BEHALF OF SUCH PARTY HAS MADE ANY REPRESENTATIONS OF FACT TO INDUCE THIS WAIVER OF TRIAL BY JURY OR HAS TAKEN ANY ACTIONS WHICH IN ANY WAY MODIFY OR NULLIFY ITS EFFECT. EACH PARTY ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP, THAT EACH HAS RELIED ON THIS WAIVER IN EXECUTING THIS AGREEMENT AND SUCH OTHER DOCUMENTS AND THAT EACH OF THEM WILL CONTINUE TO RELY ON THIS WAIVER IN THEIR RELATED FUTURE DEALINGS. EACH PARTY FURTHER ACKNOWLEDGES THAT IT HAS BEEN REPRESENTED (OR HAS HAD THE OPPORTUNITY TO BE REPRESENTED) IN THE CONSIDERATION, NEGOTIATIONS AND SIGNING OF THE DOCUMENT AND SUCH OTHER DOCUMENTS IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL.

V. Reasonableness of Parties. Whenever, in this Lease, Landlord's or Tenant's consent or approval is required, such consent or approval shall not be unreasonably withheld, delayed, or conditioned; provided, however, that (i) the foregoing shall not require either party to waive or consent to any default by the other under this Lease, (ii) whenever this Lease provides that either party's consent may be withheld arbitrarily or in such party's sole discretion, such provision shall be enforced in accordance with its terms, and (iii) whenever any Mortgagee or Ground Lessor has reserved the right to consent to or approve any action by Landlord, and Landlord's consent or approval is denied because such Mortgagee or Ground Lessor has failed to approve or consent to Landlord's action, the denial by Landlord of Landlord's consent or approval shall conclusively be deemed to have been reasonable.

W. There exists on the Land at least three parking spaces for each 1,000 square feet of rental area in the Building. Landlord shall permit Tenant to designate two parking spaces near the main entrance to the Premises for "drop off" and patient parking only. In addition, Landlord shall permit Tenant to install a double access doors (the "Double Access Doors"), the plans for which shall be subject to Landlord's approval both as to construction and as to esthetics for deliveries to the Premises.

X. Tenant shall construct its Tenant Work and operate its business in the Premises strictly in accordance with all applicable legal requirements, including, but not limited to, those imposed by the United States Occupational Safety and Health Administration ("OSHA") relating to waste, waste anesthetic gas and radiation from adjacent sites.

27. NOTICES.

A. All notices required or permitted to be given under this Lease shall be in writing, addressed as follows (which address is hereafter called the "Notice Address" of such party):

(a) If to Landlord:

auG SIX, LLC
c/o Titan Development Company
2591 Compass Road, Suite 105
Glenview, Illinois 60026-8043
Attention: James J. Boures
Phone: (847) 486-9781
Fax: (847) 486-9769
Email: jboures@titandevco.com

with copy to:

Arthur E. Pape, Esq.
The Pape Law Firm
Building A-3, Suite 102
100 West Roosevelt Road
Wheaton, IL 60187
Phone: (630) 933-9300
Fax: (630) 933-9301
Email: apape@papelaw.com

(b) If to Tenant:
(before the Commencement Date):

Frank Hagaman
Director of Real Estate Facilities
Satellite Healthcare, Inc.
300 Santana Row, Suite 300
San Jose, California, 95128
Phone: 650.404.3600
Fax: 650.404.3601
Email: HagamanF@SatelliteHealth.com

with copy to:

David W. Lively, Esq.
Hopkins & Carley, A Law Corporation
70 S. First Street
San Jose, CA 95113
Phone: (408) 286-9800
Fax: (408) 938-6234
Email: dlively@hopkinscarley.com

After the Commencement Date, notices shall be sent to the Tenant at the Premises' common address as stated in the Preamble to this Lease with a copy to Tenant's corporate office at the address set forth in Paragraph 27(b) above.

Provided, however, that either Landlord or Tenant may change the location at which its receives notices, to another location within the United States of America, upon not less than 10 days notice to the other.

All notices shall be deemed effectively given:

(i) when delivered, if delivered personally;

- (ii) three days after such notice has been deposited in the United States mail postage prepaid, if mailed certified or registered mail, return receipt requested;
- (iii) upon receipt of facsimile transmission, provided the original notice is mailed on the same date to the recipient; or
- (iv) when received by the party for which notice is intended, if given in any other manner.

28. RIGHT OF OFFER.

A. "Offer Space". means space in the Building which (i) has been leased to a third party whose right of occupancy has expired or been terminated, (ii) Landlord proposes to lease and (iii) becomes available for lease during any portion of the Term when after the "Offer Space Occupancy Date" (defined below) there remain at least 60 months in the Term (including, but not limited to, renewals which have been duly exercised). Such period is hereafter called the "OSAP".

B. Right to Offer. Subject to the further provisions of this Paragraph and provided that (1) Tenant is the entity named in the Preamble to this Lease or is a Permitted Transferee, it being agreed by Tenant that the right contained in this Paragraph shall not inure to the benefit of any successors, assigns or other persons claiming by, through, or under Tenant, other than a Permitted Transferee and (2) Tenant is not in default under this Lease beyond applicable notice and cure periods at either (a) the date of the "Offer Space Designation" (defined below) or (b) the Offer Space Occupancy Date, Tenant shall have the right to offer to lease the Offer Space (the "Offer Right") as follows:

(i) Landlord shall give notice (the "Offer Space Designation") to Tenant each time during the OSAP, when Offer Space becomes available for lease stating:

- (a) The floor area and location of such Offer Space.
- (b) The date upon which such Offer Space will be available for occupancy ("Offer Space Occupancy Date"), which date shall be no earlier than 60 or later than 360 days after the date of the giving of such Offer Space Designation.
- (c) The annual Net Rent for such Offer Space, as determined by Landlord pursuant to Paragraph 28.B. (iii).

(ii) Tenant shall give Landlord written notice (an "Offer Notice") of its exercise of the Offer Right with respect to the Offer Space described in an "Offer Space Designation" no later than 30 days, time being of the essence, after Tenant receives such Offer Space Designation.

(iii) The annual Net Rent for the Offer Space shall be at the lower of (A) the fair market rental rate or (B) the same rental rate (subject to increases as provided in this Lease) set forth in Paragraph 2 of this Lease and which then applies to the remainder of the Premises.

(iv) Tenant will lease the Offer Space in "as-is" condition. Landlord shall have no obligation to make improvements, decorations, repairs, alterations or additions to the Offer Space. All work necessary or desirable in order to prepare the Offer Space for occupancy by Tenant shall be performed by Tenant, at Tenant's cost, without any contribution therefor from Landlord.

(v) Tenant's leasing of the Offer Space shall be on all of the same terms and conditions as are contained in this Lease, except as provided in this Paragraph.

(vi) Effective as of the date when Landlord delivers possession of any Offer Space to Tenant (which date shall be no earlier than the applicable Offer Space Occupancy Date), (a) such Offer Space shall be added to and become a part of the Premises; (b) Tenant's Tax Share and Pro Rata Share shall be increased to reflect the addition of the Offer Space to the Premises; and (c) the annual Net Rent shall be increased to reflect the addition of the Offer Space to the Premises and (d) if the lease of the Offer Space extends beyond the expiration of the Term, then Tenant shall conclusively be deemed to have exercised sufficient renewals of this Lease so that this Lease shall not expire prior to the expiration of the Lease of the Offer Space. As soon as reasonably practical after

Tenant delivers an Offer Notice to Tenant, Landlord and Tenant shall execute and deliver an amendment to this Lease confirming the addition of such Offer Space to the Premises and the aforesaid modifications of this Lease relating thereto, but either party's failure to execute and deliver such amendment shall not, of itself, vitiate the parties' respective obligations concerning the leasing of the Offer Space.

(vii) If, at the time when Landlord receives an Offer Notice with respect to Offer Space described in an Offer Space Designation or on the date when Landlord is prepared to deliver possession of such Offer Space to Tenant, Tenant shall be in default under this Lease beyond applicable notice and cure periods, then notwithstanding anything contained in this Lease to the contrary, Landlord shall have the right, by giving written notice thereof to Tenant, to cancel the Offer Right and any exercise of the Offer Right with respect to the Offer Space described in such Offer Space Designation. In the event of such cancellation, Tenant shall have no right to lease, and Landlord shall have no obligation to lease, the Offer Space described in such Offer Space Designation pursuant to this Paragraph until such time, if any, as such Offer Space has been leased by Landlord to another party or parties and thereafter during the Term such Offer Space again becomes Available for Lease and subject to the provisions of this Paragraph.

(viii) If Landlord does not deliver any Offer Space to Tenant by the applicable Offer Space Occupancy Date on account of the holding-over by any prior tenant of the Offer Space in violation of the terms of such tenant's lease, Landlord shall not be in default of this Lease and shall not be liable to Tenant, provided that Landlord uses good faith efforts to obtain possession of the Offer Space. Tenant agrees to cooperate at Landlord's expense in Landlord's claim in any action brought by Landlord for possession of the Offer Space or for damages due to such holding over or to provide evidence and testimony to support Landlord's claim in any such action. Notwithstanding anything in this Paragraph to the contrary, an Offer Space Occupancy Date as to such part of the Offer Space that Landlord does not deliver to Tenant shall not be deemed to occur until Landlord shall actually deliver the right of possession of such part of the Offer Space to Tenant. If Tenant's possession shall be delayed as a result of a holding-over by a prior tenant, and if Tenant pursues an action against such prior tenant for damages which Tenant may suffer by reason of the applicable Offer Space Occupancy Date being delayed because of such holdover, then Landlord agrees to cooperate in Tenant's claim in any such action brought by Tenant for such damages due or to provide evidence and testimony supporting Tenant's claim in any such action.

C. Limitations on Right of Offer. If Tenant fails to exercise the Right of Offer with respect to any Offer Space described in an Offer Space Designation within the time required, such failure shall automatically cancel the Right of Offer with respect to such Offer Space, and Landlord shall have no obligation to add such Offer Space to the Premises, until (x) 360 days after the date of the applicable Offer Space Designation, if Landlord has not entered into a letter of intent or lease for the space identified in such Offer Space Designation, or (y) such time, if any, as such Offer Space has been leased by Landlord to another party or parties and thereafter during the initial Term such Offer Space becomes Available for Lease, at which time, in either such case, such space shall again become subject to the provisions of this Paragraph, but such failure shall not cancel the Right of Offer with respect to any other Offer Space. Notwithstanding the foregoing, in the event that Tenant timely exercises its Offer Right with respect to the Offer Space described in an Offer Space Designation, but Tenant and Landlord are unable to reach agreement on the terms for the Offer Space within thirty (30) days following Tenant's delivery of the Offer Notice, then Landlord shall have the right to lease such Offer Space on such terms and to such party as Landlord shall elect; provided, however, in the event that Landlord wishes to lease such Offer Space to a third party on material terms which are at least five percent (5%) more economically favorable to the third party tenant than those offered by Tenant, Landlord shall be required to first provide Tenant with an additional right to make an offer based on such more favorable terms. Tenant shall have ten (10) days following Landlord's notice of such more favorable terms to exercise its Offer Right of such Offer Space.

D. Existing Lease. As used herein, the term "Existing Lease" means a lease of any space in the Building in effect prior to Tenant's leasing such space (including extensions and renewals thereof pursuant to options granted therein and assignments or subleases permitted or consented to thereunder), whether or not the term of such lease has yet commenced.

E. Available for Lease. Space shall be deemed to be "Available for Lease" upon the occurrence of the following events.

(i) The expiration of an Existing Lease of such space, if such space is not then subject to a right or option to lease such space granted in such Existing Lease;

(ii) If such space is subject to a right or option granted in such Existing Lease, which right or option is not exercised, the expiration of such right or option unexercised; or

(iii) If such space is subject to a right or option granted in such Existing Lease, which option is exercised, the expiration of the term of such Existing Lease or any later date on which the term of the demise of such space created by the exercise of such right or option (including any renewals or extensions thereof granted in such Existing Lease) expires.

29. **PERMIT CONTINGENCY.** Terms which are defined in the Tenant Work Letter shall have the same meanings when used in this Paragraph 29.

Landlord and Tenant acknowledge that (i) the Premises are located in an existing medical office development of which parts are leased to other medical tenants and (ii) that the existing zoning permits the use of the Premises as a dialysis facility. The parties also acknowledge that except as provided in this Paragraph 29, Exhibit B attached to this Lease (the "Tenant Work Letter") governs the preparation of the Construction Documents for the Tenant Work, the application for permits and approvals (collectively, the "Permits") for the Tenant Work and the construction of the Tenant Work. Tenant agrees to develop and cause to be prepared the Construction Documents in accordance with the Tenant Occupancy Timetable attached as Exhibit B-2 to the Tenant Work Letter, and Tenant shall promptly apply for and diligently prosecute all applications for the Permits. Landlord shall, without expense to Landlord, cooperate with Tenant in obtaining the Permits. Tenant's Construction Documents will comply with all applicable requirements of the Village of Glenview (the "Village") to enable the Village to issue the Permit, but only to the extent such requirements meet Tenant's Certificate of Need dated October 13, 2011 and commercially feasible to Tenant's business operations at the Premises; provided, however, that to the extent the Village refuses to issue the Permits due to a defect or deficiency in the construction by Landlord of the Base Building or in the tenant work of any other tenant in the Building, Landlord will correct such defect or deficiency required by the Village at Landlord's sole cost and expense.

This Lease is contingent upon Tenant's receiving the Permits (the "Permit Contingency"). In the event Tenant shall not have received the Permits on or before March 7, 2012 (the "Permit Stop Date"), either Landlord or Tenant, by notice given to the other not less than 5 business days prior to the Permit Stop Date, may extend the Permit Stop Date for up to two consecutive 60 day periods. In the event Tenant, having fully performed its obligations contained in this Paragraph 29, shall fail to obtain the Permits prior to the Permit Stop Date, as may be extended, Tenant, at Tenant's option, may terminate this Lease by notice to Landlord given within five business days after the Permit Stop Date, as extended, and thereupon this Lease shall be of no further force and effect. Upon such Lease termination, there shall be no further obligation on either party with respect to the Lease except that Landlord shall return to Tenant any prepaid rent previously delivered by Tenant to Landlord within ten (10) business days of such Lease termination, and the escrowed \$429,990 shall, without further action by Landlord or Tenant, be returned to Landlord, it being agreed by Tenant that Tenant will, without expense or liability to Tenant, instruct First American Title Company to deliver such amount to Landlord. Tenant agrees to provide Landlord notice of any delay in meeting the deadlines set forth in Exhibit B-2 (Tenant's Occupancy Timetable) within seventy-two (72) hours of Tenant's discovery that Tenant is unable to meet the applicable deadline.

30. **LIMITATION ON LIABILITY OF LANDLORD.** It is expressly understood and agreed by Tenant that none of Landlord's covenants, undertakings, or agreements are made or intended as personal covenants, undertakings or agreements by Landlord or the members in Landlord, and any liability of Landlord or the members in Landlord for damages or breach or non-performance by Landlord or otherwise arising under or in connection with this Lease or the relationship of Landlord and Tenant hereunder, shall be collectible only out of Landlord's interest in the Land and Building (or if Landlord is the beneficiary of a land trust, Landlord's right, title and interest in such land trust), in each case as the same may then be encumbered, and no personal liability is assumed by, nor at any time may be asserted against, Landlord or the partners in Landlord or any of its or their officers, agents, employees, legal representatives, successors or assign, all such liability, if any, being expressly waived and released by Tenant.

31. **LEASE CONSIDERATION.** Concurrently with the mutual execution of this Lease, Tenant shall deliver to Landlord the amount of One Hundred Dollars (\$100.00) as independent consideration ("Independent Contract Consideration") for Landlord's execution of the Lease and agreement to lease the Premises to Tenant on and subject to the terms and conditions of the Lease, including, without limitation, permitting Tenant to conduct its

investigation and obtaining CON, permits and approvals relating to Tenant's use and construction of the tenant improvements, and the grant to Tenant of the right to terminate the Lease if the CON Contingency or the Permit Contingency is not satisfied. The Independent Contract Consideration is not applicable to the rent payable under the Lease and shall be retained by Landlord in the event of any termination of the Lease.

IN WITNESS WHEREOF, Landlord and Tenant have caused this Lease to be executed as of the day and year first written above.

LANDLORD:

TENANT:

auG SIX, LLC

SATELLITE HEALTHCARE, INC.

**BY: Titan Development Company,
ITS: General Partner**

By: James J. Brown
Printed Name: James J. Brown
Title: CEO VP

By: [Signature]
Printed Name: Mark Denison
Title: VP

SCHEDULE 1

NET RENT SCHEDULE SATELLITE HEALTHCARE, INC. 7,818 RENTABLE SQUARE FEET

Lease Year	NNN Rent PSF	Annual Net Rent	Monthly Net Rent Payment
Initial Term			
1	\$25.75	\$201,313.50	\$16,776.13
2	\$25.75	\$201,313.50	\$16,776.13
3	\$25.75	\$201,313.50	\$16,776.13
4	\$26.50	\$207,177.00	\$17,264.75
5	\$26.50	\$207,177.00	\$17,264.75
6	\$26.50	\$207,177.00	\$17,264.75
7	\$27.75	\$216,949.50	\$18,079.13
8	\$27.75	\$216,949.50	\$18,079.13
9	\$27.75	\$216,949.50	\$18,079.13
10	\$27.75	\$216,949.50	\$18,079.13
First Renewal Term			
11	\$30.59	\$239,152.62	\$19,929.39
12	\$31.35	\$245,094.30	\$20,424.53
13	\$32.14	\$251,270.52	\$20,939.21
14	\$32.94	\$257,524.92	\$21,460.41
15	\$33.77	\$264,013.86	\$22,001.16
Second Renewal Term			
16	\$34.61	\$270,580.98	\$22,548.42
17	\$35.48	\$277,382.64	\$23,115.22
18	\$36.36	\$284,262.48	\$23,688.54
19	\$37.27	\$291,376.86	\$24,281.41
20	\$38.20	\$298,647.60	\$24,887.30
Third Renewal Term			
21	\$39.16	\$306,152.88	\$25,512.74
22	\$40.14	\$313,814.52	\$26,151.21
23	\$41.14	\$321,632.52	\$26,802.71
24	\$42.17	\$329,685.06	\$27,473.76
25	\$43.23	\$337,972.14	\$28,164.35

EXHIBIT 3A
EXCLUSIONS FROM IMPOSITIONS

1. Depreciation, interest, or amortization on mortgages or ground or master lease payments;
2. Legal fees incurred in negotiating tenant leases, and in enforcing tenant leases, including, without limitation, costs incurred in defending or prosecuting any tenant, occupant, or prospective tenant or occupant;
3. Real estate brokers' leasing commissions;
4. The cost of Improvements or Alterations to Tenant spaces made on behalf of Tenant;
5. The cost of providing any service directly to and/or paid directly by any tenant (as opposed to services available to all tenants);
6. Any costs expressly excluded from Impositions elsewhere in this Lease;
7. Costs of any items to the extent Landlord receives reimbursement from insurance proceeds or a third party;
8. Interest, principle, depreciation, attorney fees, costs of environmental investigations or reports, points, fees, and other lender costs and closing costs associated with any Mortgage or Ground Lease, or refinancing of any mortgage, ground lease payments, or other debt instrument encumbering the Land and Building.
9. Insurance premiums to the extent of any refunds of those premiums;
10. Any bad debt loss, rent loss, or reserves for bad debt or rent loss;
11. Interest or penalties resulting from:
 - (i) Landlord's negligence or willful misconduct;
 - (ii) Any amount payable by Landlord resulting from Landlord's default in its obligations under any agreement to which Landlord is a party, including, without limitation, all tenant leases now or hereafter in effect with respect to the Land and Building.
12. Costs, fees, and compensation paid to Landlord, or to Landlord's subsidiaries or affiliates, for services rendered to the extent the same exceeds the cost of such services rendered by an unaffiliated third party of comparable skill, competence, stature, and reputation;
13. Costs associated with:
 - (i) Management fees and salaries of building management personnel who perform services solely connected with management, operations, repair, or maintenance of Building and such fees and salaries exceed on the aggregate 5% of the annual gross revenue for Building;
 - (ii) Salaries of services personnel to the extent that such personnel perform services not solely in connection with the management, operation, repair, or maintenance of the Building; or
 - (iii) Compensation paid to officers or executives of Landlord;
 - (iv) Landlord's general corporate or partnership overhead and general administrative expenses;
 - (v) Operation of the business of the ownership of the entity that constitutes Landlord or Landlord's property manager, as distinguished from the cost of building operations, including the costs of partnership or corporate accounting and legal matters;
 - (vi) Selling or syndicating any of Landlord's interest in the Land and Building;
 - (vii) Any disputes between Landlord and Landlord's property manager;
14. Costs incurred because the Building or Land violate any valid, applicable building code, regulation, or law in effect and as interpreted by government authorities before the date on which this Lease is signed. This exclusion from Impositions shall include, fines, penalties, interest, and the cost of repairs, replacements, alterations, or improvements necessary to make the Building, or Common Area, comply with applicable past

laws in effect and as interpreted by government authorities before the date on which the lease is signed, such as sprinkler installation;

15. Costs of:
 - (i) Initial construction of the Building or any additional buildings;
 - (ii) Reconstruction of the Building or any additional buildings, except for deductibles;
 - (iii) Modification, alteration, repair, additions, improvements or replacements of any portion of the Building due to faulty construction (other than by Tenant) defects in the design, construction, materials or workmanship of the Building or Common Area; or
16. Costs incurred in installing, operating, and maintaining any specialty service that is not necessary for Landlord's provision, management, maintenance, and repair of required services for the operation of the Building or any associated parking facilities. The following are examples of these specialty services: observatory; broadcasting facilities (other than the life-support and security system for the Building); luncheon club; cafeteria; or other dining facility; newsstand; flower service; shoeshine service; carwash; athletic or recreational club; and helicopter (other than the Building's emergency and life-safety helicopter facilities); provided that this exclusion shall not apply to such improvements as are required by any governmental agency;
17. Charitable or political contributions or fees or dues payable to trade associations, industry associations, or similar associations;
18. All items and services for which a contractor, manufacturer or supplier or Tenant or any other tenant in the Building reimburses Landlord (other than through Tenant's share or any other tenant's share of "Common Area Operating Expenses");
19. Costs of any sculpture, paintings or other objects of art or the insuring, repair or maintenance thereof in excess of \$1,000,000.
20. Any costs, fees, dues, contributions or similar expenses for industry associations or similar organizations;
21. Any compensation paid to clerks, attendants or other persons in commercial concessions operated by landlord in the Building;
22. The entertainment expenses and travel expenses of Landlord, its employees, agents, members and affiliates;
23. Costs to traffic studies, environmental impact reports, transportation systems management plans and reports, and traffic mitigation measures or due to any studies or reports;
24. Costs arising from the presence of any Hazardous Substances in or about the Premises or the Land (including Hazardous Materials in the ground, water, or soil) that was not placed in the Premises by Tenant;
25. Earthquake insurance deductibles; and

**EXHIBIT 4A
SUMMARY OF EXCLUSIVE RIGHTS**

COMPASS ROAD MEDICAL OFFICES			
TENANT	BUILDING	PERMITTED USE	EXCLUSIVE RIGHTS IN BUILDING(S)
Brodsky Dermatology LLC	1	Dermatology	1
Satellite Healthcare, Inc.	1	Dialysis	1
PRAIRIE GLEN MEDICAL CENTER			
TENANT	BUILDING	PERMITTED USE	EXCLUSIVE RIGHTS IN BUILDING(S)
Lake Forest Hospital	A	Diagnostic Radiology through the use of CT Scans and MRI	The Land

EXHIBIT A - SITE PLAN

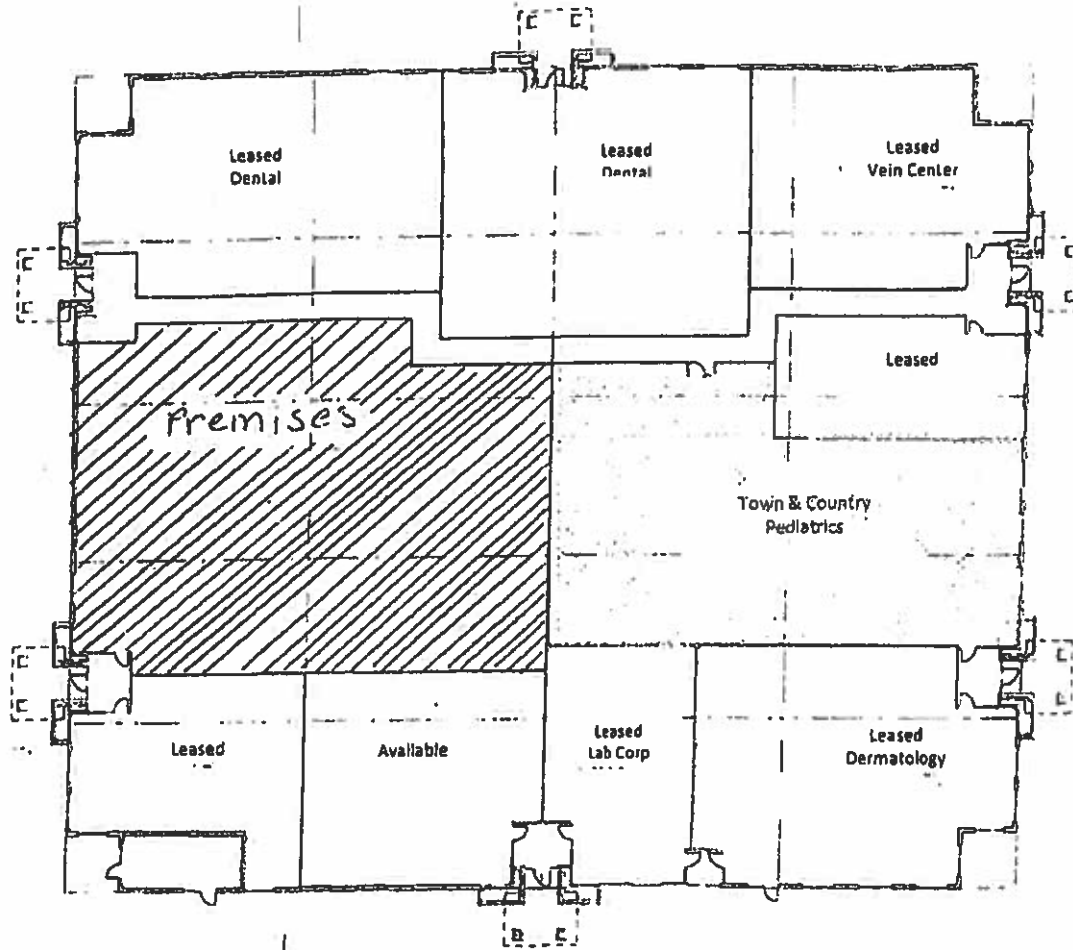


EXHIBIT B

TENANT IMPROVEMENT WORK LETTER

1. **DEFINITIONS.** Terms which are defined in the Lease shall have the same meanings when used in this Work Letter. In addition, the following terms shall have the following meanings:

- (a) "Architectural Construction Documents" means the final architectural plans and specifications to complete the Tenant Work in the Premises, including but not limited to, details of the following: partitions, doors, electrical and telephone outlets, ceiling, lighting, millwork, finishes and carpeting.
- (b) "Base Building" means the items shown on Exhibit B-3.
- (c) "Construction Documents" means the final plans and specifications for all the work to be performed to complete the Premises, including, but not limited to, Architectural Construction Documents and Systems Plans.
- (d) "Day" or "days" means calendar day or days.
- (e) "Extra Work" means all work pursuant to this Work Letter which results from a change by Tenant in the Construction Documents.
- (f) "Occupancy Date Agreement" means the agreement in the form attached hereto as Exhibit B-4.
- (g) "Space Plan" means the schematic plan of the Premises prepared by the space planner or architect retained by Tenant and which has been approved by Tenant (except as otherwise provided) and is attached to the Lease as Exhibit B-1.
- (h) "System Plans" means the final plans and specifications for all work to be performed to complete the mechanical, electrical and plumbing systems in the Premises, including, but not limited to, sprinklers, heating, ventilating, air conditioning, electrical and plumbing.
- (i) "Tenant Occupancy Timetable" means the schedule for completion of the Tenant Work attached hereto as Exhibit B-2.
- (j) "Tenant Work" means all work other than the Base Building and is specified in Exhibit B-5.
- (k) "Tenant's Architect" means the architect licensed by the state where the building is located, retained by Tenant and approved by Landlord, it being agreed that Eentos Design is approved by Landlord, to prepare the Architectural Construction Documents.
- (l) "Tenant's Engineer" means the engineer retained by Tenant to prepare the System Plans.
- (m) "Tenant's Extra Cost" means all cost of the Tenant Work which exceeds the Tenant's Work Allowance.
- (n) "Tenant's Work Allowance" means the amount per square foot of rentable area specified in Paragraph 4 below.

2. PLANS AND SPECIFICATIONS.

A. Preliminary Space Plan.

- (i) Tenant has retained Tenant's Architect to prepare the Space Plan as the initial step in preparation of the Architectural Construction Documents referred to below. The Space Plan shall be subject to Landlord's approval (not to be unreasonably withheld, conditioned or delayed) and shall be in form and detail as Landlord shall reasonably require in order for Landlord to determine whether the materials proposed to be used by Tenant meet the quality standard prescribed by Landlord for the Building and the effect, if any, the Work will have on the structural and

service systems of the Building. The Space Plan shall include, but shall not be limited to the following: partition layout; door locations; electrical outlet locations and anticipated usage; telephone outlet locations; light switching requirements; and special lighting requirements. The Tenant shall also identify any area of the Premises where the occupancy loads are expected to exceed building standard; special heating, ventilation and air conditioning equipment requirements; computer rooms and related special requirements; any areas of the Building which might exceed floor load capacities; and any areas that might require structural, mechanical, fire protection, electrical or life safety modifications. Tenant shall distribute six (6) copies of the Space Plan in accordance with Landlord's directions. Landlord shall have seven (7) business days after receipt of the Space Plan to approve or reasonably disapprove same. If Landlord reasonably disapproves the Space Plan, Tenant must resubmit the Space Plan correcting the items disapproved by Landlord. It is Tenant's responsibility to be certain that the Work can be performed in the Premises without any modifications to the Base Building, other than the installation of the Double Access Doors. If Landlord reasonably disapproves the Space Plan, Landlord shall specify the reasons for such disapproval, and Tenant shall, within seven (7) business days after receipt of Landlord's notice of disapproval, revise and resubmit such plan to Landlord, correcting or altering such disapproved items. If Landlord has not notified Tenant in writing of its approval or disapproval within the seven (7) business day period, the Space Plan shall conclusively be deemed to have been approved by Landlord. If any modifications to the Base Building, other than the Double Access Doors, are required to perform the Tenant Work, such modifications are subject to Landlord's prior written approval, which approval shall not be unreasonably withheld or delayed. All costs associated with such approved modifications shall be borne by Tenant. Tenant's Architect may review the Base Building plans at the office of Landlord. In the event Tenant's Architect desires a set of Base Building plans, Landlord will provide each set upon payment of \$150.00. Upon return of the Base Building plans to Landlord in acceptable conditions, Landlord shall refund \$125.00 for each set of returned plans.

(ii) The timing for preparation and approval of the Space Plan shall be in accordance with the Tenant Occupancy Timetable attached hereto as Exhibit B-2.

B. Construction Documents.

(i) Landlord shall pay, as part of Tenant's Work Allowance, for preparation of the Architectural Construction Documents by Tenant's Architect. The Architectural Construction Documents shall be consistent with the approved Space Plan and shall contain information including, but not limited to, the following: Master Legend Sheet including Finish Schedule, Building standard and above Building standard Construction Detail Sheet, Construction Plan, Telephone and Electrical Outlet Location Plan, and Architectural Reflected Ceiling Plan. Tenant shall provide to Landlord a signed copy of the approved Architectural Construction Documents within the time period set forth in the Tenant Occupancy Timetable.

(ii) Upon Landlord approving the Architectural Construction Documents, Tenant shall authorize the preparation of the System Plans by Tenant's Engineer. The System Plans completed by Tenant's Engineer shall be in form, detail and quantity as Landlord shall reasonably require. Tenant shall not proceed with the construction of the Premises unless and until Landlord and Landlord's Engineer have reviewed and approved the System Plans and Landlord conveys such approval to Tenant in writing. Landlord and Landlord's Engineer shall have seven (7) business days after receipt of the System Plans to approve or reasonably disapprove same. If Landlord or Landlord's Engineer reasonably disapproves such plans, Landlord or Landlord's Engineer shall specify in detail the reasons for such disapproval, and Tenant shall, within seven (7) business days after receipt of Landlord's notice of disapproval, revise and resubmit such plans to Landlord, correcting or altering such disapproved items. If Landlord or Landlord's Engineer has not notified Tenant in writing of its approval or disapproval within the seven (7) business day period, the System Plans shall conclusively be deemed to have been approved by Landlord and Landlord's Engineer.

3. PERMITS. After Landlord has received and approved in writing the Construction Documents, Tenant shall thereafter make application to the appropriate regulatory authorities for the required permits and approvals.

4. TENANT'S WORK ALLOWANCE. Landlord has agreed to pay up to \$58.00 per square foot of rentable area within the Premises, totaling \$453,444, as Tenant's Work Allowance for the Cost of the Tenant Work. The Tenant's Work Allowance may be used towards the costs of the Space Plan, Systems Plan, Architectural Construction Documents, Construction Documents, and construction of Tenant Work. Tenant shall also receive an additional allowance in the amount of \$300 for exterior and interior signage, which signage shall satisfy the

requirements of the Village of Glenview and shall use applicable private restrictions and shall be subject to Landlord's reasonable approval. Landlord agrees, within seven business days after Tenant has delivered to Landlord an executed copy of Tenant's agreement with Tenant's Contractor (defined below) for the construction of all of the Tenant Work, to deposit \$429,990 of Tenant's Work Allowance in escrow with First American Title Insurance Company with instructions to disburse such amounts to Tenant at such time as Tenant has satisfied the conditions contained in Paragraph 14 below.

5. CONSTRUCTION OF WORK.

(a) Tenant Work shall be performed through Tenant's general contractor ("Tenant's Contractor") in a good and workmanlike manner. All contractors engaged by Tenant shall be licensed contractors in good standing in the State of Illinois, possessing good labor relations, capable of performing quality workmanship and working in harmony with Landlord's contractors and other contractors on the job. Irrespective of which contractor is chosen as the Contractor for the completion of the Tenant Work under this Work Letter, Tenant shall use and require Contractor to use A-1 Roofing Co., the contractor which performed the roofing subcontract on the Building for all work on the roof of the Building (whether or not roof penetrations are required) and Fox Valley Fire and Safety, the subcontractor which designed and installed the fire alarm systems in the Building for all fire alarm systems installation work required.

(b) Tenant shall cause Contractor to perform the Tenant Work in accordance with the approved Construction Documents and in a good and workman-like manner. The quality of the materials used and the construction of the Tenant Work shall be at least as good a quality as the rest of the Building. Upon final completion of the Tenant Work but in no event later than 60 days after the Commencement Date, Tenant shall provide to Landlord, at Tenant's sole cost and expense, one complete set of as-built drawings for the Premises (and all other areas for which Tenant is responsible to construct, if any) and complete copies of all warranties for products used and work performed by Contractor, which warranties shall be in favor of and directly enforceable by Landlord against the applicable manufacturer, subcontractor, or Contractor, as the case may be.

(c) Should completion of the Tenant Work result in damage to portions of the Building other than the Premises, Tenant shall cause Contractor to restore such portions of the Building to their condition prior to such damage.

6. EXTRA WORK. In the event Tenant desires to make revisions to the Tenant Work, Tenant or Tenant's Architect must request such revisions in writing. All revisions require the prior approval of Landlord. Tenant shall cause to be prepared and delivered to Landlord, for Landlord's review and approval, revised plans for the Extra Work. Landlord shall have seven (7) business days after receipt of the revised plans to approve or reasonably disapprove same. If Landlord reasonably disapproves such revised plans, Landlord shall specify in detail the reasons for such disapproval, and Tenant shall, within seven (7) business days after receipt of Landlord's notice of disapproval, revise and resubmit such plans to Landlord, correcting or altering such disapproved items. If Landlord has not notified Tenant in writing of its approval or disapproval within the seven (7) business day period, such revised plans shall conclusively be deemed to have been approved by Landlord. Tenant may cause the revised plans to be modified and resubmitted to Landlord for Landlord's further review and approval within seven (7) business days after Landlord notifies Tenant of its disapproval. In the event Tenant does not submit modified plans within such seven (7) business day period, Tenant shall conclusively be deemed to have withdrawn its request for the Extra Work.

7. TENANT'S EXTRA COST.

A. Tenant agrees to pay all costs of the Tenant Work which exceed Tenant's Work Allowance.

B. In the event the cost of the Tenant Work is less than the amount of Tenant's Work Allowance, Tenant shall be allowed to credit this amount, if any, against the first installment(s) of Net Rent due under the Lease.

8. TENANT DELAY. In the event the Premises shall not be completed and ready for occupancy on the Commencement Date, this Lease shall nevertheless continue in full force and effect. Tenant's obligations under the Lease or this Tenant Improvement Work Letter are not subject to extensions of any kind for any reason. The Commencement Date, and accordingly Tenant's obligation to pay Rent, Impositions, and all other charges due under the Lease, shall not be delayed for any reason including, but not limited to, failure by the City to approve the

Construction Documents or construction of the Premises, it being agreed by Landlord and Tenant that the risk of delay is solely on Tenant.

9. **EXPIRATION DATE.** Under no circumstances shall the occurrence of any of the events described in Paragraph 8 above be deemed to accelerate or defer the Expiration Date, notwithstanding any seemingly contrary provision of the Lease.

10. **LEASE.** This Tenant Improvement Work Letter is part of the Lease and is subject to each and every term and condition thereof, including without limitation, the limitations of liability set forth in Paragraph 30 thereof.

11. **MONETARY DEFAULT.** The failure by Tenant to pay any monies due Landlord pursuant to this Work Letter within the time period herein stated shall be a default under the terms of the Lease for which Landlord, shall be entitled to exercise all remedies to Landlord for non-payment of Rent and Impositions. All late payments shall bear interest pursuant to Paragraph 26.B of the Lease.

12. **LANDLORD'S APPROVAL.** Landlord's approval of Space Plans or Construction Drawings shall not imply that the items approved comply with applicable laws, ordinances or codes, and Landlord shall have no liability to Tenant or any other party by reason of the existence and exercise of such approval rights.

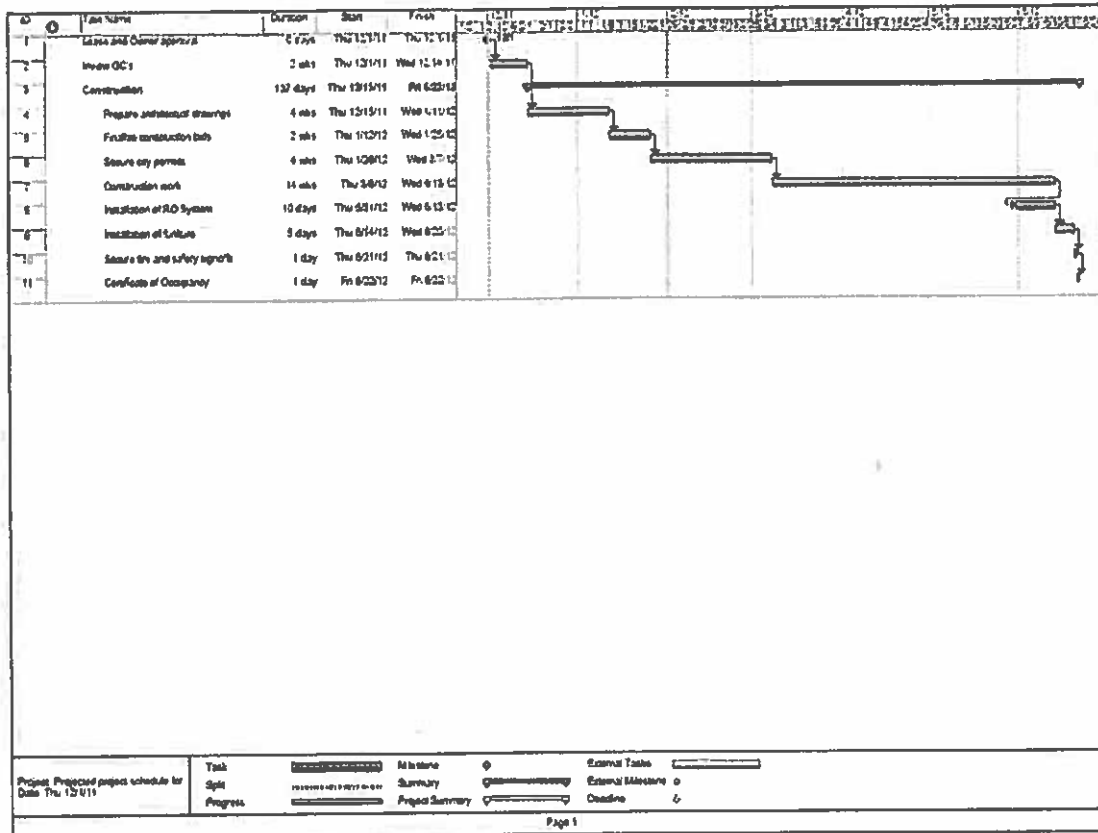
13. **FEE TO LANDLORD.** Landlord shall be entitled to and Tenant shall pay to Landlord a fee for the management and overhead involved in the supervision of the Tenant Work and coordinating such Tenant Work with Landlord's contractors and subcontractors. Such fee shall be \$23,454 and shall be deducted from Tenant's Work Allowance set forth in Paragraph 4 above.

14. **DISBURSEMENT OF TENANT'S WORK ALLOWANCE.** Landlord shall not disburse Tenant's Work Allowance unless and until all of the following are true or have been fully completed: (a) Tenant is not in default under the Lease, nor has any event occurred which with the passage of time, the giving of notice or both may become a default under the Lease or this Tenant Improvement Work Letter; (b) Contractor has finally completed the Tenant Work, it has been inspected and approved by Tenant's Architect, Landlord, the city and any other governmental authorities with jurisdiction over the Tenant Work or the Building which inspection and approval shall include the issuance of a certificate of occupancy; and (c) Tenant submits to Landlord (i) an affidavit that upon payment of the amounts shown in such payment request all payrolls, bills for materials and equipment, and other indebtedness connected with the Tenant Work for which Landlord or its property might in any way be responsible shall have been paid or otherwise satisfied, (ii) consent of surety, if any, to final payment, (iii) mechanics lien waivers and if required by Landlord, other data establishing payment or satisfaction of all such obligations, such as receipts, releases, and waivers of all possible liens arising out of the Tenant Work, Contractor's and subcontractor's affidavits, to the extent and in such form as may be designated by Landlord, and (iv) as-built drawings of the Tenant Work, operation and maintenance data, warranties, and any other documents required by the Lease or this Tenant Improvement Work Letter, including, but not limited to, an agreement in form satisfactory to Landlord establishing the Commencement Date and the Expiration Date of the Lease.

15. **LANDLORD'S COOPERATION.** Landlord shall, without expense or obligation to Landlord, reasonably cooperate with Tenant in Tenant's efforts to obtain all approvals necessary for the construction of the Tenant Work.

EXHIBIT B-1
DESCRIPTION OF SPACE PLAN

EXHIBIT B-2 TENANT OCCUPANCY TIMETABLE



**EXHIBIT B-3
2601 BASE BUILDING**

Both Landlord and Tenant understand that Landlord completed construction of the Base Building in 2005. Notwithstanding that the language of Part 1 of this Exhibit describes the Base Building in the future tense, everything described in Part 1 of this Exhibit exists. In addition, Landlord has agreed to provide certain items to Tenant as additional or enhanced Base Building items. The additional, enhanced Base Building items are described in Part 2 of this Exhibit. Each part of the existing Base Building which is affected by an additional or enhanced Base Building item is identified with a footnote. Part 2 describes the enhancement contemplated by each footnote.

PART 1:

1) SITE DEVELOPMENT

A. Grading, Earthwork

All work will be performed that is necessary to excavate, backfill, rough and fine grade the entire site. The site will be balanced and all cut and fill excavation will be done with suitable, compactable clay, covered with a 6" layer of topsoil. Grading work shall include required sub grade preparation to complete the foundation, floor slab and parking lot. Adequate grades shall be provided to allow surface runoff from the green areas and paved areas to catch basins and storm inlets connected via new storm piping to the existing storm sewer system along the property line.

Earth work within the construction areas shall be observed, tested, and approved by an independent soils engineer. Any fill areas shall be compacted to ninety-five percent (95%) proctor density and all cut areas below pavement and slab-on-grade shall be proof rolled. All concrete footings and foundations (shallow depth), as well as the bituminous pavement designs, are based upon an assumed 3,000 psf soil bearing capacity.

Granular fill shall be placed below all concrete slab work. The thickness shall be as follows: Slab-on-grade 4", and sidewalks 4".

B. Exterior Concrete

Exterior concrete work shall be constructed from a 4,000 psi air entrained concrete mixture, and broom finished. The concrete shall be properly jointed for thermal movements.

Included are 5" thick concrete sidewalks up to the main entrance and along the building perimeter, curbs around all paved areas, electrical transformer and gas pads.

C. Bituminous Paving and Striping

All bituminous paving will be constructed to conform to Illinois Department of Transportation Specifications and local municipality requirements. All areas designated for cars shall consist of a 3" thick bituminous mat over a 9" base of compacted stone. Bituminous mats shall be installed in two (2) lifts and in accordance with the recommendations of an independent testing agency.

All bituminous pavement shall be striped to indicate parking stalls, and handicapped parking locations. Handicapped parking signs will be provided.

D. Telephone, Gas and Electric Utilities

Service entrances into the building will be coordinated with the telephone, gas and electric companies.

E. Exterior Underground Utilities

Water service shall be provided from a water main at the property line to the building. The water main to the buildings shall be adequately sized for the domestic services within the building and for the interior fire protection systems.

The water service for fire protection and domestic requirements shall be a ductile iron pipe conforming to AWWP and Standard Specifications for Water and Sewer Main Construction in Illinois, buried to the depth from finished grade required by code for frost protection and tested to the appropriate pressure.

A 6" sanitary sewer line with gravity flow from each of the buildings to the sanitary main located along the property line shall be provided. The sanitary sewer line shall be an extra strength vitrified clay sewer pipe or approved equal with code approved manholes and connecting joints, including one (1) inspection manhole and constructed in accordance with the Standard Specifications for Water and Sewer Main Construction in Illinois.

An on-site storm sewer system with catch basins, inlets, and manholes shall be provided. The storm sewer shall be reinforced concrete pipe with storm structures conforming to code. All catch basins shall have heavy-duty grates. The storm drainage system shall be designed per the requirements outlined by the local municipality for the specific lot.

F. Landscaping/Lawn Irrigation

Landscape, tress, shrubs, sod, seed, lawn sprinkler, topsoil and finish grading, per local municipal code.

G. Signage

Main entrance exterior monument signage, identifying the Medical Office Development.

2) BUILDING STRUCTURES/EXTERIOR ENVELOPE

A. Building Structural System

The facility shall be designed and constructed in accordance with the standards of ACI, ASTM, SJI, and all applicable building codes as they relate to live and dead loading, wind resistance and all other appropriate parameters.

The general construction will be Type 2C construction, as defined by the BOCA building code, using load bearing precast, steel beams, columns, bar joists and 22 gauge wide rib metal deck. The bay sizes will be approximately 35' x 40', or as shown on the plans. A trench foundation will be provided.

The slab-on-grade shall be placed over 4" granular fill with reinforcing, as indicated below, provided to minimize shrinkage cracks during the curing stage. A vapor barrier is included. The slab-on-grade shall receive a 2' wide horizontal insulation strip beneath the slab at all perimeter walls. A pre-molded expansion filler shall be installed at the perimeter of the ground floor slab adjacent to exterior walls and at columns. Concrete slabs shall have control joints installed per ACI recommendations, steel troweled finish and cured with a compound such as Sonneborn Sonoseal or West Curing compound.

Area	Thickness	Reinforcement	Compression Strength Per Square Inch
Ground Floor	4"	Fiber Mesh	3,000
Foundations/Column Footings	N/A	Rebar	3,000

B. Building Exterior

The exterior building materials shall consist of a combination of load bearing, flat, precast concrete panels, aluminum windows, and storefront at the entries. The precast concrete panels shall be a minimum of nine (9) inches thick, sandwich type, R=10 (minimum) caulked on the exterior of the panel joints. The panel will have horizontal and vertical reveals to emphasize the design lines of the building and will be stained in the field. Office elevations shall consist of a combination of punched openings and glazing, as per the following:

- 1" gray tinted insulated vision, non-reflective
- Anodized aluminum window and storefront systems
- Six (6) aluminum swing doors (3'8"x 7'0) with hardware at the entrance areas of each building.

C. Roofing

The roof shall be a single ply 45 mil EDPM ballasted system with one layer of loose laid insulation to provide a minimum R-Value of 25. A ten (10) year labor and material warranty and a twenty (20) year membrane warranty shall be provided.

All roof areas will slope to roof drains with interior downspouts. All roof edge fascias will be prefinished clad color metal and will be a minimum of 6" in height. Other flashings will be galvanized metal.

D. Roof Screen

A precast roof screen shall be installed on the roof to shield the roof top equipment.

E. Exterior Canopy

Six (6) exterior, steel and standing seam metal canopies.

3) INTERIOR FINISHES

A. Floors

Concrete floors shall be steel troweled and cured with Sonneborn Sonoseal or equal.

B. Walls¹

The interior side of the precast walls in the office shall be exposed float finished concrete. Perimeter drywall is not included. Drywall walls shall be provided at the fire pump room. Landlord pays for existing demising walls. Tenant and Landlord split cost of new demising wall.

C. Ceilings

The roof framing structure, including deck, joists, beams and columns shall be shop prime painted "Gray".

D. Doors, Frames, and Hardware

One (1) hollow metal door and frame shall be installed in the fire pump room. Doors shall be 18-gauge hollow metal face. All exterior doors shall be insulated. All frames shall be 16-gauge hollow metal with rubber insert silencers. All hollow metal doors and frames will be painted.

Door hardware will be lever handle design as manufactured by Schlage, Ruswin or Corbin. A complete keying system allowing doors within a given area to be keyed alike and tied into a building master and ground master system will be furnished. Each door to be equipped with Sonitrol Keycard access.

4) ADDITIONAL FEATURES

A. Miscellaneous Metals

Ladder to roof hatch

5) MECHANICAL²

A. Plumbing

A complete plumbing system has been designed and installed including one run of overhead water piping and underground sanitary sewer for future tenant connections through each building. However, Tenant shall use the system designed and installed pursuant to Paragraph 16 of the Work Letter.

One (1) floor drain adjacent to the fire sprinkler riser, connected to the sanitary sewer shall be provided.

An interior roof drainage system shall be provided and connected to the exterior storm system. Roof drains and clean-outs shall be Josam, Smith, Zurn or equal.

All storm drain heads and cold water piping shall be insulated to prevent condensation. Connections shall be made to the municipal utilities, and all piping systems shall be flushed and tested.

B. HVAC³

Tenant shall use the existing HVAC rooftop units to satisfy the HVAC needs of the Premises. Tenant is permitted, at its expense, to swap unused HVAC units from other locations on the roof to meet Tenant's HVAC needs. Any such swap is to occur prior to Tenant's using the unit in question. When use begins, units will have an "as new" warranty.

C. Fire Protection System

A complete automatic fire protection system shall be provided. The system shall include a fire department connection at the mechanical room, a reduced pressure backflow preventer, and all necessary pipes, valves and fire bells as required by the local municipality. Fire pump, standpipes, and fire hose valves are not included.

The automatic fire protection sprinkler system shall be designed for light hazard densities of .12 GPM in most remote 1,500 Sq. Ft. in accordance with NFPA 13.

All areas will receive upturned brass heads.

6) **ELECTRICAL⁴**

A complete electrical system which shall be sufficient for Tenant's use and will be provided to the site and building as per the following:

Service

- 1) 1200A 277/480V 3-phase, 4-wire tap trough distribution panel and transformer for house service and associated feeders for the building.
- 2) Switches in the main switchboard for Future Tenant Metering.
- 3) CECO pad and grounding.
- 4) PVC empty primary conduits for CECO.
- 5) PVC empty primary conduit for Ameritech

Site Lighting

Site and door lights as per local municipal code.

Building Core

- 1) Exits signs and battery packs for an empty core and shell building.
- 2) Fire alarm system with connections to sprinkler flow and tamper switches.
- 3) Fluorescent strip lights to be provided in vacant areas for temporary lighting and in mechanical/electrical rooms.

Miscellaneous

- 1) Feeds and hook up for two (2) roof top units per building for temporary heating.

PART 2:

Footnote 1. Notwithstanding Paragraph 3.B of Part 1, Landlord agrees to provide 5/8 inch drywall, taped, sanded and ready to receive finishes on all perimeter walls.

Footnote 2. Landlord will provide both a dedicated 2 inch and a dedicated 1 1/2 inch water line to the Premises with separate meters to separately track Tenant's water use, if the Village of Glenview approves this arrangement, in which event Tenant will pay for water directly to the Village of Glenview. To the extent the Village of Glenview does not approve this arrangement, Tenant will pay Landlord for its water use (which will be measured by sub-meter(s)) provided by Landlord.

Footnote 3. In addition to the rooftop units, Landlord will provide (i) the electrical connection from the new panel to each rooftop unit, (ii) the connection of the condensate lines to the nearest drain line and (iii) the startup of each unit.

Footnote 4. In addition to the electrical equipment and system described, Landlord will provide a 600 amp, 120/208 panel and service to Tenant's equipment room along with a step down transformer.

EXHIBIT B-4

OCCUPANCY DATE AGREEMENT

DATE: _____
LANDLORD: _____
TENANT: _____
SUITE: _____
BUILDING: _____

Re: Lease dated _____ (the "Lease")

1. Tenant agrees that the Work for the Premises has been substantially completed in accordance with the requirements of the Lease, except the "Punch List Items" which are listed on Schedule 1 attached hereto.

2. We hereby confirm that the Commencement Date, as defined in the Lease is _____, and we hereby confirm that the Expiration Date as set forth in the Lease is _____.

3. Terms which are defined in the Lease shall have the same meaning when used in this Agreement.

SIGNED:

LANDLORD:

TENANT:

auG SIX, LLC

BY: Titan Development Company

By: _____
Title: _____

By: _____
Title: _____

The undersigned Contractor agrees to complete the "Punch List Items" described on Schedule 1.

CONTRACTOR:

By: _____
Title: _____

**SCHEDULE 1
TO THE OCCUPANCY DATE AGREEMENT
"PUNCH LIST ITEMS"**

**EXHIBIT B-5
TENANT WORK**

**EXHIBIT C
(ESTOPPEL CERTIFICATE)**

Re: Lease dated _____ between
_____ ("Landlord"), and
_____ ("Tenant") ("Lease")

Gentlemen:

1. The undersigned, Tenant, hereby confirms:
2. The Tenant has accepted possession of the Premises;
3. The Premises and space required to be furnished by Landlord with respect to the Premises and the Building of which the Premises is a part have been completed in all respects required by the Lease;
4. To Tenant's actual knowledge, Landlord has fulfilled all its obligations under the Lease through the date hereof;
5. No rentals have been prepaid more than 30 days except as provided by the terms of the Lease;
6. Commencement Date is _____; Net Rent is _____ per month. The Expiration Date of the Lease is _____.
7. The Lease has not been modified, altered, or amended, is in full force and effect, and there are no other agreements between Landlord and Tenant with respect to the Premises;
8. Tenant is not in default in the performance of any covenant, agreement, or conditions contained in the Lease, and to Tenant's knowledge, Landlord is not in default in the performance of any covenant, agreement, or conditions contained in the Lease;
9. The Tenant is not the subject of any bankruptcy, insolvency or similar proceeding in any Federal, state or other court of jurisdiction.

The Tenant understands that the terms which are defined in the Lease have the same meanings when used in this letter.

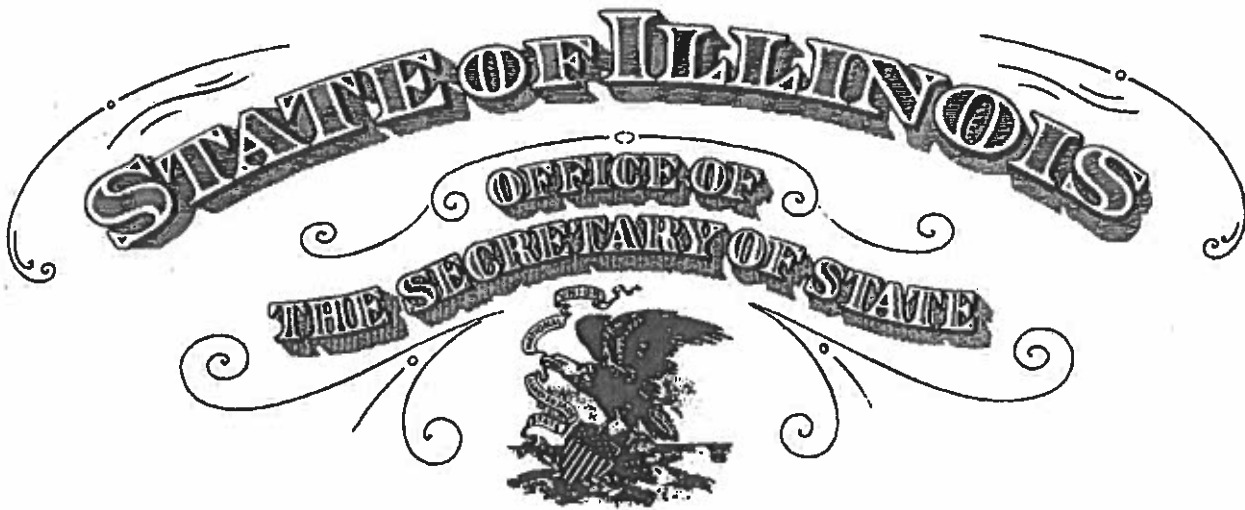
(Reference to party(s) who will rely on letter or to transaction in which letter will be relied upon.)

Very truly yours,

By: _____

Section I, Identification, General Information, and Certification
Operating Identity/Licensee

Satellite Dialysis of Glenview, LLC is currently the approved operating entity for the Satellite Dialysis of Glenview facility. Following the transaction Total Renal Care Inc. will be the operating entity for the facility. The Illinois Certificate of Good Standing for Total Renal Care Inc. is attached at Attachment – 3.



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

TOTAL RENAL CARE, INC., INCORPORATED IN CALIFORNIA AND LICENSED TO TRANSACT BUSINESS IN THIS STATE ON MARCH 10, 1995, 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 A FOREIGN CORPORATION IN GOOD STANDING AND AUTHORIZED TO TRANSACT BUSINESS 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 24TH day of JULY A.D. 2017 .

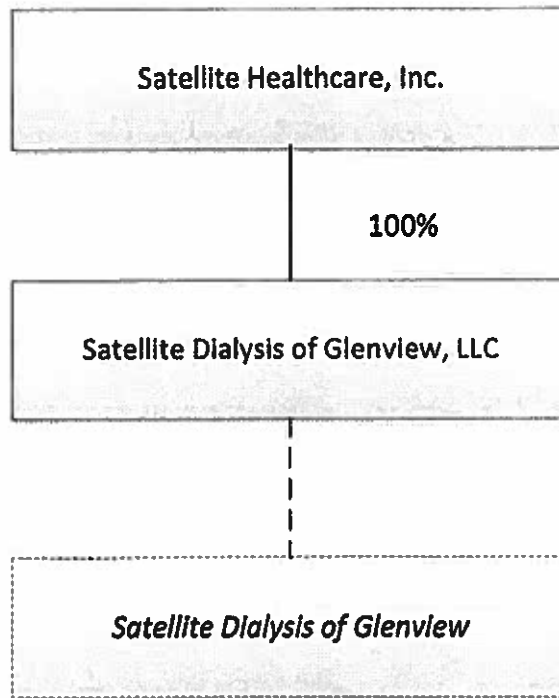
Jesse White

SECRETARY OF STATE

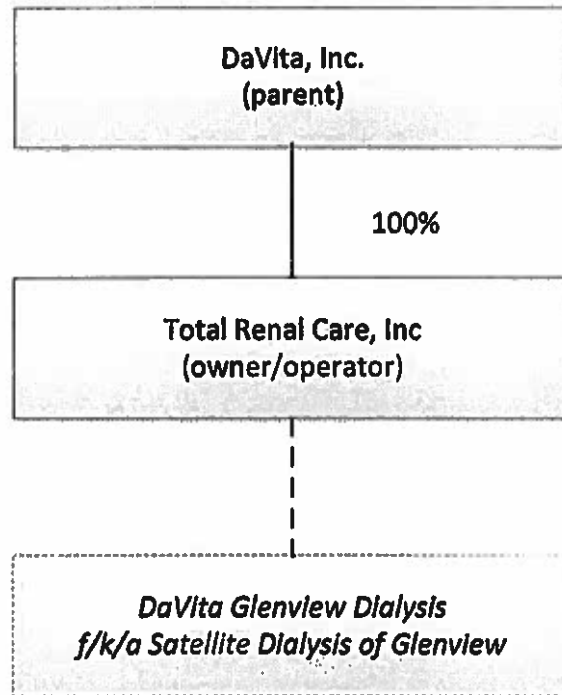
Section I, Identification, General Information, and Certification
Organizational Relationships

The organizational chart showing the current ownership structure of Satellite Dialysis of Glenview, along with the post-closing ownership structure is enclosed at Attachment – 4.

**CURRENT
ORGANIZATIONAL STRUCTURE**



**POST CLOSING
ORGANIZATIONAL STRUCTURE**



Section I, Identification, General Information, and Certification
Flood Plain Requirements

The proposed change of ownership of Satellite Dialysis of Glenview involves no construction or modernization. Accordingly, this criterion is not applicable.

Section I, Identification, General Information, and Certification
Historic Resources Preservation Act Requirements

The proposed change of ownership of Satellite Dialysis of Glenview involves no construction or modernization. Accordingly, this criterion is not applicable.

Section III, Project Purpose, Background and Alternatives – Information Requirements
Criterion 1110.230(b), Project Purpose, Background and Alternatives

Background of Applicant

- 1. A listing of all health care facilities owned or operated by the Applicant, including licensing, and certificates, if applicable.**

A list of health care facilities owned or operated by DaVita is attached at Attachment - 11.

- 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.**

By their signature on the Certification pages to this application, each of the Applicants attest that no adverse action has been taken by IDPH, CMS, or any other State or Federal Agency against any facility owned and/or operated by them during the three years prior to the filing of this 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 national recognized accreditation organizations.**

By their signature on the Certification pages to this application, each of the Applicants authorize the HFSRB and IDPH to access any documents necessary to verify the information submitted, including but not limited to: (i) official records of DPH or other State Agencies; (ii) the licensing or certification records of other states, when applicable; and (iii) the records of national recognized accreditation organizations.

DaVita Inc. Illinois Facilities							
Regulatory Name	Address 1	Address 2	City	County	State	Zip	Medicare Certification Number
Adams County Dialysis	436 N 10TH ST		QUINCY	ADAMS	IL	62301-4152	14-2711
Alton Dialysis	3511 COLLEGE AVE		ALTON	MADISON	IL	62002-5009	14-2619
Arlington Heights Renal Center	17 WEST GOLF ROAD		ARLINGTON HEIGHTS	COOK	IL	60005-3905	14-2628
Barrington Creek	28160 W. NORTHWEST HIGHWAY		LAKE BARRINGTON	LAKE	IL	60010	14-2736
Belvidere Dialysis	1755 BELOIT ROAD		BELVIDERE	BOONE	IL	61008	14-2795
Benton Dialysis	1151 ROUTE 14 W		BENTON	FRANKLIN	IL	62812-1500	14-2608
Beverly Dialysis	8109 SOUTH WESTERN AVE		CHICAGO	COOK	IL	60620-5939	14-2638
Big Oaks Dialysis	5623 W TOUHY AVE		NILES	COOK	IL	60714-4019	14-2712
Brickyard Dialysis	2640 NORTH NARRAGANSETT		CHICAGO	COOK	IL	60639	17-064
Brighton Park Dialysis	4729 SOUTH CALIFORNIA AVE		CHICAGO	COOK	IL	60632	
Buffalo Grove Renal Center	1291 W. DUNDEE ROAD		BUFFALO GROVE	COOK	IL	60089-4009	14-2650
Calumet City Dialysis	1200 SIBLEY BOULEVARD		CALUMET CITY	COOK	IL	60409	14-2817
Carpentersville Dialysis	2203 RANDALL ROAD		CARPENTERSVILLE	KANE	IL	60110-3355	14-2598
Centralia Dialysis	1231 STATE ROUTE 161		CENTRALIA	MARION	IL	62801-6739	14-2609
Chicago Heights Dialysis	177 W JOE ORR RD	STE B	CHICAGO HEIGHTS	COOK	IL	60411-1733	14-2635
Chicago Ridge Dialysis	10511 SOUTH HARLEM AVE		WORTH	COOK	IL	60482	14-2793
Churchview Dialysis	5970 CHURCHVIEW DR		ROCKFORD	WINNEBAGO	IL	61107-2574	14-2640
Cobblestone Dialysis	934 CENTER ST	STE A	ELGIN	KANE	IL	60120-2125	14-2715
Collinsville Dialysis	101 LANTER COURT	BLDG 2	COLLINSVILLE	MADISON	IL	62234	
Country Hills Dialysis	4215 W 167TH ST		COUNTRY CLUB HILLS	COOK	IL	60478-2017	14-2575
Crystal Springs Dialysis	720 COG CIRCLE		CRYSTAL LAKE	MCHENRY	IL	60014-7301	14-2716
Decatur East Wood Dialysis	794 E WOOD ST		DECATUR	MACON	IL	62523-1155	14-2599
Dixon Kidney Center	1131 N GALENA AVE		DIXON	LEE	IL	61021-1015	14-2651
Driftwood Dialysis	1808 SOUTH WEST AVE		FREEPORT	STEPHENSON	IL	61032-6712	14-2747
Edgemont Dialysis	8 VIELUX CARRE DRIVE		EAST ST. LOUIS	ST. CLAIR	IL	62203	
Edwardsville Dialysis	235 S BUCHANAN ST		EDWARDSVILLE	MADISON	IL	62025-2108	14-2701
Effingham Dialysis	904 MEDICAL PARK DR	STE 1	EFFINGHAM	EFFINGHAM	IL	62401-2193	14-2580
Emerald Dialysis	710 W 43RD ST		CHICAGO	COOK	IL	60609-3435	14-2529
Evanston Renal Center	1715 CENTRAL STREET		EVANSTON	COOK	IL	60201-1507	14-2511
Ford City Dialysis	8159 S CICERO AVENUE		CHICAGO	COOK	IL	60652	
Forest City Rockford	4103 W STATE ST		ROCKFORD	WINNEBAGO	IL	61101	
Grand Crossing Dialysis	7319 S COTTAGE GROVE AVENUE		CHICAGO	COOK	IL	60619-1909	14-2728

DaVita Inc.								
Illinois Facilities								
Regulatory Name	Address 1	Address 2	City	County	State	Zip	Medicare Certification Number	
Freeport Dialysis	1028 S KUNKLE BLVD		FREEPORT	STEPHENSON	IL	61032-6914	14-2642	
Foxpoint Dialysis	1300 SCHAEFER ROAD		GRANITE CITY	MADISON	IL	62040		
Garfield Kidney Center	3250 WEST FRANKLIN BLVD		CHICAGO	COOK	IL	60624-1509	14-2777	
Granite City Dialysis Center	9 AMERICAN VLG		GRANITE CITY	MADISON	IL	62040-3706	14-2537	
Harvey Dialysis	16641 S HALSTED ST		HARVEY	COOK	IL	60426-6174	14-2698	
Hazel Crest Renal Center	3470 WEST 183rd STREET		HAZEL CREST	COOK	IL	60429-2428	14-2622	
Hickory Creek Dialysis	214 COLLINS STREET		JOLIET	COOK	IL	60423	17-063	
Huntley Dialysis	10350 HALIGUS ROAD		HUNTLEY	MCHENRY	IL	60142		
Illini Renal Dialysis	507 E UNIVERSITY AVE		CHAMPAIGN	CHAMPAIGN	IL	61820-3828	14-2633	
Irving Park Dialysis	4323 N PULASKI RD		CHICAGO	COOK	IL	60641		
Jacksonville Dialysis	1515 W WALNUT ST		JACKSONVILLE	MORGAN	IL	62650-1150	14-2581	
Jerseyville Dialysis	917 S STATE ST		JERSEYVILLE	JERSEY	IL	62052-2344	14-2636	
Kankakee County Dialysis	581 WILLIAM R LATHAM SR DR	STE 104	BOURBONNAIS	KANKAKEE	IL	60914-2439	14-2685	
Kenwood Dialysis	4259 S COTTAGE GROVE AVENUE		CHICAGO	COOK	IL	60653	14-2717	
Lake County Dialysis Services	565 LAKEVIEW PARKWAY	STE 176	VERNON HILLS	LAKE	IL	60061	14-2552	
Lake Villa Dialysis	37809 N IL ROUTE 59		LAKE VILLA	LAKE	IL	60046-7332	14-2666	
Lawndale Dialysis	3934 WEST 24TH ST		CHICAGO	COOK	IL	60623	14-2768	
Lincoln Dialysis	2100 WEST FIFTH		LINCOLN	LOGAN	IL	62656-9115	14-2582	
Lincoln Park Dialysis	2484 N ELSTON AVE		CHICAGO	COOK	IL	60647	14-2528	
Litchfield Dialysis	915 ST FRANCES WAY		LITCHFIELD	MONTGOMERY	IL	62056-1775	14-2583	
Little Village Dialysis	2335 W CERMACK RD		CHICAGO	COOK	IL	60608-3811	14-2668	
Logan Square Dialysis	2838 NORTH KIMBALL AVE		CHICAGO	COOK	IL	60618	14-2534	
Loop Renal Center	1101 SOUTH CANAL STREET		CHICAGO	COOK	IL	60607-4901	14-2505	
Machesney Park Dialysis	7170 NORTH PERRYVILLE ROAD		MACHESNEY PARK	WINNEBAGO	IL	61115	14-2806	
Macon County Dialysis	1090 W MCKINLEY AVE		DECATUR	MACON	IL	62526-3208	14-2584	
Marengo City Dialysis	910 GREENLEE STREET	STE B	MARENGO	MCHENRY	IL	60152-8200	14-2643	
Marion Dialysis	324 S 4TH ST		MARION	WILLIAMSON	IL	62959-1241	14-2570	
Maryville Dialysis	2130 VADALABENE DR		MARYVILLE	MADISON	IL	62062-5632	14-2634	
Mattoon Dialysis	6051 DEVELOPMENT DRIVE		CHARLESTON	COLES	IL	61938-4652	14-2585	
Metro East Dialysis	5105 W MAIN ST		BELLEVILLE	SAINT CLAIR	IL	62226-4728	14-2527	
Montclaire Dialysis Center	7009 W BELMONT AVE		CHICAGO	COOK	IL	60634-4533	14-2649	
Montgomery County Dialysis	1822 SENATOR MILLER DRIVE		HILLSBORO	MONTGOMERY	IL	62049	14-2813	
Mount Vernon Dialysis	1800 JEFFERSON AVE		MOUNT VERNON	JEFFERSON	IL	62864-4300	14-2541	

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DaVita Inc.									
Illinois Facilities									
Regulatory Name	Address 1	Address 2	City	County	State	Zip	Medicare Certification Number		
Mt. Greenwood Dialysis	3401 W 111TH ST		CHICAGO	COOK	IL	60655-3329	14-2660		
Northgrove Dialysis	2491 INDUSTRIAL DRIVE		HIGHLAND	MADISON	IL	62249	17-049		
O'Fallon Dialysis	1941 FRANK SCOTT PKWY E	STE B	O'FALLON	ST. CLAIR	IL	62269	14-2818		
Olney Dialysis Center	117 N BOONE ST		OLNEY	RICHLAND	IL	62450-2109	14-2674		
Olympia Fields Dialysis Center	4557B LINCOLN HWY	STE B	MATTESON	COOK	IL	60443-2318	14-2548		
Palos Park Dialysis	13155 S LaGRANGE ROAD		ORLAND PARK	COOK	IL	60462-1162	14-2732		
Park Manor Dialysis	95TH STREET & COLFAX AVENUE		CHICAGO	COOK	IL	60617			
Pittsfield Dialysis	640 W WASHINGTON ST		PITTSFIELD	PIKE	IL	62363-1350	14-2708		
Red Bud Dialysis	LOT 4 IN 1ST ADDITION OF EAST INDUSTRIAL PARK		RED BUD	RANDOLPH	IL	62278	14-2772		
Robinson Dialysis	1215 N ALLEN ST	STE B	ROBINSON	CRAWFORD	IL	62454-1100	14-2714		
Rockford Dialysis	3339 N ROCKTON AVE		ROCKFORD	WINNEBAGO	IL	61103-2839	14-2647		
Roxbury Dialysis Center	622 ROXBURY RD		ROCKFORD	WINNEBAGO	IL	61107-5089	14-2665		
Rushville Dialysis	112 SULLIVAN DRIVE		RUSHVILLE	SCHUYLER	IL	62681-1293	14-2620		
Sauget Dialysis	2061 GOOSE LAKE RD		SAUGET	SAINT CLAIR	IL	62206-2822	14-2561		
Schaumburg Renal Center	1156 S ROSELLE ROAD		SCHAUMBURG	COOK	IL	60193-4072	14-2654		
Shiloh Dialysis	1095 NORTH GREEN MOUNT RD		SHILOH	ST CLAIR	IL	62269	14-2753		
Silver Cross Renal Center - Morris	1551 CREEK DRIVE		MORRIS	GRUNDY	IL	60450	14-2740		
Silver Cross Renal Center - New Lenox	1890 SILVER CROSS BOULEVARD		NEW LENOX	WILL	IL	60451	14-2741		
Silver Cross Renal Center - West	1051 ESSINGTON ROAD		JOLIET	WILL	IL	60435	14-2742		
South Holland Renal Center	16136 SOUTH PARK AVENUE		SOUTH HOLLAND	COOK	IL	60473-1511	14-2544		
Springfield Central Dialysis	932 N RUTLEDGE ST		SPRINGFIELD	SANGAMON	IL	62702-3721	14-2586		
Springfield Montvale Dialysis	2930 MONTVALE DR	STE A	SPRINGFIELD	SANGAMON	IL	62704-5376	14-2590		
Springfield South	2930 SOUTH 6th STREET		SPRINGFIELD	SANGAMON	IL	62703	14-2733		
Stonestreet Dialysis	1302 E STATE ST		ROCKFORD	WINNEBAGO	IL	61104-2228	14-2615		
Stony Creek Dialysis	9115 S CICERO AVE		OAK LAWN	COOK	IL	60453-1895	14-2661		
Stony Island Dialysis	8725 S STONY ISLAND AVE		CHICAGO	COOK	IL	60617-2709	14-2718		
Sycamore Dialysis	2200 GATEWAY DR		SYCAMORE	DEKALB	IL	60178-3113	14-2639		

DaVita Inc.							
Illinois Facilities							
Regulatory Name	Address 1	Address 2	City	County	State	Zip	Medicare Certification Number
Taylorville Dialysis	901 W SPRESSER ST		TAYLORVILLE	CHRISTIAN	IL	62568-1831	14-2587
Tazewell County Dialysis	1021 COURT STREET		PEKIN	TAZEWELL	IL	61554	14-2767
Timber Creek Dialysis	1001 S. ANNIE GLIDDEN ROAD		DEKALB	DEKALB	IL	60115	14-2763
Tinley Park Dialysis	16767 SOUTH 80TH AVENUE		TINLEY PARK	COOK	IL	60477	14-2810
TRC Children's Dialysis Center	2611 N HALSTED ST		CHICAGO	COOK	IL	60614-2301	14-2604
Vandalia Dialysis	301 MATTES AVE		VANDALIA	FAYETTE	IL	62471-2061	14-2693
Vermilion County Dialysis	22 WEST NEWELL ROAD		DANVILLE	VERMILION	IL	61834	14-2812
Washington Heights Dialysis	10620 SOUTH HALSTED STREET		CHICAGO	COOK	IL	60628	
Waukegan Renal Center	1616 NORTH GRAND AVENUE	STE C	Waukegan	COOK	IL	60085-3676	14-2577
Wayne County Dialysis	303 NW 11TH ST	STE 1	FAIRFIELD	WAYNE	IL	62837-1203	14-2688
West Lawn Dialysis	7000 S PULASKI RD		CHICAGO	COOK	IL	60629-5842	14-2719
West Side Dialysis	1600 W 13TH STREET		CHICAGO	COOK	IL	60608	14-2783
Whiteside Dialysis	2600 N LOCUST	STE D	STERLING	WHITESIDE	IL	61081-4602	14-2648
Woodlawn Dialysis	5060 S STATE ST		CHICAGO	COOK	IL	60609	14-2310

Section V, Change of Ownership
Criterion 1130.520 Requirements for Exemptions Involving the Change of Ownership of a Health Care Facility

Applicable Review Criteria – CHOW

1. 1130.520 (b)(1)(A)- Names of the parties

The Applicants are DaVita Inc. and Total Renal Care Inc. (collectively, "DaVita").

2. 1130.520(b)(1)(B) – Background of the parties

Each of the applicants, by their signatures to the Certification pages of this application, attest 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.

Each of the applicants, by their signatures to the Certification pages of this application, attest 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 facilities owned or operated by the applicant in Illinois, directly or indirectly, within three years preceding the filing of the application.

3. 1130.520(b)(1)(C) – Structure of the transaction

Satellite Dialysis of Glenview, LLC is currently the operating entity of DaVita Glenview Dialysis. Following the transaction, DaVita Inc. will be the owner of DaVita Glenview Dialysis. Total Renal Care Inc. will be the operating entity for the facility.

4. 1130.520(b)(1)(D) – Name of Licensed Entity after Transaction

Total Renal Care Inc. will be operating entity of DaVita Glenview Dialysis following the transaction.

5. 1130.520(b)(1)(E) – List of ownership or membership interests in such licensed or certified entity both prior to and after transaction, including a description of the applicant's organizational structure with a listing of controlling or subsidiary persons

An organizational structure of the current owner, as well as the post-closing organizational structure of the applicant are attached at Attachment - 4.

6. 1130.520(b)(1)(F) – Fair market value of assets to be transferred

The fair market value of the transferred assets is \$2,600,000.

7. 1130.520(b)(1)(G) – Purchase price or other forms of consideration to be provided

The purchase price is \$2,600,000.

8. 1130.520(b)(2) – Affirmations

In accordance with 77 Ill. Adm. Code §1130.520, Applicants affirm that any project for which permits have been issued have been completed, or will be completed, or altered in accordance with the provision of this section.

9. **1130.520(b)(2) – If ownership change is for hospital, affirmation that the facility will not adopt a more restrictive charity care policy that 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.

10. **1130.520(b)(2), A statement as to the anticipated benefits of the proposed changes in ownership to the community**

DaVita is a leading provider of dialysis services in the United States and is committed to innovation, improving clinical outcomes, compassionate care, education and empowering patients, and community outreach. With the ongoing shift from volume to value in healthcare, providers—more than ever—are focusing their attention on generating optimal clinical outcomes in order to enhance patient quality of life. The extensive tools and initiatives included in the DaVita Patient-Focused Quality Pyramid will help affiliated physicians succeed in this important undertaking. The pyramid serves as a framework for nephrologists to address the complex factors that impact patients, such as mortality, hospitalizations and the patient experience. Key programs include: (1) clinical initiatives to prevent missed treatments and manage vascular access, fluid, infection, medications and diabetes; (2) increasing pneumonia and influenza vaccination rates; (3) assisting patients transition from central venous catheters (CVCs) to arteriovenous (AV) fistulas to reduce risk of hospitalization from infections and blood clots; and (4) supporting patients through any transition of care to improve outcomes and reduce mortality.

As a result of these clinical initiatives, DaVita outperformed the rest of the industry, with more four- or five-star rated centers over the past three years. Further, DaVita leads the industry with 98 percent of DaVita clinics rated in the top clinical performance tier in the 2015 Centers for Medicare and Medicaid Services ("CMS") Quality Incentive Program ("QIP") Performance Score Report. Finally, 91% of patients reported being satisfied with the quality of care they receive from DaVita in 2014 In-Center Hemodialysis Consumer Assessment of Healthcare Providers survey.

The proposed acquisition of Satellite Dialysis of Glenview will ensure residents of Glenview and the surrounding area have continued access to life sustaining dialysis services. Given recent trends in the delivery of dialysis services, DaVita is well positioned to serve the growing needs of patients suffering from end stage renal disease ("ESRD") and to preserve the services in the community.

11. **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 of ownership**

The Applicants have not identified empirically quantifiable cost savings at the outset of the change of ownership.

12. **1130.520(b)(2) – A description of the facilities quality improvement program mechanism that will be utilized to assure quality control**

The Applicants will utilize DaVita's established quality control mechanisms. As discussed in Section 1130.520(b)(2) above, DaVita is leading provider of dialysis services in the United States. It will implement its patient-focused quality initiatives and anticipates DaVita Glenview Dialysis will have quality outcomes comparable to its other facilities.

Attachment – 15

- 13. 1130.520(b)(2) – A description of the selection process that the acquiring entity will use to select the facilities governing body**

The governing body will consist of the medical director, the facility administrator and the regional operations director.

- 14. 1130.520(b)(2) – 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**

The Applicants have or will prepare a written statement response to address the review criteria contained in 77 Ill. Adm. Code 1110.240 that will be available for public review at the facility.

- 15. 1130.520(b)(2) – A description or summary of any proposed changes to the scope of service or levels of care currently provided at the facility that are anticipated to occur within 24 months after acquisition**

There are no proposed changes to the scope of services or levels of care that were planned to be provided at the facility that are anticipated to occur within twenty-four months after the acquisition.

Section X. Charity Care Information

The table below provides charity care information for all dialysis facilities located in the State of Illinois that are owned or operated by the Applicants.

CHARITY CARE			
	2015	2016	2017
Net Patient Revenue	\$311,351,089	\$353,226,322	\$357,821,315
Amount of Charity Care (charges)	\$2,791,566	\$2,400,299	\$2,818,603
Cost of Charity Care	\$2,791,566	\$2,400,299	\$2,818,603



150 N. Riverside Plaza, Suite 3000, Chicago, IL 60606-1599 • 312.819.1900

May 4, 2018

Anne M. Cooper
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(312) 819-1910 fax
acooper@polsinelli.com

FEDERAL EXPRESS

Michael Constantino
Supervisor, Project Review Section
Illinois Department of Public Health
Health Facilities and Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761

**Re: Application for Exemption Permit
DaVita Glenview Dialysis f.k.a. Satellite Dialysis of Glenview**

Dear Mr. Constantino:

I am writing on behalf of DaVita HealthCare Partners Inc. and Total Renal Care, Inc. (collectively, the "DaVita") to submit the attached Application for Exception Permit for a 16 – station dialysis facility located in Glenview. For your review, I have attached the following documents:

1. Check for \$2,500 for the application processing fee;
2. Completed Application for Exemption Permit;
3. Copies of Certificate of Good Standing for the Applicants;
4. Charity care data.

Thank you for your time and consideration of DaVita's application for permit. If you have any questions or need any additional information to complete your review of the DaVita's application for exemption permit, please feel free to contact me.

Sincerely

A handwritten signature in blue ink that reads 'Anne M. Cooper'.

Anne M. Cooper

Attachments

polsinelli.com

Atlanta Boston Chicago Dallas Denver Houston Kansas City Los Angeles Nashville New York Phoenix
St. Louis San Francisco Silicon Valley Washington, D.C. Wilmington

Polsinelli LLP in California