

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR CHANGE OF OWNERSHIP EXEMPTION

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: McHenry Dialysis Center, LLC		
Street Address: 4209 West Shamrock Lane, Unit A		
City and Zip Code: McHenry 60050		
County: McHenry	Health Service Area: 8	Health Planning Area: A-10

Legislators

State Senator Name: Sen. Craig Wilcox
State Representative Name: Rep. Tom Weber

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

Exact Legal Name: McHenry Dialysis Center, LLC
Street Address: 4209 West Shamrock Lane, Unit A
City and Zip Code: McHenry IL 60050
Name of Registered Agent: CT Corporation System
Registered Agent Street Address: 208 South LaSalle Street
Registered Agent City and Zip Code: Chicago, IL 60604
Name of Chief Executive Officer: Felix Abiol (Clinic Manager)
CEO Street Address: 4209 West Shamrock Lane, Unit A
CEO City and Zip Code: McHenry IL 60050
CEO Telephone Number: (815) 344-8512

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: Felix Abiol
Title: Clinic Manager
Company Name: McHenry Dialysis Center, LLC
Address: 4209 West Shamrock Lane, Unit A
Telephone Number: (815) 344-8512
E-mail Address: fabiol@americanrenal.com
Fax Number: (815) 344-8513

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR CHANGE OF OWNERSHIP EXEMPTION**SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION****This Section must be completed for all projects.****Facility/Project Identification**

Facility Name: McHenry Dialysis Center, LLC		
Street Address: 4209 West Shamrock Lane, Unit A		
City and Zip Code: McHenry 60050		
County: McHenry	Health Service Area: 8	Health Planning Area: A-10

Legislators

State Senator Name: Sen. Craig Wilcox
State Representative Name: Rep. Tom Weber

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

Exact Legal Name: American Renal Associates Holdings, Inc.
Street Address: 500 Cummings Center, Suite 6550
City and Zip Code: Beverly, MA 01915
Name of Registered Agent: The Corporation Trust Company
Registered Agent Street Address: 1209 Orange Street
Registered Agent City and Zip Code: Wilmington, DE 19801
Name of Chief Executive Officer: Joseph A. Carlucci
CEO Street Address: 500 Cummings Center, Suite 6550
CEO City and Zip Code: Beverly, MA 01915
CEO Telephone Number: (978) 522-6496

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: Joseph A. Carlucci
Title: CEO
Company Name: American Renal Associates Holdings, Inc.
Address: 500 Cummings Center, Suite 6550
Telephone Number: (978) 522-6496
E-mail Address: jcarlucci@americanrenal.com
Fax Number: (978) 232-4015

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR CHANGE OF OWNERSHIP EXEMPTION

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: McHenry Dialysis Center, LLC		
Street Address: 4209 West Shamrock Lane, Unit A		
City and Zip Code: McHenry 60050		
County: McHenry	Health Service Area: 8	Health Planning Area: A-10

Legislators

State Senator Name: Sen. Craig Wilcox
State Representative Name: Rep. Tom Weber

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

Exact Legal Name: IRC Superman Holdings, LLC
Street Address: 50 Kennedy Plaza, 12 th Floor
City and Zip Code: Providence, RI 02903
Name of Registered Agent: Corporation Service Company
Registered Agent Street Address: 251 Little Falls Drive
Registered Agent City and Zip Code: Wilmington, DE 19808
Name of Chief Executive Officer: Nick Mendez
CEO Street Address: 3102 West End Avenue, Suite 1150
CEO City and Zip Code: Nashville, TN 37203
CEO Telephone Number: (615) 515-9880

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: Timothy Murphy
Title: Attorney
Company Name: Epstein Becker & Green, P.C.
Address: 1227 25th Street, NW Washington, DC 20037
Telephone Number: 202.861.1861
E-mail Address: TMurphy@ebglaw.com
Fax Number: 202.861.3088

Additional Contact [Person who is also authorized to discuss the Application]

Name: Daniel J. Lawler
Title: Partner
Company Name: Barnes & Thornburg LLP
Address: One North Wacker Drive, Suite 4400, Chicago IL 60606-2833
Telephone Number: (312) 214-4861
E-mail Address: Daniel.lawler@btlaw.com
Fax Number: (312) 759-5646

Post Exemption Contact

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

Name: Felix Abiol
Title: Clinic Manager
Company Name: McHenry Dialysis Center, LLC
Address: 4209 West Shamrock Lane, Unit A
Telephone Number: (815) 344-8512
E-mail Address: fabiol@americanrenal.com
Fax Number: (815) 344-8513

Site Ownership after the Project is Complete

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: M&E, LLC
Address of Site Owner: 460 Jennings Drive, Lake In The Hills, IL 60156
Street Address or Legal Description of the Site: Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statements, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease, or a lease.
APPEND DOCUMENTATION AS ATTACHMENT 2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Current Operating Identity/Licensee

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

Exact Legal Name: McHenry Dialysis Center, LLC								
Address: 4209 West Shamrock Lane, Unit A, McHenry IL 60050								
<table> <tr> <td>☐ Non-profit Corporation</td> <td>☐ Partnership</td> </tr> <tr> <td>☐ For-profit Corporation</td> <td>☐ Governmental</td> </tr> <tr> <td>☒ Limited Liability Company</td> <td>☐ Sole Proprietorship</td> </tr> <tr> <td>Other ☐</td> <td></td> </tr> </table>	☐ Non-profit Corporation	☐ Partnership	☐ For-profit Corporation	☐ Governmental	☒ Limited Liability Company	☐ Sole Proprietorship	Other ☐	
☐ Non-profit Corporation	☐ Partnership							
☐ For-profit Corporation	☐ Governmental							
☒ Limited Liability Company	☐ Sole Proprietorship							
Other ☐								

Operating Identity/Licensee after the Project is Complete

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

Exact Legal Name: McHenry Dialysis Center, LLC	
Address: 4209 West Shamrock Lane, Unit A, McHenry IL 6005	
☐ Non-profit Corporation ☐ For-profit Corporation ☒ Limited Liability Company Other ☐	☐ Partnership ☐ Governmental ☐ Sole Proprietorship
○ 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 <u>ATTACHMENT 3</u>, 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 <u>ATTACHMENT 4</u>, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Narrative Description

In the space below, provide a brief narrative description of the change of ownership. 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.

The applicant facility is McHenry Dialysis Center, LLC located at 4209 West Shamrock Lane, Unit A, McHenry IL 60050. The applicant facility is indirectly owned by American Renal Associates Holdings, Inc., a Delaware corporation (“ARA”), a publicly-traded company.

On October 1, 2020, ARA entered into Agreement and Plan of Merger with Superman Merger Sub, Inc., a Delaware corporation (“Merger Sub”) and a direct wholly owned subsidiary of IRC Superman Midco, LLC, a Delaware limited liability company (“IRC Midco”). As a result of the merger, Merger Sub will merge with and into ARA, with ARA as the surviving entity. As a result of the merger, ARA will become a wholly owned subsidiary of IRC Midco and the applicant facility will become an indirect subsidiary of IRC Midco. ARA is, and will continue to be after the completion of the proposed transaction, the indirect owner of the applicant facility.

IRC Midco is a wholly owned subsidiary of IRC Superman Holdings, LLC (“IRC Superman”). IRC Midco and IRC Superman are newly formed entities, and are affiliated with Nautic Partners, LLC and Innovative Renal Care, LLC. Nautic Partners VIII, L.P., Nautic Partners VIII-A, L.P., Nautic Partners IX, L.P. and Nautic Partners IXA, L.P. have committed to capitalize the IRC Midco with an aggregate equity contribution of up to \$450 million, subject to the terms and conditions set forth in an equity commitment letter. Investment funds and accounts managed by HPS Investments Partners, LLC (the “Lenders”) have agreed to provide IRC Midco and Merger Sub with committed debt financing in an aggregate principal amount of up to \$515 million on the terms set forth in a debt commitment letter. The obligations of the Lenders to provide debt financing under the debt commitment letter are subject to customary terms and conditions. Through investment vehicles, the investment funds will have indirect ownership in IRC Superman, however, none of the investment funds will hold a 50% or more interest in the applicant facility.

The applicant facility will continue to exist and serve patients after the proposed transaction. The applicants anticipate closing the proposed transaction in the first quarter of 2021.

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	NOT APPLICABLE (no land acquisition)
Purchase Price:	\$ _____		
Fair Market Value:	\$ _____		

Project Status and Completion Schedules

Outstanding Permits: Does the facility have any projects for which the State Board issued a permit that is not complete? Yes ___ No X_. If yes, indicate the projects by project number and whether the project will be complete when the exemption that is the subject of this application is complete.

Anticipated exemption completion date (refer to Part 1130.570): As soon as practicable and no later than March 31, 2021.

State Agency Submittals

Are the following submittals up to date as applicable:

- ☐ Cancer Registry **NOT APPLICABLE.**
- ☐ APORS **NOT APPLICABLE.**
- ☐ All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted **NOT APPLICABLE.**
- ☐ All reports regarding outstanding permits **NOT APPLICABLE.**

Failure to be up to date with these requirements will result in the Application being deemed incomplete.

CERTIFICATION

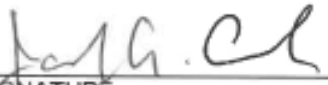
The Application must be signed by the authorized representatives of the applicant entity. Authorized representatives are:

- 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 is filed on the behalf of*:

McHenry Dialysis Center, LLC

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


SIGNATURE

Joseph A. Carlucci

PRINTED NAME

Manager

PRINTED TITLE

SIGNATURE

PRINTED NAME

PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 8th day of October, 2020



Signature of Notary

Seal



Notarization:

Subscribed and sworn to before me
this ____ day of _____

Signature of Notary

Seal

*Insert the EXACT legal name of the applicant

CERTIFICATION

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SIGNATURE

PRINTED NAME

PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this ____ day of _____

Signature of Notary

Seal

SIGNATURE

PRINTED NAME

PRINTED TITLE

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Subscribed and sworn to before me
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This Application is filed on the behalf of*:

American Renal Associates Holdings, 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 on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the fee required for this application is sent herewith or will be paid upon request.

SIGNATURE

Joseph A. Carlucci

PRINTED NAME

PRINTED TITLE

Notarization:

Subscribed and sworn to before me, _____
this 8th day of October, 2025

Signature of Notary

Seal



SIGNATURE

PRINTED NAME

PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this _____ day of _____

Signature of Notary

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CERTIFICATION

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This Application is filed on the behalf of*:

American Renal Associates Holdings, 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 on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the fee required for this application is sent herewith or will be paid upon request.

SIGNATURE

PRINTED NAME

PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this ____ day of _____

Signature of Notary

Seal

SIGNATURE

PRINTED NAME

PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this ____ day of _____

Signature of Notary

Seal

*Insert the EXACT legal name of the applicant

CERTIFICATION

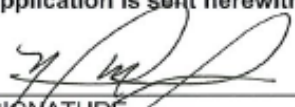
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This Application is filed on the behalf of*:

IRC Superman Holdings, LLC

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


SIGNATURE

Nick Mendez
PRINTED NAME

CEO
PRINTED TITLE


SIGNATURE

Jon Sundock
PRINTED NAME

General Counsel
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 8th day of October


Signature of Notary

Seal



*Insert the EXACT legal name of the applicant

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Subscribed and sworn to before me
this 8th day of October


Signature of Notary

Seal



My Commission Expires Jan. 4, 2021

SECTION II. BACKGROUND.**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 listing of all health care facilities currently owned and/or operated in Illinois, by any corporate officers or directors, LLC members, partners, or owners of at least 5% of the proposed health care facility.
3. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant, directly or indirectly, during the three years prior to the filing of the application. Please provide information for each applicant, including corporate officers or directors, LLC members, partners and owners of at least 5% of the proposed facility. A health care facility is considered owned or operated by every person or entity that owns, directly or indirectly, an ownership interest.
4. 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.**
5. If, during a given calendar year, an applicant submits more than one Application, 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 5, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-4) MUST BE IDENTIFIED IN ATTACHMENT 5.

SECTION III. CHANGE OF OWNERSHIP (CHOW)**Transaction Type. Check the Following that Applies to the Transaction:**

- ☐ Purchase resulting in the issuance of a license to an entity different from current licensee.
- ☐ Lease resulting in the issuance of a license to an entity different from current licensee.
- ☐ Stock transfer resulting in the issuance of a license to a different entity from current licensee.
- ☒ Stock transfer resulting in no change from current licensee.
- ☐ Assignment or transfer of assets resulting in the issuance of a license to an entity different from the current licensee.
- ☐ Assignment or transfer of assets not resulting in the issuance of a license to an entity different from the current licensee.
- ☐ Change in membership or sponsorship of a not-for-profit corporation that is the licensed entity.
- ☐ Change of 50% or more of the voting members of a not-for-profit corporation's board of directors that controls a health care facility's operations, license, certification or physical plant and assets.
- ☐ Change in the sponsorship or control of the person who is licensed, certified or owns the physical plant and assets of a governmental health care facility.
- ☐ Sale or transfer of the physical plant and related assets of a health care facility not resulting in a change of current licensee.
- ☐ Change of ownership among related persons resulting in a license being issued to an entity different from the current licensee
- ☐ Change of ownership among related persons that does not result in a license being issued to an entity different from the current licensee.
- ☐ Any other transaction that results in a person obtaining control of a health care facility's operation or physical plant and assets and explain in "Narrative Description."

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)(3) - 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

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
CHANGE OF OWNERSHIP APPLICATION FOR EXEMPTION- 09/2019 Edition

1130.520(b)(4) - A statement as to the anticipated benefits of the proposed changes in ownership to the community	X
1130.520(b)(5) - 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)(6) - A description of the facility's quality improvement program mechanism that will be utilized to assure quality control;	X
1130.520(b)(7) - A description of the selection process that the acquiring entity will use to select the facility's governing body;	X
1130.520(b)(9)- 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

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

SECTION IV.CHARITY CARE INFORMATION

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 7.

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

APPEND DOCUMENTATION AS ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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

INDEX OF ATTACHMENTS			
ATTACHMENT NO.			PAGES
	1	Applicant Identification including Certificate of Good Standing	19 - 23
	2	Site Ownership	24 - 71
	3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	72 - 74
	4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	75 - 77
	5	Background of the Applicant	78 - 79
	6	Change of Ownership	80 - 98
	7	Charity Care Information	99

ATTACHMENT 1
TYPE OF OWNERSHIP OF APPLICANTS

Included with this attachment are:

1. The Certificate of Good Standing for the applicant facility.
2. The Certificate of Good Standing for American Renal Associates Holdings, Inc.
3. The Certificate of Good Standing for IRC Superman Holdings, LLC.

Delaware

The First State

Page 1

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "MCHENRY DIALYSIS CENTER, LLC" IS DULY FORMED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE THIRTIETH DAY OF SEPTEMBER, A.D. 2020.

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



4949798 8300

SR# 20207573533

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

A handwritten signature of Jeffrey W. Bullock in black ink, written over a horizontal line.

Jeffrey W. Bullock, Secretary of State

Authentication: 203767523

Date: 09-30-20

ATTACHMENT 1

File Number

0345640-4



To all to whom these Presents Shall Come, Greeting:

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

MCHENRY DIALYSIS CENTER, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON MARCH 14, 2011, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.



Authentication #: 2028203660 verifiable until 10/08/2021
Authenticate at: <http://www.cyberdriveillinois.com>

***In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 8TH
day of OCTOBER A.D. 2020 .***

Jesse White

SECRETARY OF STATE

ATTACHMENT 1

Delaware

The First State

Page 1

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "AMERICAN RENAL ASSOCIATES HOLDINGS, 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 FIRST DAY OF OCTOBER, A.D. 2020.

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

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



4801244 8300

SR# 20207596606

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

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

Jeffrey W. Bullock, Secretary of State

Authentication: 203775781

Date: 10-01-20

ATTACHMENT 1

Delaware

The First State

Page 1

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "IRC SUPERMAN HOLDINGS, LLC" IS DULY FORMED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE THIRTIETH DAY OF SEPTEMBER, A.D. 2020.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "IRC SUPERMAN HOLDINGS, LLC" WAS FORMED ON THE TWENTY-EIGHTH DAY OF SEPTEMBER, A.D. 2020.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL TAXES HAVE BEEN ASSESSED TO DATE.



3755983 8300

SR# 20207563836

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: 203764403

Date: 09-30-20

ATTACHMENT 1

ATTACHMENT 2
SITE OWNERSHIP

The site ownership will remain the same following the transaction. The applicant McHenry Dialysis Center, LLC leases the premises from M&E, LLC. Copies of the Lease Agreement dated June 13, 2011, First Amendment to Lease Agreement dated August 18, 2011, and Second Amendment to Lease Agreement dated December 28, 2011 are included with this Attachment.

Execution Version

**LEASE AGREEMENT
BY AND BETWEEN**

M&E, LLC

("LANDLORD")

AND

McHenry Dialysis Center, LLC

("TENANT")

Dated: June 13, 2011

*Execution Version***TABLE OF CONTENTS**

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Exhibit A	Legal Description/Building Site Plan
Exhibit B	Premises Floor Plan
Exhibit C	Rent Commencement Date Certificate and Rider Form
Exhibit D	Schedule of Landlord's Improvements
Exhibit E	Tenant Improvement Plans

THIS LEASE AGREEMENT (this "Lease"), is made and entered into this 13th day of June, 2011 (the "Effective Date"), by and between M & E, LLC, an Illinois limited liability company (hereinafter called "Landlord"), and McHenry Dialysis Center, LLC, a Delaware limited liability company (hereinafter called "Tenant").

WITNESSETH:

WHEREAS, Landlord desires to demise, lease and rent unto Tenant, and Tenant desires to rent and lease from Landlord space within the Building (as defined below) situated upon the Land (as defined below) and comprising the Premises (as defined below), together with the right to use, on a non-exclusive basis with Landlord and other tenants of the Building, all Common Areas (as defined below) existing as of the Effective Date hereof and as may otherwise exist during the Term of this Lease.

NOW, THEREFORE, for and in consideration of the mutual covenants, promises and agreements herein contained, the parties hereto covenant and agree as follows:

1. **Principal Terms**. Capitalized terms, first appearing in quotations in this Section, elsewhere in this Lease or in any Exhibits, are definitions of such terms as used in this Lease and Exhibits and shall have the defined meaning whenever used. Any Addenda and/or Exhibits referred to herein and attached hereto are incorporated herein fully by reference.

(a) **"Additional Rent"**: Any and all sums, liabilities and amounts other than Base Rent payable by Tenant as expressly required under this Lease.

(b) **"Base Rent"**: Initial Base Rent shall be \$14.00 per rentable square foot (inclusive of CAM and Operating Expenses subject to Section 9(b)) within the Premises during the initial Lease Year and thereafter subject to annual increases as set forth in Section 4(a).

(c) **"Building"**: The building containing the Premises situated upon the Land and having an address of 4209 W. Shamrock Lane, McHenry, Illinois 60050.

(d) **"Business Days"**: Monday thru Saturday, excluding Federal holidays.

(e) **"CAM Charges"**: Expenses incurred and paid by Landlord in connection with the maintenance and operation of Common Area upon or within the Property, such amount included within Base Rent as defined above in Section 1(b).

(f) **"Commencement Date"**: As defined in Section 2 below.

(g) **"Common Areas"**: All Building interior common area, if any, not otherwise occupied and used by Tenant under this Lease or other tenants of the Building for its sole and exclusive benefit and available for general and common use by tenants, employees, representatives, guests and invitees, including corridors, interior walks, lobbies and restrooms, together with the roof and all exterior, foundation and structural aspects of the Building and all exterior landscaped areas, parking areas (except as expressly reserved to or benefiting Tenant or any third-party), walkways, benefiting easement areas, stairways, lighting facilities, utilities, utility equipment and other facilities (other than such as would exclusively benefit any third-party), approaches, drop-off areas, exits, entrances, fencing, sidewalks, and roadways as exists as of the Effective Date of this Lease, or as may exist from time to time, pertaining to the Property.

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- (h) "Guaranty": None.
- (i) "Initial Term": 10 years, 0 months starting as of and from the Commencement Date and ending as of the Termination Date.
- (j) "Insurance Expenses": The cost of liability, casualty and property insurance which Landlord is specifically required to carry pursuant to this Lease, and as Landlord reasonably determines is necessary to maintain with respect to the Property.
- (k) "Land": That real property legal described upon Exhibit "A" attached hereto and upon which the Building is located.
- (l) "Landlord's Fax Number": (630) 513-6195.
- (m) "Landlord's Improvements": Those certain repairs, modifications, improvements and specifications to be made by Landlord to the Property, including the Premises, pursuant to Section 3 hereof and as agreed upon by Landlord and Tenant per the schedule thereof attached and incorporated herein by reference as Exhibit "D" under Section 3(a).
- (i) "Landlord's Notice Address": 460 Jennings Drive, Lake in the Hills, Illinois 60156.
- (n) "Landlord Tax ID": 20-8340293.
- (o) "Lease Year": With respect to the first Lease Year, the period commencing on the Commencement Date of the Lease Term and ending at 11:59 p.m. on the day preceding the first anniversary of the Commencement Date; and, with respect to each subsequent Lease Year, the twelve (12) month period commencing on the next day following the previous Lease Year.
- (p) "Operating Expenses": As defined in Section 9(a), Real Estate Taxes, CAM Charges, and Insurance Expenses, collectively and included within Base Rent subject to Section 9(b).
- (q) "Parking": Common access to shared, non-exclusive parking spaces, together with the reserved spaces as set forth in Section 22.
- (r) "Permitted Use": As set forth in Section 7 to include dialysis facility and related medical and office uses.
- (s) "Possession Date": The date following the Effective Date as established under Section 2 and upon which date Landlord shall have completed in all substantial respects those repairs and improvements to the Premises required of it as contemplated by Section 3 hereof and upon which Tenant shall be delivered possession of the Premises to commence and undertake construction of its Tenant Improvements.
- (t) "Premises": approximately five thousand, one hundred and eight (5,108) usable square feet and five thousand three hundred and forty (5,340) rentable square feet, including all heating, venting, air conditioning, mechanical, electrical, and plumbing systems exclusively serving such space. The Premises is more fully described on the floor plan attached hereto as Exhibit B. If the Premises, as constructed and as accurately determined in accordance with BOMA standards by an architect reasonably acceptable to Landlord and Tenant consists of a rentable square footage which is less than or greater than

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5,340 rentable square feet, Landlord and Tenant shall execute an amendment hereto that shall set forth the revised Base Rent according to the rent per rentable square foot of the Premises. Said rental square feet shall be measured from the outside of the exterior walls and from the mid-point of the walls separating the Premises from areas leased by or held for lease to other tenants.

(u) "Prepaid Rent": None.

(v) "Property": Collectively, the Building (including the Premises) and the Land, including, without limitation, all Common Area upon the Land and as otherwise generally depicted upon Exhibit A hereto.

(w) "Real Estate Taxes": All ad valorem real property taxes (excepting those, if applicable during the Term hereof, arising from another tenant's or occupant's use, improvement or occupancy of any portion of the Property) which are levied, assessed or imposed against the Property during any calendar year of the Term by governmental authority or authorities having appropriate jurisdiction upon the Property (excluding, however, federal or state income tax, or any franchise, estate, rental tax, lookback, rollback, "greenbelt" or similar type reassessment taxes resulting from use charges, excise tax, sales tax, gift, or inheritance taxes, or any real estate transfer taxes imposed by reason of sale of the Property, or any portion(s) thereof, and further excluding penalties and interest resulting from the late or non-payment of the taxes set forth in this definition).

(x) "Rent Commencement Date": Following Tenant's receipt of a final Certificate of Need ("CoN") from the State of Illinois to operate a dialysis facility upon the Premises and a final, unqualified Certificate of Occupancy for the Premises for the Permitted Use.

(y) "Rent Payment Address": 460 Jennings Drive, Lake in the Hills, Illinois 60156

(z) "Security Deposit": \$6,230 to be held by Landlord as set forth in Section 37.

(aa) "Tenant Allowances": None.

(bb) "Tenant Improvements": Those initial pre-Commencement Date improvements to the Premises to be made by Tenant in accordance with the terms and conditions of this Lease.

(cc) "Tenant Improvement Plans": Those certain plans and specifications for construction of the Tenant Improvements in the Premises to be prepared by Tenant and approved by Landlord in the manner as contemplated by Sections 2 and 3 hereof, and a description of which is attached hereto as Exhibit "E".

(dd) "Tenant's Fax Number": (978) 232-4060

(ee) "Tenant's Notice Address": McHenry Dialysis Center, LLC c/o American Renal Associates, LLC, 66 Cherry Hill Drive, Beverly, MA 01915 (Attn: General Counsel / Law Department)

(ff) "Tenant's Proportionate Share": The ratio of the rentable area in the Premises (i.e., 5,340 square feet, subject to adjustment as contemplated by this Lease) to the total amount of rentable area available in the Building, whether occupied or not, and such percentage

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in this Lease is, subject to possible adjustment upon the parties' execution of the Commencement Date Rider as contemplated hereby, acknowledged by the parties to be as of the Effective Date of this Lease twenty-seven percent (27%). In the event of a mutually agreed to change in the size of the Premises, or in the event of a change by Landlord in the size of the Building by future additions thereto, the calculation of Tenant's Proportionate Share shall be revised appropriately as of the date of such modification.

(gg) "Termination Date": 10 years following the Commencement Date of the Term, unless further extended as provided hereunder.

2. Term. Subject to the CoN Contingency as hereinafter described, this Lease shall be effective upon full execution and delivery by Landlord and Tenant establishing the Effective Date. The Initial Term of this Lease as set forth and defined in Section 1(f) above shall commence upon the Rent Commencement Date (the "Commencement Date") and shall expire at 11:59 p.m. local time where the Premises are situated one hundred and twenty (120) months following said Commencement Date. The ultimate expiration/termination date, as such may be extended as a result of the exercise of any one or more Renewal Term or other rights set forth in this Lease, shall be the "Termination Date," and the Initial Term, together with such Renewal Term(s) and other extension and holdover rights exercised by Tenant as applicable hereunder, shall collectively be the "Term". The parties shall execute a Rent Commencement Date Certificate and Rider to this Lease in the form as generally attached hereto as Exhibit C hereto and setting forth confirming, among such other matters as may be provided for therein, the definitive Commencement Date and, subject to those renewals and extensions as may be thereafter exercised, if any, by and at the sole election of Tenant in accordance with this Lease, the Termination Date and Initial Term of this Lease. Said Certificate and Rider shall be conclusive between the parties. Notwithstanding the foregoing, Tenant's obligations under this Lease are expressly contingent upon the occurrence of each of the following events (each a "Contingency"):

(a) Tenant must have received all required governmental approvals or variances, if any, special exceptions and other approvals necessary or appropriate in its discretion (including, without limitation, all applicable final and unqualified certificate(s) of need and approvals from the State of Illinois allowing for the Permitted Use, unqualified issuance of operation permits, building permits, delivery vehicle/truck access permits and any other permits and approvals necessary for the construction of the Tenant Improvements in accordance with the Tenant Improvement Plans, and to, upon completion all such improvements, permit the use and occupancy of the Premises for the intended Permitted Use as of the Commencement Date of the Term hereof. In the event that Tenant is unable to obtain any and all necessary governmental permits to operate the Premises as a dialysis facility or the CoN is not obtained on or before October 31, 2011 unless extended in writing by Landlord and Tenant (the "CoN Deadline Date"), then either Landlord or Tenant may terminate this Lease upon ten (10) days prior written notice to the other party (the "CoN Contingency"). Upon receipt of said notice, this Lease shall automatically terminate and there shall be no further liability between the Parties;

(b) Tenant and Landlord shall have agreed in writing upon the scope and specifications of the Tenant Improvement Plans in all respects;

(c) Subject to Landlord's continuing obligations following the Commencement Date, Tenant must have received an executed and recordable consent, recognition and non-disturbance agreement in a form and of content reasonably acceptable to Tenant and its counsel in their discretion, which consent as to form and content shall not be

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unreasonably withheld, conditioned or delayed, from each lender or other secured party, if any, having a mortgage, deed of trust or similar secured interest in the Premises as of the Effective Date of this Lease; and which agreement shall, among other matters, provide for each such lender's consent to this Lease, including, to the extent contemplated by lender's loan documents with Landlord, Tenant's intended Permitted Use and modifications to the Premises and Property as may be contemplated by the Tenant Improvement Plans;

(d) Tenant and Landlord must have entered into for recording a memorandum of lease in a form acceptable to Tenant and its counsel, which consent as to form and content shall not be unreasonably withheld, conditioned or delayed, for recording, at Tenant's expense, reflecting Tenant's leasehold interest in the Premises and other matters as the parties thereto may agree;

If any one or more of the Contingencies is or are not fulfilled to the sole satisfaction of Tenant within ten (10) days of written notice by Tenant to Landlord (the "Contingencies Deadline"), Tenant may either, in its sole discretion and without further liability: (i) upon written notice to Landlord given within ten (10) days thereafter, terminate this Lease, and upon such termination, neither party shall owe any further obligation to, or have liability to, the other under either agreement; or (ii) by written notice to Landlord given within ten (10) days thereafter extend the Contingencies Deadline by a period of up to an additional thirty (30) days thereafter, in which case the Commencement Date and the Rental Commencement Date shall be adjusted by a like number of days. If Tenant extends the Contingencies Deadline as contemplated by (ii) above and any one or more Contingency or Contingencies is or are not thereafter fulfilled to the sole satisfaction of Tenant by that new date, Tenant may, in its sole discretion and without further liability, terminate this Lease upon further written notice to Landlord within ten (10) days thereafter, and upon such termination, neither party shall owe any further obligation to the other under either agreement. If Tenant does not, within ten (10) days of the Contingency Deadline (as same may be extended as provided hereby), give Landlord the notice provided for in (i) or (ii) above, the unsatisfied Contingencies shall be deemed to have been waived by Tenant.

3. Pre-Commencement Date Improvements.

(a) Delivery of Premises by Landlord. Landlord will commence the Landlord's Improvements to the Property, including within or about the Premises, within ten (10) days following the Tenant's receipt of the CoN and shall obtain all necessary permits for Landlord's Improvements (such date being hereinafter referred to as the "Landlord Improvement Commencement Date"). If Landlord fails to obtain the necessary permits for, and substantially commence, Landlord's Improvements within thirty (30) days after the Landlord Improvement Commencement Date, then Tenant shall have the right to terminate this Lease by written notice delivered to Landlord prior to the date upon which Landlord receives such permits and substantially commences construction of the Landlord's Improvements. From and after the Landlord Improvement Commencement Date Landlord, at its sole cost and expense, shall take all actions necessary and appropriate to substantially complete the Landlord's Improvements so that within twenty (20) days after the Landlord Improvement Commencement Date the Premises are, subject only to immaterial punch list matters, delivered in the repaired, modified and improved condition as contemplated to Tenant no later than the Possession Date for its construction of the initial Tenant Improvements as described in Section 3(b). Should Landlord fail to substantially complete the Landlord's Improvements by the last day of such thirty (30) day period, then, in such event, for each day such date, Tenant shall be entitled to one (1) day's credit against its Rent obligations hereunder for each day that the Possession Date is delayed. The Commencement Date and Rent Commencement Date shall also be adjusted accordingly. Further, the following terms and conditions to apply to Landlord's construction and undertaking of the Landlord's Improvements:

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(i) Landlord shall use diligent and good faith efforts, at its sole cost and expense, to obtain and maintain all authorizations, approvals and permits required by any governmental entity for the Landlord's Improvements contemplated hereby. Landlord warrants to Tenant that the Landlord's Improvements shall be completed by Landlord in a good and workman-like manner, free from faulty materials, in accordance with all applicable legal requirements and sound engineering standards, and in accordance with the plans and specifications applicable thereto (including, as applicable, all environmental laws and specifications), and such warranty includes, without limitation, the repair or replacement (including labor), at Landlord's sole cost, of all materials, fixtures and equipment which are defective or which are defectively installed by Landlord or its contractor(s) or any subcontractor(s), in connection therewith.

(ii) Within thirty (30) days after delivery of the Premises to Tenant on or before the Possession Date, Tenant shall submit to Landlord a written itemization (the "Punch List") of any items of construction that were not properly completed pertaining to the Landlord's Improvements. Upon receipt of the Punch List following the Possession Date, Landlord shall expeditiously (but not later than thirty (30) days thereafter) cause such items to be corrected and completed.

(iii) During construction of the Landlord's Improvements, Landlord shall maintain, or cause its contractor(s) to maintain, builder's risk insurance on an "all risks" basis, including stored materials, broad form public liability insurance, worker's compensation insurance and such other insurance as Landlord or its contractor deems necessary, all in such amounts as mutually agreed upon by Landlord or its contractor(s), but not less than that required by applicable law. In addition, in conjunction with delivery of the Premises to Tenant upon the Possession Date, but in no event later than the ten (10) days thereafter or within such shorter time period as may be applicable if the failure to deliver one or more of the following would impede Tenant from undertaking commencement of its Tenant's Improvements as of the Possession Date: (i) Landlord shall secure and deliver to Tenant notarized and acknowledged certifications of each contractor and subcontractor providing work or materials with respect to the Landlord's Improvements that same have been paid for in full and each contractor and subcontractor working on and/or providing materials to the project have waived or released, in writing, all statutory, contractual and similar mechanic's liens rights and privileges of all kinds whatsoever, or alternatively, Landlord shall deliver a title indemnity to Tenant's title insurer, in a form reasonably acceptable to Landlord and Tenant's title insurer, so as to allow for the removal of the exception(s) for such matters on Tenant's leasehold title policy; (ii) Landlord shall secure and deliver to Tenant the required preliminary certificate of occupancy (or the substantial equivalent under applicable State or local law), if any, to permit the use and occupancy of the Premises by Tenant for the purposes of constructing the Tenant Improvements and, thereafter, for the Permitted Use; and (iii) Landlord shall provide to Tenant its (Landlord's) notarized and acknowledged certification that the Landlord's Improvements have been paid for in full and have completed in accordance with this Lease and all plans and specifications related thereto such that the Premises, as delivered, are compliant with all applicable plans, specifications and all laws, orders, ordinances, regulations, and requirements of the proper federal, state, county, regional and local authorities.

(iv) Without limiting or amending Landlord's obligations elsewhere under this Lease as to the Premises following the Possession Date, Landlord warrants to Tenant for the term of any warranties for construction, materials, supplies or equipment, less ordinary wear and tear, that the Landlord's Improvements shall be completed by Landlord and its contractor(s) in a good and workman-like manner, free from faulty materials, in accordance with all applicable legal requirements, and sound engineering standards, and in accordance with all applicable plans, installation instructions and specifications. Such warranties shall be for a

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minimum of twelve (12) months and includes, without limitation, the repair or replacement (including labor), at Landlord's sole cost, of all materials, fixtures and equipment which are defective or which are defectively installed by Landlord, the contractors (as pertains to the Landlord's Improvements) and any subcontractors. Landlord shall, at Tenant's option, assign to Tenant, or enforce for the benefit of Tenant, all warranties from subcontractors and material suppliers for such materials, workmanship, fixtures and equipment in effect after the expiration of such eighteen (18) month warranty period. The foregoing warranty shall not include any repairs or replacements necessitated due to the negligence or intentionally wrongful acts of Tenant, or its employees, agents and/or contractors.

(b) Installation and Construction of Tenant Improvements.

(i) Tenant shall deliver to Landlord, within thirty (30) days following the CoN approval date, copies of the proposed preliminary Tenant Improvement Plans prepared by Tenant at its cost and expense (subject to Tenant's recovery of the Tenant Allowances) for Landlord's review and approval, which approval shall not be unreasonably withheld, conditioned or delayed. Landlord may deliver reasonable written objections to the proposed Tenant's Plans, and Tenant shall, as promptly as reasonably possible thereafter, submit revised plans to Landlord addressing the matters objected to by Landlord. The parties shall cooperate in good faith in attempt resolve their differences pertaining to the Tenant Improvement Plans prior to the Contingencies Deadline so that, should Tenant not terminate this Lease as may be permitted under Section 2, final Tenant Improvements Plans are approved by the parties prior to the Contingency Deadline and Tenant can thereafter proceed with the Tenant Improvements following the Possession Date as contemplated by the remainder of this Section 3(b). As contemplated by Section 2 of this Lease, once in final form and agreed upon by Landlord and Tenant, the Tenant Improvements Plans shall be incorporated into this Lease via Exhibit E hereto.

(ii) Subject to and following satisfaction of the Contingencies contemplated by Section 2 above and delivery to and acceptance in writing by Tenant of the Premises upon the Possession Date, Tenant shall be responsible for the installation and construction of all initial Tenant Improvements contemplated by the Tenant Improvement Plans. All Tenant Improvements shall be made in full compliance with all laws, regulations and requirements of all governmental agencies and authorities having jurisdiction thereof.

(iii) Neither Landlord nor any of its representatives, agents, employees, contractors, architects or any third-party may use the Tenant Improvement Plans for any purpose(s) other than as contemplated by this Lease in relation to the Premises without the prior written consent of Tenant, which consent shall be granted at the discretion of Tenant as it may elect.

(c) Tenant Allowances. Reserved.

4. Rent. All amounts, including Base Rent or any Additional Rent (including, but not limited to Operating Expenses as defined below in Section 8), to be paid by Tenant pursuant to this Lease are sometimes referred to collectively as "Rent." In the event of any failure on the part of Tenant to pay any Additional Rent, Landlord shall have all the powers, rights, and remedies provided for in this Lease, at law or in equity, or otherwise, in the case of non-payment of the Base Rent, as well as any other rights, powers and remedies provided herein. Subject to the provisions below, commencing on the Rent Commencement Date as defined in Section 1(y) (the "Rent Commencement Date") and on the first day of each month thereafter during the Term, Tenant shall pay monthly Rent in the amounts stated in Section 1(a) and Section 1(b), in advance and without set off, abatement, diminution or notice, except if otherwise required or permitted pursuant to the terms of this Lease, at the address set forth in Section 1.(v), or at such

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other place as Landlord from time to time designates in writing in the manner contemplated under this Lease. The following shall also apply to the payment of Rent:

(a) At the end of the first Lease Year and at the conclusion of every twelve (12) month Lease Year thereafter during the Term of this Lease, including applicable and exercised Renewal Term Lease Years, the amount of Base Rent payable in the next succeeding Lease year shall be adjusted in accordance with this Section 4(a) and such adjusted amount shall then be the Base Rent for such immediately succeeding Lease Year. The Base Rent for each such Lease Year after the initial Lease Year shall be increased by three percent (3%) of the Base Rent amount of the preceding Lease Year.

(b) The Premises consists of a rentable square footage which is five thousand, three hundred and forty 5,340 rentable square feet.

(c) Except as otherwise provided in this Lease, it is the intention of the parties that Landlord shall receive the Base Rents and Additional Rents payable by Tenant under this Lease free of all taxes, expenses, charges, damages and deductions of any nature whatsoever (except as otherwise provided hereinafter) and Tenant covenants and agrees to pay all sums (including, if applicable in the jurisdiction in which the Premises are situated, rent taxes as may be payable on the Rent) which except for this Lease would have been chargeable against and with respect to the Premises and payable by Landlord. Tenant shall, however, be under no obligation to pay principal or interest on any mortgage on the fee of the Premises, any franchise or income tax payable by Landlord or any other tax is imposed upon or measured by Landlord's income or profits, or any gift, inheritance, transfer, estate, or succession tax by reason of any present or future law which may be enacted during the Term of this Lease.

(d) It is the specific intention of the Landlord and the Tenant that this Lease be a so-called modified gross lease and the Base Rent shall include all tax, insurance and CAM charges and, except as specifically provided in this Lease, Landlord shall not be required to provide any service or do any act in connection with or relating to the Premises such that, except as specifically provided in this Lease, all costs and expenses and obligations of any kind and nature relating to the Premises and services provided in connection therewith shall be paid by the Tenant.

(e) All Rent payments past due from the date of their initial payment due date to Landlord for thirty (30) days or more shall bear interest at the per annum interest (the "Interest Rate") of four percent (4%) above the Prime Rate as set forth in the Wall Street Journal calculated from the delinquency date to the date of payment.

(f) In the event of any installment of Base Rent is not received within ten (10) Business Days after the due date of payment, Tenant shall pay a one-time administrative charge equal to five percent (5%) of such amount due for each late payment. Tenant shall also pay an administrative charge of two hundred fifty dollars (\$250) for each check returned for any reason not the fault of Landlord.

(g) For clarification purposes, Tenant shall not be obligated to pay any Rent from the period of the Effective Date through the Rental Commencement Date.

5. Renewals. Provided Tenant is not in breach of this Lease, Tenant shall have the right and option to renew this Lease for two (2) additional periods of five (5) years each (each a "Renewal Term"), next immediately ensuing after the expiration of the Initial Term of this Lease or, as applicable, the Renewal Period then in effect by notifying Landlord in writing not less than one hundred eighty (180) days before the expiration of, as applicable, the Initial

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Term or then existing Renewal Term of this Lease of Tenant's written exercise of its option to further renew this Lease by the subject Renewal Term. In the event that Tenant so elects to extend this Lease, then, for such extended Renewal Term period, all of the terms, covenants and conditions of this Lease shall continue to be, and shall remain, in full force and effect during such exercised Renewal Term and the Term hereof, except for the Base Rent. The Base Rent for each Renewal Term shall be calculated consistent with Section 4(a) of this Lease.

6. Condition of Premises. Tenant agrees that, except as expressly stated in this Lease, no representations or warranties with respect to the condition of the Premises and no promises to decorate, alter, repair or improve the Premises have been made by Landlord, and Tenant agrees to accept the Premises in an "AS IS WHERE IS" condition as tendered by Landlord clear of all furniture, fixtures and equipment and shall take possession as of the Possession Date.

7. Use of Premises.

(a) Tenant may occupy and use the Premises during the Term for purposes of the operation of a dialysis facility and any related, lawful use, including ancillary use as medical and business offices in conjunction therewith, together with such other use(s) as may be agreed upon from time to time by Landlord and Tenant (the "Permitted Use"). Tenant may operate during such days and hours as Tenant may determine in its sole and absolute discretion, without the imposition of minimum or maximum hours of operation by Landlord, and Tenant shall have access to the Premises with full HVAC services, and may operate, up to twenty four (24) hours per day, seven (7) days per week, three hundred sixty five (365) days per year.

Tenant will not suffer or permit the Premises to be used for any unlawful purpose and Tenant will not suffer or permit any article to be brought, or any acts to be done thereon which shall render them undesirable. Tenant will in the conduct of its business, at its own expense, comply with all applicable laws, ordinances, rules and regulations of any and all governmental authority having jurisdiction and pertaining to the Tenant's business activities conducted within the Premises. Tenant will not provide or permit any outside storage.

(b) Landlord represents that the Premises may be used by Tenant as a licensed dialysis facility and related medical and business offices under applicable laws, ordinances, rules and regulations including, without limitation, zoning laws (collectively, the "Laws").

(c) Landlord agrees that it will not lease or permit the leasing of any premises owned or controlled by Landlord for operation of a renal dialysis facility within the Property.

8. Assignment/Subletting.

(a) Tenant shall not assign this Lease, or sublet the Premises, other than to a party who is a Member of Tenant, without Landlord's prior written consent, which consent shall not be unreasonably withheld, delayed or condition, provided that said subtenant or subtenant will use the Premises for the Permitted Use and has the financial strength necessary to become a party to this Lease. Prior to any sublease or assignment, Tenant shall first notify Landlord in writing of its election to sublease all or a portion of the Premises or to assign this Lease or any interest thereunder accompanying it with said copy of the proposed sublease and related information, including financial information and financial references deemed reasonably relevant so Landlord can make an informed decision. At any time within thirty (30) days after service of said notice and receipt of the relevant information, Landlord shall notify Tenant that it consents or refuses to

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consent to the sublease or assignment. A failure by Landlord to respond within such thirty (30) day period shall be deemed to be a consent. Landlord shall be entitled to a copy of the final executed sublease.

(b) Landlord shall not have the right to recapture any sublease or assignment space. Any denial of such sublease or assignment by Landlord as hereinabove provided must be predicated upon a commercially reasonable basis for such denial. Landlord shall be entitled to fifty percent (50%) of any net profits paid to Tenant by such sublessee or assignee in connection with a sublease or assignment in excess of Tenant's Rent obligations hereunder, which "net profits" shall be calculated after deducting the costs incurred by Tenant in connection with the portions of the Premises subject to the subletting or assignment, which shall include, but not be limited to, legal fees, rental abatement, vacancy period, allowances, unamortized Tenant Improvements, improvements and alterations for the benefit of such sublessee or assignee, leasing commissions and the time to sublease or assign and remodel the Premises. Tenant shall, upon presenting a sublease or assignment for Landlord's consent when required, provide Landlord with a check in the amount of two thousand five hundred dollars (\$2,500) to defray the costs to the Landlord associated with reviewing and negotiating any such sublease or assignment. Notwithstanding the foregoing, no consent of Landlord nor any cost defrayment payment is required for or of Tenant to sublet or license any portion or all of the Premises or to assign or otherwise transfer (by operation of law or otherwise) this Lease or any of its rights hereunder:

(i) to any person, corporation, partnership or other entity which acquires all or substantially all of the business or assets of Tenant or stock in Tenant;

(ii) to any person, corporation, partnership or other entity which controls, is controlled by or is under common control with Tenant; or

(iii) to any affiliate (within the meaning of such term as set forth in Rule 501 of Regulation D under the Federal Securities Act of 1933) of Tenant.

A failure by Landlord to respond within such thirty (30) day period shall be deemed to be a consent. Tenant and Tenant's sublessee, licensee, assignee or other transferee shall provide notice of any transfer or assignment of this Lease described in subsections (i), (ii), (iii) or (iv) immediately above not less than fifteen (15) days prior to the effective date of the anticipated effective date of such sublease, license, transfer or assignment, unless prohibited by law and then, if so prohibited by law, within twenty (20) Business Days after the date of such transfer or assignment.

(c) No sublease, license, assignment or other transfer, in whole or in part, of any of Tenant's rights or obligations under this Lease shall be or operate as a release of Tenant hereunder and Tenant shall remain responsible for performing Tenant's obligations hereunder should Tenant's assignee or transferee fail to perform any such obligations.

(d) Landlord hereby consents to a collateral assignment or mortgage of this Lease by Tenant to Tenant's lender(s); provided, however, Tenant shall be and remain liable for the performance of this Lease.

9. Operating Expenses; and Utilities.

(a) As of the Rent Commencement Date and for the Initial Term and any Renewal Term(s), as and if exercised by Tenant, and for any holdover periods, but at all times subject to the reconciliation as regards the actual costs thereof and to its audit rights provided for under this Lease, Tenant shall pay Tenant's Proportionate Share of Real Estate Taxes, CAM

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Charges and Insurance Expenses incurred by Landlord with respect to the Property which shall be inclusive of the Base Rent set forth herein. For reference purposes, Real Estate Taxes, CAM Charges and Insurance Expenses are collectively referred to as the "Operating Expenses". Within thirty (30) days after the actual Operating Expenses for a calendar year are determined by Landlord but in no event later than April 1 of the immediately following calendar year, Landlord shall provide Tenant with a written statement setting forth in reasonable detail by category such actual Operating Expenses for the immediately preceding calendar year and Tenant, within thirty (30) days after Tenant's receipt of such statement, shall pay to Landlord any deficiency, which obligation shall survive the expiration or termination of this Lease. If such statement shows an overpayment by Tenant, then any surplus paid by Tenant shall be credited to Tenant's next monthly installment(s) of Operating Expenses or, if this Lease has expired or been terminated for reasons other than Tenant's breach or default, be paid to Tenant within thirty (30) days of such expiration or termination of this Lease. Landlord represents that the Building rentable area has been and will be throughout the Term determined without reference to whether such area is actually leased or otherwise occupied.

(b) Tenant's Proportionate Share of Operating Expenses for the first Lease Year shall be based on 2010 charges (the "Base Year") is estimated at \$0.75 per square foot, such amount already inclusive in the \$14.00 per square foot Base Rent. Tenant shall be responsible for its Proportionate Share of any increase in Operating Expenses above the Base Year. Following the first Lease Year, the Controllable Operating Expenses (as hereinafter defined) portion of Tenant's Operating Expenses shall not increase by more than five percent (5%) over the previous Lease Year Controllable Operating Expenses, on a cumulative basis. "Controllable Operating Expenses" shall mean only those items included in Operating Expenses where the cost or expense thereof shall be within the reasonable ability of Landlord to control but shall expressly exclude real estate taxes. At Tenant's request, Landlord shall assist in a request for an abatement or other similar request as it relates to such real estate taxes.

(c) Tenant shall pay for all utilities and other services necessary in the operation of the Premises, including but not be limited to, water, gas, electrical, telephone and other utility charges and expenses for plumbing, HVAC. The Landlord shall, within or the Premises, only be responsible for expenses associated with the roof, foundation (excluding any flooring slab installed or constructed by Tenant) and structure of the Premises, including, together with the remainder of the Building and Property. The Premises shall be separately metered by Landlord for all utilities, including gas, water and electricity. Tenant shall have the right, at Tenant's sole cost and expense, to install, operate and maintain a diesel or natural gas powered emergency back-up generator outside of the Premises in the location reasonably acceptable to Landlord and Tenant pursuant to Section 38 below. However, Tenant agrees that an above ground storage tank will not be utilized except for the generator. Tenant shall bear the entire liability of the installation, operation, and maintenance of said generator and agrees to indemnify and hold Landlord harmless for matters related thereto. Further, to the extent any underground storage tank is utilized in association with the generator, upon termination or non-renewal hereof, Tenant shall be required to restore/reclaim the site to its pre-installation, uncontaminated state (including tank removal and landscaping).

(d) Tenant may in good faith contest the amount or validity of any imposition of Real Estate Taxes described in this Section 9 by appropriate proceedings. However, Tenant shall promptly pay such imposition or place other reasonably appropriate security with Landlord in escrow to cover such amounts during such proceedings, unless such proceedings shall operate to prevent or stay the collection of the imposition of such Real Estate Taxes so contested. Landlord, at Tenant's sole expense, shall join in any such contestation proceedings if any Law shall so require. The Tenant shall be liable for all taxes (if any) levied against any leasehold interest of the Tenant or personal property and trade fixtures owned or placed by the Tenant in the Premises.

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(e) In the event that Base Rent shall be prorated or shall abate pursuant to the terms of this Lease then the Additional Rent shall also be prorated or abated to the same extent and in the same manner, unless otherwise specifically provided for in this Lease.

(f) Notwithstanding the foregoing, the term "Operating Expenses" does not and shall not include any of the following:

- (i) depreciation;
- (ii) principal, interest on and amortization of debt or financing on the Property or interest therein;
- (iii) the cost of leasehold improvements, including redecorating work, for other tenants or occupants of any portions of the Property, together with any increase(s) in Real Estate Taxes or Insurance Expense resulting therefrom;
- (iv) fees and expenses (including, without limitation, rental concessions, allowances, inducements, advertising, legal and brokerage fees) for procuring new tenants for any portions of the Property (except for those incurred due to Tenant's breach hereof) or for settling disputes with other tenants of the Property;
- (v) costs incurred in financing or refinancing the Property, or any portion(s) thereof;
- (vi) the cost of any work or service performed for any tenant in the Building or within the Property (other than Tenant) to a materially greater extent or in a materially more favorable manner than that furnished generally to tenants (including Tenant) in the Building or of the Property;
- (vii) the cost of any item included in Operating Expenses to the extent that Landlord is actually reimbursed for such cost by an insurance company, a condemning authority, another tenant or any other party;
- (viii) ground rents or rents payable under any master lease with respect to the Property or any portion(s) thereof;
- (ix) wages, salaries or other compensation paid to any employees at or below the grade of building manager, and in any event, salaries or other compensation paid to employees above such grade except for salaries and wages of employee, including, but not limited to those fulfilling an accounting or bookkeeping function, whose time is spent directly and solely in the operation, maintenance or repair of the Building or other aspects of the Property, provided Landlord shall be entitled to no more than 5% of CAM Charges to be collected as a manager fee;
- (x) wages, salaries or other compensation paid for clerks or attendants in concessions or newsstands operated by Landlord or an affiliate of Landlord;
- (xi) the cost of correcting defects (latent or otherwise) in the construction of the Building or in the Building equipment, except that conditions (other than construction defects) resulting from ordinary wear and tear shall not be considered defects for purposes hereof;

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(xii) the cost of installing, operating and maintain any specialty service (e.g., observatory, broadcasting facility, luncheon club, retail stores, newsstands or recreational club) unless undertaken within the Premises at Tenant's request;

(xiii) any costs representing an amount paid to an entity related to Landlord which is in excess of the amount which would have been paid absent such relationship to an independent and unaffiliated entity or provider;

(xiv) any expenses for repairs or maintenance to the extent covered by warranties or service contracts;

(xv) any type of utility service which is separately metered to or separately charged or paid by Tenant or any other Tenant in the Building, including, without limitation, water and sewer charges, charges for natural gas, and the cost of electricity, air conditioning, heat or ventilation, unless paid for the benefit of Tenant as a result of Tenant's breach hereof;

(xvi) the cost of any environmental remediation for which Landlord is responsible under Section 11 of this Lease;

(xvii) Repairs necessitated by the negligence of Landlord or, if and as applicable, tenants other than Tenant, and repairs required to cure violations of laws with respect to the Property as of Effective Date or thereafter not precipitated by Tenant's use of the Premises;

(xviii) Lien amounts, interest and penalties, as well as expenses, including legal expenses and attorneys fees, incurred by Landlord as result of its failure to pay, in a timely fashion or otherwise, taxes, assessments or other sums due from Landlord to any governmental body, any property owners association, and condominium association or similar third-party; and

(xix) any cost, fee and/or other expenditure whatsoever of or pertaining to any capital acquisition or improvement, including, without limitation, with respect to any portion of the Property or made for, to or in any of the Property, provided that, in the event any such capital acquisition or improvement made within the Common Area otherwise results in a net reduction of aggregate CAM Charges, the cost of such capital acquisition or improvement may be included in CAM Charges only to the extent of such net reduction in CAM Charges over the reasonable life of such capital acquisition or improvement as determined in accordance with generally accepted accounting principles ("GAAP") on a straight line basis and with only the amortized amount of the costs and expenses of those improvements, repairs or modifications attributable to a calendar year being an element of the Operating Expenses in that particular calendar year.

(g) Landlord shall maintain accurate and complete records of the Operating Expenses for each calendar year, and such Operating Expenses shall be determined and proportionately allocated to each full calendar year or partial calendar year, without duplication, all in accordance with generally accepted accounting principles, consistently applied. All Operating Expenses shall be entirely net of rebates, credits and similar items of which Landlord receives the benefit. The records shall be kept at Landlord's principal office. Records shall be maintained until the second (2nd) anniversary of the date on which Tenant receives Landlord's annual statement with respect to such Operating Expenses. Until the second (2nd) anniversary of the date on which each annual Operating Expenses statement is received by Tenant, Tenant shall have the right, upon reasonable prior notice, to inspect and audit all records of Landlord with respect to the Operating Expenses for the year as to which the statement is rendered (but not more

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than once with respect to each annual Operating Expenses statement). Tenant may exercise the right to inspect and audit only during Landlord's regular operating hours. During any inspection or audit, Tenant's representatives may request printouts of records maintained in computer memory and Landlord shall deliver the printouts to Tenant's representatives, and Tenant may make copies of Landlord's records. Tenant shall reimburse Landlord for the reasonable cost of the printouts and copies. The audit shall be conducted in accordance with generally accepted auditing standards. If Tenant fails to inspect or audit the records for any Lease Year on or before the second (2nd) anniversary of the date on which the statement for the year is received by Tenant, the statement shall conclusively be deemed to be accurate. If Tenant's Share of the Operating Expenses on any statement is found to be overstated by more than three percent (3%), Landlord shall reimburse Tenant for the reasonable cost of the audit and Landlord shall also reimburse Tenant for any amount billed to Tenant and paid by Tenant which should not have been billed. If Landlord shall fail to reimburse Tenant for any amount which may be due to Tenant hereunder, Tenant shall have the right to deduct such amount from Operating Expenses thereafter due to Landlord. Tenant's right to a reimbursement shall survive the expiration or sooner termination of the Lease. Tenant shall not be deemed in default of its obligation under this Lease due to non-payment of Operating Expenses during such reasonable period of time as it contests such Operating Expenses in good faith, provided that Tenant shall have paid, as required by this Lease, Tenant's Proportionate Share of the Operating Expenses which are not in dispute. If, following Tenant's inspection of Landlord's books and records, Landlord and Tenant are unable to agree as to whether the amounts paid by Tenant for Operating Expenses for any prior year exceeded or were less than, the actual amount payable by Tenant, the dispute shall be submitted to an independent certified public accountant who shall be reasonably acceptable to both Landlord and Tenant and the determination of the independent shall be binding upon Landlord and Tenant. If such certified public accountant shall determine that the amount paid by Tenant for Operating Expenses for any prior year exceeded the actual amount payable by Tenant, for such year, the amount of such overpayment shall be refunded to Tenant within 30 days, failing which Tenant shall have the right to deduct such amount from any Operating Expenses thereafter due to Landlord and Landlord shall pay the entire cost of the audit. If such certified public accountant shall determine that the amount paid by Tenant for Operating Expenses for any prior year did not exceed the actual amount payable by Tenant for such prior year, Tenant shall pay the entire cost of such audit. If such certified public accountant shall determine that the amount paid by Tenant for Operating Expenses for any prior year was less than the actual amount payable by Tenant for such year, the amount of such underpayment shall be promptly paid to Landlord on demand, failing which Landlord shall have the right to add such amount to Rent thereafter due to Landlord and Tenant shall pay the entire cost of the audit.

10. Alterations/Signage.

(a) Following completion of those Landlord's Improvements and Tenant Improvements contemplated under Section 3 of this Lease, Tenant shall not, except as set forth below, make any further alterations, additions, or leasehold improvements to the Premises (collectively, the "Alterations" or "Tenant's Alterations") during the Term without Landlord's prior written consent in each and every instance, such consent not to be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, Tenant shall have the right to make reasonable, non-structural Alterations to the Premises during each Lease Year without Landlord's consent. All Alterations which may be made by Tenant shall be the property of Tenant, and Tenant shall be entitled to remove from the Premises during and at the expiration or earlier termination of the Term all Alterations, Tenant Improvements and any and all Tenant's Personal Property (as defined in Section 9(d)) installed or located on or in the Premises provided that Tenant repair any and all damages done by the removal of the foregoing. All Tenant Improvements and Alterations which Tenant does not elect to remove at the expiration or earlier termination of this Lease shall be surrendered with the Premises.

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(b) At Landlord's sole costs and expense, Landlord shall provide Tenant with suite and directory signage at the Premises. Tenant shall have the right to affix Tenant's standard signage, at the Premises, including a sign on the exterior monument sign as well as exterior Building signage that will face Shamrock Lane. All such signs shall comply with all applicable Laws and shall be subject to local governmental permits and Landlord's prior approval as to design and placement, which approval shall not be unreasonably withheld, conditioned or delayed.

(c) To the maximum extent permitted by applicable Laws, Landlord hereby waives any and all rights which Landlord may have, as to any of Tenant's furniture, trade fixtures, equipment or other personal property of any nature whatsoever (collectively, the "Tenant's Personal Property"), Tenant Improvements and Tenant's Alterations, in the nature of a Landlord's lien, security interest or otherwise and further waives the right to enforce any such lien or security interest. Landlord agrees that Tenant's Personal Property (including any hereafter acquired property) shall not become part of the Premises regardless of the manner in which the same may be attached or affixed to the Premises. Landlord agrees that it will not prevent any lender of Tenant, or such lender's designee, from entering upon the Premises during and at the expiration or earlier termination of the Term to inspect and remove Tenant's Personal Property, Tenant's Improvements and/or Tenant's Alterations. Additionally, if Landlord intends to terminate this Lease or otherwise exercise any rights granted under this Lease or available at law to Landlord to require Tenant to surrender the Premises, Landlord agrees to promptly notify Tenant's lender (of which Landlord has received written notice from Tenant, including such lender's name, notice address and telephone number). Landlord shall grant to such lender the right to subsequently enter upon the Premises to, within a reasonable time thereafter, assemble, have appraised, sever, remove, maintain, inspect, repair, lease and/or transfer Tenant's Personal Property, Tenant's Improvements and/or Tenant's Alterations, provided that such lender shall in any such case repair any damage to the Premises arising from such activities. Further, nothing in this Lease shall give Landlord the right to use, possess or retain any of Tenant's records, files, patient's names or records.

11. Environmental.

(a) Tenant shall not cause or permit any hazardous or toxic substances, materials or waste, including, without limitation, medical waste and asbestos ("Hazardous Substances") to be used, generated, stored or disposed of in, on or under, or transported to or from the Premises unless such Hazardous Substances are reasonably necessary for Tenant's business conducted in the Premises; provided, however, Tenant shall at all times and in all respects comply with the Laws, whether now in existence or hereafter adopted relating to Hazardous Substances or otherwise pertaining to the environment (the "Environmental Laws") and further provided that Tenant shall periodically cause to be removed from the Premises such Hazardous Substances placed thereon by Tenant or Tenant's agents, servants, employees, guests, invitees and/or independent contractors in accordance with good business practices, such removal to be strictly performed in accordance with the Environmental Laws by persons or entities duly qualified and, if applicable, licensed and certified to handle and dispose of Hazardous Substances. Without limiting the generality of the foregoing, Landlord acknowledges that the following Hazardous Substances, among others, are required for Tenant's business operations and may therefore be maintained, stored and used within and upon the Premises: bleach, cidex, hibiclens, metrocide, hydrogen peroxide, and formaldehyde. Upon the expiration or earlier termination of this Lease, Tenant shall cause all Hazardous Substances placed on the Premises by Tenant to be removed, at Tenant's cost and expense, from the Premises and disposed of in accordance with the Environmental Laws.

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(b) Tenant shall indemnify, defend (by counsel reasonably acceptable to Landlord), protect, and hold Landlord harmless, from and against any and all claims, liabilities, penalties, fines, judgment, forfeitures, losses, costs (including remediation and clean-up costs) or expenses (including reasonable attorneys' fees, consultant's fees and expert's fees) for the death of or injury to any person or damage to any property whatsoever, arising from or caused in whole or in part, directly or indirectly, by (i) the presence on or after the Commencement Date in, on, under, or about the Premises of any Hazardous Substances caused by Tenant or Tenant's agents, servants, employees, and/or independent contractors; (ii) any discharge or release by Tenant or its agents, servants, employees, and/or independent contractors on or after the Commencement Date in, on or from the Premises of any Hazardous Substances; (iii) Tenant's use, storage, transportation, generation, disposal, release or discharge on or after the Commencement Date of Hazardous Substances, to, in, on, under, about or from the Premises; or (iv) Tenant's failure on or after the Commencement Date to comply with any Environmental Law applicable to Tenant's business operations within the Premises. Tenant's indemnity obligation set forth in this Section 11 shall survive the expiration or termination of this Lease for a period of two (2) years.

(c) Landlord shall indemnify, defend (by counsel reasonably acceptable to Tenant), protect, and hold Tenant harmless, from and against any and all claims, liabilities, penalties, fines, judgment, forfeitures, losses, costs (including clean-up costs) or expenses (including reasonable attorneys' fees, consultant's fees and expert's fees) for the death of or injury to any person or damage to any property whatsoever, arising from or caused in whole or in part, directly or indirectly, by (i) the presence prior to the Commencement Date in, on, under, or about the Premises or Property of any Hazardous Substances; (ii) any discharge or release prior to the Commencement Date in or from the Premises or Property of any Hazardous Substances; (iii) the use, storage, transportation, generation, disposal, release or discharge of Hazardous Substances by Landlord or Landlord's agents, servants, employees, guests, invitees and/or independent contractors, to, in, on, under, about or from the Premises or the Property; (iv) Landlord's failure to comply with any Environmental Law with respect to the Property; or (v) any Hazardous Substances to the extent not due to any act or omission of Tenant or its agents, servants, employees, guests, invitees and/or independent contractors. Landlord agrees to remediate at Landlord's sole cost and expense immediately upon receipt of notice from Tenant any condition described in (i) through (v) of the previous sentence.

(d) Landlord represents and warrants to Tenant that as of the Effective Date and to the best of Landlord's knowledge, without investigation, there are no Hazardous Substances on the Premises or any portions of the Property to which access and use for the benefit of Tenant and Tenant's agents, servants, employees, guests, invitees and/or independent contractors is contemplated under this Lease, including asbestos. Landlord has received no notice from, and is not aware of any notice issued by, any governmental or private entity relating to Hazardous Substances with respect to any portion of the Property, including the Premises. Tenant shall promptly deliver to Landlord copies of all notices made by Tenant to, or received by Tenant from, any state, county, municipal or other agency having authority to enforce any environmental law ("Enforcement Agency") or from the United States Occupational Safety and Health Administration concerning environmental matters or Hazardous Substances at the Premises. Landlord shall promptly deliver to Tenant copies of all notices received by Landlord from any Enforcement Agency or from the United States Occupational Safety and Health Administration concerning environmental matters or Hazardous Substances with respect to the Property.

12. Damage to Premises and/or Property by Fire or Casualty.

(a) In the event the Premises shall be damaged by fire or other casualty during the Term of this Lease, whereby the same shall be rendered untenable, then:

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(i) if the damage to the Premises is so substantial ("Substantial Damage") that (1) the repair, restoration or rehabilitation of the Substantial Damage cannot reasonably be expected to be substantially completed to allow for recommencement of operations therein within one hundred eighty (180) days from the date of occurrence of such Substantial Damage, or (2) so much of the Premises is destroyed or rendered untenable by such fire or other casualty as to make use of the Premises as a dialysis facility operating at least fifty percent (50%) of the dialysis stations certified by the Centers for Medicare and Medicaid Services operating immediately prior to the fire or casualty inoperable, or (3) such Substantial Damage materially interferes with pedestrian or vehicular ingress or egress to the Premises or parking on the Land in near proximity to the Premises, then, in the event any one or more of the foregoing (i), (ii) or (iii) should take place, Tenant may elect to terminate this Lease by giving written notice to Landlord within thirty (30) days of the date of such fire or casualty, or

(ii) if this Lease is not so terminated under Section 12(a)(i) immediately above, upon receipt of the insurance proceeds, Landlord shall proceed with all due diligence to repair, restore or rehabilitate the Premises to substantially their former condition immediately prior to such Substantial Damage and as provided in this Lease, at Landlord's expense.

(b) In the event that the Premises and/or any portions of the Property providing ingress, egress and parking to, from and for the Premises are partially damaged, but not to the level of Substantial Damage, by fire or other casualty, upon receipt of the insurance proceeds Landlord shall immediately proceed with all due diligence to repair and restore the Premises.

(c) In all events under Section 12(a) above, if the Premises are, in whole or part, rendered untenable or inaccessible by fire or other casualty, there shall be an equitable abatement of Rent due Landlord by Tenant for the period of time during which the Premises are untenable or inaccessible and as to all portions of the Premises which are untenable and/or inaccessible. If, within sixty (60) days of receipt of insurance proceeds applicable to such fire or casualty, Landlord shall fail to timely commence and thereafter diligently and continuously pursue to completion the repair of any damage by fire or casualty being the responsibility of Landlord under this Lease such that full recommencement of Tenant's operations within the Premises within one hundred eighty (180) days from the date of occurrence of such fire or other casualty, then Tenant shall again have the option, in Tenant's sole and absolute discretion, to terminate this Lease by written notice to Landlord. In the event of any termination of this Lease under this Section 12, the Rent shall be paid only to the date of occurrence of such fire or casualty.

(d) Notwithstanding the foregoing provisions of this Section 12, in the event that insurance proceeds applicable and payable with respect to Alterations and Tenant's Improvements constructed by Tenant at its expense are paid to Tenant, Tenant shall be responsible for diligently restoring such Alterations and Tenant's Improvements: provided, however, that the Rent abatement provided for shall then continue during such period of Landlord's restoration only. In the event that Landlord does not restore the Premises or other portions of the Property critical to the operations by Tenant within the Premises such that this Lease is subsequently terminated, Tenant may retain all insurance proceeds applicable to Alterations and Tenant Improvements Tenant's Improvements constructed by Tenant at Tenant's expense. In all events, Landlord shall be responsible for restoring all Landlord's Improvements constructed by Landlord within or for the benefit of the Premises.

13. Eminent Domain. If the Premises shall be taken or condemned for any public or quasi-public use or purpose in its entirety, the Term of this Lease shall end upon, and

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not before, the date of the taking of possession by the condemning authority, and without apportionment of the award. Tenant hereby assigns to Landlord, Tenant's interest in such award, if any, except for any portion of the award which compensates Tenant for its relocation expenses and the unamortized value of Tenant's Alterations and Tenant Improvements, and all of which shall be payable to and recoverable by Tenant. Rent shall be apportioned as of the date of such termination. If there is a taking or condemnation of a Substantial Part of the Premises (as defined below), then, in such event, Tenant shall have the right to terminate this Lease by giving Landlord not less than thirty (30) days written notice prior to the date of cancellation designated in the notice but in any event not later than sixty (60) days of the date Tenant is notified by Landlord of the scope of such taking or condemnation or substantial change or restriction of access, in which event Rent shall be apportioned as of the date of such termination. A taking or condemnation of a "Substantial Part of the Premises" or a taking or condemnation of a Substantial Part of the Parking is defined as such a taking or condemnation as: (1) renders impracticable the use of the Premises as a dialysis facility operating at least fifty (50%) of the dialysis stations certified by the Centers for Medicare and Medicaid Services operating immediately prior to such taking or condemnation or (2) results in a material reduction in the Parking Spaces (as defined in Section 22) available to Tenant for Tenant's use on a non-exclusive or exclusive basis so that there is no longer adequate parking for Tenant's employees, agents, representatives, contractors, guests, invitees and patients; or (3) adversely and substantially affects ingress and egress to the Property, including the Premises, causing material hardship to Tenant and its operations of the Premises for the Permitted Use. No money or other consideration shall be payable by Landlord to Tenant or Tenant to Landlord for the right of cancellation, and Tenant shall have no right to share in the condemnation award or in any judgment for damages caused by such taking or the change or restriction of access except to the extent any such award attributes value to Tenant's Alterations, Tenant Improvements and/or relocation expenses; provided, however, nothing shall prohibit Tenant from instituting any separate action against the condemning or taking authority. Landlord represents that, as of the Effective Date hereof, it has no knowledge, without investigation, of any taking or condemnation, actual or threatened, regarding any portion of the Property or the Premises or as may impact access to or from any street adjacent to the Property. In the event of any taking or condemnation involving the Premises or access to or from any street adjacent to the Premises which does not result in the termination of this Lease, Landlord shall restore the Premises to substantially the condition prior to such taking with all due diligence and Rent shall abate in proportion to the untenability of the Premises during the period of restoration and, to the extent appropriate, for the remainder of the Term.

14. Right of Entry by Landlord.

(a) Landlord, or any of Landlord's agents, shall have the right to enter said Premises, in the accompaniment of a Tenant representative, during all reasonable hours and upon at least twenty-four (24) hours prior notice (except in cases of Emergency as defined in Section 21 below), to examine the same. Also, Landlord, or any of Landlord's agents, shall have the right to enter said Premises, in the accompaniment of a Tenant representative, during all reasonable hours and upon at least twenty-four (24) hours prior notice to exhibit said Premises and to put or keep upon the doors or windows thereof a notice "For Rent" at anytime within ninety (90) days before the Termination Date of this Lease. Landlord and its employees, representatives and agent shall at all times abide by reasonable rules and regulations established by Tenant with respect to the operations of the Premises for the Permitted Use, including, without limitation, those intended to maintain the confidentiality of information pertaining to its guests, invitees and patients.

(b) Any work done by Landlord to Premises shall be performed to minimize interference with the operations of Tenant (except in Emergencies) unless Tenant, in the exercise of Tenant's reasonable discretion otherwise agrees. Any restoration work or alteration work at the Premises which is necessitated by or results from Landlord's entry as described in subsection

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(a) immediately above, including, without limitation, any work necessary to conceal any element whose presence is permitted hereunder, shall be performed by Landlord at Landlord's expense or, at Tenant's election, by Tenant on Landlord's behalf and at Landlord's sole cost and expense. Landlord shall be liable for all loss, damage, or injury to persons or property and shall indemnify and hold Tenant harmless from all claims, losses, costs, expenses and liability, including reasonable attorneys' fees resulting from Landlord's entry except to the extent caused by the negligent or intentional act of Tenant or Tenant's contractors, agents, employees or licensees. If Landlord's entry into the Premises pursuant to this Lease interferes with the conduct by Tenant of its business to such an extent that Tenant, in the exercise of its reasonable business judgment, must close the entire Premises for business for two (2) or more Business Days, then Rent shall totally abate for each day or portion thereof that such interference continues.

15. Mutual Indemnity. Excepting due to Landlord's negligence or willful misconduct, Tenant agrees to indemnify Landlord and save hold Landlord harmless from any and all liability, claims and loss for personal injury or property damage, or both, sustained or claimed to have been sustained by any person or persons, or property in, upon or about the Premises caused or brought about by the act or neglect of Tenant, Tenant's agents, servants or employees. Excepting due to the negligence or willful misconduct of Tenant, Tenant's servants, agents or employees, Landlord agrees to indemnify Tenant and save hold Tenant harmless from any and all liability, claims and loss for personal injury or property damage, or both, sustained or claimed to have been sustained by any person or persons, or property in, upon or about the Property caused or brought about by the act or neglect of Landlord, Landlord's agents, servants or employees. The indemnities set forth in this Section 14 shall survive the expiration or earlier termination of the Term of this Lease for a period of two (2) calendar years.

16. Default and Remedies.

(a) Tenant Default and Landlord Remedies. The following shall be deemed a default under the Lease (each such failure being herein sometimes referred to as a "Tenant Default"): i) if Tenant defaults in the payment of Rent hereunder and, after notice from Landlord, such Rent remains due and unpaid for five (5) Business Days; or ii) should the Tenant default in the performance of any other provisions of this Lease and such Tenant Default is not cured within thirty (30) days following written notice from Landlord specifying such Tenant Default (unless such Tenant Default is not reasonably capable of being cured within such thirty (30) day period and Tenant is diligently prosecuting such cure to completion and in which case Tenant shall have such additional time reasonably necessary to complete such curative action); or iii) should Tenant be adjudged bankrupt, or should Tenant make an assignment for the benefit of its creditors, or should a receiver be appointed for Tenant and such receiver is not dismissed within forty five (45) days of his appointment; or iv) should Tenant abandon the Premises and, upon written notice from Landlord, fail to retake the Premises and continue its leasehold obligations under this Lease within thirty (30) days thereafter, provided that the failure by Tenant to commence business operations within the Premises or the subsequent cessation of business operations and/or vacation of the Premises, or any portion thereof, by Tenant shall not be deemed an abandonment under this Lease so long as Tenant or, as applicable, its successor(s), assign(s), sublessee(s) or licensee(s), is (are) complying with the rental obligations as payable to Landlord hereunder and is (are) otherwise maintaining the Premises as contemplated of Tenant under this Lease. Notwithstanding the foregoing, if Landlord has sent to Tenant a notice of any Tenant Default, even though such alleged default has been cured and this Lease not terminated, and during the immediately ensuing twelve month subsequent period Landlord sends another notice of default alleging the same Tenant Default (the "Subsequent Default"), the Subsequent Default shall be deemed an immediate default and for which no grace period or time to cure shall be allowed by Landlord, regardless if any statute which may otherwise create such grace period. In the event of a Tenant Default, Landlord, at Landlord's option, may: (i) exercise its right of self-

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help by re-entering and repossessing the Premises and terminate this Lease by written notice to Tenant without process of law and without accepting a surrender thereof and without terminating the Lease. However, neither the termination of Tenant's rights to occupy the Premises, nor the re-entry by Landlord shall relieve Tenant of Tenant's obligation to pay all amounts owed Landlord under any provision of this Lease during any remaining portion of the Term; or (ii) remedy such breach or default of Tenant and, in connection therewith, incur expenses for the account of Tenant, and any and all such sums expended or obligations incurred by Landlord in connection therewith shall be paid by Tenant to Landlord upon demand, and if Tenant fails to immediately reimburse and pay same to Landlord, Landlord may, in addition to any other right or remedy that Landlord may have under this Lease or at law or in equity, may add such amount (together with interest thereon at the maximum rate permitted by applicable law from the date of any such expenditure by Landlord until the date of repayment thereof by Tenant to Landlord) to subsequent installments of Rent and other charges (if any) that from time to time thereafter may become due and payable by Tenant to Landlord hereunder or iii) Landlord may exercise any other legal or equitable right or remedy which it may have. Landlord's failure to exercise Landlord's right to cure such defaults shall not be deemed a breach of the Lease nor a waiver or release by Landlord of any of Tenant's obligations under the Lease. Upon and after termination of this Lease, if Landlord elects such remedy, Landlord shall make a commercially reasonable effort to relet the Premises or any part thereof to any person, firm or corporation other than Tenant for such rent, for such time and upon such terms as Landlord in Landlord's discretion shall determine. If the consideration, to be collected by Landlord upon any such reletting (including cost for repair and remodeling, legal fees, and free rent will not be sufficient to pay the full amount of the Rent and additional rent reserved in this Lease and all other monies to be paid by Tenant, Tenant shall pay to Landlord the amount of such deficiency (including reasonable attorney's fees) upon demand. If this Lease is terminated by Landlord or if Landlord re-enters the Premises, Tenant shall remain liable for any Rent and damages which may be due and as additional damages and a sum for liquidated damages equal to all of the Rent which would but for this termination or re-entry of this Lease, would have become due during the remainder of the lease term, less any rent received from the reletting as provided above. For purposes of computing Operating Expenses as part of Liquidated Damages the average monthly amount paid for the 12 months prior to such termination shall be used in computing said Liquidated Damages.

(b) Landlord Default and Tenant Remedies. Subject to the terms and provisions herein below, and in addition to any other remedy expressly available to Tenant pursuant to this Lease or at law or in equity, should Landlord fail to perform any term or covenant under this Lease (each and any such failure being herein sometimes referred to as a "Landlord Default") and if any such Landlord Default shall not be cured or Landlord shall fail to diligently prosecute to cure where such Landlord Default is not reasonably capable of being cured within such thirty (30) day period and such failure shall continue for thirty (30) days following written notice by certified mail by Tenant to Landlord of such Landlord Default (in the event that such Landlord Default consists of a breach or failure by Landlord to pay any monetary amount due and payable by Landlord to Tenant) or sixty (60) days following written notice by certified mail by Tenant to Landlord of such Landlord Default (in the event such default consists of a breach or failure by Landlord to comply with any obligation of Landlord other than one involving the payment of a monetary amount payable by Landlord to Tenant hereunder)), then, in either such event, Tenant shall have the option of: (i) abating or withholding Rent; or (ii) remedying such Landlord Default and, in connection therewith, incurring expenses for the account of Landlord, and any and all such sums expended or obligations incurred by Tenant in connection therewith shall be paid by Landlord to Tenant upon demand, and if Landlord fails to immediately reimburse and pay same to Tenant, Tenant may, in addition to any other right or remedy that Tenant may have under this Lease, deduct such amount (together with interest thereon at the maximum rate permitted by applicable law from the date of any such expenditure by Tenant until the date of repayment thereof by Landlord to Tenant) from subsequent installments of Tenant and other

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charges (if any) that from time to time thereafter may become due and payable by Tenant to Landlord hereunder. Any such abatement or deduction shall not constitute a default by Tenant unless Tenant shall fail to pay the amount of such abatement or deduction to Landlord within thirty (30) days after final adjudication that such amount is owing to Landlord. Notwithstanding the foregoing, in all events Tenant shall have the right to remedy any Landlord Default without prior notice in the event of an emergency (so long as Tenant gives notice within a reasonable period of time thereafter) and invoice Landlord and abate Rent (if necessary) in the manner set forth in the preceding sentences of this Section 16.

(c) Remedies Cumulative. All rights and remedies of either party set forth in this Lease are in addition to all other rights and remedies available to such party at law or in equity and are expressly declared to be cumulative. The exercise by either party of any such right or remedy shall not prevent the concurrent or subsequent exercise of any other right or remedy; provided, however, only actual damages, and not any exemplary, special, consequential or similar damages, shall be recoverable upon an event of uncured default by either party. No delay or failure by either party to exercise or enforce any of such party's rights or remedies or the other party's obligations shall constitute a waiver of any such rights, remedies or obligations.

17. Insurance.

(a) Tenant from and after Possession, covenants and agrees to keep the Premises and contents insured for full replacement value against loss by fire and casualty, under an all risk policy with extended coverage endorsements, said insurance to at all times reflect the interest of the Landlord and Tenant as their interests may appear. In addition thereto, Tenant shall obtain and keep in force and provide Landlord with a copy of, with respect to the Premises, comprehensive general liability insurance in a minimum amount of One Million Dollars (\$1,000,000.00) per claim and Three Million dollars (\$3,000,000.00) in the aggregate for both bodily injury and property damage from A+ rated insurance company (Best or similar rating bureau) licensed to do business in the state of Illinois. Such policy shall name Landlord as an additional insured.

(b) Tenant may carry any insurance required by this Lease under a blanket policy provided that the coverage thereunder for the Premises shall not be diminished by occurrences elsewhere.

(c) Each policy shall provide that the Tenant shall give to Landlord twenty (20) days written notice prior to any cancellation of or changes to the policy.

(d) Landlord agrees at all times during the Term, to maintain policies of all risk property insurance on the Building, such insurance to be at least in an amount equal to the full replacement value of the Building, excluding foundations and footings. The cost of said policy shall be borne proportionately by Tenant as Operating Expenses. Landlord shall have the right to obtain an insurance policy for the Building on the Land and apportion it based upon the total rental square footage available to rent. For purposes of clarity, Tenant shall only be responsible for its proportionate share of insurance on the Building.

18. Subrogation. Each of the parties hereto hereby releases the other and the other's partners, agents and employees, to the extent of each party's insurance coverage, from any and all liability for any loss or damage which may be inflicted upon the property of such party even if such loss or damage shall be brought about by the fault or negligence of the other party, its partners, agents or employees; provided, however, that this release shall be effective only with respect to loss or damage occurring during such time as the appropriate policy of insurance shall contain a clause to the effect that this release shall not affect said policy or the right of the insured

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to recover thereunder. If any policy does not permit such a waiver, and if the party to benefit therefrom requests that such a waiver be obtained, the other party agrees to obtain an endorsement to its insurance policies permitting such waiver of subrogation if it is commercially available and if such policies do not provide therefor. If an additional premium is charged for such waiver, the party benefiting therefrom, if it desires to have the waiver, agrees to pay to the other the amount of such additional premium promptly upon being billed therefor.

19. Repairs and Maintenance.

(a) In addition to, and not in derivation of, Landlord's other covenants and obligations under this Lease, Landlord shall, at its sole cost and expense, during the entirety of the Term promptly make all repairs, perform all maintenance, and make all necessary replacements in and to: (i) all interior and exterior structural elements of the Premises and the Building, including the Building foundation, interior structural walls and columns and all exterior walls; (ii) the roof of the Building, including roof membrane; (iii) the Building exterior elements such as doors, door frames, and door checks located in the exterior Building walls; (iv) all Common Areas of the Property; and (v) excluding any Tenant Systems (defined below) installed as part of, as applicable, Landlord's Improvements or Tenant's Improvements (or future Tenant Alterations) to exclusively serve the Premises and for which Tenant is responsible under Section 19(b) below, all general mechanical and utility systems such as alarm, security, lighting, air conditioning, heating, ventilation, plumbing, natural gas, water, electrical, sewer, telecommunications and landscaping irrigation lines and systems serving or situated upon the Property, including those serving any portion(s) of the Building or Property outside the Premises which may run through any area(s) of the Premises. In the event any of the utility services to the Premises are materially diminished, interrupted or disconnected by an act of Landlord or someone under the control or direction of Landlord, or if Landlord fails to repair, maintain or, as necessary or appropriate, replace, or caused to be repaired, maintained and/or replaced equipment upon the Property outside the Premises providing critical services (i.e., water, heat, sewer, natural gas cooling, ventilation) to the Premises within three (3) Business Days after notice of any problem, Tenant may restore the same at its own cost and, in addition to any other remedy it may have under this Lease or at law or in equity, Tenant may deduct the reasonable amount thereof from the Rent that may thereafter become due hereunder, but only if Landlord shall fail or refuse to reimburse Tenant within ten (10) days after written demand for such reimbursement from Tenant.

(b) Except for Landlord's obligations set forth above or elsewhere in this Lease, and except for any damage caused by the acts of gross negligence or intentional acts of Landlord or Landlord's agents within the Premises, Tenant agrees to maintain said Premises in substantially the same condition, order and repair as they are at the issuance of the permanent Certificate of Occupancy for said Premises, excepting only reasonable and normal wear and tear arising from the use thereof and damage by fire or other casualty or condemnation. Without limiting the foregoing, Tenant shall be responsible for the interior of the Premises, together with all general mechanical systems such as HVAC, plumbing, electrical, alarm and the Tenant's Generator systems exclusively serving the Premises ("Tenant's Systems"). If Tenant shall not commence such repairs to the Premises including, when and as applicable, such Tenant Systems, within fifteen (15) days following written notice from Landlord or in the case of Emergency (as defined below) immediately upon written notice that such repairs are necessary, then Landlord may, at Landlord's option, cause such Tenant's required repairs to be made and shall furnish Tenant with a statement of the costs of such repairs upon substantial completion thereof. Tenant shall reimburse Landlord for the costs of such repairs within ten (10) days of the date of the statement from Landlord setting forth the amount due, provided, however, should Tenant fail to reimburse Landlord within said ten (10) day period, then Landlord may, at Landlord's option, add such amount to Rent due under this Lease.

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20. Brokers. Landlord and Tenant each represent and warrant the other that neither of them has employed or dealt with any broker, agent or finder in connection with this Lease, other than National Realty Network (on behalf of Landlord) and Tenant Advisors (on behalf of Tenant) (collectively, the "Brokers"). The Landlord shall be solely responsible for the payment of all commissions pursuant to this Lease, and/or any separate brokerage agreement as pertaining to this Lease involving the Brokers, individually and collectively. The parties hereto shall indemnify and hold each other harmless, including costs of any action and attorneys' fees, from any claim for brokerage or other compensation asserted by any broker, agent or finder employed by the other party or with whom the other party has dealt, other than their respective Broker.

21. Emergency. If either party is unable or unwilling to take action which it is obligated to take hereunder where an emergency has occurred with respect to the Premises or the Building, then the other party may take such action as is reasonably necessary to protect the Premises or the Building and persons or property in the Premises or the Building and the non-complying party shall, within fifteen (15) days after written notice thereof from the complying party, reimburse the complying party for the complying party's reasonable out-of-pocket expenses incurred in curing such emergency; provided, however, should the non-complying party fail to reimburse the complying party within said fifteen (15) day period, then the complying party may, at the complying party's option, offset such amount against future amounts due to the non-complying party or may add such amount to future amounts due from or to the non-complying party.

22. Title and Parking. Landlord hereby represents that Landlord is the owner in fee simple of the Property, including the Building and Premises and all improvements thereon free from any liens or encumbrances and has the right and authority to enter into this Lease. Landlord further represents that Landlord and those signatories executing this Lease on behalf of Landlord have full power and authority to execute this Lease. Other than those design and building changes contemplated by this Lease, Landlord agrees that Landlord will not make any material modifications to the Building that affect the Premises, the Common Area (including the Parking Spaces (as defined below), or the means of ingress and egress) without Tenant's prior written consent, such consent not to be unreasonably withheld, conditioned or delayed. Without limiting the generality of the foregoing, Landlord agrees to make dedicated four (4) parking stalls available to the Tenant, exclusive of handicap parking spaces, near the front entrance of the Premises at a location approved by Tenant, including handicap-striped parking spaces as may be required by applicable Laws (collectively the "Parking Spaces"). Without limiting the foregoing in any manner or to any extent, as pertains to parking, Landlord does hereby covenant, represent and warrant unto to Tenant that, at all times after the Effective Date and on a non-exclusive use basis with other tenants and occupants of the Building except as provided above, there shall be not less than the greater of (a) those parking spaces required by applicable Laws for the Building or (b) four point nine (4.9) spaces per 1,000 square feet of rentable square footage in the Building available upon and within the boundaries of the Land. Landlord shall be financially responsible for the costs associated with the identification of handicap spaces, including but not limited to, resurfacing, erecting sign poles and painting of spaces. All Parking Spaces shall have such dimensions and be in such a configuration as is required by applicable Laws.

23. Compliance with Laws.

(a) Both parties hereby agree to comply with all applicable Laws throughout the Term of the Lease. Landlord represents and warrants to Tenant that as of the Commencement Date the Premises are in compliance with all Laws, including, without limitation, applicable zoning laws, ordinances, rules and regulations and with applicable instruments affecting title to the Premises. Tenant represents and warrants to Landlord that any Tenant Improvements shall be

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made in compliance with applicable law. Landlord further represents that it has received no notices or communications from any public authority having jurisdiction alleging violation of any Laws relating to the Premises or the Building or improvements thereon and has received no notices alleging violation of any title instrument. Without limiting the generality of the foregoing, Landlord represents that (i) the use of the Premises and the Building and improvements thereon for purposes of operation of a dialysis clinic and related medical and business offices is permitted by and will not violate applicable Laws and does not constitute a "non-conforming use" thereunder and (ii) the Premises comply with all applicable Laws relating to handicapped accessibility, including, without limitation, the Americans with Disabilities Act. If at any time during the term of this Lease Tenant determines, or receives notice, that the Premises are not so in compliance, Tenant will notify Landlord in writing of such non-compliance and Landlord shall, promptly following receipt of such notice from Tenant, repair such condition, at Landlord's sole cost and expense.

(b) If at any time or from time to time any Alterations, including, without limitation, structural Alterations, are required in order for the Premises to comply with any generally applicable Laws from time to time applicable to the Premises, Landlord shall immediately make such Alterations at its sole cost and expense. If at any time or from time to time any Alterations, including, without limitation, structural Alterations, are required in order for the Premises to comply with any Laws specifically applicable to the Premises due to Tenant's use as a dialysis facility, Tenant shall immediately make such Alterations at its sole cost and expense.

(c) Landlord represents to Tenant that Landlord is not is not directly or indirectly a source of referrals for patients or business to Tenant during the Term of this Lease.

24. Tenant to Subordinate. Tenant shall, upon request of the holder of a mortgage or deed of trust in the nature of a mortgage, or of a sale/leaseback lease transaction, or other Mortgage as defined in Section 41 hereof, ("Mortgagee") subordinate any interest which it has by virtue of this Lease, and any extensions and renewals thereof to any mortgages or deeds of trust placed upon the Property, including the Premises, by Landlord, if and only if such Mortgagee shall execute, deliver and record in the appropriate registry of deeds a recognition and non-disturbance agreement in form and content generally used in commercial loan transactions and approved by Tenant, such approval not to be unreasonably withheld. Such agreement shall provide that notwithstanding any foreclosure or other enforcement of such Mortgage or deeds of trust or sale/leaseback lease or other Mortgage, Tenant may continue to occupy the Premises during the Term of this Lease or any extensions or renewals thereof under the same terms, conditions and provisions of this Lease, unless Tenant shall be in default beyond any applicable grace periods provided for herein. Landlord shall, at or prior to the Commencement Date, secure from Landlord's present Mortgagee of the Premises a non-disturbance agreement in a form reasonably acceptable to Tenant whose approval will not be unreasonably withheld. Landlord shall also secure from any future Mortgagee or lienholders of Landlord non-disturbance agreements during the Initial Term or any Renewal Terms, if exercised.

25. Quiet Enjoyment. Tenant, upon paying the Rent and other sums due under this Lease, and subject to all of the terms and covenants of this Lease, on Tenant's part to be kept, observed, and performed, shall quietly have and enjoy the Premises and all appurtenant rights and privileges granted hereunder during the Term of this Lease. Landlord represents, warrants, covenants and agrees that Tenant shall have continuous, peaceful, uninterrupted and exclusive possession and quiet enjoyment of the Premises during the entirety of the Term of this Lease.

26. Notices. All notices, demands and requests which may be or are required to be given by either party to the other shall be in writing and shall be either (i) sent by registered

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or certified mail, return receipt requested, postage prepaid or (ii) delivered, by hand, or (iii) sent by nationally recognized overnight courier such as Federal Express. All notices to Landlord should be addressed to Landlord at the address set forth in Section 1(n) hereof or at such other place as Landlord may from time to time designate in written notice to Tenant. All notices to Tenant shall be addressed to Tenant at the address in Section 1 (ff) above or to any such other place as Tenant may from time to time designate in written notice to Landlord. Notice by hand delivery will be deemed to have been given when actually delivered or when the tender of such delivery is refused. Notice by certified or registered mail will be deemed to have been given on the earlier of receipt by the addressee or the third (3) Business Day after the date that the notice is deposited into the mail, postage prepaid. Notice given by air courier will be deemed given on the earlier of receipt of by the addressee or two (2) Business Days after it is accepted by such courier for next Business Day delivery. All notices, demands and requests which shall be served upon Landlord and Tenant in the manner aforesaid shall be deemed sufficiently served or given for all purposes hereunder.

27. Estoppel Certificate. Each of Landlord and Tenant agrees at any time and from time to time upon not less than fifteen (15) days' prior written request by the other to execute, acknowledge and deliver to the other a statement in writing certifying that (a) this Lease is unmodified and in full force and effect (or if there have been modifications that the same is in full force and effect as modified and stating the modifications), (b) the dates to which the Rent and other charges have been paid in advance, if any, and (c) all of the defaults of Landlord or Tenant hereunder, if any, (and if there are no defaults a statement to that effect) and any other information reasonably requested, it being intended that any such statement delivered pursuant to this Section 27 may be relied upon by any prospective purchaser of the Premises or any mortgagee or assignee of any mortgage upon the fee or leasehold of the Premises or by any prospective assignee of this Lease or subtenant of the whole or any portion of the Premises and/or by other party interested in the Premises or any part thereof.

28. Holding Over. In the event Tenant remains in possession of the Premises after the Termination Date of this Lease, inclusive of any renewals and extensions hereof, without the written consent of Landlord, only a month to month tenancy shall be created with the Base Rent to be One hundred and seventy-five per cent (175%) of the Base Rent payable hereunder immediately prior to the commencement of such hold-over, and subject to all the other terms and provisions of this Lease.

29. Binding Effect. All covenants, agreements, stipulations, provisions, conditions and obligations herein expressed and set forth shall extend to, bind and inure to the benefit of, as the case may require, the successors and assigns of Landlord and Tenant respectively, as fully as if such words were written wherever reference to Landlord or Tenant occurs in this Lease

30. Complete Agreement. Any stipulations, representations, promises or agreements, oral or written, made prior to or contemporaneously with this agreement shall have no legal or equitable consequences and the only agreement made and binding upon the parties with respect to the leasing of the Premises is contained herein, and it is the complete and total integration of the intent and understanding of Landlord and Tenant with respect to the leasing of the Premises.

31. Severability. If any term, covenant or condition of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall

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not be affected thereby and each term, covenant or condition of this Lease shall be valid and be enforced to the fullest extent permitted by law.

32. Applicable Law/Consent to Jurisdiction. The laws of the state of Illinois shall govern the validity, performance and enforcement of this Lease, without regard to such State's conflict-of-law principles. Any legal action, suit or other proceeding arising out of, or in any way connected with this Lease, must be brought in the courts of McHenry County, state of Illinois. With respect to any such proceeding in any such court: (i) each party generally and unconditionally submits itself and its property to the exclusive jurisdiction of such court; (ii) each party waives, to the fullest extent permitted by law, any objection it has or hereafter may have to the venue of such proceeding, as well as any claim it has or may have that such proceeding is an inconvenient forum; and (iii) process may be served on a party anywhere in the world, by the same methods as are required for notice under this agreement.

33. Force Majeure. If either party hereto shall be delayed or hindered in or prevented from the performance of any obligation required hereunder by reason of strikes, lock-outs, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, war, acts of terrorism, military or usurped power, sabotage, unusually severe weather, fire or other casualty or other reason (but excluding inadequacy of insurance proceeds, financial inability or the lack of suitable financing) of a like nature beyond the reasonable control of the party delayed in performing its obligations under this Lease ("Force Majeure Event"), the time for performance of such obligation shall be extended for the period of the delay.

34. Amendment. This Lease and the exhibits and schedules attached hereto and forming a part hereof are all incorporated herein and set forth all the covenants, promises, agreements, conditions and understandings between Landlord and Tenant concerning the Premises and other matters pertaining thereto, and there are no covenants, promises, agreements, conditions or understandings, either oral or written, between them other than are herein set forth. Except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this Lease shall be binding upon Landlord or Tenant unless reduced to writing and signed by them.

35. Attorneys' Fees. If either party hereto brings an action to enforce the terms hereof or declare rights hereunder, the prevailing party in such action shall be entitled to reasonable attorneys' fees and costs of suit.

36. Counterparts. This Lease may be executed in multiple counterparts and each counterpart shall be an original and all counterparts, together, shall constitute this Lease.

37. Security Deposit. Upon the execution hereof, Tenant has deposited and will keep on deposit at all times during the Term with Landlord the amount set forth in Section 1(aa) hereof as security for the payment and performance of Tenant's obligations under this Lease, including but not limited to payment of all Rent due under the terms hereof. Landlord shall not owe Tenant any interest on the Deposit. At Landlord's election, deductions may be made by Landlord from the amount so retained for the reasonable cost of repairs to the Premises which should have been performed by Tenant pursuant to the terms of this Lease, for any Base Rent, Additional Rent payment or any other sum delinquent under the terms hereof, and for any sum used by Landlord in any manner to cure any uncured default in the performance of Tenant under the terms of this Lease. In the event deductions are so made during the Term, upon notice by Landlord, Tenant shall redeposit such amounts so expended so as to maintain the Deposit in the amount as herein provided for, within ten (10) days after receipt of such written demand from Landlord. Nothing herein contained shall limit the liability of Tenant as to any repairs or

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maintenance of the Premises; and nothing herein shall limit the obligation of Tenant promptly to pay all sums otherwise due under this Lease and to comply with all the terms and conditions hereof. If the entire Deposit has not been utilized at the expiration or earlier termination of this Lease, the remaining amount will be refunded to Tenant, or to whoever is then the holder of Tenant's interest in this Lease, without interest, within sixty (60) days after the expiration or earlier termination of this Lease provided that Tenant is not then in uncured default of any of its obligations set forth in this Lease.

38. Generator. Tenant shall have the right, at Tenant's sole cost and expense, to install, operate and maintain an emergency diesel or natural powered emergency generator (with self contained tanks) in a location adjacent to the Premises as reasonably agreed to by Landlord and Tenant.

39. Garbage Container. Landlord shall provide to Tenant a location for Tenant's placement and use of a dumpster or other form of garbage container.

40. Limitation of Liability. Notwithstanding any other term or provision of this Lease, Tenant shall look solely to the equity of Landlord in the Property when pursuing Landlord for any damages incurred by Tenant hereunder and Tenant hereby releases the members of Landlord from any such liability as well as any other assets or properties of Landlord.

41. Landlord's Sale of the Building. Landlord may, at any time, with prior notice to Tenant, contract to and/or perform any of the following transactions with respect to an interest in Landlord, the Lease, the Premises, the Property, and/or any portion of or interest in the realty or improvements in the Building owned or hereafter acquired by Landlord: sale, purchase, exchange, transfer, assignment, lease, conveyance (collectively referred to herein as "Sale"); and/or, subject to the terms of this Lease, encumbrance, pledge, mortgage, deed of trust, hypothecation or sale and leaseback transaction (collectively referred to herein as "Mortgage"). Landlord shall provide Tenant with a right of first refusal with respect to any such Sale but providing Tenant with at least thirty (30) days prior written notice. In the event that Tenant fails to respond to such notice within thirty (30) days, Tenant shall have deemed to waive such right of first refusal. From and after a Sale, Landlord shall be released from all liability to Tenant and Tenant's successors and assigns arising from this Lease because of any act, occurrence or omission of Landlord first occurring after such Sale, and Tenant shall look solely to Landlord's successor in connection with the same; provided, however, that Landlord shall not be released from liability to Tenant and Tenant's successors and assigns from this Lease because of any act, occurrence or omission of Landlord occurring prior to such Sale, unless such liability is expressly assumed by Landlord's successor-in-interest in the Property and the Premises. Within a commercially reasonable time period prior to the effective date of a Sale, Landlord shall notify Tenant whether Landlord's successor-in-interest and assignee to this Lease would or would not be a source of referrals for patients or business to Tenant.

42. Contiguous Space. Tenant shall have a continuing right of first refusal during the Term and any Renewal Term of this Lease with respect to any contiguous space which is or may become available in the Building.

43. Satellite Television Dish/Cable/Internet/Phone Service. Tenant shall have the right, at Tenant's sole cost and expense, to install, operate and maintain a satellite television dish and cable/internet and phone service in a location adjacent to or within the Premises or Building as reasonably agreed to by Landlord and Tenant. Tenant shall be responsible to repair any damage resulting from installation or removal of the above items. Following the expiration or termination of this Lease, Tenant shall reasonably repair any and all damage associated with the removal of any satellite television dish or other equipment as

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described in this Section 43. Tenant shall be afforded the opportunity to access to the Premises after the Effective Date but prior to the Commencement Date for the purposes of allowing its vendors to install said items.

44. Memorandum of Lease. The Lease shall not be recorded. At the option of tenant, however, Landlord and Tenant shall execute, in recordable form, a short form memorandum of this Lease and shall record such memorandum at the expense of Tenant in the land records of the jurisdiction in which the Leased Premises are located.

45. Landlord's Cooperation. Landlord agrees to reasonably assist Tenant in (i) the procurement of any licenses, permits, "sign-offs", approvals, or certificates which may be required by any governmental or quasi-governmental agency or authority with respect to Tenant's Improvements, alterations or other leasehold improvements permitted under the terms hereof in and about the Leased Premises, and with respect to (ii) the obtaining of any services, utilities or facilities from any utility company or companies supplying the same to the Property. In the event Landlord and Tenant obtain the approvals and Tenant fails to open and operate or fails to obtain the CoN, Landlord shall be entitled to be reimbursed for all of its expenses incurred in connection with assisting Tenant in obtaining the approvals.

46. Draftsmanship. Landlord and Tenant each acknowledge that it has read this Lease, consulted with an attorney regarding its terms, and agrees with its terms as though that party had drafted this Lease itself. Landlord and Tenant agree that although this Lease was, by necessity, printed and assembled by one of the parties or its agents or attorneys, this Lease reflects the terms as agreed to by Landlord and Tenant, and each such party that assembled this Lease should merely be considered only the scrivener for the document. If a term or terms of this Lease is considered ambiguous, neither party shall be considered the draftsman for the purpose of causing the terms of this Lease to be construed against that party.

47. Rights and Remedies Not Waived. No course of dealing or course of performance between Landlord and Tenant, or any failure or delay on the part of either of them in exercising any rights or remedies hereunder, shall operate as a waiver of any rights or remedies and no single or partial exercise of any rights or remedies hereunder shall operate as a waiver or preclude the exercise of any other rights or remedies hereunder.

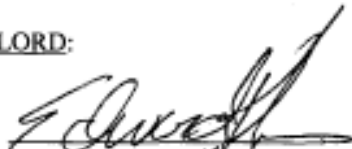
48. Reliance on Financial Statement. Tenant shall furnish concurrently with the execution of this Lease, a financial statement of Tenant. Tenant represents and warrants that all the information contained in such financial statement is complete and accurate in all respects. Tenant understands that Landlord is relying upon the accuracy of the information contained in such financial statement. Should there be found to exist any inaccuracy within the financial statement which adversely affects Tenant's financial standing, or should Tenant's financial circumstances materially change, Landlord may demand, as additional security, an amount equal to an additional two (2) months' rent, which additional security shall be subject to all terms and conditions herein.

49. Time is of the Essence. Time is of the essence of each provision of this Lease.

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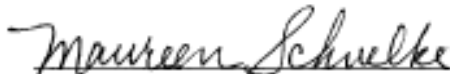
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IN TESTIMONY WHEREOF, Landlord and Tenant have caused this Lease to be executed as a sealed instrument, as of the day and year set forth below but effective as of and from the Effective Date first above written.

LANDLORD:By: Name: EDWARD KLINGTitle: OWNER / PARTNER

(LANDLORD'S ACKNOWLEDGMENT)
STATE OF ILLINOIS) ss:

The foregoing instrument was acknowledged before me this 14 day of June, 2011, by
Edward Kling on behalf of _____


Notary Public



TENANT:

By: Syed T. Kamal

Name: Syed T. Kamal

Title: Member

(TENANT'S ACKNOWLEDGEMENT)

STATE OF MASSACHUSETTS, COUNTY OF ESSEX) ss:

The foregoing instrument was acknowledged before me this 10th day of June, 2011, by Syed T. Kamal, on behalf of McHenry Dialysis Center, LLC.

Alexis Winnell
Notary Public

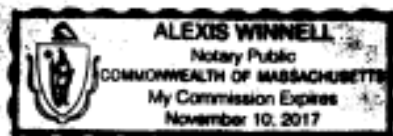


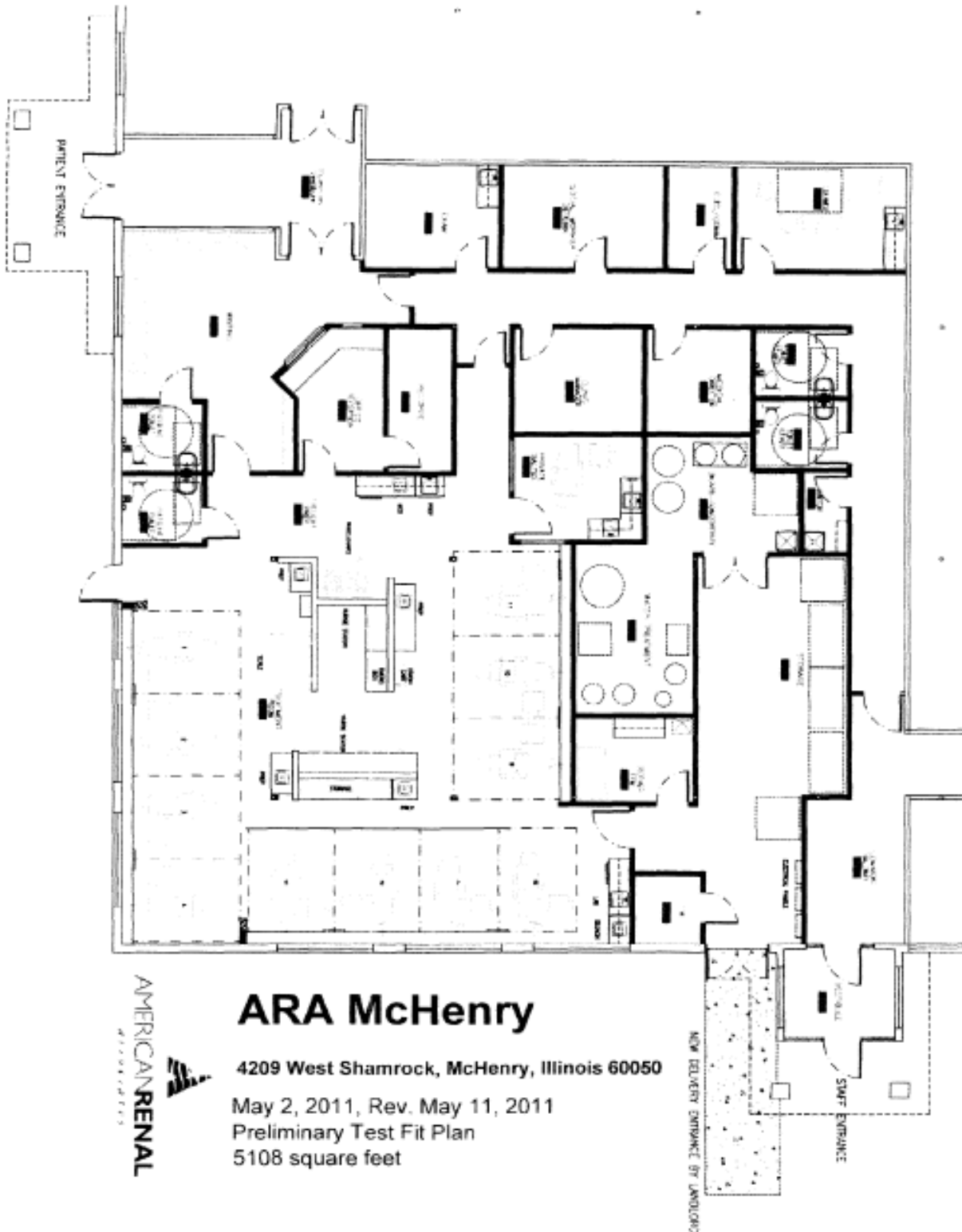
EXHIBIT A

LEGAL DESCRIPTION/BUILDING SITE PLAN

LOTS 2 AND 3 IN THOMAS J. RUPP RESUBDIVISION OF LOT 2, PARCEL B, J.B. AND CLARA SUBDIVISION, BEING A SUBDIVISION OF LOT 2 OF J.B. AND CLARA SUBDIVISION IN THE SOUTHEAST QUARTER OF SECTION 3 AND THE SOUTHWEST QUARTER OF SECTION 2, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT OF SAID RESUBDIVISION RECORDED APRIL 25, 1997, AS DOCUMENT NO. 97R018931, IN MCHENRY COUNTY, ILLINOIS.

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EXHIBIT B
PREMISES FLOOR PLAN
(attached)



*Execution Version***EXHIBIT C****RENT COMMENCEMENT DATE CERTIFICATE AND RIDER FORM**

The following terms, as identified and set forth in the Lease Agreement between the undersigned dated _____, 20__ for those Premises identified as _____ and located at _____, shall, by agreement of the parties, be further amended or defined to include the following information:

- A. The "Contingencies Deadline" was _____, 20__, and all such contingencies were satisfied or, as applicable, waived by Tenant on _____, 20__.
- B. The "Possession" was _____, 20__.
- C. The "Commencement Date" shall be _____, 20__.
- D. The "Rent Commencement Date" shall be _____, 20__.
- E. The expiration date of the Initial Term, subject to renewal by Tenant as provided for by the terms of the Lease, shall be the last calendar day of _____, 20__.
- F. Landlord and Tenant having conducted the required confirming measurements of the Building and Premises as contemplated by Section ____ hereof in accordance with BOMA standards, it is agreed that: the rentable square footage comprising the Building for purposes of Section ____ (____) is _____ (____) rentable square feet; and, the rentable square footage within the Premises as of the Rent Commencement Date is _____ (____) rentable square feet. Further, Section ____ of the Lease is amended and modified to provide that, based upon the foregoing revised rentable square footage comprising the Premises, the annual and monthly Base Rent amounts payable by Tenant to Landlord under the Lease shall be as follows:

Initial Lease Term:

	Annual Base Rent	Monthly Base Rent
Lease Year 1	\$ _____	\$ _____
Lease Year 2		
Lease Year 3		
Lease Year 4		
Lease Year 5		
Lease Year 6		
Lease Year 7		
Lease Year 8		
Lease Year 9		
Lease Year 10		

1st Five-Year Renewal Term, if and as exercised by Tenant Per Section ____:

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Lease Year 11	\$ _____	\$ _____
Lease Year 12		
Lease Year 13		
Lease Year 14		
Lease Year 15		

2nd Five-Year Renewal Term, if and as exercised by Tenant Per Section ____:

Lease Year 16	\$ _____	\$ _____
Lease Year 17		
Lease Year 18		
Lease Year 19		
Lease Year 20		

G. Further, Tenant's Proportionate Share as defined under Section 1(____) is amended effective as of the Possession Date to be _____ percent (____%).

H. The Lease Agreement is amended to include as **Exhibit D** thereto, **Exhibit E** attached hereto and incorporated herein and therein fully by reference and comprising the final "Tenant Improvement Plans" as contemplated pursuant to Sections _____ of the Lease Agreement, as prepared by Tenant, submitted to Landlord and approved in all respects by Landlord.

Except as heretofore or herein modified or amended, the Lease Agreement is unamended or modified.

[Remainder of page left intentionally blank]

IN WITNESS WHEREOF, the parties hereto have executed this Commencement Date Rider as of the ____ day of _____, 20__.

LANDLORD:

WITNESSES:

Printed: _____

Printed: _____

By: _____

Printed: _____

Title: _____

TENANT:

McHenry Dialysis Center, LLC

WITNESSES:

Printed: _____

Printed: _____

By: _____

Printed: _____

Title: _____

EXHIBIT D**SCHEDULE OF LANDLORD'S IMPROVEMENTS**

In accordance with the provisions of Section 3 of the Lease, of which this **Exhibit D** is a part, on or before the Possession Date, Landlord shall undertake and substantially complete each of the following Landlord's Improvements to the Property, including, as applicable, the Premises, at Landlord's sole cost and expense:

- (a) Landlord's Expense:
- (i) Complete all lot resealing, patching and restriping and any overall lot maintenance. Restripe four parking spaces dedicated and marked for "ARA Dialysis Only". In addition, verify that (2) ADA accessible parking spaces are provided meeting all local requirements.
 - (ii) Entry doors at main entrance (Patient Entrance as shown on Preliminary Floor Plan) will have push button access – two (2) overhead operators. Operators shall specified and installed meeting Tenant's requirements.
 - (iii) Entry doors into Tenant's suite will have push button access – two (2) overhead operators. Operators shall specified and installed meeting Tenant's requirements.
 - (iv) Change out the flooring in main vestibule (Common Vestibule as shown on the Preliminary Floor Plan) to quarry tile.
 - (v) Provide a dedicated 1.5" water service and/or village approval of tying into existing 5" sprinkler riser. Provide water service with applicable appurtenances requires by the City including water meter or sub-meter, backflow devices and other such equipment and extend the water line into the Premises. Pay all tap fees or service fees associates with the water service.
 - (vi) Village tap fees if any, now or in the future
 - (vii) Installation and maintenance of sub meter for electrical needs.
 - (viii) Dedicate 400amp, 3 phase 120/208 service for Tenant use. Any upgrades to the existing 400 amp service for a new transformer or electrical panel will be done by the Landlord. Tenant will provide conduit and wiring to the service entrance section.
 - (ix) Provide assessment of existing HVAC units. If landlord or tenant request replacement of HVAC units, landlord shall replace the units with units specified by Tenant and meeting four (4) tons of HVAC per 1000 square feet of rentable space.
 - (x) All demising walls constructed by Landlord between Tenant's premises and other tenants or common areas shall be 1-hour fire rated demising walls.

- (xi) Landlord shall provide a minimum 4" sewer line into the Premises with an invert elevation at the Premises of a minimum of 30 inches below slab.

EXHIBIT E

TENANT IMPROVEMENT PLANS

To be provided by Tenant in accordance with Section 3(b)(i) of this Lease.

FIRST AMENDMENT TO LEASE AGREEMENT

THIS FIRST AMENDMENT TO LEASE AGREEMENT ("Amended Lease"), is made and entered into this 18th day of August, 2011 (the "Amended Lease Effective Date"), by and between McHenry Dialysis Center LLC, (hereinafter called "TENANT"), and M & E, LLC (hereinafter called "LANDLORD").

WITNESSETH:

WHEREAS, Landlord and McHenry Dialysis Center, LLC are parties to a Lease Agreement ("Lease") dated June 13, 2011; and

WHEREAS, Pursuant to Section 2(a) of the Lease, the Lease is subject to a CoN Contingency which requires Tenant to obtain a CoN no later than the CoN Deadline Date which is on or about October 31, 2011;

WHEREAS, Tenant has been informed by the appropriate governmental regulatory authorities that the hearing on its CoN has been rescheduled;

WHEREAS, as a result of the rescheduled CoN hearing, Tenant and Landlord hereby agree to enter into this Amended Lease to extend the CoN Deadline Date.

NOW, THEREFORE, for and in consideration of the mutual covenants, promises and agreements herein contained, the Parties hereto covenant and agree as follows:

1. The Landlord and Tenant hereby agree to extend the CoN Deadline Date through December 31, 2011.
2. Except as amended hereby, the Lease remains in full force and effect.

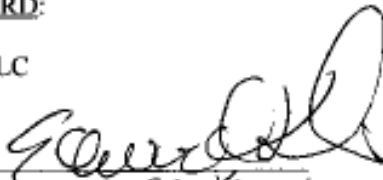
IN WITNESS WHEREOF, the Tenant and Landlord have executed this Amended Lease on the day and year first set forth above.

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(Signature Page to Follow)

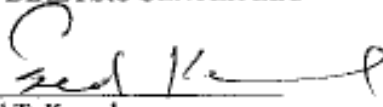
LANDLORD:

M & E, LLC

By: 
Name: EDWARD KLINE
Title: PARTNER

TENANT:

MCHENRY DIALYSIS CENTER LLC

By: 
Name: Syed T. Kamal
Title: Manager

SECOND AMENDMENT TO LEASE AGREEMENT

THIS SECOND AMENDMENT TO LEASE AGREEMENT ("Amended Lease"), is made and entered into this 28th day of December, 2011 (the "Amended Lease Effective Date"), by and between McHenry Dialysis Center LLC, (hereinafter called "TENANT"), and M & E, LLC (hereinafter called "LANDLORD").

WITNESSETH:

WHEREAS, Landlord and McHenry Dialysis Center, LLC are parties to a Lease Agreement ("Lease") dated June 13, 2011 as amended on August 18, 2011; and

WHEREAS, Pursuant to Section 2(a) of the Lease, as amended, the Lease is subject to a CoN Contingency which requires Tenant to obtain a CoN no later than the CoN Deadline Date which is on or about December 31, 2011;

WHEREAS, on December 13, 2011, Tenant received approval of its CoN application from the Illinois Health Facilities and Services Review Board (the "CoN Approval") (See Exhibit "A" attached hereto);

WHEREAS, as a result of the CoN Approval, Landlord and Tenant hereby acknowledge and agree that the CoN Contingency is hereby removed from the Lease.

NOW, THEREFORE, for and in consideration of the mutual covenants, promises and agreements herein contained, the Parties hereto covenant and agree as follows:

1. The Landlord and Tenant agree that the CoN Contingency is hereby removed from the Lease.
2. Except as amended hereby, the Lease remains in full force and effect.

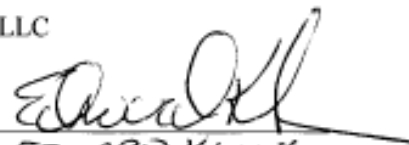
IN WITNESS WHEREOF, the Tenant and Landlord have executed this Amended Lease on the day and year first set forth above.

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(Signature Page to Follow)

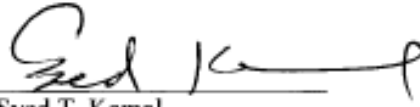
LANDLORD:

M & E, LLC

By: 
Name: EDWARD KLING
Title: MEMBER

TENANT:

MCHENRY DIALYSIS CENTER LLC

By: 
Name: Syed T. Kamal
Title: Manager

ATTACHMENT 3
OPERATING ENTITY/LICENSEE

The licensee of the applicant facility will remain the same after the transaction. Included with this Attachment is the licensee's Certificate of Good Standing. All direct owners of a 5% or more interest in the applicant facility are identified in the organizational chart included with Attachment 4.

Delaware

The First State

Page 1

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "MCHENRY DIALYSIS CENTER, LLC" IS DULY FORMED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE THIRTIETH DAY OF SEPTEMBER, A.D. 2020.

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



4949798 8300

SR# 20207573533

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 in a small font.

Authentication: 203767523

Date: 09-30-20

ATTACHMENT 3

File Number

0345640-4



To all to whom these Presents Shall Come, Greeting:

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

MCHENRY DIALYSIS CENTER, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON MARCH 14, 2011, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.



Authentication #: 2028203660 verifiable until 10/08/2021
 Authenticate at: <http://www.cyberdriveillinois.com>

In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 8TH
day of OCTOBER A.D. 2020 .

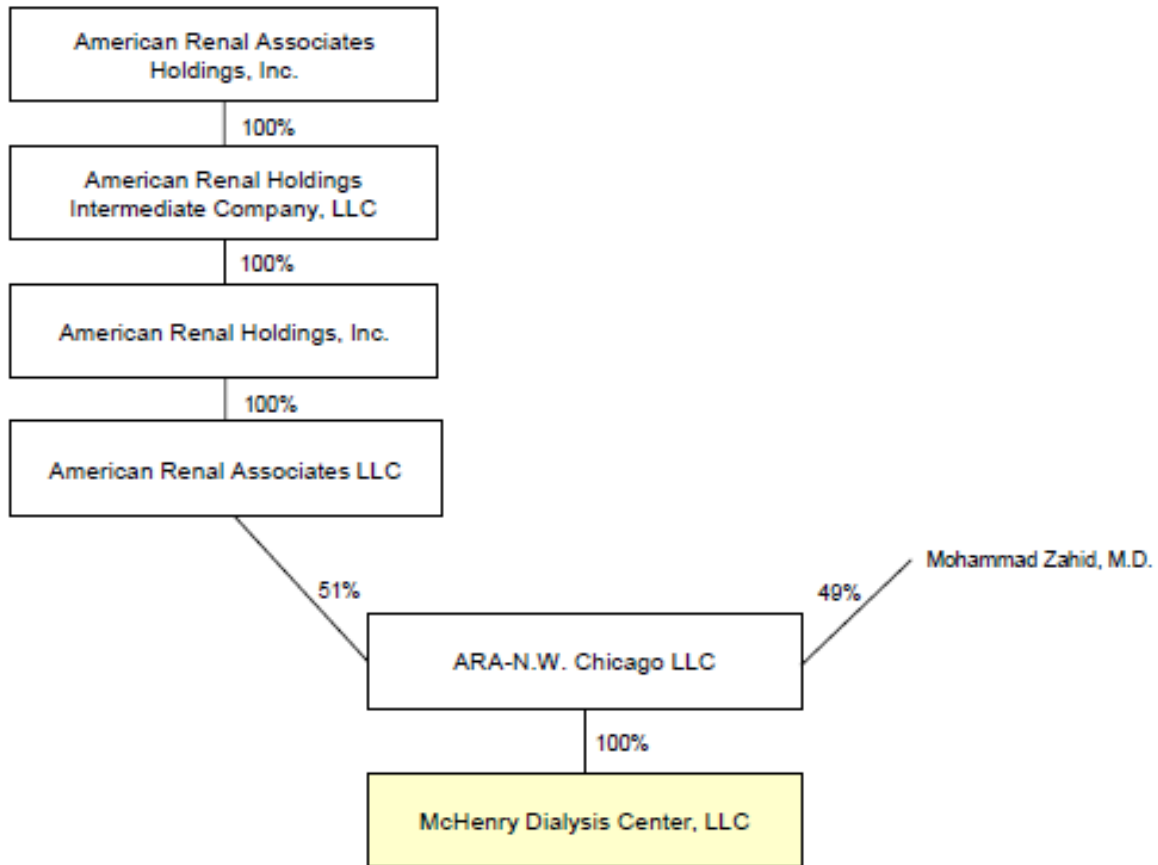
Jesse White

SECRETARY OF STATE

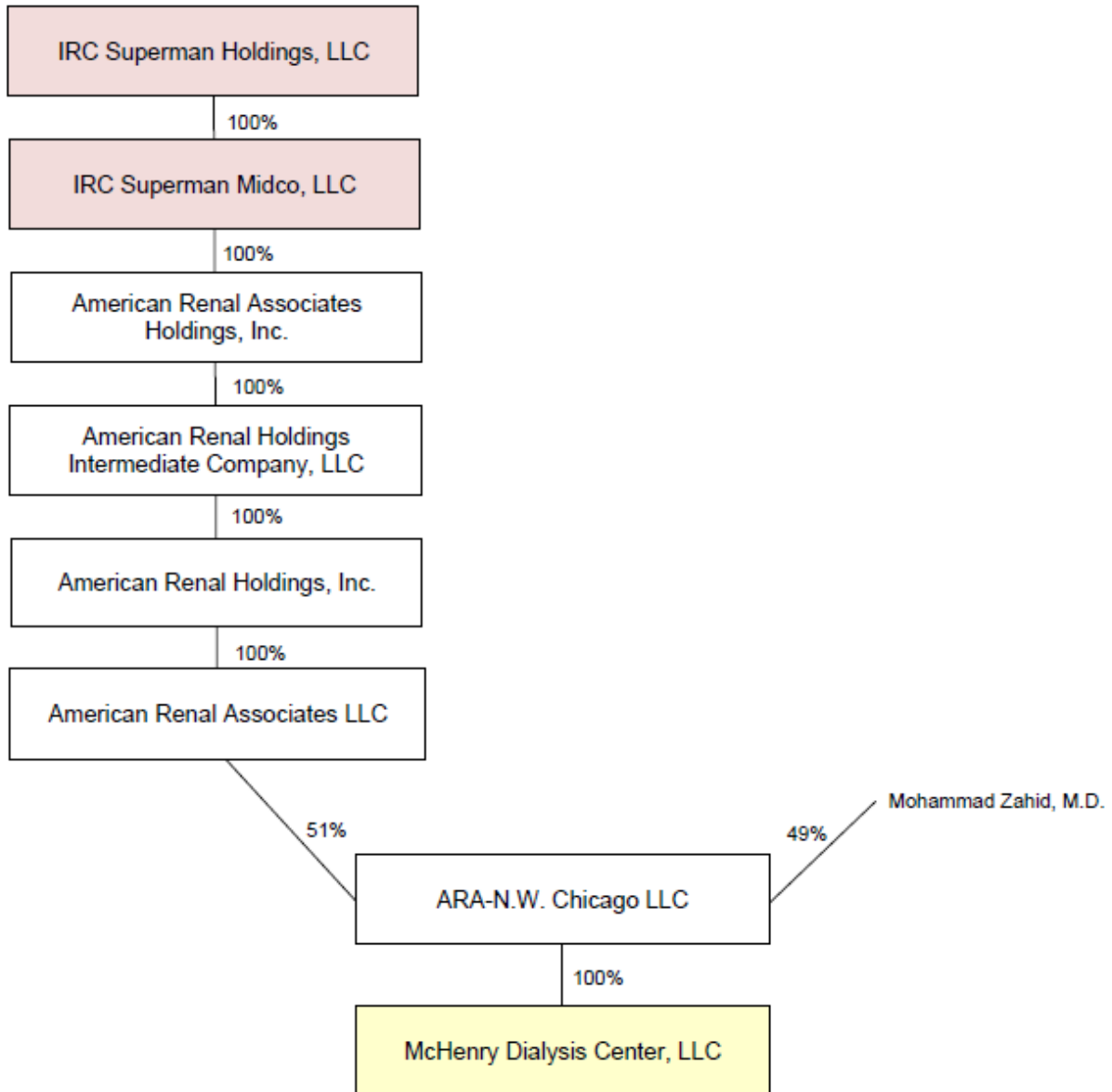
ATTACHMENT 4
ORGANIZATIONAL RELATIONSHIPS

The applicant facility is indirectly owned by ARA. As a result of the proposed transaction, ARA will be owned by IRC Midco, as further described in Section 2 (Narrative Description). Current and proposed organizational charts are included with this Attachment. All direct owners of 5% or more interest in the applicant facility are identified in the organization chart.

Pre-Transaction Organizational Chart



Post-Transaction Organizational Chart



ATTACHMENT 5
BACKGROUND OF THE APPLICANTS

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

American Renal Associates Holdings, Inc.'s affiliated Illinois health care facilities are:

ARA – Crystal Lake Dialysis, LLC
 6298 Northwest Highway, Suite 300
 Crystal Lake, Illinois

McHenry Dialysis Center, LLC
 4209 West Shamrock Lane, Unit A
 McHenry, Illinois

ARA – South Barrington Dialysis, LLC
 33 West Higgins Road, Suite 920-945
 South Barrington, Illinois

- 1. A listing of all health care facilities currently owned and/or operated in Illinois, by any corporate officers or directors, LLC members, partners, or owners of at least 5% of the proposed health care facility.**

Other than the facilities listed in paragraph 1 above, no health care facilities are currently owned or operated in Illinois by any of the applicants identified in the organizational charts included in Attachment 4 and their respective corporate officers or directors.

- 2. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant, directly or indirectly, during the three years prior to the filing of the application. Please provide information for each applicant, including corporate officers or directors, LLC members, partners and owners of at least 5% of the proposed facility. A health care facility is considered owned or operated by every person or entity that owns, directly or indirectly, an ownership interest.**

Included with Attachment 6 is the applicants' certification of no adverse action 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.**

Included with Attachment 6 is the applicants' authorization permitting HFSRB and IDPH access to any documents necessary to verify the information submitted.

- 4. If, during a given calendar year, an applicant submits more than one Application, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion.**

The applicants are not relying on information submitted in prior applications.

ATTACHMENT 6
CHANGE OF OWNERSHIP

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

- a. McHenry Dialysis Center, LLC
- b. American Renal Associates, Inc.
- c. IRC Superman Holdings, LLC

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

The applicants' certification of no adverse action within three years preceding the filing of the application is included with this Attachment. In addition, each of the applicants, by their signatures to the Certification pages of this application, attest that they are fit, willing, able, and have the qualifications, background, and character to adequately provide a proper standard of health service for the community.

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

The applicant facility is indirectly owned by American Renal Associates Holdings, Inc., a Delaware corporation ("ARA"), a publicly-traded company.

On October 1, 2020, ARA entered into Agreement and Plan of Merger with Superman Merger Sub, Inc., a Delaware corporation ("Merger Sub") and a direct wholly owned subsidiary of IRC Superman Midco, LLC, a Delaware limited liability company ("IRC Midco"). As a result of the merger, Merger Sub will merge with and into ARA, with ARA as the surviving entity. As a result of the merger, ARA will become a wholly owned subsidiary of IRC Midco and the applicant facility will become an indirect subsidiary of IRC Midco. ARA is, and will continue to be after the completion of the proposed transaction, the indirect owner of the applicant facility.

IRC Midco is a wholly-owned subsidiary of IRC Superman Holdings, LLC ("IRC Superman"). IRC Midco and IRC Superman are newly formed entities, and are affiliated with Nautic Partners, LLC and Innovative Renal Care, LLC. Nautic Partners VIII, L.P., Nautic Partners VIII-A, L.P., Nautic Partners IX, L.P. and Nautic Partners IXA, L.P. have committed to capitalize the IRC Midco with an aggregate equity contribution of up to \$450 million, subject to the terms and conditions set forth in an equity commitment letter. Investment funds and accounts managed by HPS Investments Partners, LLC (the "Lenders") have agreed to provide IRC Midco and Merger Sub with committed debt financing in an aggregate principal amount of up to \$515 million on the terms set forth in a debt commitment letter. The obligations of the Lenders to provide debt financing under the debt commitment letter are subject to customary terms and conditions. Through investment vehicles, the investment funds will have indirect ownership in IRC Superman, however, none of the investment funds will hold a 50% or more interest in the applicant facility.

The applicant facility will continue to exist and serve patients after the proposed transaction. The proposed transaction will not result in change to any of the federal tax

identification numbers. The applicants anticipate closing the proposed transaction in the first quarter of 2021.

4. Section 1130.520(b)(1)(D) - Name of the person who will be licensed or certified entity after the transaction

There will be no change in the licensed entity as a consequence of the proposed transaction. The licensee will remain McHenry Dialysis Center, LLC.

5. Section 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.

Organizational charts showing the current interest structure of the applicant facility and the post-change ownership interest are included with Attachment 4.

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

Due to the nature of the transaction, no specific consideration is designated as being for or attributable to the facilities for which certificate of exemption applications are being submitted. The estimated value of the applicant facility is approximately \$2,177,729. The fair market value of the applicant facility was determined based on the product of: (i) the percentage of total revenue for the applicant facility compared to the aggregate total revenue for ARA and (ii) overall purchase price for ARA, which was determined as the result of an arm's length negotiation.

7. Section 1130.520(b)(1)(G) - The purchase price or other forms of consideration to be provided for those assets.

See paragraph 6 above.

8. Section 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

In accordance with 77 Ill. Admin. Code 1130.520, the applicants, by their signatures to the Certification pages of this application, affirm that any projects for which permits have been issued by the Review Board have been completed or will be completed or altered in accordance with the provisions of 77 Ill. Admin. Code 1130.520.

9. Section 1130.520(b)(3) - If the ownership change is for a hospital, affirmation that the facility will not adopt a more restrictive charity care policy than the policy that was in effect one year prior to the transaction. The hospital must provide affirmation that the compliant charity care policy will remain in effect for a two-year period following the change of ownership transaction

Not applicable.

10. Section 1130.520(b)(4) - A statement as to the anticipated benefits of the proposed changes in ownership to the community

The applicant facility will continue its operations and its mission to deliver high quality dialysis services to all of its patients. The resources gained through this acquisition will further the mission to provide high quality, cost effective care. The applicant facility will continue to conduct business at the same location, under the same legal entity and federal tax identification number. The proposed transaction is not expected to change or alter any of the applicant facility's policies or procedures, equipment, personnel or operations.

11. Section 1130.520(b)(5) - The anticipated or potential cost savings, if any, that will result for the community and the facility because of the change in ownership

The applicant facility will continue its operations and its mission to deliver high quality dialysis services to all of its patients. The resources gained through this acquisition will further the mission to provide high quality, cost effective care. No quantifiable cost savings generated as a result of the proposed transaction have been identified at this time.

12. Section 1130.520(b)(6) - A description of the facility's quality improvement program mechanism that will be utilized to assure quality control

The applicant facility's quality improvement program mechanism will not change as a result of the proposed transaction.

13. Section 1130.520(b)(7) - A description of the selection process that the acquiring entity will use to select the facility's governing body

The selection process of the applicant facility's governing body will not change as a result of the proposed transaction. IRC Superman Holdings, LLC will not be involved in the day-to-day operations of the applicant facility.

14. Section 1130.520(b)(9)- 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.

The applicants are not anticipating changes to the scope of services or levels of care currently provided at the facility to occur within 24 months after closing as a result of the proposed transaction.

Ms. Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Dear Ms. Avery:

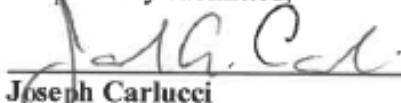
On behalf of the applicant facility and American Renal Associates Holdings, Inc. ("ARA"), I hereby certify that no adverse action has been taken against the applicant facility or any other Illinois facility owned, operated and/or controlled by ARA during the three years prior to the filing of this application for change of ownership.

The applicants affirm that all ARA owned Illinois health care facilities are identified in this application and that no other health care facilities are currently owned or operated in Illinois by any corporate officers or directors, LLC members, partners, or owners of at least 5% of the applicant facility.

The applicants hereby permit the Illinois Health Facilities and Services Review Board and Illinois Department of Public Health ("IDPH") to have access to any documents necessary to verify the information submitted in the application for change of ownership of the facility including, but not limited to: (i) official records of IDPH or other State of Illinois agencies; (ii) the licensing or certification records of other states, when applicable; and (iii) the records of nationally recognized accreditation organizations.

The applicants further attest that the facilities will not adopt a more restrictive charity care policy that was in effect one year prior to the transaction.

Respectfully submitted,



Joseph Carlucci
CEO

American Renal Associates Holdings, Inc.

10-8-2020
Dated

10/2/2020

American Renal Associates Enters Into Definitive Agreement to be Acquired by Nautic Partners – American Renal



American Renal Associates Enters Into Definitive Agreement to be Acquired by Nautic Partners

Oct 02, 2020

ARA Shareholders to Receive \$11.50 Per Share in Cash

BEVERLY, Mass.--(BUSINESS WIRE)-- American Renal Associates Holdings, Inc. (NYSE: ARA) ("ARA" or the "Company"), a leading provider of outpatient dialysis services, today announced that it has entered into a definitive agreement to be acquired by Innovative Renal Care, LLC ("IRC"), an affiliate of Nautic Partners, LLC ("Nautic"), a middle market private equity firm, in an all-cash transaction that values the Company at an aggregate enterprise valuation of approximately \$853 million excluding non-controlling interest. Under the terms of the agreement, ARA shareholders will receive \$11.50 per share in cash. This consideration represents an approximate premium of 66% to the Company's closing price on October 1st, 2020.

"At ARA, we have created a unique platform for delivering superior quality care to patients by partnering with physicians around the country. This transaction recognizes the value of the Company and delivers a meaningful premium to shareholders," said Joe Carlucci, Chairman and Chief Executive Officer of ARA. "I have decided to delay my previously announced retirement in order to guide the Company through this transaction and into its next stage. Nautic is a firm with significant healthcare expertise and we are excited by their support as we engage with members of the IRC team for the next chapter of our Company's growth -- drawing on our deep relationships with our physician partners and our talented staff to continue providing excellent care to end-stage renal disease patients across the U.S. We also want to thank Centerbridge Partners for their thoughtful support over these past 10 years."

Scott Hilinski, Managing Director at Nautic, said, "ARA has established itself as a leading provider of high-quality patient care for those suffering from end-stage renal disease. Since its founding, the Company has built a successful track record working with leading nephrologists around the country while staying focused on its Core Values."

Dan Killeen, Principal at Nautic, added, "We are excited to bring together ARA management and IRC's complementary team of executives as we look to support the Company in executing against its strategic plan built on a differentiated, patient-centric approach to the renal care market."

The Board of Directors of ARA unanimously approved the agreement. The transaction is expected to close in the first quarter of 2021, subject to shareholder and regulatory approvals, as well as the satisfaction of customary closing conditions. Centerbridge Partners has entered into a voting agreement pursuant to which it has agreed to vote in favor of the transaction.

The agreement includes a 40-day "go-shop" period, which permits ARA's Board of Directors, with the assistance of independent financial and legal advisors, to actively solicit alternative acquisition proposals from third parties, and potentially enter into negotiations with parties that make alternative acquisition proposals. The Board has appointed a special committee of independent directors to oversee the go-shop process. ARA will have the right to terminate the agreement with Nautic to enter into a superior proposal subject to the terms and conditions of the agreement. There

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can be no assurance that this process will result in a superior proposal, and ARA does not intend to disclose developments with respect to the solicitation process unless and until its special committee or the Board of Directors makes a determination requiring further disclosure. The period commences on the date of the agreement.

Investment funds and accounts managed by HPS Investment Partners, LLC provided committed financing for the transaction.

Goldman Sachs & Co. LLC is serving as financial advisor to ARA, and Latham & Watkins LLP is serving as legal advisor to ARA. BofA Securities is serving as financial advisor to the special committee of the Board of Directors of ARA managing the go-shop process and Richards, Layton & Finger, PA is serving as its legal advisor. Guggenheim Securities, LLC is serving as financial advisor to Nautic, and Goodwin Procter LLP and Epstein, Becker & Green, P.C. are serving as its legal advisors. Raymond James & Associates, Inc. also served as an investment banking advisor to IRC.

Additional Information and Where to Find It

This communication may be deemed solicitation material in respect of the proposed acquisition of ARA by Nautic. This communication does not constitute a solicitation of any vote or approval. In connection with the proposed merger, ARA plans to file with the Securities and Exchange Commission (the "SEC") and mail or otherwise provide to its stockholders a proxy statement regarding the proposed transaction. ARA may also file other documents with the SEC regarding the proposed transaction. This document is not a substitute for the proxy statement or any other document that may be filed by ARA with the SEC. **ARA'S STOCKHOLDERS ARE URGED TO READ THE PROXY STATEMENT IN ITS ENTIRETY WHEN IT BECOMES AVAILABLE AND ANY OTHER DOCUMENTS FILED BY ARA WITH THE SEC IN CONNECTION WITH THE PROPOSED TRANSACTION OR INCORPORATED BY REFERENCE THEREIN BEFORE MAKING ANY VOTING OR INVESTMENT DECISION WITH RESPECT TO THE PROPOSED TRANSACTION BECAUSE THEY CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION AND THE PARTIES TO THE PROPOSED TRANSACTION.** Investors and stockholders may obtain a free copy of the proxy statement and other documents ARA files with the SEC (when available) through the website maintained by the SEC at www.sec.gov. ARA makes available free of charge at www.americanrenal.com (in the "SEC Filings" section under the "Investor Relations" heading), copies of materials it files with, or furnishes to, the SEC.

Participants in the Solicitation

ARA and its directors, executive officers and certain employees and other persons may be deemed to be participants in the solicitation of proxies from ARA's stockholders in connection with the proposed merger. Security holders may obtain information regarding the names, affiliations and interests of ARA's directors and executive officers in ARA's Annual Report on Form 10-K for the fiscal year ended December 31, 2019, which was filed with the SEC on March 16, 2020, and its definitive proxy statement for the 2020 annual meeting of stockholders, which was filed with the SEC on March 20, 2020, including the definitive additional materials filed with the SEC on April 24, 2020. To the extent the holdings of ARA securities by ARA's directors and executive officers have changed since the amounts set forth in ARA's proxy statement for its 2020 annual meeting of stockholders, such changes have been or will be reflected on Statements of Change in Ownership on Form 4 filed with the SEC. Additional information regarding the interests of such individuals in the proposed merger will be included in the proxy statement relating to the proposed merger when it is filed with the SEC. These documents (when available) may be obtained free of charge from the SEC's website at www.sec.gov and ARA's website at www.americanrenal.com.

Cautionary Statement Regarding Forward-Looking Statements

ir.americanrenal.com/news-releases/2020/10-02-2020-135017137

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This communication contains certain information, including financial estimates and statements as to, among other things, the expected timing, completion and effects of the proposed merger between ARA and IRC Superman Midco, Inc. ("Parent"), which may constitute forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These statements are subject to risks and uncertainties, and actual results may materially differ. All statements other than statements of historical fact or relating to present facts or current conditions included in this communication are forward-looking statements. Such forward-looking statements include, among others, ARA's current expectations and projections relating to its financial condition, results of operations, plans, objectives, future performance and business. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as "anticipate," "estimate," "expect," "project," "seek," "plan," "intend," "believe," "will," "may," "could," "continue," "likely," "should" and other similar words.

The forward-looking statements contained in this communication, including without limitation statements regarding anticipated benefits and effects of the anticipated merger of ARA and Parent, are based on assumptions that ARA has made in light of its industry experience and its perceptions of historical trends, current conditions, expected future developments and other factors that ARA believes are appropriate under the circumstances. These statements are not guarantees of performance or results. These assumptions and ARA's future performance or results involve risks and uncertainties, many of which are beyond ARA's control. Such risks and uncertainties include, among others, the inability to consummate the Merger within the anticipated time period, or at all, due to any reason, including the failure to obtain required regulatory approvals or the failure to satisfy the other conditions to the consummation of the Merger; the failure by Parent or Merger Sub to obtain the necessary debt and equity financing arrangements set forth in the commitment letters received in connection with the Merger; the risk that the Merger Agreement may be terminated in circumstances requiring ARA to pay a termination fee; the risk that the Merger disrupts ARA's current plans and operations or diverts management's attention from its ongoing business; the effect of the announcement of the Merger on the ability of ARA to retain and hire key personnel and maintain relationships with its customers, suppliers, physician partners and others with whom it does business; the effect of the announcement of the Merger on ARA's operating results and business generally; the amount of costs, fees and expenses related to the Merger; the risk that ARA's stock price may decline significantly if the Merger is not consummated; the nature, cost and outcome of any litigation and other legal proceedings, including any such proceedings related to the Merger and instituted against ARA and others; the effect of the ongoing COVID-19 pandemic and responses thereto; the effect of the restatement of ARA's previously issued financial results and related matters and the related SEC investigation; ARA's ability to remediate material weaknesses in ARA's internal control over financial reporting; continuing decline in the number of patients with commercial insurance or any regulatory or other changes leading to changes in the ability of patients with commercial insurance coverage to receive charitable premium support; decline in commercial payor reimbursement rates; reduction of government-based payor coverage and reimbursement rates or insufficient rate increases or adjustments that do not cover all of ARA's operating costs; ARA's ability to successfully develop de novo clinics, acquire existing clinics and attract new nephrologist partners; ARA's ability to compete effectively in the dialysis services industry; the performance of ARA's joint venture subsidiaries and their ability to make distributions to ARA; federal or state healthcare laws that could adversely affect ARA; ARA's ability to comply with all of the complex federal, state and local government regulations that apply to its business, including those in connection with federal and state anti-kickback laws and state laws prohibiting the corporate practice of medicine or fee-splitting; heightened federal and state investigations and enforcement efforts; changes in the availability and cost of erythropoietin-stimulating agents and other pharmaceuticals used in ARA's business; development of new technologies or government

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regulation that could decrease the need for dialysis services or decrease ARA's in-center patient population; ARA's ability to timely and accurately bill for ARA's services and meet payor billing requirements; claims and losses relating to malpractice, professional liability and other matters; the sufficiency of ARA's insurance coverage for those claims and rising insurances costs, and negative publicity or reputational damage arising from such matters; loss of any members of ARA's senior management; damage to ARA's reputation or ARA's brand and ARA's ability to maintain brand recognition; ARA's ability to maintain relationships with its medical directors and renew its medical director agreements; shortages of qualified skilled clinical personnel, or higher than normal turnover rates; competition and consolidation in the dialysis services industry; deterioration in economic conditions, particularly in states where we operate a large number of clinics, or disruptions in the financial markets or the effects of natural or other disasters, public health crises or adverse weather events; the participation of ARA's physician partners in material strategic and operating decisions and ARA's ability to favorably resolve any disputes; ARA's ability to honor obligations under the joint venture operating agreements with its physician partners were they to exercise certain put rights and other rights; unauthorized disclosure of personally identifiable, protected health or other sensitive or confidential information; ARA's ability to meet its obligations and comply with restrictions under its substantial level of indebtedness; and the ability of ARA's principal stockholder, whose interests may conflict with yours, to strongly influence or effectively control ARA's corporate decisions. For additional information, please see ARA's filings with the SEC. Additional factors or events that could cause ARA's actual performance to differ from these and other forward-looking statements may emerge from time to time, and it is not possible for ARA to predict all of them. Should one or more of these risks or uncertainties materialize, or should any of its assumptions prove incorrect, ARA's actual financial condition, results of operations, future performance and business may vary in material respects from the performance projected in these forward-looking statements.

Any forward-looking statement made in this communication speaks only as of the date on which it is made. ARA undertakes no obligation, and expressly disclaims any obligation, to update, alter or otherwise revise any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise, except as may be required by law.

About American Renal Associates

American Renal Associates ("ARA") is a leading provider of outpatient dialysis services in the United States. As of June 30, 2020, ARA operated 251 dialysis clinic locations in 27 States and the District of Columbia serving more than 17,300 patients with end stage renal disease. ARA operates principally through a physician partnership model, in which it partners with local nephrologists to develop, own and operate dialysis clinics. ARA's Core Values emphasize taking good care of patients, providing physicians with clinical autonomy and support, hiring the best possible staff and providing best practices management. For more information about American Renal Associates, visit www.americanrenal.com.

About Nautic Partners, LLC

Nautic Partners, LLC ("Nautic") is a middle-market private equity firm that focuses on three industries: healthcare, industrials, and services. Nautic has completed over 140 platform transactions throughout its 34-plus year history. Nautic's strategy is to partner with management teams to accelerate the growth trajectory of its portfolio companies via add-on acquisitions, targeted operational initiatives, and increased management team depth. For more information, please visit www.nautic.com.

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In September 2019, Nautic supported an experienced management team in the formation of Innovative Renal Care ("IRC"), a new platform entity focused on deploying a more comprehensive and integrated renal care model.

View source version on businesswire.com:

<https://www.businesswire.com/news/home/20201002005131/en/>

For American Renal Associates:

Investors:

Mark Herbers, Interim CFO

Telephone: (978)-522-3945

Email: mherbers@americanrenal.com

Media:

Jeremy Fielding / Anntal Silver

jeremy.fielding@kekstcnc.com / anntal.silver@kekstcnc.com

For Nautic Partners and IRC:

Allan M. Petersen, Managing Director, Investor Relations

APetersen@nautic.com

Source: American Renal Associates Holdings, Inc.



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K/A
(Amendment No. 1)

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): October 1, 2020

American Renal Associates Holdings, Inc.

(Exact name of registrant as specified in its charter)

Delaware	001-37751	27-2170749
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification Number)
500 Cummings Center		
Beverly, Massachusetts		01915
(Address of principal executive offices)		(Zip code)

(978) 922-3080
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☒ Soliciting material pursuant to Rule 144a-12 under the Exchange Act (17 CFR 240.144a-12)
- ☐ Pre-commencement communications pursuant to Rule 144-2(b) under the Exchange Act (17 CFR 240.144-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered

Common Stock, \$0.01 par value per share

ARA

New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

☒

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

☒

Explanatory Note

This Amendment No. 1 on Form 8-K/A is being filed by American Renal Associates Holdings, Inc. to amend and restate the Current Report on Form 8-K filed on October 2, 2020 (the "Original Report"), to correct errors found in the Original Report. The aggregate principal amount of committed debt financing of up to "\$150 million" in the seventh paragraph of Item 1.01 of the Original Report should be "\$515 million." This Amendment No. 1 also corrects typographical errors found in Item 1.01 and Exhibit 99.1 of the Original Report.

Item 1.01 Entry into a Material Definitive Agreement.

Agreement and Plan of Merger

On October 1, 2020, American Renal Associates Holdings, Inc., a Delaware corporation ("ARA"), entered into an Agreement and Plan of Merger (the "Merger Agreement") with IRC Superman Midco, LLC, a Delaware limited liability company ("Parent") and an affiliate of Nautic Partners, LLC, and Superman Merger Sub, Inc., a Delaware corporation and wholly owned subsidiary of Parent ("Merger Sub"). The Merger Agreement provides that, upon the terms and subject to the satisfaction or waiver of the conditions set forth therein, Merger Sub will merge with and into ARA (the "Merger"), with ARA continuing as the surviving corporation in the Merger as a wholly owned subsidiary of Parent. The board of directors of ARA (the "ARA Board") has unanimously approved the Merger Agreement and the transactions contemplated thereby (including the Merger) and has directed that the Merger Agreement be submitted to the stockholders of ARA for their adoption.

Pursuant to the terms of the Merger Agreement, at the effective time of the Merger (the "Effective Time") and as a result of the Merger, each share of common stock of ARA issued and outstanding immediately prior to the Effective Time (other than (i) shares owned by Parent, Merger Sub or any other direct or indirect wholly owned subsidiary of Parent immediately prior to the Effective Time and shares owned by ARA, including shares held in treasury by ARA, and in each case not held on behalf of third parties, and (ii) shares as to which the holders thereof have properly demanded appraisal with respect thereto under Delaware law and have not effectively withdrawn such demand) will be converted automatically into and will thereafter represent the right to receive \$11.50 in cash, without interest (the "Per Share Merger Consideration"). In addition, immediately prior to the Effective Time and as a result of the Merger, (a) each option to purchase shares of ARA common stock that is outstanding and unexercised immediately prior to the Effective Time will automatically become immediately vested and, at the Effective Time, will automatically be converted into the right to receive a cash payment equal to the product of (x) the total number of shares subject to the option multiplied by (y) the excess, if any, of the Per Share Merger Consideration over the exercise price per share under such option, and (b) each outstanding award of restricted stock and each outstanding award of restricted stock units that is outstanding immediately prior to the Effective Time will automatically become immediately vested and, at the Effective Time, will automatically be converted into the right to receive a cash payment equal to the product of (x) the total number of shares subject to such award immediately prior to the Effective Time multiplied by (y) the Per Share Merger Consideration, in each case of (a) and (b) without interest and less applicable taxes required to be withheld.

The consummation of the Merger is subject to customary closing conditions, including, among others, the following conditions to the obligations of either party: (i) the adoption of the Merger Agreement by the holders of a majority of ARA's outstanding shares of common stock; (ii) the absence of any applicable law or governmental order prohibiting, restraining or enjoining the consummation of the Merger; (iii) the expiration or termination of any applicable waiting period (and extension thereof) under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and receipt of any required approvals thereunder; (iv) the accuracy of the other party's representations and warranties in the Merger Agreement, subject to customary exceptions; and (v) the other party's performance and compliance with its covenants and obligations under the Merger Agreement in all material respects. Furthermore, the consummation of the Merger is subject to the following additional conditions to the obligations of Parent and Merger Sub: (i) the absence of a "Material Adverse Effect" (as defined in the Merger Agreement) with respect to ARA and its subsidiaries, taken as a whole, and (ii) the receipt of certain specified healthcare regulatory approvals.

The Merger Agreement contains customary representations, warranties and covenants, including covenants obligating ARA to conduct its business in the ordinary course and not engage in certain specified transactions or activities without Parent's prior consent. In addition, the Merger Agreement obligates ARA to call and hold a meeting of its stockholders for the purpose of adopting the Merger Agreement and, subject to certain exceptions, requires the ARA Board to recommend to the ARA stockholders that they vote in favor of the adoption of the Merger Agreement and approval of the Merger (and not withdraw, rescind or materially adversely change or qualify such recommendation). However, subject to the satisfaction of certain terms and conditions, ARA and the ARA Board, as applicable, are permitted to take certain actions which may, as more fully described in the Merger Agreement, include changing the ARA Board's recommendation and entering into a definitive agreement with respect to a Superior Proposal (as defined in the Merger Agreement) if, among other things, the ARA Board (or a duly authorized committee

thereof) has determined after consultation with its outside legal counsel and financial advisors that the failure to take such action would be reasonably likely to be inconsistent with its fiduciary duties under applicable law. The Merger Agreement also contains a "go-shop" provision pursuant to which ARA retains the right to initiate, solicit, facilitate and encourage any inquiry or acquisition proposal from third parties and engage in discussions and negotiations with respect to such alternative acquisition proposals through November 10, 2020 (the "No-Shop Period Start Date").

From the No-Shop Period Start Date until the Effective Time, ARA has agreed not to initiate, solicit, knowingly facilitate or knowingly encourage any inquiries or discussions with respect to, or the making of, any proposal or offer that constitutes or would be reasonably likely to result in an Acquisition Proposal (as defined in the Merger Agreement), or take certain other restricted actions in connection therewith. Notwithstanding the foregoing, if ARA receives a bona fide Acquisition Proposal that did not result from a material breach of the non-solicitation provisions of the Merger Agreement that the ARA Board (or a duly authorized committee thereof) determines in good faith, after consultation with its financial advisors and outside legal counsel, constitutes a Superior Proposal, ARA may take certain actions to participate in discussions and negotiations and furnish information with respect to such Acquisition Proposal, after providing written notice to Parent of such determination.

The Merger Agreement also contains certain termination rights for ARA and Parent, including the right of ARA to terminate the Merger Agreement to accept a Superior Proposal after complying with certain requirements. In addition, either party may terminate the Merger Agreement if the Merger is not consummated on or before March 1, 2021 (subject to extension as set forth in the Merger Agreement). The Merger Agreement further provides that, in the event of the termination of the Merger Agreement in connection with an Acquisition Proposal that the ARA Board determines is a Superior Proposal and in other certain specified circumstances, ARA may be required to pay Parent a termination fee of approximately \$12.1 million or, under certain specified circumstances in connection with a bona fide written Acquisition Proposal received prior to the No-Shop Period Start Date, a termination fee of approximately \$5 million. The Merger Agreement also provides that Parent may be required to pay ARA a reverse termination fee of approximately \$32.2 million under certain specified circumstances.

Parent has obtained financing commitments for the purpose of financing the transactions contemplated by the Merger Agreement and paying related fees and expenses (the "Financing"). Nautic Partners VIII, L.P., Nautic Partners VIII-A, L.P., Nautic Partners IX, L.P. and Nautic Partners IX-A, L.P. have committed to capitalize Parent, prior to the closing of the Merger (the "Closing"), with an aggregate equity contribution of up to \$450 million, subject to the terms and conditions set forth in an equity commitment letter. Investment funds and accounts managed by HPS Investment Partners, LLC (the "Lenders") have agreed to provide Parent and Merger Sub with committed debt financing in an aggregate principal amount of up to \$515 million on the terms set forth in a debt commitment letter. The obligations of the Lenders to provide debt financing under the debt commitment letter are subject to customary terms and conditions. The Merger Agreement provides that Parent and Merger Sub will use reasonable best efforts to take all actions and to do all things necessary, proper or advisable to arrange, obtain and consummate the Financing on or prior to the Closing. The Merger is not conditioned on Parent's receipt of the Financing.

This summary of the principal terms of the Merger Agreement and the copy of the Merger Agreement filed as an exhibit to this report are intended to provide information regarding the terms of the Merger Agreement and are not intended to modify or supplement any factual disclosures about ARA in its public reports filed with the Securities and Exchange Commission ("SEC"). In particular, the Merger Agreement and related summary are not intended to be, and should not be relied upon as, disclosures regarding any facts and circumstances relating to ARA, Parent or Merger Sub or their respective affiliates.

The foregoing description of the Merger Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Merger Agreement, which is filed as Exhibit 2.1 hereto and incorporated herein by reference. The Merger Agreement and the foregoing description thereof have been included to provide investors and stockholders with information regarding the terms of the Merger Agreement. They are not intended to provide any other factual information about ARA. The representations, warranties and covenants contained in the Merger Agreement were made only as of specified dates for the purposes of such agreement, were solely for the benefit of the parties to such agreement and may be subject to qualifications and limitations agreed upon by such parties. In particular, in reviewing the representations, warranties and covenants contained in the Merger Agreement and discussed in the foregoing description, it is important to bear in mind that such representations, warranties and covenants were negotiated with the principal purpose of allocating risk between the parties, rather than establishing matters as facts. Such representations, warranties and covenants may also be subject to a contractual standard of materiality different from those generally applicable to stockholders and reports and documents filed with the SEC, and are also qualified in important part by a confidential disclosure schedule delivered by ARA to Parent in connection with the Merger Agreement. Investors and stockholders are not third-party beneficiaries under the Merger Agreement. Accordingly, investors and stockholders should not rely on such representations, warranties and covenants as characterizations of the actual state of facts or circumstances described therein. Information concerning the subject matter of such representations, warranties and covenants may change after the date of the Merger Agreement, which subsequent information may or may not be fully reflected in the parties' public disclosures.

Voting and Support Agreement

Concurrently with the execution of the Merger Agreement, Centerbridge Capital Partners, L.P. and certain of its affiliates (collectively, the "Centerbridge Stockholders"), which together beneficially own approximately 53.4% of the outstanding shares of common stock of ARA, entered into a Voting and Support Agreement with Parent (the "Voting Agreement") pursuant to which, among other things and subject to the terms and conditions therein, the Centerbridge Stockholders agreed to vote their shares of ARA common stock (i) in favor of the adoption and approval of the Merger Agreement and the transactions contemplated thereby, including the Merger, (ii) against any action or agreement that would reasonably be expected to result in a breach of any obligation of ARA or any of its subsidiaries or affiliates under the Merger Agreement or that would reasonably be expected to result in any of the conditions to ARA's or any of its subsidiaries' or affiliates' obligations under the Merger Agreement not being fulfilled, and (iii) against (a) any Acquisition Proposal, (b) any agreement, transaction or other matter intended to or reasonably expected to materially and adversely affect the consummation of the transactions contemplated by the Merger Agreement, including the Merger, (c) any reorganization, recapitalization, dissolution or liquidation of ARA or its subsidiaries, (d) any change in the majority of the ARA Board, and (e) any material change in ARA's capitalization or corporate structure. In addition, each Centerbridge Stockholder waived appraisal rights.

The Centerbridge Stockholders have also agreed, to the extent requested by the ARA Board (or an independent committee of disinterested members of the ARA Board) in connection with any Acquisition Proposal which the ARA Board or such committee has determined in good faith, after consultation with its financial advisors and outside legal counsel, constitutes a Superior Proposal, to enter into a supplemental agreement in favor of the person or group that submitted such Acquisition Proposal on the same terms and conditions as the supplemental agreement that the Centerbridge Stockholders entered into with Parent on the date hereof, pursuant to which the Centerbridge Stockholders agreed, subject to the limitations therein, to reimburse the Company for fifty percent of any fines, penalties or reasonable and documented out-of-pocket expenses incurred in connection with the SEC investigation previously disclosed by the Company in its public reports filed with the SEC, subject to a \$5 million aggregate reimbursement cap.

The Voting Agreement terminates upon the earliest to occur of (i) the Effective Time, (ii) the termination of the Merger Agreement in accordance with its terms, (iii) in the event the Merger Agreement is amended without the prior consent of the Centerbridge Stockholders and such amendment (a) decreases the Per Share Merger Consideration, (b) changes the form of consideration payable under the Merger Agreement to the Centerbridge Stockholders, (c) imposes any additional material restrictions on or additional conditions on the payment of the Per Share Merger Consideration to ARA's stockholders, (d) imposes any additional material restrictions or obligations on the Centerbridge Stockholders, or (e) otherwise materially and adversely affects the Centerbridge Stockholders, (iv) mutual consent by the Centerbridge Stockholders and Parent, (v) the conclusion of the vote in favor of the adoption and approval of the Merger Agreement and the transactions contemplated thereby and the shares held by the Centerbridge Stockholders have been voted as specified therein, or (vi) the ARA Board changing its recommendation that ARA's stockholders adopt the Merger Agreement in accordance with the terms of and to the extent permitted by the Merger Agreement.

The foregoing description of the Voting Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Voting Agreement, which is filed as Exhibit 10.1 hereto and incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

On October 2, 2020, ARA announced that it had entered into the Merger Agreement. A copy of the press release containing the announcement is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

As provided in General Instruction B.2 of Form 8-K, the information in this Item 7.01 and the exhibit contained in this report shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall this item or the exhibit be deemed to be incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
<u>2.1*</u>	Agreement and Plan of Merger, dated as of October 1, 2020, by and among IRC Superman Midco, LLC, Superman Merger Sub, Inc. and American Renal Associates Holdings, Inc.
<u>10.1</u>	Voting and Support Agreement, dated as of October 1, 2020, by and among IRC Superman Midco, LLC, the stockholders of American Renal Associates Holdings, Inc. ("ARA") party thereto and solely for purposes of Sections 8 and 21 therein, ARA.
<u>99.1</u>	Press release, dated October 2, 2020
104	Cover Page Interactive Data File (embedded within the Inline XBRL document and contained in Exhibit 101).

*The schedules to the Agreement and Plan of Merger have been omitted from this filing pursuant to Item 601(a)(5) of Regulation S-K. ARA will furnish copies of any such schedules to the SEC upon request.

* * *

Additional Information and Where to Find It

This communication relates to the proposed merger (the "Merger") of American Renal Associates Holdings, Inc., a Delaware corporation ("ARA"), with IRC Superman Midco, LLC, a Delaware limited liability company ("Parent") and portfolio company of Nautic Partners, LLC, and Superman Merger Sub, Inc., a Delaware corporation and wholly owned subsidiary of Parent ("Merger Sub"), pursuant to the terms of that certain Agreement and Plan of Merger, dated as of October 1, 2020, by and among ARA, Parent and Merger Sub (the "Merger Agreement").

This communication may be deemed solicitation material in respect of the Merger. This communication does not constitute a solicitation of any vote or approval. In connection with the proposed merger, ARA plans to file with the Securities and Exchange Commission (the "SEC") and mail or otherwise provide to its stockholders a proxy statement regarding the proposed transaction. ARA may also file other documents with the SEC regarding the proposed transaction. This document is not a substitute for the proxy statement or any other document that may be filed by ARA with the SEC. **ARA'S STOCKHOLDERS ARE URGED TO READ THE PROXY STATEMENT IN ITS ENTIRETY WHEN IT BECOMES AVAILABLE AND ANY OTHER DOCUMENTS FILED BY ARA WITH THE SEC IN CONNECTION WITH THE PROPOSED TRANSACTION OR INCORPORATED BY REFERENCE THEREIN BEFORE MAKING ANY VOTING OR INVESTMENT DECISION WITH RESPECT TO THE PROPOSED TRANSACTION BECAUSE THEY CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION AND THE PARTIES TO THE PROPOSED TRANSACTION.** Investors and stockholders may obtain a free copy of the proxy statement and other documents ARA files with the SEC (when available) through the website maintained by the SEC at www.sec.gov. ARA makes available free of charge at www.americanrenal.com (in the "SEC Filings" section under the "Investor Relations" heading), copies of materials it files with, or furnishes to, the SEC.

Participants in the Solicitation

ARA and its directors, executive officers and certain employees and other persons may be deemed to be participants in the solicitation of proxies from ARA's stockholders in connection with the proposed merger. Security holders may obtain information regarding the names, affiliations and interests of ARA's directors and executive officers in ARA's Annual Report on Form 10-K for the fiscal year ended December 31, 2019, which was filed with the SEC on March 16, 2020, and its definitive proxy statement for the 2020 annual meeting of stockholders, which was filed with the SEC on March 20, 2020, including the definitive additional materials filed with the SEC on April 24, 2020. To the extent the holdings of ARA securities by ARA's directors and executive officers have changed since the amounts set forth in ARA's proxy statement for its 2020 annual meeting of stockholders, such changes have been or will be reflected on Statements of Change in Ownership on Form 4 filed with the SEC. Additional information regarding the interests of such individuals in the proposed merger will be included in the proxy statement relating to the proposed merger when it is filed with the SEC. These documents (when available) may be obtained free of charge from the SEC's website at www.sec.gov and ARA's website at www.americanrenal.com.

Cautionary Statement Regarding Forward-Looking Statements

This communication contains certain information, including financial estimates and statements as to, among other things, the expected timing, completion and effects of the proposed merger between ARA and Parent, which may constitute forward-looking statements within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. These statements are subject to risks and uncertainties, and actual results may materially differ. All statements other than statements of historical fact or relating to present facts or current conditions included in this communication are forward-looking statements. Such forward-looking statements include, among others, ARA’s current expectations and projections relating to its financial condition, results of operations, plans, objectives, future performance and business. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as “anticipate,” “estimate,” “expect,” “project,” “seek,” “plan,” “intend,” “believe,” “will,” “may,” “could,” “continue,” “likely,” “should” and other similar words.

The forward-looking statements contained in this communication, including without limitation statements regarding the anticipated benefits and effects of the anticipated merger of ARA and Parent, are based on assumptions that ARA has made in light of its industry experience and its perceptions of historical trends, current conditions, expected future developments and other factors that ARA believes are appropriate under the circumstances. These statements are not guarantees of performance or results. These assumptions and ARA’s future performance or results involve risks and uncertainties, many of which are beyond ARA’s control. Such risks and uncertainties include, among others, the inability to consummate the Merger within the anticipated time period, or at all, due to any reason, including the failure to obtain required regulatory approvals or the failure to satisfy the other conditions to the consummation of the Merger; the failure by Parent or Merger Sub to obtain the necessary debt and equity financing arrangements set forth in the commitment letters received in connection with the Merger; the risk that the Merger Agreement may be terminated in circumstances requiring ARA to pay a termination fee; the risk that the Merger disrupts ARA’s current plans and operations or diverts management’s attention from its ongoing business; the effect of the announcement of the Merger on the ability of ARA to retain and hire key personnel and maintain relationships with its customers, suppliers, physician partners and others with whom it does business; the effect of the announcement of the Merger on ARA’s operating results and business generally; the amount of costs, fees and expenses related to the Merger; the risk that ARA’s stock price may decline significantly if the Merger is not consummated; the nature, cost and outcome of any litigation and other legal proceedings, including any such proceedings related to the Merger and instituted against ARA and others; the effect of the ongoing COVID-19 pandemic and responses thereto; the effect of the restatement of ARA’s previously issued financial results and related matters and the related SEC investigation; ARA’s ability to remediate material weaknesses in ARA’s internal control over financial reporting; continuing decline in the number of patients with commercial insurance or any regulatory or other changes leading to changes in the ability of patients with commercial insurance coverage to receive charitable premium support; decline in commercial payor reimbursement rates; reduction of government-based payor coverage and reimbursement rates or insufficient rate increases or adjustments that do not cover all of ARA’s operating costs; ARA’s ability to successfully develop de novo clinics, acquire existing clinics and attract new nephrologist partners; ARA’s ability to compete effectively in the dialysis services industry; the performance of ARA’s joint venture subsidiaries and their ability to make distributions to ARA; federal or state healthcare laws that could adversely affect ARA; ARA’s ability to comply with all of the complex federal, state and local government regulations that apply to its business, including those in connection with federal and state anti-kickback laws and state laws prohibiting the corporate practice of medicine or fee-splitting; heightened federal and state investigations and enforcement efforts; changes in the availability and cost of erythropoietin-stimulating agents and other pharmaceuticals used in ARA’s business; development of new technologies or government regulation that could decrease the need for dialysis services or decrease ARA’s in-center patient population; ARA’s ability to timely and accurately bill for ARA’s services and meet payor billing requirements; claims and losses relating to malpractice, professional liability and other matters; the sufficiency of ARA’s insurance coverage for those claims and rising insurances costs, and negative publicity or reputational damage arising from such matters; loss of any members of ARA’s senior management; damage to ARA’s reputation or ARA’s brand and ARA’s ability to maintain brand recognition; ARA’s ability to maintain relationships with its medical directors and renew its medical director agreements; shortages of qualified skilled clinical personnel, or higher than normal turnover rates; competition and consolidation in the dialysis services industry; deterioration in economic conditions, particularly in states where we operate a large number of clinics, or disruptions in the financial markets or the effects of natural or other disasters, public health crises or adverse weather events; the participation of ARA’s physician partners in material strategic and operating decisions and ARA’s ability to favorably resolve any disputes; ARA’s ability to honor obligations under the joint venture operating agreements with its physician partners were they to exercise certain put rights and other rights; unauthorized disclosure of personally identifiable, protected health or other sensitive or confidential information; ARA’s ability to meet its obligations and comply with restrictions under its substantial level of indebtedness; and the ability of ARA’s principal stockholder, whose interests may conflict with yours, to strongly influence or effectively control ARA’s corporate decisions. For additional information, please see ARA’s filings with the SEC. Additional factors or events that could cause ARA’s actual performance to differ from these and other forward-looking statements may emerge from time to time, and it is not possible for ARA to predict all of them. Should one or more of these risks or uncertainties materialize, or should any of its assumptions prove incorrect, ARA’s actual financial condition, results of operations, future performance and business may vary in material respects from the performance projected in these forward-looking statements.

Any forward-looking statement made in this communication speaks only as of the date on which it is made. ARA undertakes no obligation, and expressly disclaims any obligation, to update, alter or otherwise revise any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise, except as may be required by law.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AMERICAN RENAL ASSOCIATES HOLDINGS, INC.

Dated: October 2, 2020

By: /s/ Joseph A. Carlucci
Name: Joseph A. Carlucci
Title: Chief Executive Officer and Chairman of the Board of
Directors

ATTACHMENT 7

CHARITY CARE INFORMATION

The amount of charity care for the last three years provided by each of American Renal Associates Holdings, Inc.'s affiliated facilities are included in the tables below.

ARA – CRYSTAL LAKE DIALYSIS LLC			
	2016	2017	2018
Net Patient Revenue (\$)	543,026	2,023,830	1,360,393
Amount of Charity Care (charges)	0	0	0
Cost of Charity Care (\$)	0	0	0

MCHENRY DIALYSIS CENTER, LLC			
	2016	2017	2018
Net Patient Revenue (\$)	4,123,073	1,957,037	1,488,692
Amount of Charity Care (charges)	0	0	0
Cost of Charity Care (\$)	0	0	0

ARA – SOUTH BARRINGTON DIALYSIS LLC			
	2016	2017	2018
Net Patient Revenue (\$)	3,336,180	3,089,991	2,681,981
Amount of Charity Care (charges)	0	0	0
Cost of Charity Care (\$)	0	0	0

The above charity care information is from the 2016, 2017 and 2018 ESRD Facility Profiles for each facility.

Financial statements for ARA – Crystal Lake Dialysis LLC, McHenry Dialysis Center, LLC, and ARA – South Barrington Dialysis LLC and audited financial statements for American Renal Associated Holdings, Inc., have been provided under separate cover.