

**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:	Palos Community Hospital		
Street Address:	12251 South 80 th Avenue		
City and Zip Code:	Palos Heights, IL 60463		
County:	Cook	Health Service Area:	7
		Health Planning Area:	A-04

Legislators

State Senator Name:	Senator Bill Cunningham, 18 th Senate District
State Representative Name:	Representative Fran Hurley, 35 th Legislative District

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

Exact Legal Name:	Northwestern Memorial HealthCare
Street Address:	251 East Huron Street
City and Zip Code:	Chicago, IL 60611
Name of Registered Agent:	Danae K. Prousis
Registered Agent Street Address:	211 East Ontario Street Suite 1800
Registered Agent City and Zip Code:	Chicago, IL 60611
Name of Chief Executive Officer:	Dean M. Harrison
CEO Street Address:	251 East Huron Street
CEO City and Zip Code:	Chicago, IL 60611
CEO Telephone Number:	312-926-3007

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:	Bridget Orth
Title:	Director, Regulatory Planning
Company Name:	Northwestern Memorial HealthCare
Address:	211 East Ontario Street, Suite 1750, Chicago, IL 60611
Telephone Number:	312-926-8650
E-mail Address:	borth@nm.org
Fax Number:	312-926-0373

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:	Palos Community Hospital		
Street Address:	12251 South 80 th Avenue		
City and Zip Code:	Palos Heights, IL 60463		
County: Cook	Health Service Area: 7	Health Planning Area: A-04	

Legislators

State Senator Name:	Senator Bill Cunningham, 18 th Senate District
State Representative Name:	Representative Fran Hurley, 35 th Legislative District

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

Exact Legal Name:	The St. George Corporation
Street Address:	12251 South 80 th Avenue
City and Zip Code:	Palos Heights, IL 60463
Name of Registered Agent:	Leona Gibbons
Registered Agent Street Address:	12251 South 80 th Avenue
Registered Agent City and Zip Code:	Palos Heights, IL 60463
Name of Chief Executive Officer:	Terrence Moisan, M.D.
CEO Street Address:	12251 South 80 th Avenue
CEO City and Zip Code:	Palos Heights, IL 60463
CEO Telephone Number:	708-923-4000

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:	Bridget Orth
Title:	Director, Regulatory Planning
Company Name:	Northwestern Memorial HealthCare
Address:	211 East Ontario Street, Suite 1750, Chicago, IL 60611
Telephone Number:	312-926-8650
E-mail Address:	borth@nm.org
Fax Number:	312-926-0373

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:	Palos Community Hospital		
Street Address:	12251 South 80 th Avenue		
City and Zip Code:	Palos Heights, IL 60463		
County: Cook	Health Service Area: 7	Health Planning Area: A-04	

Legislators

State Senator Name:	Senator Bill Cunningham, 18 th Senate District
State Representative Name:	Representative Fran Hurley, 35 th Legislative District

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

Exact Legal Name:	Palos Community Hospital
Street Address:	12251 South 80 th Avenue
City and Zip Code:	Palos Heights, IL 60463
Name of Registered Agent:	Leona Gibbons
Registered Agent Street Address:	12251 South 80 th Avenue
Registered Agent City and Zip Code:	Palos Heights, IL 60463
Name of Chief Executive Officer:	Terrence Moisan, M.D.
CEO Street Address:	12251 South 80 th Avenue
CEO City and Zip Code:	Palos Heights, IL 60463
CEO Telephone Number:	708-923-4000

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:	Bridget Orth
Title:	Director, Regulatory Planning
Company Name:	Northwestern Memorial HealthCare
Address:	211 East Ontario Street, Suite 1750, Chicago, IL 60611
Telephone Number:	312-926-8650
E-mail Address:	borth@nm.org
Fax Number:	312-926-0373

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

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

Name:	Danae K. Prousis
Title:	Senior Vice President and General Counsel
Company Name:	Northwestern Memorial HealthCare
Address:	211 East Ontario Street, Suite 1800, Chicago, IL 60611
Telephone Number:	312-695-6609
E-mail Address:	dprousis@nm.org
Fax Number:	

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:	Bridget Orth
Title:	Director, Regulatory Planning
Company Name:	Northwestern Memorial HealthCare
Address:	251 East Ontario Street, Suite 1750, Chicago, IL 60611
Telephone Number:	312-926-8650
E-mail Address:	borth@nm.org
Fax Number:	312-926-0373

Site Ownership after the Project is Complete

[Provide this information for each applicable site]

Exact Legal Name of Site Owner:	Palos Community Hospital
Address of Site Owner:	12251 South 80 th Avenue, Palos Heights, IL 60463
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:	Palos Community Hospital
Address:	12251 South 80 th Avenue, Palos Heights, IL 60463
☒ Non-profit Corporation ☐ Partnership ☐ For-profit Corporation ☐ Governmental ☐ Limited Liability Company ☐ Sole Proprietorship ☐ Other	

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

Operating Identity/Licensee after the Project is Complete

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

Exact Legal Name: Palos Community Hospital	
Address: 12251 South 80 th Avenue, Palos Heights, IL 60463	
☒ Non-profit Corporation ☐ For-profit Corporation ☐ Limited Liability Company	☐ Partnership ☐ Governmental ☐ Sole Proprietorship ☐ Other
○ Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. ○ Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner. ○ Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	
APPEND DOCUMENTATION AS ATTACHMENT 3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

Organizational Relationships

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

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

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.

Northwestern Memorial HealthCare (NMHC) and Palos Health seek approval of this Certificate of Exemption (COE) to allow for the NMHC system to combine with the Palos Health system which will result in a single integrated health system operating under the name "Northwestern Medicine" that supports NMHC's and Palos Health's common and unifying vision for value and quality in health care. If approved, the proposed transaction will allow for the creation of a combined health system that would support significant improvements in health care delivery and outcomes and would preserve NMHC's and Palos Health's investments in the communities served by both health systems. The proposed transaction will create a strong and effective long-term relationship between NMHC and Palos Health and will ensure continued achievement of both systems' charitable missions.

In the proposed transaction, NMHC will become the sole corporate member of Palos Community Hospital (PCH). In connection with such change in corporate member, NMHC will have the power and authority to govern, direct, and oversee the property, funds, business, and affairs of PCH and, indirectly, will have certain rights with respect to Palos Health Surgery Center, LLC—an ambulatory surgery center joint venture among PCH (50.5% ownership), Loyola University Medical Center (48.5% ownership), and USP Chicago, Inc. (1% ownership). The transaction will constitute a direct change of control of PCH and an indirect change of control of Palos Health Surgery Center, LLC and therefore a change of ownership of the licensees (as defined in 77 IAC §1130.140).

The licensees include the following existing health care facilities (as defined in 77 IAC §1130.140):

- Palos Community Hospital
- Palos Health Surgery Center, LLC

The proposed transaction, in and of itself will not affect any of the licensees' status as the licensee/operating entity of the existing health care facilities named above. In addition, the transaction will not, in and of itself, effect a transfer, conveyance or change in the ownership of any Palos Health joint venture or NMHC joint venture to any other person.

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

Related Project Costs

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

Land acquisition is related to project ☐ Yes ☒ No
 Purchase Price: \$__ See ATTACHMENT-6 _____
 Fair Market Value: \$__ See ATTACHMENT-6 _____

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 X No __. 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.

CON # 19-048 – Palos Health Mokena Medical Office Building
 Anticipated Project Completion Date: January 1, 2022 (after exemption is complete).
 The project has been obligated.

Anticipated exemption completion date (refer to Part 1130.570): __April 1, 2021__

State Agency Submittals

Are the following submittals up to date as applicable:

- ☒ Cancer Registry
- ☒ APORS
- ☒ All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
- ☒ All reports regarding outstanding permits

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

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

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

Northwestern Memorial HealthCare

*

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.

Dean M. Harrison
SIGNATURE

Dean M. Harrison
PRINTED NAME

President and CEO
PRINTED TITLE

John A. Orsini
SIGNATURE

John A. Orsini
PRINTED NAME

Senior Vice President and CFO
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 12th day of OCTOBER 2020

Mary H. Savaiano
Signature of Notary



*Insert the EXACT legal name of the applicant

Notarization:

Subscribed and sworn to before me
this 12th day of OCTOBER 2020

Mary H. Savaiano
Signature of Notary



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

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 _____

____The St. George Corporation_____

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

Terrence Moisan, M.D. _____
PRINTED NAME

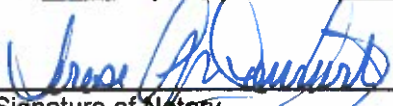
Chief Executive Officer _____
PRINTED TITLE


SIGNATURE

Donald R. Dixon _____
PRINTED NAME

Corporate Secretary _____
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 7 day of OCTOBER 2020


Signature of Notary

Seal
OFFICIAL SEAL
TERESE A DOUGHERTY
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES: 01/23/22
*Insert the EXACT legal name of the applicant

Notarization:
Subscribed and sworn to before me
this 7 day of OCTOBER 2020


Signature of Notary

Seal
OFFICIAL SEAL
TERESE A DOUGHERTY
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES: 01/23/22

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

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 _____

Palos Community Hospital

*

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.

Terrence Moisan
SIGNATURE

Terrence Moisan, M.D. _____
PRINTED NAME

Chief Executive Officer _____
PRINTED TITLE

Donald R. Dixon
SIGNATURE

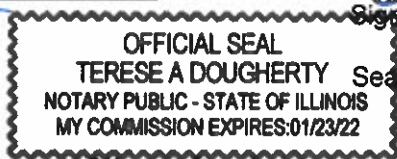
Donald R. Dixon _____
PRINTED NAME

Corporate Secretary _____
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 7 day of OCTOBER 2020

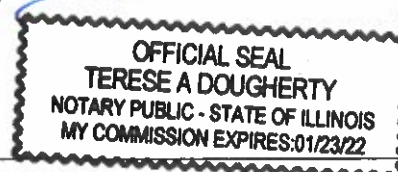
Terese A. Dougherty
Signature of Notary

Seal



Notarization:
Subscribed and sworn to before me
this 7 day of OCTOBER 2020

Terese A. Dougherty
Signature of Notary



*Insert the EXACT legal name of the applicant

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."

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

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.

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

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		17-19
2	Site Ownership		20-34
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.		N/A
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.		35-37
5	Background of the Applicant		38-39
6	Change of Ownership		40-44
7	Charity Care Information		45

File Number

5257-740-3



To all to whom these Presents Shall Come, Greeting:

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

NORTHWESTERN MEMORIAL HEALTHCARE, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON NOVEMBER 30, 1981, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



***In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 17TH
day of SEPTEMBER A.D. 2020 .***

Jesse White

SECRETARY OF STATE

Authentication #: 2026102502 verifiable until 09/17/2021

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

File Number

6114-192-8



To all to whom these Presents Shall Come, Greeting:

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

THE ST. GEORGE CORPORATION, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JULY 10, 2000, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



***In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 17TH
day of SEPTEMBER A.D. 2020 .***

Jesse White

SECRETARY OF STATE

Authentication #: 2026102522 verifiable until 09/17/2021

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

File Number

2564-757-2



To all to whom these Presents Shall Come, Greeting:

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

PALOS COMMUNITY HOSPITAL, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON MAY 02, 1938, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



In Testimony Whereof, I hereto set
*my hand and cause to be affixed the Great Seal of
the State of Illinois, this 17TH
day of SEPTEMBER A.D. 2020 .*

Jesse White

SECRETARY OF STATE

Authentication #: 2026102560 verifiable until 09/17/2021

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

**First American****Commitment****ALTA Commitment for Title Insurance**

ISSUED BY

First American Title Insurance Company

File No: NCS-946278-1-MICH

COMMITMENT FOR TITLE INSURANCE**Issued By****FIRST AMERICAN TITLE INSURANCE COMPANY****NOTICE**

IMPORTANT-READ CAREFULLY: THIS COMMITMENT IS AN OFFER TO ISSUE ONE OR MORE TITLE INSURANCE POLICIES. ALL CLAIMS OR REMEDIES SOUGHT AGAINST THE COMPANY INVOLVING THE CONTENT OF THIS COMMITMENT OR THE POLICY MUST BE BASED SOLELY IN CONTRACT.

THIS COMMITMENT IS NOT AN ABSTRACT OF TITLE, REPORT OF THE CONDITION OF TITLE, LEGAL OPINION, OPINION OF TITLE, OR OTHER REPRESENTATION OF THE STATUS OF TITLE. THE PROCEDURES USED BY THE COMPANY TO DETERMINE INSURABILITY OF THE TITLE, INCLUDING ANY SEARCH AND EXAMINATION, ARE PROPRIETARY TO THE COMPANY, WERE PERFORMED SOLELY FOR THE BENEFIT OF THE COMPANY, AND CREATE NO EXTRACONTRACTUAL LIABILITY TO ANY PERSON, INCLUDING A PROPOSED INSURED.

THE COMPANY'S OBLIGATION UNDER THIS COMMITMENT IS TO ISSUE A POLICY TO A PROPOSED INSURED IDENTIFIED IN SCHEDULE A IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THIS COMMITMENT. THE COMPANY HAS NO LIABILITY OR OBLIGATION INVOLVING THE CONTENT OF THIS COMMITMENT TO ANY OTHER PERSON.

COMMITMENT TO ISSUE POLICY

Subject to the Notice; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and the Commitment Conditions, **First American Title Insurance Company**, a Nebraska Corporation (the "Company"), commits to issue the Policy according to the terms and provisions of this Commitment. This Commitment is effective as of the Commitment Date shown in Schedule A for each Policy described in Schedule A, only when the Company has entered in Schedule A both the specified dollar amount as the Proposed Policy Amount and the name of the Proposed Insured.

If all of the Schedule B, Part I-Requirements have not been met within six months after the Commitment Date, this Commitment terminates and the Company's liability and obligation end.

First American Title Insurance Company

Dennis J. Gilmore
President

Jeffrey S. Robinson
Secretary

If this jacket was created electronically, it constitutes an original document.

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

Copyright 2006-2016 American Land Title Association. All rights reserved.

The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.

COMMITMENT CONDITIONS**1. DEFINITIONS**

- (a) "Knowledge" or "Known": Actual or imputed knowledge, but not constructive notice imparted by the Public Records.
 - (b) "Land": The land described in Schedule A and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is to be insured by the Policy.
 - (c) "Mortgage": A mortgage, deed of trust, or other security instrument, including one evidenced by electronic means authorized by law.
 - (d) "Policy": Each contract of title insurance, in a form adopted by the American Land Title Association, issued or to be issued by the Company pursuant to this Commitment.
 - (e) "Proposed Insured": Each person identified in Schedule A as the Proposed Insured of each Policy to be issued pursuant to this Commitment.
 - (f) "Proposed Policy Amount": Each dollar amount specified in Schedule A as the Proposed Policy Amount of each Policy to be issued pursuant to this Commitment.
 - (g) "Public Records": Records established under state statutes at the Commitment Date for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge.
 - (h) "Title": The estate or interest described in Schedule A.
2. If all of the Schedule B, Part I—Requirements have not been met within the time period specified in the Commitment to Issue Policy, this Commitment terminates and the Company's liability and obligation end.
3. The Company's liability and obligation is limited by and this Commitment is not valid without:
- (a) the Notice;
 - (b) the Commitment to Issue Policy;
 - (c) the Commitment Conditions;
 - (d) Schedule A;
 - (e) Schedule B, Part I—Requirements;
 - (f) Schedule B, Part II—Exceptions;

4. COMPANY'S RIGHT TO AMEND

The Company may amend this Commitment at any time. If the Company amends this Commitment to add a defect, lien, encumbrance, adverse claim, or other matter recorded in the Public Records prior to the Commitment Date, any liability of the Company is limited by Commitment Condition 5. The Company shall not be liable for any other amendment to this Commitment.

5. LIMITATIONS OF LIABILITY

- (a) The Company's liability under Commitment Condition 4 is limited to the Proposed Insured's actual expense incurred in the interval between the Company's delivery to the Proposed Insured of the Commitment and the delivery of the amended Commitment, resulting from the Proposed Insured's good faith reliance to:
 - (i) comply with the Schedule B, Part I—Requirements;
 - (ii) eliminate, with the Company's written consent, any Schedule B, Part II—Exceptions; or
 - (iii) acquire the Title or create the Mortgage covered by this Commitment.
- (b) The Company shall not be liable under Commitment Condition 5(a) if the Proposed Insured requested the amendment or had Knowledge of the matter and did not notify the Company about it in writing.
- (c) The Company will only have liability under Commitment Condition 4 if the Proposed Insured would not have incurred the expense had the Commitment included the added matter when the Commitment was first delivered to the Proposed Insured.
- (d) The Company's liability shall not exceed the lesser of the Proposed Insured's actual expense incurred in good faith and described in Commitment Conditions 5(a)(i) through 5(a)(iii) or the Proposed Policy Amount.
- (e) The Company shall not be liable for the content of the Transaction Identification Data, if any.
- (f) In no event shall the Company be obligated to issue the Policy referred to in this Commitment unless all of the Schedule B, Part I—Requirements have been met to the satisfaction of the Company.
- (g) In any event, the Company's liability is limited by the terms and provisions of the Policy.

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

Copyright 2006-2016 American Land Title Association. All rights reserved.

The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.

Form 50000317 (4-24-18)	Page 2 of 15	ALTA Commitment for Title Insurance (8-1-16) Illinois
-------------------------	--------------	--

6. LIABILITY OF THE COMPANY MUST BE BASED ON THIS COMMITMENT

- (a) Only a Proposed Insured identified in Schedule A, and no other person, may make a claim under this Commitment.
- (b) Any claim must be based in contract and must be restricted solely to the terms and provisions of this Commitment.
- (c) Until the Policy is issued, this Commitment, as last revised, is the exclusive and entire agreement between the parties with respect to the subject matter of this Commitment and supersedes all prior commitment negotiations, representations, and proposals of any kind, whether written or oral, express or implied, relating to the subject matter of this Commitment.
- (d) The deletion or modification of any Schedule B, Part II—Exception does not constitute an agreement or obligation to provide coverage beyond the terms and provisions of this Commitment or the Policy.
- (e) Any amendment or endorsement to this Commitment must be in writing and authenticated by a person authorized by the Company.
- (f) When the Policy is issued, all liability and obligation under this Commitment will end and the Company's only liability will be under the Policy.

7. IF THIS COMMITMENT HAS BEEN ISSUED BY AN ISSUING AGENT

The issuing agent is the Company's agent only for the limited purpose of issuing title insurance commitments and policies. The issuing agent is not the Company's agent for the purpose of providing closing or settlement services.

8. PRO-FORMA POLICY

The Company may provide, at the request of a Proposed Insured, a pro-forma policy illustrating the coverage that the Company may provide. A pro-forma policy neither reflects the status of Title at the time that the pro-forma policy is delivered to a Proposed Insured, nor is it a commitment to insure.

9. ARBITRATION

The Policy contains an arbitration clause. All arbitrable matters when the Proposed Policy Amount is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Proposed Insured as the exclusive remedy of the parties. A Proposed Insured may review a copy of the arbitration rules at <http://www.alta.org/arbitration>.

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

Copyright 2006-2016 American Land Title Association. All rights reserved.

The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.

Form 50000317 (4-24-18)	Page 3 of 15	ALTA Commitment for Title Insurance (8-1-16) Illinois
-------------------------	--------------	--

 First American Schedule A	ALTA Commitment for Title Insurance ISSUED BY First American Title Insurance Company File No: NCS-946278-1-MICH
--	---

Transaction Identification Data for reference only:

Commitment No.: NCS-946278-1-MICH

Issuing Office: 900 Wilshire Drive , Suite 260, Troy, MI 48084

Property Address: 12025 & 12031 South 73rd Avenue,
12029 80th Avenue; 7800 West 122nd, Street; 7848 West
123rd Place &, 12251 80th Avenue, Palos Heights, IL
Revision Date: 4/5/2019

Customer Reference:

Title Inquiries to:**Escrow Inquiries to:****SCHEDULE A**

1. Commitment Date: January 30, 2019
2. Policy to be issued:
 - (a) ☐ 2006 ALTA® Owner's Policy
Proposed Insured: To be determined
Proposed Policy Amount: \$1,000.00
 - (b) ☐ 2006 ALTA® Policy
Proposed Insured:
Proposed Policy Amount: \$0.00
3. The estate or interest in the Title described or referred to in this Commitment and covered herein is Fee Simple and Title to the estate or interest in said Land is at the effective date hereof vested in:

Palos Community Hospital, formerly known as The St. George Corporation, as to Parcels 1 and 3

St. George Hospital, as to Parcel 2;

Palos Community Hospital, as to Parcel 4,

St. George Hospital, as to Parcel 5

St. George Corporation, d/b/a Palos Community Hospital, as to Parcels 6, 7 and 8

4. The Land referred to in this Commitment is described as follows:

Parcel 1:

Lot 1, of Owner's Subdivision of that part of the Northwest quarter of Section 25, Township 37 North, Range 12 East of the Third Principal Meridian described as follows: Beginning at a point in the West line of said Northwest quarter of Section 25, which is a distance of 802.00 feet North of the Southwest corner of said Northwest quarter; thence continuing North along said West line a distance of 81.36 feet to the intersection of said line with the Southeasterly line of Brand Street as shown on

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

Copyright 2006-2016 American Land Title Association. All rights reserved.

The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.

Form 50000317 (4-24-18)	Page 4 of 15	ALTA Commitment for Title Insurance (8-1-16) Illinois
-------------------------	--------------	--

Brand's Addition to Palos recorded August 18, 1893 as document no. 1918199; thence North 59 degrees 19 minutes East along the Southeasterly line of said Brand Street a distance of 314.08 feet to a point; thence South parallel with the West line of said Northwest quarter a distance of 241.16 feet to the intersection of said parallel line with a line drawn 802.00 feet North of and parallel with the South line of said Northwest quarter; thence West along said parallel line a distance of 270.12 feet to the point of beginning, according to the plat thereof recorded August 7, 1972 as document no. 22004846, in Cook County, Illinois.

Note: For informational purposes only, the land is known as:
12925 South 73rd Avenue, Palos Heights, IL

Parcel 2:

That part of the Northwest quarter of Section 25, Township 37 North, Range 12 East of the Third Principal Meridian, lying West of the East 1116.0 feet of said Northwest quarter; South of the North 1325.0 feet of said Northwest quarter and also South of the Southeasterly line of Brand Street as shown on Brand's Addition to Palos, recorded August 18, 1893 as document no. 1918199; excepting therefrom the South 802.0 feet of the West 910.0 feet and the South 660 feet of the East 250.00 feet of the West 1160.0 feet of the Northwest quarter of Section 25 (except that part falling within Palos Community Hospital Subdivision recorded as document no. 85253957); ALSO excepting therefrom a tract described as follows: Beginning at a point on the West line of said Northwest quarter of Section 25, which is a distance of 802.00 feet North of the Southwest corner of said Northwest quarter; thence continuing North along said West line a distance of 81.36 feet to the intersection of said line with the Southeasterly line of Brand Street as shown on Brand's Addition to Palos recorded August 18, 1893 as document no. 1918199; thence North 59 degrees 19 minutes East along the Southeasterly line of said Brand Street a distance of 314.08 feet to a point; thence South parallel with the West line of said Northwest quarter a distance of 241.16 feet to the intersection of said parallel line with a line drawn 802.00 feet North of and parallel with the South line of said Northwest quarter; thence West along said parallel line a distance of 270.12 feet to the point of beginning; ALSO excepting therefrom Lot 1, in Palos Community Hospital Subdivision of the North 248.92 feet of the South 918.90 feet of the East 175.00 feet of the West 1055.00 feet of the Northwest Quarter of Section 25, in Township 37 North, Range 12 East of the Third Principal Meridian, in Cook County, Illinois.

Note: For informational purposes only, the land is known as:
12029 80th Avenue, Palos Heights, IL

Parcel 3:

The North 62.23 feet of Lot 1, in Palos Community Hospital Subdivision of the North 248.92 feet of the South 918.92 feet of the East 175.00 feet of the West 1055.00 feet of the Northwest quarter of Section 25, Township 37 North, Range 12 East of the Third Principal Meridian, according to the plat thereof recorded October 25, 1985 as document no. 85253957, in Cook County, Illinois.

Note: For informational purposes only, the land is known as:
12031 South 73rd Avenue, Palos Heights, IL

Parcel 4:

Lot 1, (except the North 62.23 feet thereof), in Palos Community Hospital Subdivision of the North 248.92 feet of the South 918.92 feet of the East 175.00 feet of the West 1055.00 feet of the Northwest quarter of Section 25, Township 37 North, Range 12 East of the Third Principal Meridian, according to the plat thereof recorded October 25, 1985 as document no. 85253957, in Cook County, Illinois.

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

Copyright 2006-2016 American Land Title Association. All rights reserved.

The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.

Form 50000317 (4-24-18)	Page 5 of 15	ALTA Commitment for Title Insurance (8-1-16) Illinois
-------------------------	--------------	--

Note: For informational purposes only, the land is known as:
7800 West 122nd Street, Palos Heights, IL

Parcel 5:

The South 802.00 feet of the West 910 feet and the South 660 feet of the East 250 feet of the West 1160 feet of the Northwest quarter of Section 25, Township 37 North, Range 12 East of the Third Principal Meridian, excepting therefrom that part taken for McCarthy Road and ALSO excepting therefrom that part falling within Palos Community Hospital Subdivision recorded as document no. 85253957, in Cook County, Illinois.

Note: For informational purposes only, the land is known as:
12251 South 80th Avenue, Palos Heights, IL

Parcel 6:

A tract of land in the Southwest quarter of Section 25, Township 37 North, Range 12 East of the Third Principal Meridian, described as follows: Commencing at a point on the North line of the Southwest quarter of Section 25, aforesaid, 629.52 feet East of the West line of said Southwest quarter of Section 25; thence due South to the Northeasterly right of way line of 123rd Street, to 127th cut-off county road (as deeded by plat of dedication recorded as document no. 8599656); thence Northwesterly along said right of way line to the North line of the Southwest quarter of Section 25 aforesaid; thence East along said North line of the Southwest quarter of Section 25 to the plat of beginning, in Cook County, Illinois.

Note: For informational purposes only, the land is known as:
7920 McCarthy Road, Palos Park, IL

Parcel 7:

Lot 1, in the Subdivision of the North 260.75 feet (except the East 501.16 feet) and (except the West 800.52 feet thereof) the South 60.0 feet of the North 320.75 feet of that portion lying East of the Northeasterly right of way of the "Cutoff County Road" as now laid out and dedicated and the West 1002.33 feet of the East 1336.44 feet of the South 260.75 of the North 581.50 feet of the Southwest quarter of Section 25, Township 37 North, Range 12 East of the Third Principal Meridian, according to the plat thereof recorded July 3, 1946 as document no. 13836896, in Cook County, Illinois.

Note: For informational purposes only, the land is known as:
7840 West 123rd Place, Palos Park, IL

Parcel 8:

A tract of land in the Southwest quarter of Section 25, Township 37 North, Range 12 East of the Third Principal Meridian described as follows: Commencing at a point on the North line of the Southwest quarter of Section 25 aforesaid, 629.52 feet East of the West line of said Southwest quarter of Section 25; thence East along said North line of the Southwest quarter of Section 25, for a distance of 171 feet; thence South on a line parallel with the said West line of the Southwest quarter of Section 25, aforesaid, for a distance of 260.75 feet; thence West on a line parallel with the North line of the Southwest quarter of said Section 25, to the Northeasterly right of way line of 123rd Street to 127th Street Cut Off, County Road (as dedicated by plat of dedication recorded as document no. 8599656); thence Northwesterly along said Northeasterly right way line to a point where a line 629.52 feet East of and parallel with the West line of the Southwest quarter of Section 25, aforesaid, intersects the Northeasterly right of way line of said 123rd Street to 127th Street Cut Off County

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

Copyright 2006-2016 American Land Title Association. All rights reserved.

The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.

Form 50000317 (4-24-18)	Page 6 of 15	ALTA Commitment for Title Insurance (8-1-16) Illinois
-------------------------	--------------	--

Road; thence North along said line 629.52 feet East of and parallel with the West line of the Southwest quarter of Section 25, aforesaid to the plat of beginning, in Cook County, Illinois.

Except that part of the above land described as follows:

Commencing at the Northwest corner of the Southwest quarter of said Section 25; thence on an assumed bearing of North 87 degrees 54 minutes 18 seconds East along the North line of said Southwest quarter 629.52 feet to the Northwest corner of said tract of land; thence South 02 degrees 00 minutes 50 seconds East along the West line of said tract, parallel with the West line of said Southwest quarter, 175.91 feet to the point of beginning; thence continuing South 02 degrees 00 minutes 50 seconds East along said West line 8.85 feet to the Northwestern right of way line of the 123rd to 127th Street County Highway dedication recorded September 22, 1924 as document no. 8599656, being also a point on a 1026.95 foot radius curve, the center of circle of said curve bears South 35 degrees 54 minutes 40 seconds West from said point; thence Southeasterly along said Northwestern right of way line and said curve 92.27 feet through a central angle of 05 degrees 08 minutes 53 seconds; thence North 41 degrees 03 minutes 33 seconds East along a radial line 7.00 feet to a point on a 1033.95 foot radius curve, the center of circle of said curve bears South 41 degrees 03 minutes 33 seconds West from said point; thence Northwesterly along said curve 98.34 feet through a central angle of 05 degrees 26 minutes 59 seconds to the point of beginning, all in Cook County, Illinois.

Note: For informational purposes only, the land is known as:
7848 West 123rd Street, Palos Park, IL

THIS COMMITMENT IS VALID ONLY IF SCHEDULE B IS ATTACHED.

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

Copyright 2006-2016 American Land Title Association. All rights reserved.

The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.

Form 50000317 (4-24-18)	Page 7 of 15	ALTA Commitment for Title Insurance (8-1-16) Illinois
-------------------------	--------------	--

**First American****Schedule BI & BII****ALTA Commitment for Title Insurance**

ISSUED BY

First American Title Insurance Company

File No: NCS-946278-1-MICH

SCHEDULE B, PART I**Requirements**

All of the following Requirements must be met:

1. The Proposed Insured must notify the Company in writing of the name of any party not referred to in this Commitment who will obtain an interest in the Land or who will make a loan on the Land. The Company may then make additional Requirements or Exceptions.
2. Pay the agreed amount for the estate or interest to be insured.
3. Pay the premiums, fees, and charges for the Policy to the Company.
4. Documents satisfactory to the Company that convey the Title or create the Mortgage to be insured, or both, must be properly authorized, executed, delivered, and recorded in the Public Records.
5. The Land covered by this Commitment is subject to the Predatory Lending Database Program (765 ILCS 77/70 et seq.). Effective July 1, 2008, valid Certificates of Compliance or Exception Issued in conformity with the act must be obtained at the time of closing in order to record any Mortgage. For additional information, go to <https://www.ilapld.com/>. Effective July 1, 2010, the counties affected are Cook, Will, Kane and Peoria.
6. The Land is located within Cook, DuPage, Grundy, Jackson, Kane, Kankakee, Lake, La Salle, Logan, McDonough, McLean, Madison, Marion, Ogle, Peoria, Rock Island, Sangamon, Tazewell, Whiteside, Winnebago or Woodford counties which use the MyDec system for the completion of the state and county transfer tax forms. As of January 1, 2016, The City of Chicago Transfer Tax declaration must be completed in the MyDec system. The form and instructions can be found at https://mytax.illinois.gov/MyDec/_/.

Note: If the county is listed in MyDec, but the municipality is not, you may prepare your State and County Declaration with this site. However, you must contact the municipality for their current procedures and requirements.

7. Release of Mortgage dated July 22, 1998 and recorded August 18, 1998 as 98728971, made by Southwest Comprehensive Oncology Center, Ltd., to Citibank, Federal Savings Bank, to secure an indebtedness in the amount of \$738,750.00, and the terms and conditions thereof.

Loan Modification Agreement recorded January 29, 2003 as document 0030132777.

(Affects Parcel 4).

NOTE: we find no release for the above noted Mortgage.

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

Copyright 2006-2016 American Land Title Association. All rights reserved.

The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.

8. Release of Assignment of Rents made by Southwest Comprehensive Oncology Center, Ltd. to Citibank, Federal Savings Bank recorded August 18, 1998 as document 98728972.

Loan Modification Agreement recorded January 29, 2003 as document 0030132777.

(Affects Parcel 4).

NOTE: we find no release for the above noted Assignment of Rents.

9. With respect to Palos Community Hospital, a corporation:
1. A certificate of good standing of recent date issued by the Secretary of State of the corporation's state of domicile.
 2. A certified copy of a resolution of the Board of Directors authorizing the contemplated transaction and designating which corporate officers shall have the power to execute on behalf of the corporation.
 3. Other requirements which the Company may impose following its review of the material required herein and other information which the Company may require.
10. This item has been intentionally deleted.
11. With respect to St. George Hospital, a corporation:
1. A certificate of good standing of recent date issued by the Secretary of State of the corporation's state of domicile.
 2. A certified copy of a resolution of the Board of Directors authorizing the contemplated transaction and designating which corporate officers shall have the power to execute on behalf of the corporation.
 3. Other requirements which the Company may impose following its review of the material required herein and other information which the Company may require.
12. With respect to St. George Corporation, a corporation:
1. A certificate of good standing of recent date issued by the Secretary of State of the corporation's state of domicile.
 2. A certified copy of a resolution of the Board of Directors authorizing the contemplated transaction and designating which corporate officers shall have the power to execute on behalf of the corporation.
 3. Other requirements which the Company may impose following its review of the material required herein and other information which the Company may require.
13. The municipality imposes certain requirements at the time of conveyance. Contact Palos Heights at (708) 598-3400 / www.palosheights.org prior to closing for its specific requirements, which may include the payment of the final water bill, other fees, an inspection or other approvals.
14. The Company should be furnished with a letter from the South Palos Township Sanitary District stating all fees in connection with said services are paid current through the month of closing.
15. We should be furnished either (a) an affidavit from the owner indicating that there is no property manager employed; or (b) a final lien waiver from the property manager acting on behalf of the owner.
16. Submit proof satisfactory to the Company of completion of improvements, including tenant improvements, and satisfactory evidence that all contracts for labor, materials and services have been paid in full.

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

Copyright 2006-2016 American Land Title Association. All rights reserved.

The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.

17. Relative to the deletion of Standard Exceptions 1 through 5, we should be furnished the following:
- 1) A sworn statement disclosing all parties in possession of the land, including parties in possession under unrecorded leases and the terms and provisions thereof; options; and unrecorded contracts to purchase the land.
 - 2) A current survey of the land, properly certified to the Company, made in accordance with (i) the accuracy requirements of a survey pursuant to the 'Minimum Standard Detail Requirements for Land Title Surveys' Jointly Established and Adopted by the American Land Title Association and American Congress on Survey and Mapping; and (ii) the Laws of the State of Illinois.
 - 3) An ALTA Extended Coverage Policy Statement. If new construction has taken place within the last six months, the following should be produced: Satisfactory evidence of the payment in full of the cost of furnishing services, labor and materials in connection with any improvements made on the land within six months of the date of this commitment. This evidence should consist of sworn contractors' and subcontractors' affidavits, together with all necessary waivers of lien.
18. Note: If any contemplated deed of conveyance of the land is exempt from the operation of the provisions of paragraph 1(a) of 765 ILCS 205/1, the plat act, such deed should be accompanied by a proper affidavit establishing to the satisfaction of the recorder of deeds of Cook County, Illinois, that the conveyance is so exempt. If said conveyance is not so exempt, compliance should be had with the provisions of said paragraph 1(a).

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

Copyright 2006-2016 American Land Title Association. All rights reserved.

The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.

Form 50000317 (4-24-18)	Page 10 of 15	ALTA Commitment for Title Insurance (8-1-16) Illinois
-------------------------	---------------	--

 First American Schedule BI & BII (Cont.)	ALTA Commitment for Title Insurance ISSUED BY First American Title Insurance Company File No: NCS-946278-1-MICH
---	---

SCHEDULE B, PART II**Exceptions**

THIS COMMITMENT DOES NOT REPUBLISH ANY COVENANT, CONDITION, RESTRICTION, OR LIMITATION CONTAINED IN ANY DOCUMENT REFERRED TO IN THIS COMMITMENT TO THE EXTENT THAT THE SPECIFIC COVENANT, CONDITION, RESTRICTION, OR LIMITATION VIOLATES STATE OR FEDERAL LAW BASED ON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, GENDER IDENTITY, HANDICAP, FAMILIAL STATUS, OR NATIONAL ORIGIN.

The Policy will not insure against loss or damage resulting from the terms and provisions of any lease or easement identified in Schedule A, and will include the following Exceptions unless cleared to the satisfaction of the Company:

Part One:

1. Rights or claims of parties in possession not shown by the Public Records.
2. Easements or claims of easements, not shown by Public Records.
3. Any encroachments, encumbrance, violation, variation or adverse circumstance affecting Title that would be disclosed by an accurate and complete survey of the Land pursuant to the "Minimum Standards of Practice," 68 Ill. Admin Code, Sec. 1270.56(b)(6)(P) for residential property or the ALTA/NSPS land title survey standards for commercial/industrial property.
4. Any lien, or right to a lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the Public Records.
5. Taxes, or special assessments, if any, not shown as existing liens by the Public Records.
6. Any defect, lien, encumbrance, adverse claim, or other matter that appears for the first time in the Public Records or is created, attaches, or is disclosed between the Commitment Date and the date on which all of the Schedule B, Part I-Requirements are met.

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

Copyright 2006-2016 American Land Title Association. All rights reserved.

The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.

Form 50000317 (4-24-18)	Page 11 of 15	ALTA Commitment for Title Insurance (8-1-16) Illinois
-------------------------	---------------	--

 First American Schedule BII (Cont.)	ALTA Commitment for Title Insurance ISSUED BY First American Title Insurance Company File No: NCS-946278-1-MICH
---	---

SCHEDULE B, PART II (Continued)**Exceptions (Continued)****Part Two:**

1. General real estate taxes for the year(s) 2018 second installment, 2019 and subsequent years.
The first installment of the 2018 taxes was not billed.
The second installment of the 2018 taxes and the 2019 taxes are not yet due or payable.

Tax No.: 23-25-106-017

(Affects Parcel 1)

2. General real estate taxes for the year(s) 2018 second installment, 2019 and subsequent years.
The first installment of the 2018 taxes was not billed.
The second installment of the 2018 taxes and the 2019 taxes are not yet due or payable.

Tax No.: 23-25-106-019

(Affects Parcel 2)

3. General real estate taxes for the year(s) 2018 second installment, 2019 and subsequent years.
The first installment of the 2018 taxes was not billed.
The second installment of the 2018 taxes and the 2019 taxes are not yet due or payable.

Tax No.: 23-25-106-020

(Affects Parcel 3)

4. General real estate taxes for the year(s) 2018 second installment, 2019 and subsequent years.
The first installment of the 2018 taxes was not billed.
The second installment of the 2018 taxes and the 2019 taxes are not yet due or payable.

Tax No.: 23-25-106-021

(Affects Parcel 4)

5. General real estate taxes for the year(s) 2018 second installment, 2019 and subsequent years.
The first installment of the 2018 taxes in the amount of \$57,340.79 is paid.

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

Copyright 2006-2016 American Land Title Association. All rights reserved.

The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.

Form 50000317 (4-24-18)	Page 12 of 15	ALTA Commitment for Title Insurance (8-1-16) Illinois
-------------------------	---------------	--

The second installment of the 2018 taxes and the 2019 taxes are not yet due or payable.

Tax No.: 23-25-106-018

(Affects Parcel 5)

6. General real estate taxes for the year(s) 2018 second installment, 2019 and subsequent years.
The first installment of the 2018 taxes was not billed.
The second installment of the 2018 taxes and the 2019 taxes are not yet due or payable.

Tax No.: 23-25-301-009

(Affects Parcel 6)

7. General real estate taxes for the year(s) 2018 second installment, 2019 and subsequent years.
The first installment of the 2018 taxes was not billed.
The second installment of the 2018 taxes and the 2019 taxes are not yet due or payable.

Tax No.: 23-25-301-016

(Affects Parcel 7)

8. General real estate taxes for the year(s) 2018 second installment, 2019 and subsequent years.
The first installment of the 2018 taxes was not billed.
The second installment of the 2018 taxes and the 2019 taxes are not yet due or payable.

Tax No.: 23-25-301-036

(Affects Parcel 8)

9. The property appears to be a part of the South Palos Township Sanitary District and may be subject to the provisions of a certain ordinance imposing charges for use and connection thereto and providing said charges are liens against the subject land until paid.
10. Easements for public utilities, as shown on the plat of subdivision recorded as document no. 22004846.

(Affects the East 5 feet of Parcel 1)

11. Pipe line easement grant to Shell Oil Company recorded as document no. 15341935 of an easement and rights to lay, operate, repair and remove pipe lines for the transportation of petroleum or any of its products, and the terms and conditions contained therein.

(Affects Parcels I, 2 and 3)

12. Plat of easement recorded as document no. 85253957 for ingress and egress, and the terms and conditions contained therein.

(Affects Parcels 1, 2 and 5)

13. Agreement recorded as document no. 18160521 granting to the City of Palos Heights, an easement for sanitary sewer, water main, storm sewer and roadway, and the terms and conditions contained

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

Copyright 2006-2016 American Land Title Association. All rights reserved.

The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.

therein.

(Affects Parcel 2)

14. Easement in favor of Illinois Bell Telephone Company for pole lines, conduits and maintenance purposes granted by document no. 20049663, recorded on January 24, 1967, and the terms and conditions thereof.

(Affects the East 5 feet of Parcel 2)

15. Easement in favor of Commonwealth Edison Company for pole lines, conduits and maintenance purposes granted by document no. 21205641, recorded on July 9, 1970, and the terms and conditions thereof.

(Affects Parcel 2)

16. Easement in favor of Commonwealth Edison Company and Illinois Bell Telephone Company for pole lines, conduits and maintenance purposes granted by document no. 86268493, recorded on June 30, 1986, and the terms and conditions thereof.

(Affects Parcels 2, 4 and 5)

17. Plat of easement for reservoir site to the City of Palos Heights, recorded as document no. 23126571, and the terms and conditions contained therein.

(Affects Parcel 2)

18. Plat of easement for reservoir site to the City of Palos Heights recorded as document no. 23945348, and the terms and conditions contained therein.

(Affects Parcel 2)

19. Grant of easement to the Village of Palos Park, for sewer main recorded as document no. 26813591, and the terms and conditions contained therein.

(Affects Parcel 2)

20. Plat of water main easement to the City of Palos Heights recorded as document no. 0930334027, and the terms and conditions contained therein.

(Affects Parcel 2)

21. Covenants, conditions and restrictions contained in the Warranty recorded as document no. 85323421 and any amendments thereto, relating to, among other things: construction and completion time, use of the land, and approval of lease.

Note: The document contains a provision for a reversion of title due to breach of said restrictions.

(Affects Parcels 3 and 4)

22. Illinois Environmental Protection Agency Environmental No Further Remediation Letter recorded February 17, 2010 as document no. 1004845073.

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

Copyright 2006-2016 American Land Title Association. All rights reserved.

The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.

(Affects Parcels 2, 4 and 5)

23. Easement in favor of Northern Illinois Gas for the installation, maintenance, repair, relocation, removal and renewal of gas mains granted by document 20027952 on December 22, 1966, and the terms and conditions thereof.

(Affects Parcel 5)

24. Easement in favor of Illinois Bell Telephone Company for pole lines, conduits and maintenance purposes granted by document no. 12216338, recorded on September 28, 1938, and the terms and conditions thereof.

(Affects the North 30 feet of Parcels 6 and 8)

25. Ordinance No. 0-91-4 recorded as document no. 91357244 regulating the water system of the South Palos Township Sanitary District, and the terms and conditions contained therein.
26. Rights of the Public, the State of Illinois and the Municipality in and to that part of the land, if any, taken or used for road purposes.
27. Rights of way for drainage tiles, ditches, feeders and laterals, if any.
28. Existing unrecorded leases, if any, and rights of all parties claiming thereunder.

End of Schedule B

RY

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

Copyright 2006-2016 American Land Title Association. All rights reserved.

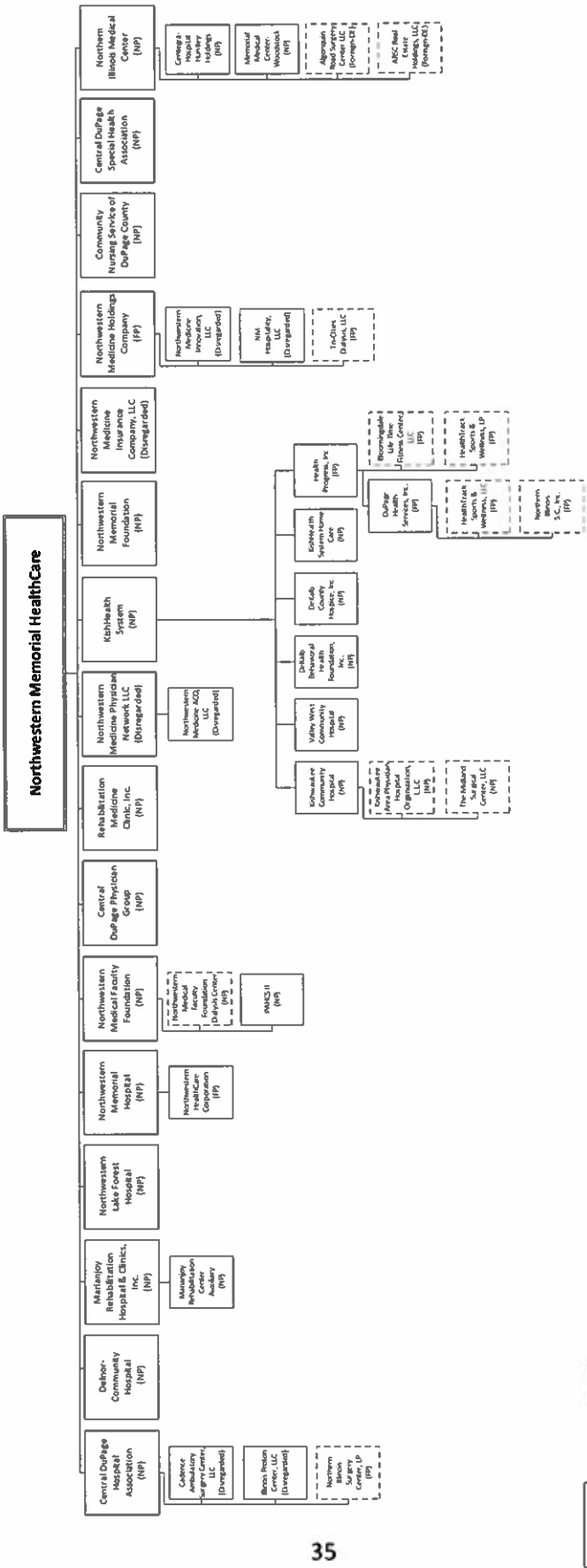
The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.

Form 50000317 (4-24-18)	Page 15 of 15	ALTA Commitment for Title Insurance (8-1-16) Illinois
-------------------------	---------------	--

Northwestern Memorial HealthCare

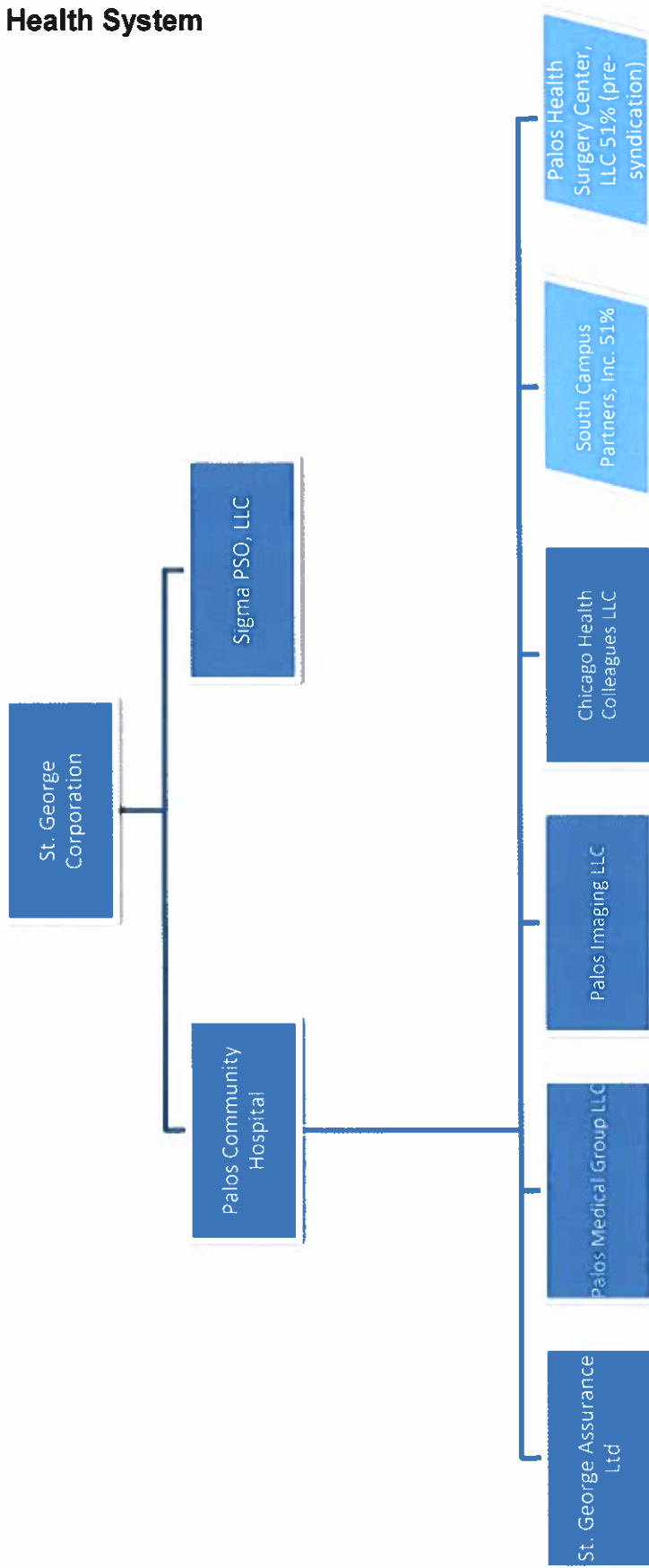
Effective October 1, 2020

#E-051-20



Palos Health System

St. George Corporation Organization Chart



#E-051-20



SECTION II. BACKGROUND.**BACKGROUND OF APPLICANT**

1. *Listing of all health care facilities owned or operated by the applicants, including licensing, and certification if applicable.*

Northwestern Memorial HealthCare:

Facility	IDPH License No.	Joint Commission Organization No.
Northwestern Memorial Hospital	0003251	7267
Lake Forest Hospital	0005660	3918
Central DuPage Hospital Association	0005744	7444
Delnor-Community Hospital	0005736	5291
Marianjoy Rehabilitation Hospital	0003228	7445
Kishwaukee Community Hospital	0005470	7325
Valley West Community Hospital	0004690	382957
Northern Illinois Medical Center d/b/a Northwestern Medicine McHenry Hospital	0003889	7375
Northern Illinois Medical Center d/b/a Northwestern Medicine Huntley Hospital	0003889	7375
Northern Illinois Medical Center d/b/a Northwestern Medicine Woodstock Hospital	0003889	7375
Grayslake Freestanding Emergency Center	22002	3918
Grayslake ASTC	7003156	3918
Grayslake Endoscopy ASTC	7003149	3918
Cadence Ambulatory Surgical Center d/b/a Northwestern Medicine Surgery Center	7003173	n/a
Midland Surgical Center*	7003148	n/a
Northwestern Medicine Proton Center	n/a	n/a

*denotes partial ownership > 50%

Palos Health System:

	IDPH License No.	Joint Commission Organization No.
Palos Community Hospital	0003210	7306
Palos Health Surgery Center*	7003224	n/a

*denotes partial ownership > 50%

2. *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.*

N/A

3. *A certified listing of any adverse action taken against any facility owned and/or operated by the applicants during the three years prior to the filing of the application.*

By their signatures on the Certification pages of this application, each of the Applicants attest that no adverse action has been taken against any facility owned and/or operated by Northwestern Memorial HealthCare and/or Palos Health System during the three years prior to the filing of this application. For the purpose of this letter, the term "adverse action" has the meaning given to it in the Illinois Administrative Code, Title 77, Section 1130.140.

4. *Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, by 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.*

By their signatures on the Certification pages of this application, each of the Applicants authorize HFSRB and DPH access any documentation which it finds necessary to verify any information submitted, including, but not limited to: official records of DPH or other State agencies and the records of nationally recognized accreditation organizations.

SECTION III. CHANGE OF OWNERSHIP (CHOW)**1130.520 Requirements for Exemptions Involving the Change of Ownership of a Health Care Facility****1130.520(b)(1)(A) – Names of the parties**

The Applicants are:

- (i) Northwestern Memorial HealthCare (NMHC)
 - (ii) The St. George Corporation (SGC)
 - (iii) Palos Community Hospital (PCH)
 - (iv) Palos Health Surgery Center, LLC
- } (Palos Health)

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

Each of the Applicants, by their signatures on the Certification pages of this application, attest that they are fit, willing, able, and have qualifications, background, and character to adequately provide a proper standard of health service for the community.

By their signatures on the Certification pages of this application, each of the Applicants attests that no adverse action has been taken against the applicants 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 NMHC and/or SGC, directly or indirectly, within three years preceding the filing of this application. For the purpose of this statement, the term “adverse action” has the meaning given to it in 77 IAC §1130.140.

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

In the proposed transaction, NMHC will become the sole corporate member of PCH. In connection with such change in corporate member, NMHC will have the power and authority to govern, direct, and oversee the property, funds, business, and affairs of PCH and PCH's wholly controlled subsidiaries, and, indirectly, will have certain rights with regard to Palos Health Surgery Center, LLC and PCH's other joint venture with third parties. With respect to PCH, the transaction will constitute a change in membership of a not-for-profit corporation that is the licensed entity (as defined in 77 IAC §1130.140). With respect to Palos Health Surgery Center, LLC, the transaction will constitute an indirect change of control of the licensed entity.

1130.520(b)(1)(D) – Name of the person who will be licensed after the transaction

The proposed transaction, in and of itself, will not affect any of the licensees' status as the licensee/operating entity of the existing health care facilities named above. The licensees will remain Palos Community Hospital and Palos Health Surgery Center, LLC.

1130.520(b)(1)(E) – List of the ownership or membership interests both prior to and after the transaction, including a description of the organizational structure

If the proposed transaction is approved, NMHC will become the sole corporate member of PCH and the indirect corporate parent of PCH's wholly controlled subsidiaries. Organizational charts for NMHC, Palos Health and the proposed new Northwestern Medicine system are included in ATTACHMENT-4.

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

In September, 2020, NMHC and Palos Health engaged Intellego Health to perform a fair market valuation (FMV) of Palos Community Hospital and Palos Health Surgery Center, LLC. The FMV of Palos Community Hospital was determined using two primary appraisal approaches: 1) Income (Discounted Cash Flow) and 2) Market. Based on the results of their analysis, the FMV of Palos Community Hospital was concluded to be in the range of \$359,142,000 and \$396,947,000.

Similarly, the FMV of Palos Health's 50.5% interest in the Palos Health Surgery Center, LLC was determined using an Income approach and was concluded to be in the range of \$3,588,000 and \$4,284,000.

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

There is no acquisition price for this transaction; however, as of the closing, PCH's assets and liabilities must reflect / include the following: (i) long-term debt of PCH less than or equal to Two Hundred Ninety Million Two Hundred Thirty Thousand Dollars (\$290,230,000); (ii) unrestricted cash of PCH greater than or equal to Forty Five Million Dollars (\$45,000,000); and (iii) the then-existing accounts receivable of PCH.

Additionally, shortly after the closing, SGC will make a grant to Northwestern Memorial Foundation that will be used for the perpetuation of healthcare services to be provided for the benefit of the communities in PCH's service area and for other mutually agreed-upon permitted uses.

1130.520(b)(2) – Affirmation that projects for which permits have been issued have been completed will be completed or altered in accordance with the provisions of this Section

The Applicants affirm that any projects for which Certificate of Need or Certificate of Exemption permits have been issued have been completed or will be completed or altered in accordance with the provisions in Section 1130.520.

1130.520(b)(3) – Affirmation that the facility will not adopt a more restrictive charity care policy

The Applicants affirm that PCH will not adopt a more restrictive charity care policy than the policy that was in effect one year prior to the transaction and will maintain the compliant charity care policy for a minimum of two years following the change of ownership transaction.

1130.520(b)(4) – Statement of anticipated benefits of the proposed change in ownership to the community

NMHC is an integrated academic health system that is nationally recognized for its patient experience, quality, exceptional outcomes, and value. Palos Health is the trusted and premier provider of healthcare services for individuals located in Southern Cook County and surrounding areas. NMHC and Palos Health have identified a shared vision to develop a fully integrated health system in the Palos Health service area that would provide a comprehensive array of services through the effective use of resources while simultaneously fostering discovery and education to improve patient care.

NMHC and Palos Health believe that the proposed affiliation will result in:

- an increase in access to more specialized healthcare for individuals located in the Palos Health service area, including, but not limited to, increased access to necessary tertiary and quaternary care
- an increase in access to the delivery of healthcare in a lower-cost setting through the expansion of Palos Health's ambulatory care network
- improved access to health care for vulnerable populations served by Palos Health through the development of improved cardiovascular, neurosurgery and oncology service lines
- the establishment of an affiliation for certain academic medical programs with NMHC
- the advancement of the charitable purposes and healing mission of Palos Health
- the alignment both economically and strategically for patients, physicians and the community served by Palos Health
- a single integrated health system for patients served by NMHC and Palos Health

In addition to the anticipated benefits listed above, the goals for the proposed affiliation include:

- furthering the charitable missions of NMHC and Palos Health
- continuing to improve access to comprehensive, convenient, high quality, lower cost inpatient and outpatient healthcare throughout the communities historically served by Palos Health
- continuing to improve the health status of the population of the communities served by Palos Health
- promoting community health and well-being through patient care, wellness, research and educational efforts
- building the medical community through developing strongly aligned relationships with primary care, core specialist, subspecialist, and group practice physicians

- developing a comprehensive delivery system, emphasizing the efficacy of care, resulting in improved outcomes and quality of life for Palos Health patients
- enhancing physician, payor, and patient preference
- maintaining all appropriate accreditation and all relevant and necessary federal, state and local licenses and permits

1130.520(b)(5) – Anticipated or potential cost savings, if any, that will result for the community and the facility because of the change in ownership

The proposed affiliation will present significant opportunities to improve health care delivery and access to services provided locally in the Palos Health service area and will do so in an efficient manner that results in cost savings and other efficiencies which will ensure that the combined Northwestern Medicine system can continue its charitable mission and purpose. Such opportunities will likely include initiatives for deployment of system-wide support functions, with the goal of enhancing operational uniformity, efficiency, and performance.

1130.520(b)(6) – Description of the facility's quality improvement program mechanism that will be utilized to assure quality control

Palos Health and NMHC share a longstanding commitment to a culture of quality, safety, and service. By aspiring to the highest standards for quality and patient satisfaction, Palos Health and NMHC will continue to advance the commitment to delivering care that is of the highest quality, is evidence based, and eliminates preventable harm. It is anticipated that Palos Health will integrate its quality plan with NMHC's quality plan after the closing of the proposed transaction. NMHC's quality plan is overseen by its Board of Directors, and is designed to align leadership, staff, and resources to accomplish defined quality improvement goals. The goals were established following consideration of key components of the national quality, patient safety, equity, and infection control agendas, value, and with input from stakeholders both internal and external to the system including patients and their family members. NMHC follows a DMAIC-based approach to process improvement. DMAIC (Define, Measure, Analyze, Improve, and Control), the process improvement methodology from Six Sigma, is the "roadmap" that is followed on every improvement project.

1130.520(b)(7) – Description of the selection process that the acquiring entity will use to select the facility's governing body

As of the closing of the proposed transaction, the Board of Directors of PCH will be composed of ten to fifteen individuals, with SGC nominating two of such individuals before the closing to serve for three years following the closing. The NMHC Board will approve proposed candidates before the closing and elect approved candidates as of the closing. Vacancies on the PCH Board will be filled in accordance with the bylaws of NMHC and PCH then in

effect, provided that SGC may nominate one or more individuals to fill any vacancy created for any reason in any SGC-nominated position.

Palos Health Surgery Center is governed by a board comprised of four voting members: two appointed by PCH and two appointed by Loyola University Medical Center. The transaction will not, in and of itself change the selection process for that facility.

1130.520(b)(9) – Description 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

NMHC and Palos Health intend for the Palos Health and other Northwestern Medicine system patients to receive the right level of care, at the right location and to receive as much care as can be effectively and safely delivered close to home. The Palos Health facilities and other Northwestern Medicine system locations will offer the highest level of care that is clinically appropriate in the context of community need, patient safety, and Northwestern Medicine system capability. NMHC and Palos Health will evaluate, enhance, develop, and coordinate the provision of services across the communities the Northwestern Medicine system serves to enable access to high-quality, cost-effective health care in the community.

SECTION IV. CHARITY CARE INFORMATION**Palos Community Hospital**

	FY17	FY18	FY19
Net Patient Revenue	\$ 358,570,000	\$ 353,923,000	\$ 356,891,000
Amount of Charity Care (charges)	\$ 9,547,570	\$ 11,195,709	\$ 15,701,827
Cost of Charity Care	\$ 2,073,066	\$ 2,525,578	\$ 3,591,822

Palos Health Surgery Center, LLC

	FY17	FY18	FY19*
Net Patient Revenue			\$ 709,939
Amount of Charity Care (charges)			\$ 0
Cost of Charity Care			\$ 0

*April 11, 2019 – December 31, 2019

During FY19, Palos Health System contributed \$103 million in community benefits including charity care, other unreimbursed care, education, language assistance, donations and other community benefits.

Northwestern Memorial HealthCare

	FY17	FY18	FY19
Net Patient Revenue	\$4,547,371,208	\$4,877,615,420	\$5,665,736,442
Amount of Charity Care (charges)	\$ 308,814,605	\$ 321,715,102	\$ 354,450,428
Cost of Charity Care	\$ 65,761,106	\$ 65,929,276	\$ 68,334,946

Note: numbers do not reflect the impact on acquisitions/affiliations for periods prior to the acquisition/affiliation.

During FY19, Northwestern Memorial HealthCare contributed nearly \$1.06 billion in community benefits including charity care, other unreimbursed care, research, education, language assistance, donations and other community benefits.