

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: Westmont Surgery Center, LLC d/b/a Salt Creek Surgery Center		
Street Address: 530 North Cass Avenue		
City and Zip Code: Westmont 60559		
County: Cook	Health Service Area: 007	Health Planning Area: 043

Legislators

State Senator Name: Suzy Glowiak Hilton
State Representative Name: Deanne Mazzochi

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

Exact Legal Name: Westmont Surgery Center, LLC
Street Address: 530 North Cass Avenue
City and Zip Code: Westmont 60559
Name of Registered Agent: CT Corporation System
Registered Agent Street Address: 208 South LaSalle Street, Suite 814
Registered Agent City and Zip Code: Chicago 60604
Name of CEO: David J. Kanzler
CEO Street Address: 530 North Cass Avenue
President City and Zip Code: Westmont 60559
President Telephone Number: (630) 917-0972

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: David J. Kanzler
Title: CEO
Company Name: Salt Creek Surgery Center
Address: 530 North Cass Avenue, Westmont, Illinois 60559
Telephone Number: (630) 917-0972
E-mail Address: dkanzler@ibji.com
Fax Number: (630) 371-0712

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State Senator Name: Suzy Glowiak Hilton
State Representative Name: Deanne Mazzochi

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

Exact Legal Name: IBI Salt Creek ASC, LLC
Street Address: 900 Rand Road, Suite 300
City and Zip Code: Des Plaines 60016
Name of Registered Agent: Charmia Zigmond
Registered Agent Street Address: 900 Rand Road, Suite 300
Registered Agent City and Zip Code: Des Plaines 60016
Name of CEO: Andre Blom
CEO Street Address: 900 Rand Road, Suite 300
CEO City and Zip Code: Des Plaines 60016
CEO Telephone Number: (847) 998-5680

Type of Ownership of Applicants

☐ Non-profit Corporation	☐ Partnership
☐ For-profit Corporation	☐ Governmental
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☐ Other	
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Exact Legal Name: IBI ASC Ventures, LLC
Street Address: 900 Rand Road, Suite 300
City and Zip Code: Des Plaines 60016
Name of Registered Agent: Charmia Zigmond
Registered Agent Street Address: 900 Rand Road, Suite 300
Registered Agent City and Zip Code: Des Plaines 60016
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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: Charmia Zigmond
Title: General Counsel
Company Name: Illinois Bone and Joint Institute, LLC
Address: 900 Rand Road, Suite 300, Des Plaines, IL 60016
Telephone Number: (847) 929-1192
E-mail Address: czigmond@ibji.com
Fax Number: N/A

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
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Name: Charmia Zigmond
Title: General Counsel
Company Name: Illinois Bone and Joint Institute, LLC
Address: 900 Rand Road, Suite 300, Des Plaines, IL 60016
Telephone Number: (847) 929-1192
E-mail Address: czigmond@ibji.com
Fax Number: N/A

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

Name: Mark J. Silberman and Juan Morado Jr.
Title: CON Counsel
Company Name: Benesch Friedlander Coplan & Aronoff
Address: 71 S. Wacker Drive, Suite 1600, Chicago, Illinois 60606
Telephone Number: (312) 212-4952
E-mail Address: MSilberman@Beneschlaw.com
Fax Number: (312) 767-9192

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: Jessica Shapley
Title: Administrator
Company Name: Salt Creek Surgery Center
Address: 530 North Cass Avenue, Westmont, Illinois 60559
Telephone Number: (630) 869-4260
E-mail Address: jshapley@saltcreeksurgerycenter.com
Fax Number: (630) 794-8697

Site Ownership after the Project is Complete

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: MPG Westmont Surgery Center, LLC
Address of Site Owner: 530 North Cass Avenue, Westmont, Illinois 60559
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: Westmont Surgery Center, LLC d/b/a Salt Creek Surgery Center	
Address: 530 N. Cass Avenue, Westmont, IL 60559	
☐ Non-profit Corporation ☐ For-profit Corporation ☒ Limited Liability Company ☐ Other	☐ Partnership ☐ Governmental ☐ Sole Proprietorship

Operating Identity/Licensee after the Project is Complete

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○ Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. ○ Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner. ○ Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	
APPEND DOCUMENTATION AS <u>ATTACHMENT 3</u> , IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

Organizational Relationships

Provide (for each applicant) an organizational chart containing the name and relationship of any person or entity who is related (as defined in Part 1130.140). If the related person or entity is participating in the development or funding of the project, describe the interest and the amount and type of any financial contribution.
APPEND DOCUMENTATION AS <u>ATTACHMENT 4</u> , IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Narrative Description

In the space below, provide a brief narrative description of the change of ownership. Explain **WHAT** is to be done in **State Board defined terms**, **NOT WHY** it is being done. If the project site does NOT have a street address, include a legal description of the site.

This Certificate of Exemption ("COE") application addresses the change of ownership amongst related parties involving Westmont Surgery Center, LLC d/b/a Salt Creek Surgery Center ("ASTC") located at 530 N. Cass Avenue, Westmont, IL 60559. The ASTC is currently owned by IBI ASC Ventures, LLC, which maintains a 100% ownership interest in the facility.

Following the transaction, IBI Salt Creek ASC, LLC, will become the direct parent company owning 100% of the ASTC. IBI Salt Creek ASC, LLC, is in turn 100% owned by IBI ASC Ventures. The ASTC will continue to operate without any change to its license.

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: \$	N/A	
Fair Market Value: \$	N/A	

Project Status and Completion Schedules

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

Anticipated exemption completion date (refer to Part 1130.570): January 31, 2023

State Agency Submittals

Are the following submittals up to date as applicable:

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

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

CERTIFICATION

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

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

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


SIGNATURE

Andre Blom

PRINTED NAME

Illinois Bone and Joint Institute, LLC- CEO
IBIJ ASC Ventures, LLC- CEO
IBIJ Salt Creek ASC, LLC- Manager

PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this ____ day of ____

Signature of Notary

Seal

SIGNATURE

PRINTED NAME

PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this ____ day of ____

Signature of Notary

Seal

*Insert the EXACT legal name of the applicant

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

1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.
2. A listing of all health care facilities currently owned and/or operated in Illinois, by any corporate officers or directors, LLC members, partners, or owners of at least 5% of the proposed health care facility.
3. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant, directly or indirectly, during the three years prior to the filing of the application. Please provide information for each applicant, including corporate officers or directors, LLC members, partners and owners of at least 5% of the proposed facility. A health care facility is considered owned or operated by every person or entity that owns, directly or indirectly, an ownership interest.
4. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to: official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. **Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.**
5. If, during a given calendar year, an applicant submits more than one Application, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest that the information was previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant is able to submit amendments to previously submitted information, as needed, to update and/or clarify data.

APPEND DOCUMENTATION AS ATTACHMENT 5, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-4) MUST BE IDENTIFIED IN ATTACHMENT 5.

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

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

1130.520 Requirements for Exemptions Involving the Change of Ownership of a Health Care Facility

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

APPLICABLE REVIEW CRITERIA	CHOW
1130.520(b)(1)(A) - Names of the parties	X
1130.520(b)(1)(B) - Background of the parties, which shall include proof that the applicant is fit, willing, able, and has the qualifications, background and character to adequately provide a proper standard of health service for the community by certifying that no adverse action has been taken against the applicant by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois against any health care facility owned or operated by the applicant, directly or indirectly, within three years preceding the filing of the application.	X
1130.520(b)(1)(C) - Structure of the transaction	X
1130.520(b)(1)(D) - Name of the person who will be licensed or certified entity after the transaction	
1130.520(b)(1)(E) - List of the ownership or membership interests in such licensed or certified entity both prior to and after the transaction, including a description of the applicant's organizational structure with a listing of controlling or subsidiary persons	X
1130.520(b)(1)(F) - Fair market value of assets to be transferred	X
1130.520(b)(1)(G) - The purchase price or other forms of consideration to be provided for those assets. [20 ILCS 3960/8.5(a)]	X
1130.520(b)(2) - Affirmation that any projects for which permits have been issued have been completed or will be completed or altered in accordance with the provisions of this Section	X
1130.520(b)(3) - If the ownership change is for a hospital, affirmation that the facility will not adopt a more restrictive charity care policy than the policy that was in effect one year prior to the transaction. The hospital must provide affirmation that the compliant charity care policy will remain in effect for a two-year period following the change of ownership transaction	X
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

APPLICABLE REVIEW CRITERIA	CHOW
1130.520(b)(8) - A statement that the applicant has prepared a written response addressing the review criteria contained in 77 Ill. Adm. Code 1110.240 and that the response is available for public review on the premises of the health care facility	X
1130.520(b)(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			
	2018	2019	2020
Net Patient Revenue	\$15,795,790	\$16,401,662	\$18,031,225
Amount of Charity Care (charges)	0 ¹	0	0
Cost of Charity Care	0	0	\$7500

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

¹ NOTE: Charitable care has been routinely provided as part of the physician practice but, as such charitable care does not meet the Board's definition of Charity Care for the purposes of the COE application, it is not reflected herein as charity care.

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

INDEX OF ATTACHMENTS			
ATTACHMENT NO.			PAGES
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ATTACHMENT 1
Certificate of Good Standing

Included with this attachment are:

1. The Certificate of Good Standing for Westmont Surgery Center, LLC d/b/a Salt Creek Surgery Center. (Licensee Holder)
2. The Certificate of Good Standing for IBJI Salt Creek ASC, LLC
3. The Certificate of Good Standing for IBJI ASC Ventures, LLC
4. The Certificate of Good Standing for Illinois Bone and Joint, LLC

ATTACHMENT 1

Certificate of Good Standing- Westmont Surgery Center, LLC d/b/a Salt Creek Surgery Center

File Number

0051479-9



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

WESTMONT SURGERY CENTER, LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON FEBRUARY 02, 2001, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A DOMESTIC LIMITED LIABILITY COMPANY IN THE STATE OF ILLINOIS.



Authentication #: 2130600946 verifiable until 11/02/2022

Authenticate at: <http://www.lisos.gov>

***In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 2ND
day of NOVEMBER A.D. 2021 .***

A handwritten signature in cursive script that reads "Jesse White".

SECRETARY OF STATE

ATTACHMENT 1
Certificate of Good Standing- IBI Salt Creek ASC, LLC

File Number 1065000-3



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

IBJI SALT CREEK ASC, LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON NOVEMBER 05, 2021, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A DOMESTIC LIMITED LIABILITY COMPANY IN THE STATE OF ILLINOIS.



Authentication #: 2228404228 verifiable until 10/11/2023
Authenticate at: <https://www.ilsos.gov>

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 11TH day of OCTOBER A.D. 2022 .

Jesse White

SECRETARY OF STATE

ATTACHMENT 1
Certificate of Good Standing- IBIJ ASC Ventures, LLC

File Number 1000735-6



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

IBIJ ASC VENTURES, LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON MAY 19, 2021, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A DOMESTIC LIMITED LIABILITY COMPANY IN THE STATE OF ILLINOIS.



Authentication #: 2121401688 verifiable until 08/02/2022
Authenticate at: <http://www.cyberdriveillinois.com>

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 2ND day of AUGUST A.D. 2021 .

Jesse White

SECRETARY OF STATE

ATTACHMENT 1

Certificate of Good Standing- Illinois Bone and Joint Institute, LLC

File Number 0168922-3



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

ILLINOIS BONE AND JOINT INSTITUTE, LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON NOVEMBER 29, 2005, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A DOMESTIC LIMITED LIABILITY COMPANY IN THE STATE OF ILLINOIS.



Authentication #: 2123200698 verifiable until 08/20/2022
Authenticate at: <http://www.isos.gov>

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 20TH day of AUGUST A.D. 2021 .

Jesse White

SECRETARY OF STATE

ATTACHMENT 2
Site Ownership

The site ownership will remain with MPG Westmont Surgery Center, LLC following the transaction. The underlying lease between the owner and Westmont Surgery Center, LLC will remain in place. Attached as evidence is a copy of the existing lease agreement.

ATTACHMENT 2
Lease

OFFICE LEASE

BETWEEN

**MPG WESTMONT SURGERY CENTER, LLC, A DELAWARE LIMITED LIABILITY
COMPANY, AS LANDLORD**

AND

**WESTMONT SURGERY CENTER, LLC, AN ILLINOIS LIMITED LIABILITY
COMPANY, AS TENANT**

DATED AS OF May 23, 2014

ATTACHMENT 2
Lease

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a. EXHIBITS

SCHEDULE 1	NET RENT SCHEDULE
EXHIBIT A	SITE PLAN
EXHIBIT B	ESTOPPEL CERTIFICATE

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Lease

June 5, 2014

Dear Tenant:

Please be advised that 530 N Cass Ave., Westmont, IL was acquired by MPG Westmont Surgery Center, LLC on May 23, 2014.

The mailing address for the Landlord and rent payments (made out to MPG Westmont Surgery Center, LLC) is as follows:

MPG Westmont Surgery Center, LLC
c/o MedProperties Group
40 Skokie Boulevard, Suite 410
Northbrook, IL 60062

Please see the attached Tenant Notice regarding how to contact the Landlord during and after business hours.

In accordance with the provisions of your lease agreement, it is necessary for you to supply us with a current copy of your Certification of Insurance throughout the term of your lease.

The Certificate Holder and Additional Insured should appear on your certificate as follows:

Certificate Holder: MPG Westmont Surgery Center, LLC

Mailing Address for the Certificate:

MPG Westmont Surgery Center, LLC
c/o MedProperties
40 Skokie Boulevard, Suite 410, Northbrook, IL 60062

Additional Insured's:

First American Bank, as Mortgagee & Loss Payee
MPG Westmont Surgery Center, LLC as Owner
MedProperties LLC

If you have any questions please do not hesitate to contact me at 847-897-7303.

Sincerely,

Kelleen Enright
Director, Asset Management

40 Skokie Boulevard, Suite 410
Northbrook, IL 60062



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TENANT NOTICE

MPG Westmont Surgery Center, LLC

June 5, 2014

RE: After-hours Answering Service

Dear Tenant:

In order to better serve you, we are enlisting the services of Dupage Oakbrook Message Center, which is an after-hours answering service. Our goal is to enable you to be able to reach our staff 24 hours a day, if needed. We have provided this answering service with a detailed phone tree for reaching our staff to retrieve your message. Please see the information below for whom to contact during regular business hours and after hours for emergency or regular service requests. Non-emergency calls will be documented and forwarded to our office the following business day.

Monday - Friday 7:00am-6:00pm	Roger Keith Cell: 630-664-2566 Kelleen Enright Office: 847-897-7303
Monday - Friday 6:00pm-7:00am Saturday & Sunday 24 hours	Answering Service: 847-897-7339

Sincerely,

Kelleen Enright
Director, Asset Management
kenright@medpropertiesgroup.com

40 Skokie Boulevard, Suite 410
Northbrook, IL 60062
Phone: (847) 897-7300
Fax: (847) 897-7333



ATTACHMENT 2
Lease**OFFICE LEASE**

THIS OFFICE LEASE (the "Lease") made as of _____, 2014 (the "Effective Date", which is also sometimes referred to herein as the "Commencement Date"), by and between MPG WESTMONT SURGERY CENTER, LLC, a Delaware limited liability company (the "Landlord") and WESTMONT SURGERY CENTER, LLC, an Illinois limited liability company (the "Tenant").

WITNESSETH:

Landlord and Tenant are parties to that certain Lease Agreement dated September 1, 2001 in which Landlord leases to Tenant the building (the "Building"), improvements and land at 30 North Cass Avenue and 11 West Ogden Avenue, Westmont, Illinois 60559 (the "Premises"), as amended (the "2001 Lease"). As of the Effective Date, Landlord and Tenant agree that the 2001 Lease shall terminate and be of no further force and effect, except for such rights and obligations that by their express terms survive the early termination of such 2001 Lease.

Landlord hereby leases to Tenant, subject to the terms, provisions and conditions of this Lease, and Tenant hereby accepts, the Premises, which Premises are more particularly identified on the Site Plan attached hereto and made a part hereof as Exhibit "A".

Landlord and Tenant agree as follows:

1. **TERM.** The term of this Lease (the "Term") shall commence as of the Effective Date. This Lease will expire at 5:00 p.m. (Central Time) on the last date of the month in which the fifteenth (15th) anniversary of the Effective Date falls (the "Expiration Date"), unless sooner terminated as provided in this Lease.

2. **NET RENT; SECURITY DEPOSIT.**

A. Tenant shall pay to Landlord, or to such other person or at such other place as Landlord may from time to time designate in writing, rent ("Net Rent") in accordance with Schedule 1 attached hereto and made a part hereof, in advance on or before the first day of each and every month during the Term, without any setoff, deduction, demand or billing whatsoever except that if either the Term or the obligation to pay Net Rent commences other than on the first day of the month or ends other than on the last day of the month, the Net Rent for such month(s) shall be prorated on a per diem basis. The prorated Net Rent for the part of the month in which the Term commences shall be paid on the first day of the first full month of the Term. The Building is a single story ambulatory surgery center consisting of a gross building area of approximately 11,509 square feet as set forth in an appraisal performed by Cushman & Wakefield dated August 28, 2013. The Net Rent shall not be adjusted in the event that the square feet in the Building are remeasured.

B. Simultaneously with Tenant's execution of this Lease, Tenant shall deposit Fifty Two Thousand Two Hundred Twenty Five and No/100 Dollars (\$52,225.00) (the "Security Deposit") with Landlord as security for the prompt, full and faithful performance of Tenant's obligations under this Lease. Upon the occurrence of a default, Landlord may use all or any part

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of the Security Deposit for the payment of any Rent (as hereinafter defined in Paragraph 3.D) or for the payment of any amount which Landlord may pay or become obligated to pay by reason of such Default, or to compensate Landlord for any loss or damage which Landlord may suffer by reason of such Default. If any portion of the Security Deposit is used, Tenant shall within five (5) days after written demand therefor deposit cash with Landlord in an amount sufficient to restore the Security Deposit to its original amount. Landlord shall not be required to keep the Security Deposit separate from its general funds, and Tenant shall not be entitled to interest on the Security Deposit. In no event shall the Security Deposit be considered an advanced payment of Rent, and in no event shall Tenant be entitled to use the Security Deposit for the payment of Rent. If no default by Tenant then exists hereunder (or if such default is cured by Tenant prior to Landlord exercising any remedies hereunder), the Security Deposit or any balance thereof shall be returned to Tenant within thirty (30) days after the expiration of the Term and vacation of the Premises by Tenant. Landlord shall have the right to transfer the Security Deposit to any purchaser or mortgagee of the Building, and in the event of such transfer, Tenant shall look solely to such purchaser or mortgagee for return of the Security Deposit, and Landlord shall be relieved of any liability with respect to the Security Deposit.

3. IMPOSITIONS.

A. Additional Rent. It is intended that the Net Rent provided for in Paragraph 2 shall, insofar as the Premises (as configured from time-to-time) are concerned, be an absolute net return to Landlord throughout the Term, free of any expense, charge or other deduction whatsoever, with respect to the Premises or the ownership, leasing, operation, management, maintenance, repair, rebuilding, use or occupation thereof, or of any portion thereof, or with respect to any interest of Landlord therein, all of which are to be the sole expense of Tenant. Tenant shall be responsible for a management fee payable to Landlord on a monthly basis equal to 2% of the Net Rent. Tenant covenants and agrees to pay as "Additional Rent" without any setoff, deduction, demand, or billing whatsoever and before any fine, penalty, interest or cost which may be added thereto for the nonpayment thereof, all Taxes (defined below), regular and special assessments, water rates and charges, sewer rates and charges, including, but not limited to, any sum or sums payable for sewer or water capacity, charges for public utilities, insurance premiums (as required by Paragraph 10), street lighting, excise levies, licenses, permits, governmental inspection fees other governmental charges, and all other charges or burdens of whatsoever kind and nature (including, but not limited to, costs, fees, and expenses of complying with any restrictive covenants or similar agreements to which the Land or the improvements on the Land (the "Improvements") is subject) incurred by Landlord in the use, occupancy, operation, insuring, maintaining and repairing, leasing or possession of the Land and Improvements, without particularizing by any known name or by whatever name hereafter called, and whether any of the foregoing be general or special, ordinary or extraordinary, foreseen or unforeseen (all of which are collectively referred to as "Impositions"), which at any time during the Term may be payable, provided, however, that the term Impositions shall not include:

- i. Interest and principal payments on mortgages or any other debt costs, or rental payments on any ground lease affecting the Building;
- ii. Real estate brokers' leasing commissions and fees;
- iii. Any cost or expenditure for which Landlord is reimbursed by insurance proceeds;

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- iv. costs incurred in selling, syndicating, financing (including, without limitation, debt service), mortgaging, or hypothecating any of Landlord's interests in the Premises or any portion thereof;
- v. payments to parties related to Landlord for services or supplies or materials to the extent the costs of such services, supplies or materials exceeds the costs that would have been paid had such services or supplies or materials been provided on a competitive basis by parties unaffiliated with Landlord;
- vi. any penalty or fine or legal or other fees incurred by Landlord due to, Landlord's failure to pay taxes, on time; and
- vii. organizational expenses of creating or operating the entity that constitutes Landlord.

The cost of capital improvements made by Landlord shall be amortized over the useful life thereof, as reasonably determined by Landlord in accordance with generally accepted accounting principles, and shall, at Landlord's option, include interest at a rate that is reasonably equivalent to the interest rate that Landlord would be required to pay to finance the cost of the capital improvement in question as of the date such capital improvement is performed and such amortized cost shall be deemed to be Additional Rent payable by Tenant to Landlord hereunder.

The term "Taxes" means real estate taxes and assessments, both general and special, assessed or imposed with respect to the Land or the Improvements, ad valorem taxes assessed or imposed upon personal property owned by Tenant, Landlord, or Landlord's agent, and used in the operation of the Premises, taxes upon leases or the receipt of rent which either supplement are in addition to or are in lieu of any other item described above. Notwithstanding the foregoing, Tenant shall not be obligated to pay any inheritance, estate, succession, transfer, gift, franchise, general net income, or capital stock tax imposed upon Landlord.

Tenant shall pay all special (or similar) assessments or installments thereof (including interest thereon) for public improvements or benefits which, during the Term shall be laid, assessed, levied or imposed upon or become a lien upon the Premises and which are payable during the Term, or any portion thereof; provided, however, that if by Law (as hereinafter defined below) any special assessment is payable (without default) or, at the option of the party obligated to make such payment, may be paid (without default) in installments (whether or not interest shall accrue on the unpaid balance of such special assessment), Tenant may pay the same, together with any interest accrued on the unpaid balance of such special assessment in installments as the same respectively become payable and before any fine, penalty, interest or cost may be added thereto for the nonpayment of any such installment and the interest thereon. As used herein, "Law" or "Laws" shall be deemed to mean federal, state and municipal statutes, laws, ordinances, codes, orders, rules and regulations or ruling of any governmental authority.

B. Impositions Escrow.

- (i) Landlord may, at Landlord's option, notify Tenant of Landlord's estimate of the Impositions for the succeeding annual period and thereafter Tenant shall pay 1/12th of such amounts in equal monthly installments on the first day of each month during such annual period. Landlord shall hold such amounts for the payment of Impositions, but shall not be required to segregate such amounts or to pay interest on them, except to the extent required by Law. If, at one or more times during any annual period Landlord revises its estimate of Impositions for such annual period, Landlord may notify Tenant of such revised estimate or

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estimates, and of the increase or decrease in monthly payments necessary to cause the total monthly payments during such annual period to equal Landlord's then current estimate of Impositions for such annual period, and Tenant shall pay such revised monthly payment amount on the first day of each calendar month remaining in such annual period.

(ii) Impositions for the years in which the Term begins and ends shall be prorated on a per diem basis.

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

(iv) If the total estimated monthly payments paid by Tenant for any annual period exceeds the Impositions for such annual period, any such excess shall be credited against payments due or next becoming due unless such excess shall occur at the Expiration Date of the Term, Landlord shall refund any such excess payments to Tenant. Tenant or its representative shall have the right to examine copies of Landlord's books and records relative to Impositions, during normal business hours at any time within ninety (90) following the furnishing by Landlord to Tenant of any statement thereof. Unless Tenant shall, by notice to Landlord, take exception to any item in such statement within ninety (90) after the furnishing of said statement, such statement shall be conclusively binding upon Tenant and shall not be contestable by Tenant. Any amount shown by such statement to be due to Landlord, whether or not written exception is taken to such statement, shall be paid by Tenant as provided above, without prejudice to any such written exception. If Tenant timely gives notice of such exception, a statement as to the proper amount of Impositions shall be given by Landlord's independent certified public accountant which shall be final, binding and conclusive upon Landlord and Tenant. Tenant agrees to pay the cost of such statement. In any event, should such statement show that Tenant has overpaid Impositions, Landlord shall either (i) credit the amount of such overpayment against the Impositions next due, or (ii) reimburse Tenant for the amount of such overpayment.

C. Right to Contest Impositions. Landlord shall have the right, but not the obligation, to contest the amount or validity, in whole or in part, of any Impositions by appropriate proceedings conducted in the name of Landlord or in the name of Tenant. If Landlord elects to contest the amount or validity, in whole or in part, of any Impositions, such contests by Landlord shall be reimbursed by Tenant to Landlord as Additional Rent. Notwithstanding anything to the contrary contained herein, Tenant shall have the right to contest the Taxes or assessed value of the Premises and the personal property related to the Premises and Tenant's operations in the event that Landlord does not contest such Taxes. In the event that Tenant wishes to contest such Taxes, Tenant shall notify Landlord and Landlord shall reply to Tenant within ten (10) business days whether Landlord intends to contest such Taxes. In the event that Landlord does not intend to contest such Taxes, Tenant shall have the right to and Landlord shall reasonably cooperate with Tenant at Tenant's cost to contest such Taxes.

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D. Any amounts owed by Tenant to Landlord hereunder, including, without limitation, Net Rent, Additional Rent and Impositions shall be deemed to be "Rent" hereunder.

4. **USE OF PREMISES.** The Premises shall be used and occupied for a surgery center and for no other purpose in accordance with applicable Laws. Tenant shall at its own cost and expense obtain any and all licenses and permits necessary for any such use, provided that if required by Law that Landlord will reasonably cooperate (at Tenant's cost) with Tenant to obtain any licenses and permits necessary for such use. Notwithstanding anything contained herein to the contrary, Tenant may not use or permit the Premises to be used in any manner which would (a) be contrary to any applicable Law; (b) violate any certificate of occupancy affecting the Premises; (c) cause injury to the Premises or the Building; (d) cause the value or usefulness of the Premises or any part thereof to diminish; (e) constitute a public or private nuisance or waste; or (f) render the insurance on the Premises void or the insurance risk more hazardous or create any defense to payment, and if Tenant's specific use of the Premises violates any of clauses (a) through (f) above, Tenant agrees that it will promptly, upon discovery of any such use, take all necessary steps to compel the discontinuance of such use.

5. **CONDITION OF PREMISES.** Tenant acknowledges that it has previously been in possession of the Premises pursuant to the 2001 Lease and that as of the Effective Date that the Premises are in good order and satisfactory condition. No promise of the Landlord to alter, remodel or improve the Premises or the Building and no representation or warranty by Landlord or its agents respecting the condition of the Premises or the Building have been made to Tenant or relied upon by Tenant other than as may be expressly contained in this Lease or in any written amendment hereto signed by Landlord and Tenant.

6. **SERVICES\LANDLORD REPAIRS.**

A. No Services. Landlord shall not be responsible for any service to the Premises not provided for in this Lease.

B. Repairs by Landlord. Landlord shall keep the structure of the Building in good order, repair and condition at all times during the Term and such costs shall be deemed to be costs to be passed through as Additional Rent herein. Tenant shall promptly notify Landlord in the event that there is any damage to or defects to the structure of the Building.

C. Utilities. Tenant shall pay for all electrical and utility services provided to the Premises directly to the public utility providing the electricity or utility.

7. **REPAIRS BY TENANT.** Tenant shall, at Tenant's expense, keep the Premises in good order, repair and condition at all times during the Term, and Tenant shall promptly and adequately repair all damage to the Premises and replace or repair all damaged or broken fixtures and appurtenances, under the supervision and subject to the reasonable approval of the Landlord, and within any reasonable period of time specified by the Landlord. Tenant's repair shall include maintaining the grounds, sidewalks and curbs abutting the Premises. In addition, Tenant shall, at Tenant's expense, make all repairs, installations, and additions to the Premises as may be required by any applicable Law. If the Tenant does not do so, Landlord may, but need not, make the repairs, replacements, installations, and additions which Tenant is obligated to make, and Tenant shall pay the Landlord the cost thereof, and shall also pay to Landlord ten percent

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(10%) of the cost thereof to reimburse Landlord for all overhead, general conditions, fees and other costs or expenses arising from the involvement of Landlord with such repairs and replacements, the foregoing payments to be made forthwith upon being billed for same. Landlord or Landlord's agent may, but shall not be required to, enter the Premises during business hours, upon prior written notice to Tenant to make such repairs, installations, alterations, improvements and additions to the Premises or to the Building or to any equipment located in the Building, as Landlord shall desire or deem necessary, provided the same does not unreasonably interfere with tenant's intended use and enjoyment of the Premises. Should Landlord give notice to Tenant of any repairs, installments, alterations, improvements or additions to be made to the Premises, Tenant may elect to perform the aforementioned at its sole cost and expense.

8. ADDITIONS AND ALTERATIONS.

A. Tenant shall not, without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed, make any alterations, improvements or additions (collectively "Alterations") to the Premises, provided however, for any structural Alterations or Alterations to the Building's utility systems and equipment, Landlord may withhold its consent in its sole discretion. Notwithstanding anything to the contrary herein, should Tenant, from time to time, desire to make decorative or non-structural alterations to the Premises, which cost shall not exceed Twenty Five Thousand and No/100 Dollars (\$25,000.00) in the aggregate in a twelve (12) month period, Tenant may do so without Landlord consent, but on required reasonable prior notice to Landlord detailing Tenant's intended Alterations. If Landlord consents to any Alterations, it may impose such reasonable conditions with respect thereto as Landlord deems appropriate, including, without limitation, requiring Tenant to furnish Landlord with (i) security for the payment of all costs to be incurred in connection with the Alterations, (ii) insurance against liabilities which may arise out of the Alterations, and (iii) copies of the plans and specifications and permits necessary for the Alterations. Any Alterations, whether prior to or subsequent to the Commencement Date, shall be completed at Tenant's expense by employees of or contractors hired by Tenant, which contractors are reasonably acceptable to Landlord. Tenant shall promptly pay to Landlord or the Tenant's contractors, as the case may be, when due, the cost of all such Alterations. Tenant shall also pay to Landlord its out of pocket costs to review such Alterations. Upon completion of such Alterations Tenant shall deliver to Landlord, if payment is made directly to contractors, evidence of payment, contractors' affidavits, full and final waivers of all liens for labor, services or materials and such other supporting documentation as Landlord may reasonably require, all in form reasonably satisfactory to Landlord. Tenant shall defend and hold Landlord, the Land and the Building harmless from all costs, damages, liens and expenses related to such Alterations, absent Landlord's negligence and misconduct. All Alterations and repairs done by Tenant or its contractors pursuant to Paragraphs 7 or 8 of this Lease shall be done in a first-class, workmanlike manner using only good grades of materials and such other supporting documentation as Landlord may reasonably require, and shall comply with all insurance requirements and all applicable Laws. At all times Tenant shall cause contractors and others performing Alterations for Tenant to work in harmony with the contractors, agents, and employees performing work in the Building, for Landlord or others.

B. All Alterations, whether temporary or permanent in character, made or paid for by Landlord or Tenant, shall, without compensation to Tenant, become Landlord's property at the

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termination of this Lease by lapse of time or otherwise and shall, unless Landlord requests their removal (in which case Tenant shall remove the same in the same manner and time as its provided in Paragraph 16 with respect to Tenant's property), be relinquished to Landlord in good condition, order and repair, ordinary wear excepted.

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

10. **INSURANCE.**

A. **Property Insurance.** Landlord shall obtain and continuously maintain in full force and effect at all times during the Term, at Tenant's sole cost and expense, policies of insurance covering the Improvements on the Land, which insurance shall be for the benefit of and shall name (i) Landlord as named insured and (ii) Landlord's designated mortgagee, if any, as mortgagee under a standard New York Mortgagee Clause, as the additional named insured, against the "special form" causes of loss and loss of rent coverage for at least one (1) year and such other risks or hazards which are now or may hereafter be customarily insured against with respect to improvements similar in construction, design, general location, use and occupancy to the Improvements (hereinafter referred to as "Property Insurance").

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

B. **Waiver of Subrogation.** Each of Landlord and Tenant hereby waives any and every claim for recovery from the other for any and all loss or damage to the Building or

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Premises or to the contents thereof, whether such loss or damage is due to the negligence of Landlord or Tenant or its respective agents or employees, to the extent that the amount of such loss or damage is covered under its policies of insurance or required to be covered pursuant to the terms of this Lease.

C. Coverage. Tenant shall purchase and maintain insurance during the entire Term for the benefit of Tenant and Landlord (as their interests may appear) with terms, coverage and in companies reasonably satisfactory to Landlord, (i) commercial general liability insurance covering claims of bodily injury, personal injury and property damage arising out of Tenant's operations, assumed liabilities or use and occupancy of the Premises, (ii) commercial automobile liability insurance covering all owned, non-owned and hired automobiles of Tenant including the loading and unloading of any automobile, and (iii) physical damage insurance covering all Alterations and other improvements to the Premises other than the improvements provided by Landlord and all office furniture, trade fixtures, office equipment, merchandise and all other items of Tenant's property on the Premises.

All liability insurance shall initially have combined single limits of at least \$3,000,000, which limits shall be subject to increase from time to time as Landlord may reasonably request. All physical damage insurance shall be written on a "causes of loss -- special form" basis, shall be in amounts at least equal to the full replacement cost of the covered items, and shall not be subject to the application of any coinsurance clauses or requirements. Tenant shall have the right to alternatively satisfy Tenant's insurance requirements under this Paragraph 10 through a policy issued by a Captive Carrier (as defined below), provided that the Captive Carrier's first provides financials (the "Financials") which conform with generally accepted accounting principles and which have been audited by a certified public accounting firm and which financials are reasonably acceptable to Landlord. In the event that the financial condition of the Captive Carrier deteriorates from the condition shown on the previously approved financials, Landlord shall have the right to require Tenant to obtain insurance from an Illinois licensed insurance carrier otherwise pursuant to the terms and conditions herein within fifteen (15) business days after notice from Landlord to Tenant. Tenant agrees to provide Landlord with current Financials within ten (10) business days after Landlord's request. The deductible amount under any such policy issued by a Captive Carrier shall be Two Million Dollars (\$2,000,000) self-insured retention ("SIR") and a one time Two Million Dollar (\$2,000,000) buffer (the "Buffer") per year. The Buffer can be made up of one claim or many claims to total Two Million Dollars (\$2,000,000). Once the Buffer is satisfied, the Two Million Dollars (\$2,000,000) SIR must be satisfied before insurance is utilized. As used herein, "Captive Carrier" means (i) EEH, SPCEdward-Elmhurst Segregated Portfolio Company (which is an affiliate of Tenant) or (ii) any other insurance company affiliated with Tenant. Tenant shall deliver to Landlord certificates reasonably satisfactory to Landlord evidencing Tenant's required insurance issued by the Captive Carrier, together with copies of the applicable declarations pages upon request.

Any insurance provided by the Captive Carrier shall be primary and non-contributory with any insurance maintained by Landlord, and shall afford Landlord no less protection that would have been afforded Landlord had insurance meeting the requirements of this

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Paragraph above been obtained from a third party insurer meeting the requirements set forth in this Paragraph 10.

Tenant shall only be permitted to provide insurance issued by the Captive Carrier so long as Tenant is the original Tenant, Westmont Surgery Center, LLC, an Illinois limited liability company and the Tenant is majority owned by Edward Health Ventures, an Illinois nonprofit corporation.

Tenant shall, prior to the commencement of the Term, furnish to Landlord satisfactory evidence of the coverages required by this Paragraph, which evidence shall state that such insurance coverage may not be changed or canceled without at least thirty (30) days prior written notice to Landlord and shall name as additional insureds (i) Landlord and the partners in Landlord, (ii) the owner or owners of the Land and Building, if such are other than Landlord and Tenant is given notice of such fact, (iii) the beneficiary or beneficiaries of Landlord, if Landlord is a land trust, and upon notice from Landlord, any Mortgagee or Ground Lessor (as such terms are defined in Paragraph 19 below).

Landlord shall have the right to reasonably increase the amount and to expand the scope of insurance to be maintained by Tenant under this Lease from time to time to commercially reasonable levels during the Term if in Landlord's reasonable judgment the coverages required under this Paragraph 10 required to be carried by Tenant are outdated or insufficient under a commercially reasonable evaluation.

D. Avoid Action Increasing Rates. Tenant shall comply with all applicable Laws, and requirements and recommendations of insurance rating agencies with respect to the Premises, and shall not, directly or indirectly, make any use of the Premises which may thereby be prohibited or be dangerous to person or property, which may jeopardize any insurance coverage, increase the cost of insurance, or require additional insurance coverage. If Tenant fails to comply with the provisions of this subparagraph D, it shall be in default under this Lease (subject to any applicable cure periods).

11. FIRE OR CASUALTY.

A. Paragraph 7 of this Lease notwithstanding, if the Premises or the Building (including machinery or equipment used in its operation) shall be damaged by fire or other casualty and if such damage does not, in the reasonable judgment of Landlord, render all or a substantial portion of the Premises or Building untenable, then Landlord shall, subject to the limitations set forth below, repair or restore such damage with reasonable promptness, subject to reasonable delays for insurance adjustments and delays caused by matters beyond Landlord's reasonable control. Landlord shall not be obligated to expend in repairs and restoration an amount in excess of the proceeds of insurance recovered with respect to such casualty. If any such damage renders all or a substantial portion of the Premises or Building untenable, Landlord shall have the right to terminate this Lease as of the date of such damage (with appropriate prorations of Net Rent being made for Tenant's possession after the date of such damage of any tenantable portions of the Premises) upon giving written notice to the Tenant at any time within one hundred twenty (120) days after the date of such damage. Landlord shall have no liability to Tenant, and Tenant shall not be entitled to terminate this Lease by virtue of any delays in completion of repairs and restoration. However, Net Rent and Impositions shall

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abate as to those portions of the Premises as are, from time to time, untenable as a result of such damage until Landlord shall have completed the repairs and restoration required of Landlord hereunder.

B. Landlord's duty to repair the Premises is limited to repairing those parts of the Premises that were provided by Landlord on the Effective Date. Tenant shall repair all Alterations at the sole cost and expense of Tenant. If Tenant desires any other or additional repairs or restoration and if Landlord consents thereto, which consent shall not be unreasonably withheld, conditioned or delayed, such repair or restoration shall be done at Tenant's sole cost and expense in accordance with the provisions of Paragraph 7 hereof. Tenant acknowledges that Landlord shall be entitled to the full proceeds of any insurance coverage, whether carried by Landlord or Tenant, for damage to those items or decorations provided by Landlord either directly or through an allowance to Tenant, which Landlord is obligated to repair.

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

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

Without limitation of any other provision hereof, Landlord agrees, to the extent permitted by law, to defend, protect, indemnify and save harmless Tenant from and against all liability to third parties (including, but not limited to, the officers, agents, contractors, business associates and invitees of Landlord) arising out of Landlord's gross negligence or misconduct of Landlord (whether or not such gross negligence or misconduct constitute a violation of applicable Law or of this Lease) and its officers, servants, agents, employees, contractors, suppliers, workers and invitees.

13. **NON-WAIVER.** No waiver of any provision of this Lease shall be implied by any failure of Landlord to enforce any remedy on account of the violation of such provision, even if such violation be continued or repeated subsequently, and no express waiver shall affect any provision other than the one specified in such waiver and that one only for the time and in

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the manner specifically stated. No receipt of monies by Landlord from Tenant after the termination of this Lease shall in any way alter the length of the Term or of Tenant's right of possession hereunder or after the giving of any notice shall reinstate, continue or extend the Term or affect any notice given Tenant prior to the receipt of such moneys, it being agreed that after the service of notice or the commencement of a suit or after final judgment for possession of the Premises, Landlord may receive and collect any Net Rent or other sum due, and the payment of said Net Rent or other sum shall not constitute a waiver of or affect said notice, suit or judgment.

14. **CONDEMNATION.** If the Land or the Premises or any portion thereof shall be taken or condemned or purchased under the threat of condemnation by any competent authority for any public or quasi-public use or purpose, or if the configuration of any street, alley, bridge, railroad facility or other improvement or structure adjacent to the Premises is changed by any competent authority and such taking or change in configuration makes it necessary or desirable to remodel or reconstruct the Premises, Landlord shall have the right, exercisable at its sole discretion, to cancel this Lease upon notice given not less than ninety (90) days prior to the date of cancellation designated in the notice. No money or other consideration shall be payable by Landlord to Tenant for the right of cancellation and whether or not Landlord exercises such cancellation right, Tenant shall have no right to share in the condemnation award or in any judgment for damages caused by such taking or change in configuration, it being agreed by Tenant that each such award is the sole property of Landlord and that Tenant has no interest therein. Tenant may pursue a separate claim; provided, however, that such claim does not diminish or impair Landlord's claim and award.

15. **ASSIGNMENT AND SUBLETTING.**

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

B. In the event that Landlord consents to any assignment or sublease of any portion of the Premises, as a condition of Landlord's consent, fifty percent (50%) of all profit received by Tenant from time to time from such assignment or subletting shall be payable to Landlord, such profit to be computed in accordance with generally accepted accounting principles consistently applied. Tenant shall furnish Landlord with a sworn statement, certified by an independent certified public accountant, setting forth in detail the computation of profit (which computation shall be based upon generally accepted accounting principles), and Landlord, or its representatives shall have access to the books, records and papers of Tenant in relation thereto, and the right to make copies thereof. If a part of the consideration for such assignment or

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subletting shall be payable other than in cash, the payment to Landlord shall be payable in accordance with the foregoing percentage of the cash and other non-cash considerations in such form as is reasonably satisfactory to Landlord. Such percentage of Tenant's profits shall be paid to Landlord promptly by Tenant upon Tenant's receipts from time to time of periodic payments from such assignee or subtenant or at such other time as Tenant shall realize Tenant's profits from such assignment or sublease.

C. If Tenant is a corporation, any transaction or series of transactions (including, without limitation, any dissolution, merger, consolidation or other reorganization of Tenant, or any issuance, sale, gift, transfer or redemption of any capital stock of Tenant, whether voluntary, involuntary or by operation of law, or any combination of any of the foregoing transactions) resulting in the transfer of control of Tenant, other than by reason of death, shall be deemed to be a voluntary assignment of this Lease by Tenant subject to the provisions of this Paragraph. If Tenant is a partnership, any transaction or series of transactions (including, without limitation, any withdrawal or admittance of a partner or any change in any partner's interest in Tenant, whether voluntary, involuntary or by operation of law, or any combination of any of the foregoing transactions) resulting in the transfer of control of Tenant, other than by reason of death, shall be deemed to be a voluntary assignment of this Lease by Tenant subject to the provisions of this Paragraph. If Tenant is a limited liability company or another form of business entity, any transaction or series of transactions (including, without limitation, any withdrawal or admittance of a member or any change in any member's interest in Tenant, whether voluntary, involuntary or by operation of law, or any combination of any of the foregoing transactions) resulting in the transfer of control of Tenant, other than by reason of death, shall be deemed to be a voluntary assignment of this Lease by Tenant subject to the provisions of this Paragraph. Landlord acknowledges that as of the Commencement Date, Edward Health Ventures ("EHV"), an Illinois not for profit corporation will be a majority owner of Tenant and Landlord by execution of this Lease consents to such assignment. Notwithstanding the foregoing and anything herein to the contrary, should EHV during the Term of this Lease wish to transfer all or a portion of its membership interest in Tenant, such transfer shall first require the Landlord's consent, which consent for such specific transfer shall not be unreasonably withheld, so long as EHV retains a controlling or majority interest in Tenant subsequent to such transfer, and provided that Tenant provides Landlord with reasonable documentation identifying the proposed transferee, including, financial information reasonably acceptable to Landlord. EHV shall provide Landlord with written notice of the proposed effective date of the transfer at least ten (10) business days prior to such transfer. The term "control" as used in this Paragraph means the power to directly or indirectly direct or cause the direction of the management or policies of Tenant. If Tenant is a corporation, no transfer of control shall be deemed to have occurred so long as shareholders who are shareholders at the date of this Lease own fifty percent (50%) of the issued and outstanding stock of Tenant, nor if Tenant has more than five hundred (500) shareholders shall the trading of the shares of Tenant on a recognized market or over the counter be deemed to result in a transfer of control of Tenant. If Tenant is a partnership or limited liability company, no transfer of control shall be deemed to have occurred so long as partners/members who are partners/members at the date of this Lease own a fifty percent (50%) interest in the profits, losses and capital of such partnership or limited liability company as the case may be.

D. Tenant shall pay to Landlord upon demand by Landlord, notwithstanding that Landlord may have withheld its consent to any transfer contemplated by this Paragraph 15, an

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amount sufficient to reimburse Landlord or Landlord's agent for all costs incurred by them or either of them, including, but not limited to, reasonable attorneys' fees, in determining whether to grant or withhold any consent contemplated by this Paragraph or otherwise in connection with any assignment, subletting or other transfer of Tenant's interest in this Lease, or any attempt to do any of the foregoing. Landlord's consent shall not be deemed to be effective until such costs have been paid by Tenant.

E. Except as provided in Paragraph 15.C. above, Landlord's consent shall not be necessary for the admission or removal of members, change in business organization of Tenant, transfer to another entity of interest by members for estate planning purposes.

F. Landlord acknowledges and agrees that Tenant's permitted use of the Premises may include the use of the Premises by Tenant's customers or other parties with whom Tenant has a business relationship (together, "Business Partners"). Tenant's Business Partners shall be entitled to use the Premises for the uses permitted in this Lease at no additional charge to Tenant and without requiring the consent of Landlord, and occupancy of the Premises by such Business Partners shall not constitute an assignment or subletting for purposes of this Lease provided that such Business Partners do not have control over the Premises or any portion thereof.

16. **POSSESSION/SURRENDER.** Upon the expiration of the Term or upon the termination of Tenant's right of possession, whether by lapse of time or at the option of Landlord as herein provided, Tenant shall forthwith surrender the Premises to Landlord in good order, repair and condition, ordinary wear and damage by fire or other casualty excepted. Prior to the expiration or termination of the Term or of Tenant's right of possession of the Premises, Tenant shall remove its office furniture, trade fixtures, office equipment and all other items of Tenant's property from the Premises. Tenant shall pay to Landlord upon demand the cost of repairing any damage to the Premises and to the Building caused by any such removal. If Tenant shall fail or refuse to remove any such property from the Premises, Tenant shall be conclusively presumed to have abandoned the same, and title thereto shall thereupon pass to Landlord without any cost to Landlord, whether by set-off, credit, allowance or otherwise, and Landlord may at its option accept the title to such property or at Tenant's expense may (i) remove the same or any part in any manner that Landlord shall choose, repairing any damage to the Premises caused by such removal, and (ii) store, destroy or otherwise dispose of the same without incurring liability to Tenant or any other person. In the event Landlord incurs any storage or other costs by reason of Tenant's failure to remove any property which Tenant is obligated to remove under this Paragraph, Tenant upon demand shall pay to Landlord the amount of costs so incurred. Tenant shall come to the Landlord at least ninety (90) days prior to the Expiration Date to conduct a walk through of the Premises with Landlord to determine any repairs, replacements or restoration which needs to be made to the Premises as part of Tenant's surrender of the Premises. Any such repairs, replacements or restoration required to be made as part of such walk through shall not limit Tenant's required surrender obligations as provided for herein.

17. **HOLDING OVER.** In addition to performing all of Tenant's other obligations set forth in this Lease, Tenant shall pay to Landlord an amount equal to one hundred fifty percent (150%) of the Net Rent and one hundred fifty percent (150%) of the monthly installment of estimated Impositions payable by Tenant for the last month of the Term, for the first two (2) months or portion thereof during which Tenant shall retain possession of the Premises or any part thereof after the expiration or termination of the Term or of Tenant's right of possession,

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whether by lapse of time or otherwise, and also shall pay all damages sustained by Landlord whether direct or consequential, on account of Tenant's so retaining possession; after two (2) months for each month or portion thereof during which Tenant shall retain possession of the Premises or any part thereof after the expiration or termination of the Term or of Tenant's right of possession, Tenant shall pay to Landlord an amount equal to two hundred percent (200%) of the Net Rent and two hundred percent (200%) of the monthly installment of estimated Impositions payable by Tenant for the last month of the Term, for each month or portion thereof during which Tenant shall retain possession of the Premises or any part thereof after the expiration or termination of the Term or of Tenant's right of possession, whether by lapse of time or otherwise, and also shall pay all damages sustained by Landlord whether direct or consequential, on account of Tenant's so retaining possession. The provisions of this Paragraph 17 shall not be deemed to limit or constitute a waiver of any other rights or remedies of Landlord provided herein or at law, including, without limitation, Landlord's right to seek an eviction of Tenant or termination of the Lease.

18. ESTOPPEL CERTIFICATES. Tenant agrees, that, from time to time, but in no case more than two (2) times in any twelve (12) month period, upon not less than ten (10) business days prior request by Landlord, Tenant, or Tenant's duly authorized representative having knowledge of the facts, will execute and deliver to Landlord an estoppel certificate in the form attached hereto as Exhibit "B" and made a part hereof, together with a written statement certifying as to such other matters regarding this Lease as Landlord may reasonably request, it being intended that any such statements and certificates may be relied upon by any mortgagees or prospective mortgagees of the Land or Building, or any prospective assignee of any such mortgagee, or any prospective or subsequent purchaser or transferee of all or a part of Landlord's interest in the Land or the Building or this Lease or any prospective transferee of all or any part of the interests in Landlord or in any partner in Landlord. Should Landlord require more than two (2) executed estoppel certificates in any twelve (12) month period, Landlord shall reimburse Tenant for reasonable attorney's fees for the cost of the review of same by Tenant's legal counsel. Tenant's failure to execute and deliver any statement or certificate contemplated by this Paragraph within ten (10) business days after request by Landlord shall be a default under this Lease.

19. RIGHTS OF MORTGAGEES AND GROUND LESSORS.

A. Landlord has heretofore encumbered the Land and the Building with a Mortgage and may hereafter encumber the Land and the Building, or any interest therein with additional mortgages, may sell and lease back the Land, or any part of the Land, and may encumber the leasehold estate under such a sale and leaseback arrangement with one or more mortgages. (Any such mortgage is herein called a "Mortgage" and the holder of any such mortgage is herein called a "Mortgagee". Any such lease of the land is herein called a "Ground Lease" and the lessor under any such lease is herein called a "Ground Lessor".) This Lease and the rights of Tenant hereunder shall be and are hereby expressly made subject to and subordinate at all times to each Mortgage and to any Ground Lease (it being agreed by Tenant that in the case of a Ground Lease Tenant's right to possession shall be as a subtenant) now or hereafter existing, and to all amendments, modifications, renewals, extensions, consolidations and replacements of each of the foregoing, and to all advances made or hereafter to be made upon the security thereof; provided, however, that such Mortgagee or Ground Lessor shall have agreed that so long as Tenant is not in default under this Lease, Tenant's possession of the Premises shall not be

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disturbed by the Mortgagee or Ground Lessor as the case may be. The subordination expressed in the preceding sentence shall be automatic and shall require no further action by Landlord or Tenant for its effectiveness. However, Tenant agrees to execute and deliver to Landlord such further instruments consenting to or confirming the subordination of this Lease to any Mortgage referred to and to any Ground Lease and containing such other provisions which may be reasonably requested in writing by Landlord within ten (10) business days after Tenant's receipt of such written request.

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

(i) No person or entity which as the result of any of the foregoing has succeeded to the interest of Landlord in this Lease (any such person or entity being hereafter called a "Successor") shall be liable for any default by Landlord or any other matter which occurred prior to the date such Successor succeeded to Landlord's interest in this Lease nor shall such Successor be bound by or subject to any offsets or defenses which Tenant may have against Landlord or any other predecessor in interest to such Successor;

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

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

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

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

E. Should any prospective Mortgagee or Ground Lessor require a modification or modifications of this Lease, which modification or modifications will not cause an increased cost or expense to Tenant or in any other way materially and adversely change the rights and obligations of Tenant hereunder, then and in such event, Tenant agrees that this Lease may be so modified and agrees to execute whatever documents are required therefor and deliver the same to Landlord within ten (10) business days following the request therefor. Should any prospective

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Mortgagee or Ground Lessor require execution of a short form of lease for recording (containing, among other customary provisions, the names of the parties, a description of the Premises and the Term), Tenant agrees to execute such short form of Lease and deliver the same to Landlord within 10 business days following the request therefor.

F. If Tenant fails within ten (10) business days after written demand therefor to execute and deliver any instruments as may be necessary or proper to effectuate any of the covenants of Tenant set forth above in this Paragraph and in Paragraph 18 above captioned "Estoppel Certificate", Tenant hereby makes, constitutes and irrevocably appoints Landlord or, if Landlord ever is a land trust, any of the beneficiaries of Landlord as Tenant's attorney in fact (such power of attorney being coupled with an interest) to execute and deliver any such instruments for and in the name of Tenant.

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

20. CERTAIN RIGHTS RESERVED BY LANDLORD. Landlord shall have the following rights, each of which Landlord may exercise without notice to Tenant and without liability to Tenant for damage or injury to property, person or business on account of such exercise, and the exercise of any such rights shall not be deemed to constitute an eviction or disturbance of Tenant's use or possession of the Premises nor shall such exercise give rise to any claim for set-off or abatement of rent or any other claim provided that the same shall in no event interfere in any material way with Tenant's use and enjoyment of the Premises for its intended purpose:

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

(ii) To decorate or to make repairs, alterations, additions or improvements, whether structural or otherwise, in and about the Premises, or any part thereof, and for such purposes to enter upon the Premises, and during the continuance of any of said work, to temporarily close doors, entryways, public space and corridors in the Building and to interrupt or temporarily suspend services or use of facilities, all without affecting any of Tenant's obligations hereunder, so long as the Premises are reasonably accessible and usable.

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

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

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

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(vi) To show the Premises to prospective tenants (during the last twelve (12) months of the Term) or to prospective buyers, investors or lenders at reasonable times, during business hours, upon prior written notice thereof and provided the same does not interfere in any material way with Tenant's intended use of the Premises, and if vacated or abandoned, to show the Premises at any time and to prepare the Premises for re-occupancy.

(vii) To enter the Premises at any reasonable time, during business hours, upon prior written notice thereof and provided the same does not interfere with Tenant's intended use of the Premises, to inspect the Premises. Landlord acknowledges that Tenant is subject to the provisions of the Health Insurance Portability and Accountability Act of 1996 and related regulations ("HIPAA"), and that HIPAA requires Tenant to ensure the safety and confidentiality of patient medical records. Landlord further acknowledges that, in order for Tenant to comply with HIPAA, Tenant must restrict access to the portions of the Premises where patient medical records are kept or stored. Landlord agrees that, notwithstanding the rights granted to Landlord pursuant to this Section or elsewhere in this Lease, except for an emergency entry into the Premises taken pursuant to this Lease or when accompanied by an authorized representative of Tenant, which accompaniment shall not be unreasonably withheld, conditioned or delayed, neither Landlord nor its employees, agents, representatives or contractors shall be permitted to enter those areas of the Premises designated by Tenant as locations where patient medical records are kept or stored.

(viii) To grant to any person or entity easements or other rights outside the Building that do not interfere with Tenant's use and access to the Building and parking.

(ix) To construct improvements outside the Building that do not interfere with Tenant's use and access to the Building and parking.

21. **RULES AND REGULATIONS.** Tenant shall, and shall cause all of its subtenants and occupants, its and their agents, employees, invites and licensees to, observe faithfully, and comply strictly with, all rules and regulations promulgated from time to time by Landlord, as in the Landlord's judgment may be desirable for the safety, care and cleanliness of the Building and the Premises, or for the preservation of good order therein.

22. **LANDLORD'S REMEDIES.**

A. If (i) Tenant defaults in the payment of Net Rent, Impositions, or any installment of the foregoing, or in the payment of any other sum required to be paid by Tenant either under this Lease, or under the terms of any other agreement between Landlord and Tenant (the foregoing defaults being collectively called "Payment Defaults"), and such Payment Default is not cured within five (5) business days after written notice to Tenant, or (ii) Tenant defaults in the observance or performance of any of the other covenants or conditions in this Lease which Tenant is required to observe and perform and such default is not cured within thirty (30) days after written notice to Tenant, or should such default require longer than thirty (30) days to cure, if Tenant is not diligently pursuing a cure (or if such default involves a hazardous condition and is not cured by Tenant immediately upon written notice to Tenant), or (iii) the interest of Tenant in this Lease shall be levied on under execution or other legal process, or (iv) Tenant becomes the subject of commencement of an involuntary case under the federal bankruptcy law as now or

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hereafter constituted, or there is filed a petition against Tenant seeking reorganization, arrangement, adjustment or composition of or in respect of Tenant under the federal bankruptcy law as now or hereafter constituted, or under any other applicable federal or state bankruptcy, insolvency, reorganization or other similar Law, or seeking the appointment of a receiver, liquidator or assignee, custodian, trustee, sequestrator (or similar official) of Tenant or any substantial part of its property, or seeking the winding-up or liquidation of its affairs and such involuntary case or petition is not dismissed within ninety (90) days after the filing thereof, or (v) Tenant commences a voluntary case or institutes proceedings to be adjudicated a bankrupt or insolvent, or consents to the institution of bankruptcy or insolvency proceedings against it, under the Federal bankruptcy laws as now or hereafter constituted, or any other applicable Federal or state bankruptcy or insolvency or other similar Law, or consents to the appointment of or taking possession by a receiver or liquidated or assignee, trustee, custodian, sequestrator (or other similar official) of Tenant or of any substantial part of its property, or makes any assignment for the benefit of creditors or admits in writing its inability to pay its debts generally as they become due or (vi) Tenant, its stockholders or Board of Directors or any committee thereof takes any action contemplating, in preparation for or in the furtherance of any of the occurrences, steps or proceedings in items (iv) or (v) above, or (vii) if Tenant abandons the Premises or any portion thereof, or (viii) any representation or warranty made by Tenant is not accurate and correct in all material respects or (ix) in the event that Tenant makes an assignment, sublease or transfer which is not in accordance with the terms of Paragraph 15 hereof or (x) in the event that Tenant is not in compliance with the insurance requirements pursuant to this Lease, then Landlord may treat that occurrence of any one or more of the foregoing events as a breach of this Lease, and thereupon at its option may, with or without notice or demand (other than as previously provided for in this Paragraph 22.A. of any kind to Tenant), have any one or more of the following described remedies in addition to all other rights and remedies provided at law or in equity or elsewhere herein:

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

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

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

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

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C. If Landlord terminates the right of Tenant to possession of the Premises without terminating this Lease, such termination of possession shall not release Tenant, in whole or in part, from Tenant's obligation to pay the Net Rent hereunder for the full Term, and the present value of the excess of the aggregate amount of the Net Rent and Impositions (at the then current rates therefor) over the fair rental value of the Premises for the period from the date stated in the notice terminating possession to the Expiration Date (such present value to be computed on the basis of a per annum discount rate equal to five percent (5%)) shall, at the option of the Landlord, be immediately due and payable by Tenant to Landlord, together with any other moneys due hereunder, and Landlord shall have the right to immediate recovery of all such amounts. In the alternative, Landlord shall have the right from time to time, to recover from Tenant, and Tenant shall remain liable for, all Net Rent not theretofore accelerated and paid pursuant to the foregoing sentence and any other sums thereafter accruing as they become due under this Lease during the period from the date of such notice of termination of possession to the Expiration Date. In any such case, Landlord may (but shall be under no obligation to, except as may be required by law) relet the Premises or any part thereof for the account of Tenant for such rent, for such time (which may be for a term extending beyond the Term) and upon such terms as Landlord in Landlord's sole discretion shall determine, and Landlord shall not be required to accept any tenant offered by Tenant or to observe any instructions given by Tenant relative to such reletting. Also, in any such case, Landlord may change the locks or other entry devices of the Premises and make repairs, alterations, and additions in or to the Premises and redecorate the same to the extent deemed by Landlord necessary or desirable, and Tenant shall upon written demand pay the cost thereof together with Landlord's expenses of reletting, including, without limitation, brokerage commissions payable to Landlord's Agent or to others. Landlord may collect the rents from any such reletting and apply the same first to the payment of the expenses of reentry, redecoration, repair and alterations and the expenses of reletting and second to the payment of Net Rent and Impositions herein provided to be paid by Tenant, and any excess or residue shall operate only as an offsetting credit against the amount of Net Rent and Impositions due and owing or paid as a result of acceleration or as the same thereafter becomes due and payable hereunder, but the use of such offsetting credit to reduce the amount of Net Rent and Impositions due Landlord, if any, shall not be deemed to give Tenant any right, title or interest in or to such excess or residue and any such excess or residue shall belong to Landlord solely; provided that in no event shall Tenant be entitled to a credit on its indebtedness to Landlord in excess of either the aggregate sum (including Net Rent and Impositions) due and owing or paid as a result of acceleration or which would have been paid by Tenant for the period for which the credit to Tenant is being determined, had no default occurred, as applicable. No such reentry, repossession, repairs, alterations, additional or reletting shall be construed as an eviction or ouster of Tenant or as an election on Landlord's part to terminate this Lease, unless a written notice of such intention is given to Tenant, or shall operate to release Tenant in whole or in part from any of Tenant's obligations hereunder, and Landlord may, at any time from time to time, sue and recover judgment for any deficiencies from time to time remaining after the application from time to time of the proceeds of any such reletting.

D. In the event of the termination of this Lease by Landlord as provided for by subparagraph A above, Landlord shall be entitled to recover from Tenant all damages and other sums which Landlord is entitled to recover under any provision of this Lease or at law or equity, including, but not limited to, all the fixed dollar amounts of Net Rent accrued and unpaid for the period up to and including such termination date, as well as all other additional sums payable by

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ATTACHMENT 2
Lease

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

E. Tenant shall pay all of Landlord's costs, charges, and expenses, including, without limitation, court costs and reasonable attorneys' fees, incurred in enforcing Tenant's obligations under this Lease or incurred by Landlord in any litigation, negotiation or transaction in which Tenant causes Landlord, without Landlord's fault, to become involved or concerned.

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

G. Tenant hereby grants to Landlord a first lien and security interest upon the interest of Tenant under this Lease and the personal property of Tenant located in the Premises to secure the payment of monies due under this Lease, and Landlord shall have all rights of a secured party pursuant to the Uniform Commercial Code of the State of Illinois or otherwise provided by law or equity. At any time and from time to time, upon the request of the Landlord, Tenant will make, execute and deliver or cause to be made, executed and delivered, to Landlord, and where appropriate, filed and from time to time thereafter to be refiled at such time and in such offices and places as shall be deemed desirable by Landlord, any and all security agreements, financing statements, continuation statements, instruments of further assurances, certificates and other documents as may, in the opinion of Landlord, be necessary or desirable in order to effectuate, complete, enlarge or perfect, or to continue and preserve (a) the obligations of Tenant under this Lease, and (b) the Lien and security interest granted by this Paragraph as a first and prior lien and security interest upon Tenant's interest in this Lease and the personal property of Tenant located in the Premises, whether now or hereafter acquired by Tenant. Upon any failure by

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Tenant so to do, Landlord may make, execute, file or refile, any and all such security agreements, financing statements, continuation statements, instruments, certificates and documents for and in the name of Tenant, and Tenant hereby irrevocably appoints Landlord the agent and attorney-in-fact of Tenant so to do. The lien and security interest hereof will automatically attach, without further act, to all after acquired personal property attached to and/or used in the operation of the Tenant's business in the Premises or any part thereof.

H. If Tenant fails timely to perform any of its duties under this Lease, Landlord shall have the right (but not the obligation), after the expiration of any grace or notice and cure period elsewhere under this Lease expressly granted to Tenant for the performance of such duty (except in the event of an emergency, or where prompt action is required to prevent injury to persons or property, in which case Landlord need not wait for the expiration of any applicable grace or notice and cure period under this Lease), to perform such duty on behalf and at the expense of Tenant without further prior notice to Tenant, and all sums expended or expenses incurred by Landlord in performing such duty, plus an administrative fee of ten percent (10%) of such amount(s), shall be deemed to be additional Rent under this Lease and shall be due and payable as Additional Rent within thirty (30) days following demand by Landlord.

I. Landlord shall be in an event of default in the event that Tenant notifies Landlord that Landlord has defaulted in the observance or performance of any covenants or conditions in this Lease which Landlord is required to observe or perform and such default is not cured within thirty (30) days after written notice to Landlord, provided that Landlord shall have reasonable additional time to cure such default should such default reasonably require longer than thirty (30) days to cure and Landlord is diligently pursuing a cure. In the event that Landlord is in an uncured event of default pursuant to this paragraph, except as otherwise expressly provided for herein, Tenant shall have whatever rights and remedies that it has at law or in equity.

23. **COVENANT OF QUIET ENJOYMENT.** Landlord agrees that Tenant, on paying the Net Rent, Impositions, charges for services, if any, and other payments herein reserved and on keeping, observing and performing all the other terms, covenants, conditions, provisions and agreements herein contained on the part of Tenant to be kept, and observed and performed, shall, during the Term, peaceably and quietly have, hold and enjoy the Premises subject to the terms, covenants, conditions, provisions and agreements hereof free from hindrance by Landlord or any person claiming by, through, or under Landlord.

24. **REAL ESTATE BROKER.** Tenant represents that Tenant has dealt with no broker or finder and that insofar as Tenant knows, no other broker negotiated this Lease or is entitled to any commission in connection herewith.

25. **OTHER AGREEMENTS OF TENANT.**

A. Tenant agrees to purchase only from Landlord additional duplicate keys or entry cards or other entry devices as required, to change no locks, and not to affix locks on doors without the prior written consent of the Landlord. Notwithstanding the provisions of this Lease granting Landlord access to the Premises, absent Landlord's negligence and misconduct, Tenant relieves and releases, absent Landlord's negligence and misconduct, the Landlord of all responsibility arising out of theft, robbery, pilferage and personal assault. Upon the expiration of

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the Term or Tenant's right to possession, Tenant shall return all keys to Landlord and shall disclose to Landlord the combination of any safes, cabinets or vaults left in the Premises.

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

26. MISCELLANEOUS.

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

B. Late Payments.

(i) All payments becoming due under this Lease and remaining unpaid when due shall bear interest until paid at a rate per annum equal to the greater of (a) eighteen percent (18%) and (b) four percent (4%) per annum plus the Prime Rate of interest published from time to time in the *Wall Street Journal* or any successor (or if no successor such comparable publication as reasonably determined by Landlord), such rate to change when and as such Prime Rate changes (but in no event at a rate which is more than the highest rate which is at the time lawful in the State of Illinois).

(ii) Tenant recognizes that late payment of Net Rent or any other sum due hereunder will result in administrative expenses to Landlord, the extent of which additional expenses are extremely difficult and economically impractical to ascertain. Tenant therefore agrees that when Net Rent or any other sum is due and payable from Tenant to Landlord pursuant to the terms of this Lease, and such amount remains unpaid five (5) business days after such amount is due, the amount of such unpaid Net Rent or other sum shall be increased by a late charge to be paid to Landlord by Tenant equal to the greater of (a) \$100.00 and (b) three percent (3%) of the unpaid Net Rent or other sum.

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

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

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

E. Lease Contains All Terms. All of the obligations of Landlord and Tenant under this Lease are contained herein and other Exhibits attached hereto, and no modification, waiver or amendment of this Lease or any to its conditions or provisions shall be binding upon the Landlord or Tenant unless in writing signed by Landlord and Tenant or by duly authorized agents of Landlord and Tenant empowered by a written authority signed by Landlord and Tenant. In executing and delivering this Lease, Tenant has not relied on any representation (including, but not limited to, any representation whatsoever as to the amount of any item comprising Impositions or the amount of the Impositions in the aggregate or that Landlord is furnishing the same services to other tenants, at all, on the same level or on the same basis), in one or more of the Exhibits attached hereto.

F. Delivery for Examination. Submission of the Lease for examination shall not bind Landlord in any manner, and no Lease or obligations of the Landlord shall arise until this instrument is signed by both Landlord and Tenant and delivery is made to each.

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

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

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

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

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

L. Application of Payments. Landlord shall have the right to apply payments received from Tenant pursuant to this Lease (regardless of Tenant's designation of such

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payments) to satisfy any obligations of Tenant hereunder, in such order and amounts, as Landlord in its sole discretion, may elect.

M. Governing Law. Interpretation of this Lease shall be governed by the Laws of the State of Illinois.

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

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

P. Storage of Hazardous Materials. Tenant agrees not to use or store on or in the Premises, any Hazardous Substances or any material deemed to be toxic or hazardous by any governmental authority having jurisdiction over the Land, except in full compliance with all applicable Laws.

Q. Financial Statements. Whenever Landlord may from time to time request, which Landlord shall do only when Landlord is requested to do so by a Mortgagee, Ground Lessor or prospective purchaser of the Premises, Tenant shall provide Landlord with financial statements accurately representing Tenant's financial condition as of the date of Landlord's request.

R. Access. So long as Tenant complies with the terms of this Lease, Tenant will be permitted access to the Premises 24 hours a day, 7 days per week, 52 weeks per year.

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

T. Landlord Representations. Landlord represents to Tenant that it is the owner of record of the Property and has the right, power and authority to enter into this Lease.

U. Signage. Landlord and Tenant agree that Tenant may maintain, repair and replace the signs and directional markers currently used in connection with the Premises. Tenant agrees that all such signage shall be maintained by Tenant at Tenant's expense in good and like-new condition.

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

(a) If to Landlord:
MPG Westmont Surgery Center, LLC
40 Skokie Blvd #410
Northbrook, IL 60062
Attn. Paul Kopecki

(b) If to Tenant:
Chris Mollet
Registered agent, Westmont Surgery Center
801 S. Washington St.
Naperville, IL 60540

After the Commencement Date, notices shall be sent to the Tenant at the Premises' common address as stated in the Preamble to this Lease.

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

All notices shall be deemed effectively given:

- (i) when delivered, if delivered personally;
- (ii) three (3) days after such notice has been deposited in the United States mail postage prepaid, if mailed certified or registered mail, return receipt requested; or
- (iii) when received by the party for which notice is intended, if given in any other manner.

28. LIMITATION ON LIABILITY OF LANDLORD AND TENANT. It is expressly understood and agreed by Tenant that none of Landlord's covenants, undertakings, or agreements are made or intended as personal covenants, undertakings or agreements by Landlord or the partners in Landlord, and any liability of Landlord or the partners in Landlord for damages or breach of nonperformance by Landlord or otherwise arising under or in connection with this Lease or the relationship of Landlord and Tenant hereunder, shall be collectible only out of Landlord's interest in the Land and Building (or if Landlord is the beneficiary of a land trust, Landlord's right, title and interest in such land trust), in each case as the same may then be encumbered, and no personal liability is assumed by, nor at any time may be asserted against, Landlord or the partners in Landlord or any of its or their officers, agent, employees, legal representatives, successors or assign, all such liability, if any, being expressly waived and released by Tenant. In the event of a default by Tenant hereunder, Landlord's sole recourse shall be against Tenant and Landlord shall have no recourse against any individual member, partner, shareholder or other owner in Tenant regarding such event of default.

29. RENEWAL RIGHT.

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A. Renewal Period. Subject to the terms and conditions of this Paragraph 29, Tenant shall have two (2) consecutive rights to extend the initial Term for additional periods of five (5) years (the "Renewal Period"), upon the same terms and conditions in effect under the Lease immediately prior to the Renewal Period (the "Renewal Option"); provided, however, that the Net Rent shall be the greater of (a) the then effective Net Rent as of the expiration of the Term or (b) the Prevailing Rental Rate, as determined in accordance with the procedures described in Paragraph 29.B. below. The Net Rent shall continue to increase 3% per annum on each anniversary during any Renewal Period. Tenant may irrevocably exercise the Renewal Option by delivering to Landlord written notice of its election to do so no later than twelve (12) months prior to the expiration of the Term ("Tenant's Renewal Option Notice"). Said exercise, at Landlord's election, shall be null and void if a default on the part of Tenant has occurred and is continuing after the expiration of applicable notice and cure periods at the time of the exercise of such option or in the event Tenant is in default as of the date the Renewal Period commences. Tenant shall have the right to exercise the Renewal Option granted herein only with respect to the entire Premises. If Tenant shall fail to exercise the Renewal Option as provided above, any future Renewal Options shall terminate, and shall be null and void and of no further force or effect.

B. Prevailing Rental Rate. For purposes hereof, "Prevailing Rental Rate" means the average per square foot rental rate being offered or which would be offered to prospective tenants for comparable "as is" space (i.e. of comparable size and floor location, credit of Tenant, renewal terms, concessions and allowances) in comparable ambulatory surgery center buildings in the Westmont, Illinois and surrounding western Chicago corridor area for a lease term of comparable length and commencement date for the term of the expansion or extension period under consideration. Landlord and Tenant shall negotiate in good faith for thirty (30) days (the "Negotiation Period") after Landlord's receipt of Tenant's Renewal Option Notice to determine the Prevailing Rental Rate. If Landlord and Tenant cannot agree on the Prevailing Rental Rate during the Negotiation Period, not later than fifteen (15) business days after the end of the time period allowed for the good faith negotiations in this Paragraph 29.B, Landlord shall deliver to Tenant Landlord's binding written proposal of the Prevailing Rental Rate setting forth, with reasonable specificity, the method of computation ("Landlord's Binding Proposal"). Landlord's Binding Proposal shall also contain the name of Landlord's designated Arbitrator (as hereinafter defined). Not later than fifteen (15) business days after receipt of Landlord's Binding Proposal, Tenant shall advise Landlord, in writing, of whether Tenant accepts or rejects Landlord's Binding Proposal. If Tenant accepts Landlord's Binding Proposal or fails to respond to Landlord's Binding Proposal within fifteen (15) business days after receipt of Landlord's Binding Proposal, Tenant shall be deemed to have exercised its Renewal Option and the Net Rent for the Renewal Period shall be the Prevailing Rental Rate set forth in Landlord's Binding Proposal. However, if Tenant rejects Landlord's Binding Proposal, Tenant shall concurrently advise Landlord of Tenant's binding proposal of the Prevailing Rental Rate setting forth, with reasonable specificity, the method of computation ("Tenant's Binding Proposal"). Tenant's Binding Proposal shall also set forth whether Tenant approves the Arbitrator designated in Landlord's Binding Proposal, or, if Tenant disapproves, Tenant shall notify Landlord of the name of the Arbitrator designated by Tenant.

C. Arbitrator. For the purposes of determining the Prevailing Rental Rate, "Arbitrator" shall mean a Member of the American Institute of Real Estate Appraisers with not less than ten (10) years of experience in the appraisal of improved commercial office building

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real estate in the Chicago, Illinois metropolitan area and be devoting substantially all of his or her time to professional appraisal work at the time of appointment and be in all respects impartial and disinterested. If Landlord and Tenant cannot agree on the Prevailing Rental Rate within twenty one (21) business days following delivery of Tenant's Binding Proposal (the "Binding Proposals Outside Date"), Tenant and Landlord shall submit the determination of Prevailing Rental Rate to arbitration pursuant to the provisions of Paragraph 29.D hereof.

D. Arbitration.

(i) If Landlord and Tenant are able to agree on the designation of an Arbitrator (i.e., the Arbitrator designed in Landlord's Binding Proposal or the Arbitrator designated in Tenant's Binding Proposal, as the case may be) or the parties agree on a mutually acceptable third Arbitrator (the "Third Arbitrator") within five (5) business days following the Binding Proposals Outside Date, then, within ten (10) business days following such designation, the designated Arbitrator (i.e., the Arbitrator designated in Landlord's Binding Proposal, the Arbitrator designated in Tenant's Binding Proposal, or the Third Arbitrator, as the case may be) shall notify both Landlord and Tenant of such Arbitrator's determination of which figure of Landlord's Binding Proposal or Tenant's Binding Proposal more closely approximates the Arbitrator's professional opinion of the then accurate Prevailing Rental Rate, and the Net Rent for the Renewal Period shall be the figure selected by the Arbitrator that more closely approximates the Prevailing Rental Rate (Landlord's Binding Proposal or Tenant's Binding Proposal).

(ii) If Landlord and Tenant are unable to agree on the designation of an Arbitrator (as provided above) within such five (5) business day period, then, within ten (10) business days following the Binding Proposals Outside Date, the Arbitrators designated in Landlord's Binding Proposal and Tenant's Binding Proposal (respectively) shall designate a Third Arbitrator to act under this Paragraph 29. Thereafter, within ten (10) business days following the designation of the Third Arbitrator, the Third Arbitrator shall notify both Landlord and Tenant of such Third Arbitrator's determination of which figure of Landlord's Binding Proposal or Tenant's Binding Proposal, more closely approximates the Third Arbitrator's professional opinion of the then accurate Prevailing Rental Rate.

(iii) The Third Arbitrator shall set forth the supporting evidence and data which the Third Arbitrator took into account in making such determination, but the determination of such Third Arbitrator shall in all events be binding upon both Landlord and Tenant, and the Prevailing Rental Rate for the Renewal Period shall be the figure selected by the Third Arbitrator that more closely approximates the Prevailing Rental Rate (Landlord's Binding Proposal or Tenant's Binding Proposal). Landlord and Tenant shall each pay the costs incurred with respect to their respective designated Arbitrators and, shall each pay fifty percent (50%) of the cost, as applicable, of the Third Arbitrator.

E. Confirming Amendment. After the Prevailing Market Rent has been determined, Landlord and Tenant shall, upon the request of either party, execute a commercially reasonable amendment to this evidencing the extension of the Term and new Net Rent.

30. NO REFERRALS. The parties expressly agree that nothing contained in this Lease shall require Tenant or any physician or other referral source to refer or admit any patients to, or order any goods or services from Landlord or any affiliate.

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Notwithstanding any unanticipated effect of any provision of this Lease, neither party will knowingly or intentionally conduct himself in such a manner as to violate the prohibition against fraud and abuse in connection with the Medicare and Medicaid programs (42 USC Section 1320a-7b). Both parties represent to the other that the Rent provided for in this Lease is at fair market value rates and do not take into account the value or volume of any referrals or other business generated between the parties. Both as a material condition to this Lease and as a continuing representation and warranty for the duration of this Lease, Tenant represents and warrants that neither it nor any of its owners, officers, directors, employees, agents, subcontractors etc have been suspended, excluded, or debarred from any government payor program.

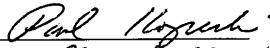
[SIGNATURES ON FOLLOWING PAGE]

ATTACHMENT 2
Lease

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

LANDLORD:

MPG Westmont Surgery Center, LLC,
a Delaware limited liability company

By: 
Printed Name: PAUL KOPECKY
Title: AUTHORIZED SIGNATORY

TENANT:

Westmont Surgery Center, LLC,
an Illinois limited liability company

By: _____
Printed Name: _____
Title: its authorized signatory

ATTACHMENT 2
Lease

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

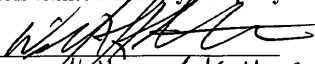
LANDLORD:

MPG Westmont Surgery Center, LLC,
a Delaware limited liability company

By: _____
Printed Name: _____
Title: _____

TENANT:

Westmont Surgery Center, LLC,
an Illinois limited liability company

By: 
Printed Name: William G. Kottmann
Title: its authorized signatory

ATTACHMENT 2
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EXHIBITS

SCHEDULE 1
EXHIBIT A
EXHIBIT B

NET RENT SCHEDULE
SITE PLAN
ESTOPPEL CERTIFICATE

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SCHEDULE 1

Net Rent Schedule

Lease Year	Rent Per Square Foot	Annual Net Rent	Monthly Net Rent
1* 6/2014 - 5/2015	30.00	345,270	28,773
2 6/2015 - 5/2016	30.90	355,628	29,636
3 6/2016 - 5/2017	31.83	366,297	30,525
4	32.78	377,286	31,440
5	33.77	388,604	32,384
6	34.78	400,263	33,355
7	35.82	412,270	34,356
8	36.90	424,639	35,387
9	38.00	437,378	36,448
10	39.14	450,499	37,542
11	40.32	464,014	38,668
12	41.53	477,934	39,828
13	42.77	492,272	41,023
14	44.06	507,041	42,253
15 5/2018	45.38	522,252	43,521
1 st Extension Option			
16	\$46.74	\$537,919	\$44,827
17	\$48.14	\$554,057	\$46,171
18	\$49.59	\$570,679	\$47,557
19	\$51.07	\$587,799	\$48,983
20	\$52.61	\$605,433	\$50,453
2 nd Extension Option			
21	\$54.18	\$623,596	\$51,966
22	\$55.81	\$642,304	\$53,525
23	\$57.48	\$661,573	\$55,131
24	\$59.21	\$681,420	\$56,785
25	\$60.98	\$701,863	\$58,489

*ends at the end of the twelfth (12th) full calendar month after the Effective Date.

{4889645:}

SCHEDULE 1

ATTACHMENT 2
Lease

EXHIBIT A

SITE PLAN

(see attached)

Common Street Addresses: 530 North Cass Ave, Westmont, IL 60559

{4889645;}

EXHIBIT A

EXHIBIT B

Gentlemen:

1. The Tenant has accepted possession of the Premises;
2. The Premises and space required to be furnished by Landlord with respect to the Premises have been completed in all respects required by the Lease;
3. Landlord has fulfilled all its obligations under the Lease through the date hereof;
4. No rentals have been prepaid except as provided by the terms of the Lease;
5. Commencement Date is _____; Net Rent is _____. The expiration date of the Lease is _____, _____;
6. The Lease has not been modified, altered, or amended, is in full force and effect, and there are no other Agreements between Landlord and Tenant with respect to the Premises;
7. Neither party to the Lease is in default in the performance of any covenant, agreement, or conditions contained in the Lease;
8. The Tenant is not the subject of any bankruptcy, insolvency or similar proceeding in any Federal, state or other court of jurisdiction.

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

By: _____

EXHIBIT B

ATTACHMENT 3
Operating Entity/Licensee

The operating entity and the licensee will continue to be Westmont Surgery Center, LLC d/b/a Salt Creek Surgery Center. Included with this Attachment is the licensee's Certificate of Good Standing. Westmont Surgery Center, LLC, is owned by IBJI ASC Ventures, LLC (100% ownership interest).

Following the transaction IBJI Salt Creek ASC, LLC will become the direct parent company of Westmont Surgery Center, LLC. IBJI Salt Creek ASC, LLC will in turn be 100% owned by IBJI ASC Ventures, LLC. There will be no other changes to the existing ownership structure.

ATTACHMENT 3

Certificate of Good Standing- Westmont Surgery Center, LLC d/b/a Salt Creek Surgery Center

File Number

0051479-9

***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

WESTMONT SURGERY CENTER, LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON FEBRUARY 02, 2001, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A DOMESTIC LIMITED LIABILITY COMPANY IN THE STATE OF ILLINOIS.

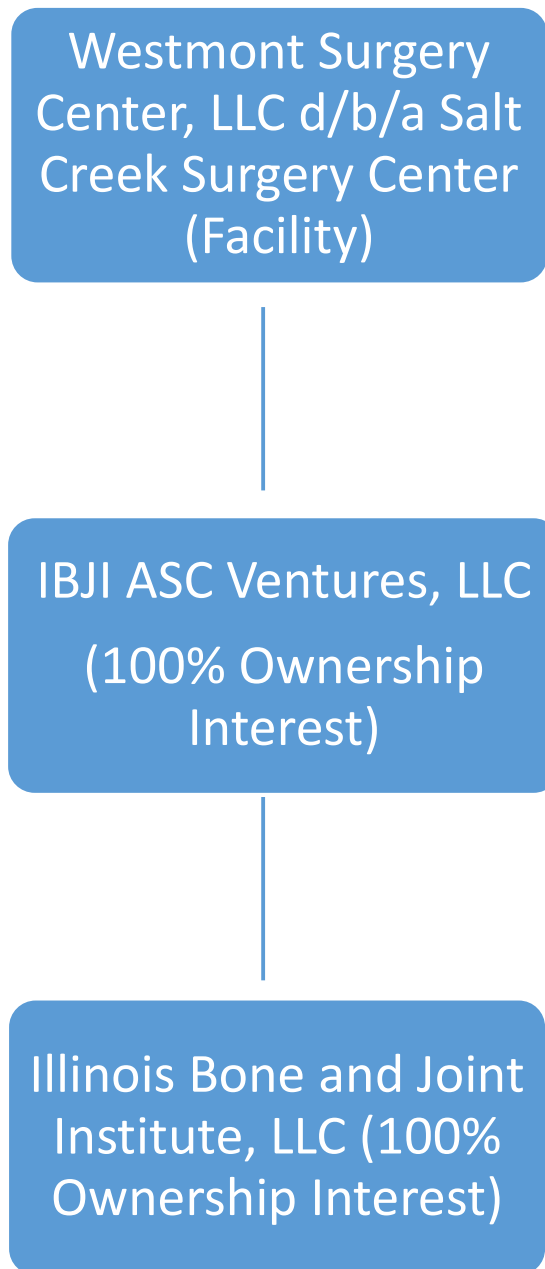


Authentication #: 2130600946 verifiable until 11/02/2022

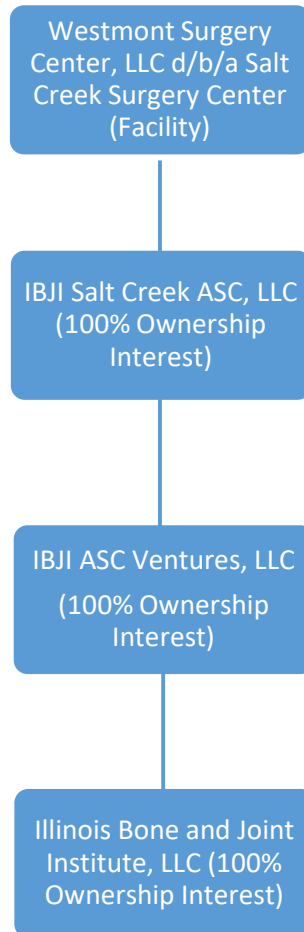
Authenticate at: <http://www.ilsos.gov>

***In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 2ND
day of NOVEMBER A.D. 2021 .***

SECRETARY OF STATE

ATTACHMENT 4
Pre-Transactional Organizational Chart

ATTACHMENT 4
Post-Transactional Organizational Chart



ATTACHMENT 5
Background of the Applicant

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

IBJI ASC Ventures owns Ravine Way Surgery Center, included with this attachment is a letter from the applicant entity affirming ownership of the facility.

- 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.**

None of the applicants own or operate healthcare facilities other than the facility subject to this application.

- 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.**

Included with this Attachment is letter from Westmont Surgery Center, LLC d/b/a Salt Creek Surgery Center, IBJI Salt Creek ASC, LLC, and IBJI ASC Ventures, LLC and Illinois Bone and Joint Institute, LLC verifying that no adverse action has taken place in the last three years prior to the filing of the application.

- 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.**

Included with this attachment is the applicant's authorization permitting HFSRB and IDPH access to any documents necessary to verify the information needed.

- 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.**

Not applicable.

ATTACHMENT 5

Background of the Applicant -

Letter from Westmont Surgery Center, LLC, Hinsdale Orthopaedic Associates, S.C.



November 15, 2021

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

Re: Certification and Authorization

Dear Ms. Avery,

As representative of Hinsdale Orthopaedic Associates, S.C., Westmont Surgery Center, LLC, I, Giridhar Burra, MD, give authorization to the Health Facilities and Services Review Board and the Illinois Department of Public Health (IDPH) to access documents necessary to verify the information submitted including, but not limited to: official records of IDPH or other state agencies, the licensing or certification records of other states, and the records of nationally recognized accreditation organizations.

I further verify that, Westmont Surgery Center, LLC has no ownership interest in any Illinois healthcare facilities, and as such we no adverse actions to report for the past three (3) years.

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

Sincerely,

Giridhar Burra, MD
President- Hinsdale Orthopaedic Associates, S.C.
President-Westmont Surgery Center, LLC

Dr. Kris J. Alden
Dr. Steven G. Bardfield
Dr. Brian J. Burgess
Dr. Giridhar Burra
Dr. Nikhil K. Chokshi
Dr. Steven C. Chudik
Dr. Angela R. Crowley
Dr. Robert J. Daley
Dr. Ashraf H. Darwish
Dr. Daniel M. Dean
Dr. Evan A. Dougherty
Dr. Michael C. Durkin
Dr. Bradley D. Dworsky
Dr. T. Andrew Ehmske
Dr. Marc R. Fajardo
Dr. Jason H. Ghodasra
Dr. Bryant S. Ho
Dr. Jason G. Hurbancsek
Dr. Marie Kirincic
Dr. Justin M. LaRéau
Dr. Steven S. Louis
Dr. Steven W. Miller
Dr. Elliot A. Nackle
Dr. Ronak M. Patel
Dr. Anuj S. Puppala
Dr. Andrew J. Riff
Dr. Jason Shrouder-Henry
Dr. Jeffrey S. Saron
Dr. Cary R. Templin
Dr. Robert J. Thorsness
Dr. Leah R. Urbanosky

Emeritus
Dr. Michael J. Collins
Dr. Mark A. Lorenz
Dr. Michael R. Zindrick

Hinsdale
550 West Ogden Ave.
Hinsdale, IL 60521
630.323.6116

Elmhurst
1200 South York Rd.
Suite 4110
Elmhurst, IL 60126
630.279.2401

Joliet
951 Essington Rd.
Joliet, IL 60435
815.744.4551

Munster
8141 S. Calumet Ave.
Munster, IN 46321
219.961.9480

Naperville
2940 Rollingridge Rd.
Suite 102
Naperville, IL 60564
630.579.6500

New Lenox
1870 Silver Cross Blvd.
Suite 200
New Lenox, IL 60451
815.462.3474

Western Springs
4700 Gilbert Ave.
Suite 51
Western Springs, IL 60558
708.387.1737

Westmont
1010 Executive Cr.
Suite 250
Westmont, IL 60559
630.920.2350

www.hinsdale-orthopaedics.com

ATTACHMENT 5
Background of the Applicant -
Letter from Illinois Bone and Joint Institute, LLC, IBI Salt Creek ASC, LLC, and IBI ASC
Ventures, LLC



July 15, 2022

John P. Kniery
Board Administrator
Illinois Health Facilities and Service Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Certification and Authorization-Salt Creek Surgery Center

Dear Mr. Kniery,

As representative of IBI Salt Creek ASC, LLC, IBI ASC Ventures, LLC and Illinois Bone and Joint Institute, LLC, I, Andre Blom, give authorization to the Health Facilities and Services Review Board and the Illinois Department of Public Health (IDPH) to access documents necessary to verify the information submitted including, but not limited to: official records of IDPH or other state agencies, the licensing or certification records of other states, and the records of nationally recognized accreditation organizations.

I further verify that IBI Salt Creek ASC, LLC, through IBI ASC Ventures, LLC and Illinois Bone and Joint Institute, LLC will have an ownership interest in the Salt Creek Surgery Center, LLC located at 530 North Cass Avenue, Westmont, Illinois 60559. IBI ASC Ventures, LLC and Illinois Bone and Joint Institute, LLC maintain an ownership interest in other healthcare facilities and there are no adverse actions to report for the past three (3) years at any of these facilities.

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

Sincerely,

Andre Blom
Illinois Bone and Joint Institute, LLC- CEO
IBI ASC Ventures, LLC- CEO
IBI Salt Creek ASC, LLC- Manager

900 Rand Rd, Suite 300
Des Plaines, IL 60016

ibji.com

P 847.324.3060

ATTACHMENT 6
Change of Ownership**Section 1130.520(b)(1)(B)- Names of parties**

The application for exemption is subject to approval under Section 1130.560 and shall include the information required by Section 1130.500

The parties involved in this project are:

- IBJI ASC Ventures, LLC
- Illinois Bone and Joint Institute, LLC
- Westmont Surgery Center, LLC d/b/a Salt Creek Surgery Center (License Holder)
- IBJI Salt Creek ASC, LLC

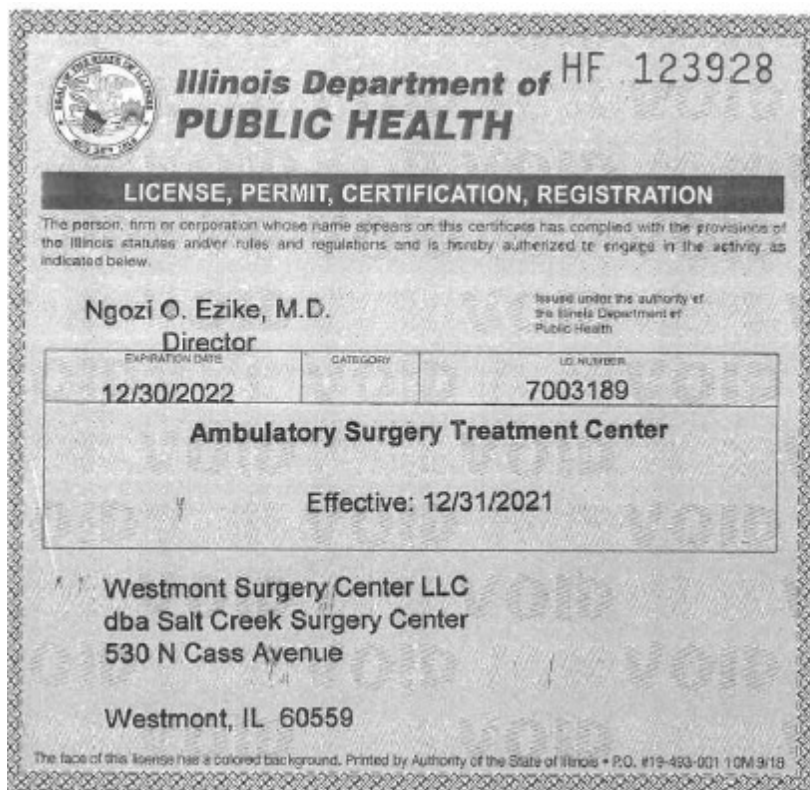
ATTACHMENT 6
Change of Ownership**Section 1130.520(b)(1)(B)- Background of the parties**

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

Illinois Bone and Joint Institute, LLC and IBJI ASC Ventures, LLC - IBJI ASC Ventures, LLC is a wholly owned subsidiary of Illinois Bone and Joint Institute, LLC ("IBJI"). Founded in 1990, IBJI is the largest orthopedic group practice in Illinois. The group has 150 physicians in every orthopedic specialty. The group offers care for children and adults and offers a full range of orthopedic care, including advanced MRI imaging, pain management, non-surgical and surgical treatment plans, rheumatology, physical therapy, occupational therapy, wellness and sports training.

IBJI also maintains OrthoAccess® walk-in clinics that provide same day immediate care for orthopedic injuries. Offering comprehensive care all in one place enables physicians, therapists and staff to work closely together, so that patients and families achieve better outcomes. IBJI ASC Ventures, LLC will be acquiring Ravine Way Partners, LLC's interest in the facility.

IBJI Salt Creek ASC, LLC - This is the corporate entity that maintains a 100% ownership interest in the facility. This entity includes identical ownership of IBJI ASC Ventures, LLC.



Illinois Department of PUBLIC HEALTH HF 123928

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

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

Ngozi O. Ezike, M.D.
Director

Issued under the authority of the Illinois Department of Public Health

EXPIRATION DATE	CATEGORY	LIC. NUMBER
12/30/2022		7003189

Ambulatory Surgery Treatment Center

Effective: 12/31/2021

Westmont Surgery Center LLC
dba Salt Creek Surgery Center
530 N Cass Avenue
Westmont, IL 60559

The face of this license has a colored background. Printed by Authority of the State of Illinois • P.O. #19-453-001 10M 9/18

← **DISPLAY THIS PART IN A CONSPICUOUS PLACE**

Exp. Date 12/30/2022

Lic Number 7003189

Date Printed 10/5/2021

Westmont Surgery Center LLC
dba Salt Creek Surgery Center
530 N Cass Avenue
Westmont, IL 60559-1503

FEE RECEIPT NO.

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
CHANGE OF OWNERSHIP APPLICATION FOR EXEMPTION- 10/2018 Edition

ATTACHMENT 6
Change of Ownership

Westmont Surgery Center, LLC d/b/a Salt Creek Surgery Center - This is the corporate entity that holds the license and owns the existing facility. The facility is owned by Hinsdale Orthopaedic Associates, S.C., a division of Illinois Bone and Joint Institute physician practice.

IBJI ASC Ventures, LLC Owned Facility License:

 Illinois Department of PUBLIC HEALTH		HF 123103
LICENSE PERMIT CERTIFICATION REGISTRATION		
The person, firm or corporation whose name appears on this license has complied with the provisions of the Illinois statutes and/or rules and regulations and is hereby authorized to engage in the activity as indicated below.		
Ngozi O. Ezike, M.D. Director		created under the authority of the Illinois Department of Public Health
EXPIRATION DATE 07/05/2022	LICENSE NO. 7003080	
Ambulatory Surgery Treatment Center		
Effective: 07/06/2021		
Ravine Way Surgery Center, LLC dba Ravine Way Surgery Center 2350 Ravine Way Ste 500 Glenview, IL 60025		
The face of this license has a colored background. Printed by Authority of the State of Illinois • PG 156-460-001, 10/18/18		

← **DISPLAY THIS PART IN A
CONSPICUOUS PLACE**

Exp. Date 07/05/2022
Lic Number 7003080
Date Printed 06/04/2021

Ravine Way Surgery Center, LLC
dba Ravine Way Surgery Center
2350 Ravine Way Ste 500
Glenview, IL 60025-7857

PRE RECEIPT NO.

ATTACHMENT 6
Change of Ownership

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

The application for exemption is subject to approval under Section 1130.560 and shall include the information required by Section 1130.500.

IBJI Salt Creek ASC, LLC will become the direct parent company with 100% ownership of the Westmont Surgery Center, LLC d/b/a Salt Creek Surgery Center ("ASTC"). IBJI Salt Creek ASC, LLC will in turn be 100% owned by IBJI ASC Ventures, LLC.

ATTACHMENT 6
Change of Ownership**1130.520(b) (1)(D)- Entity to be Licensed after transaction**

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

The entity to be licensed after the change of ownership will remain Westmont Surgery Center, LLC, d/b/a Salt Creek Surgery Center. There will be no change in the entity currently licensed by the Illinois Department of Public Health to operate the ambulatory surgical treatment center.

ATTACHMENT 6
Change of Ownership**Section 1130.520(b) (1)(E)- List of Ownership**

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

IBJI Salt Creek ASC, LLC will become the direct parent company with 100% ownership of the Westmont Surgery Center, LLC d/b/a Salt Creek Surgery Center ("ASTC"). IBJI Salt Creek ASC, LLC will in turn be 100% owned by IBJI Ventures ASC, LLC. This transaction involves a change of ownership by related parties which does not result in a license being issued to an entity different from the current licensee.

ATTACHMENT 6
Change of Ownership

Section 1130.520(b) (1)(F)- Fair Market Value of the transaction
"Fair market value of assets to be transferred."

There will no sale or money exchanged in this project.

ATTACHMENT 6
Change of Ownership

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

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

There will no sale or money exchanged in this project.

ATTACHMENT 6
Change of Ownership

Section 1130.520(b)(2)- Outstanding Permits

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

The applicant does not have any projects for which permits have been issued and are still pending completion, thus this submission and the accompanying certifications should be accepted as affirmation of compliance with this requirement.

ATTACHMENT 6
Change of Ownership

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

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

This change of ownership does not involve a hospital; thus, this provision is NOT APPLICABLE.

ATTACHMENT 6
Change of Ownership**Section 1130.520(b)(2)- Anticipated Benefits to the Community**

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

This purpose of this project is to ensure the residents of the community and the patients historically served by Westmont Surgery Center, LLC d/b/a Salt Creek Surgery Center will continue to have access to the procedures they need. The facility has always made an effort to provide care for patients within their community, regardless of their ability to pay. They have and will continue to provide services to these patients' populations.

ATTACHMENT 6
Change of Ownership**Section 1130.520(b)(2)- Anticipated Cost Savings for the Community and Facility**

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

This shift in ownership will not negatively impact the continuity of service to the community as this transaction is essentially a corporate reorganization. This continued operation of this surgery center will undoubtedly yield cost savings to the facility and the community which it serves. Those savings result in lower costs to healthcare system and the patients themselves.

ATTACHMENT 6
Change of Ownership

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

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

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

ATTACHMENT 6
Change of Ownership

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

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

The transaction involves inserting IBJI Salt Creek ASC, LLC as the direct corporate parent of the ASTC. It is not anticipated that the bylaws of the organization will be substantially changed.

From a patient, provider, and communal basis the operation of the facility will remain unchanged.

ATTACHMENT 6
Change of Ownership

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

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

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

ATTACHMENT 6
Change of Ownership**Section 1130.520(b)(2) - Summary of Proposed Changes Within 24 Months**

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

This transaction does not envision any proposed changes to the scope of services or level of care currently provided in the facility. This is a designed part of this undertaking and reflects an effort to ensure minimal disruption to the patients in the facility's area. There is no expectation, as a result of this transaction, of any disruptions with the physicians who currently perform surgeries at the facility, nor will there be changes to the categories of services that are already approved. We do not expect any other changes within 24 months of the acquisition.

ATTACHMENT 7
Charity Care Information

The amount of charity care listed for the last three years provided by the applicant facility are included in the table below.

CHARITY CARE			
	2018	2019	2020
Net Patient Revenue	\$15,795,790	\$16,401,662	\$18,031,225
Amount of Charity Care (charges)	0 ²	0	0
Cost of Charity Care	0	0	\$7,500

² NOTE: Charitable care has been routinely provided as part of the physician practice but, as such charitable care does not meet the Board's definition of Charity Care for the purposes of the COE application, it is not reflected herein as charity care.

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		16 – 20	
2	Site Ownership		21 – 61	
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.		62 – 63	
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.		64 – 65	
5	Background of the Applicant		66 – 68	
6	Change of Ownership		69 – 84	
7	Charity Care Information		85	