

CHANGE OF OWNERSHIP**RECEIVED**

DEC 05 2014

STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

Part I: Purchasing Organization Information

Name of Organization: Regional Medical Center Board

Facility Name:
(ADPH Licensure name) RMC Jacksonville

SHPDA ID Number: 015-0530016

Address (PO Box #): 400 East 10th Street

City, State, Zip, County: Anniston, Alabama 36207

Number/Type Licensed Beds: 89

Owner(s): Regional Medical Center Board

Operator(s): Regional Medical Center Board

Part II: Selling Organization Information

Name of Organization: QHG of Jacksonville, Inc.

Address (PO Box #): 1701 Pelham Road South

City, State, Zip, County: Jacksonville, Alabama 36265

Number/Type Licensed Beds: 89

Owner(s): QHG of Jacksonville, Inc.

Operator(s): QHG of Jacksonville, Inc.

Part III: Value of Consideration

Monetary Value of Purchase: \$ 0.00 No./Type Beds: 89

Terms of Purchase: (Merger documents attached.)
(add more pages as necessary to describe the sale)

Part IV: List of Certificate of Need Authority

Number of Beds: 89

Types of Institutional Health Services: 79 med/surg. beds; 10 geropsych beds



List Service Area by County for Home Health Agencies: n/a

On an Attached Sheet Please Address the Following:

- *1.) The financial scope of the project to include the preliminary estimate of costs broken down by equipment, construction, and yearly operating costs.
- *2.) The services to be offered by the proposal (the applicant will state whether he has previously offered the service and whether the service is an extension of a presently offered service, or whether the service is a new service).
- *3.) Whether the proposal will include the addition of any new beds.
- *4.) Whether the proposal will involve the conversion of beds.
- *5.) Whether the assets and stock (if any) will be acquired.

Part V: Certification of Information

I certify that I agree to provide the information necessary (financial, utilization of services and beds, etc.) so the new owner can have the necessary information to complete reports as necessary for the entire fiscal year. The purchaser has agreed to these terms,

Seller(s) Signature(s): _____
Owner(s): QHG of Jacksonville, Inc. 
Operator(s): QHG of Jacksonville, Inc. 
Title/Date: VP-Finance/CFO 12/4/2014

I certify that I will be responsible for retaining records as necessary to complete reports required for the entire fiscal year, and agree to these terms. I have enclosed a check in the amount of \$2,500 made payable to 'Alabama State Health Planning and Development Agency' to cover the cost of the change of ownership.

☒ YES ☐ NO The above Purchaser and Seller have agreed to these purchase terms.

Purchaser Signature: _____
Title/Date: VP-Finance/CFO 12/03/2014

CHANGE OF OWNERSHIP APPLICATION

(Additional Information)

1. The transaction at issue involves the merger of QHG of Jacksonville, Inc. (QHG) into Regional Medical Center Board (RMCB). Prior to the merger, RMCB was the sole shareholder of QHG. QHG and RMCB were governed by identical boards of directors. The merger was merely a consolidation of entities to allow for more efficient operations. Since the transaction was a consolidation, there was no consideration paid to QHG. Following the merger, RMCB is the surviving entity that will continue to operate both Northeast Alabama Regional Medical Center in Anniston, Alabama (NEARMC) and RMC Jacksonville in Jacksonville, Alabama. There are not any anticipated material changes to the annual operating costs beyond those historically incurred by RMC Jacksonville, nor did the merger result in additional capital expenditures.
2. NEARMC and RMC Jacksonville will continue to offer all services that were provided pre-merger. No additional services are being provided.
3. RMCB anticipates that it will continue to utilize the 89 beds at RMC Jacksonville and the 338 beds at NEARMC.
4. The initial merger did not result in the conversion of any beds, but it should be noted that RMCB filed a request with SHPDA on September 5, 2014 for the conversion of 15 psychiatric beds from d/b/a NEARMC to d/b/a RMC Jacksonville.
5. RMCB, as a result of the merger, did acquire the assets of QHG. QHG was dissolved. There was no consideration paid in connection with the transaction because the merger was that of a subsidiary into its parent and sole shareholder.

ARTICLES OF MERGER
of
QHG OF JACKSONVILLE, INC.,
an Alabama nonprofit corporation
with and into
REGIONAL MEDICAL CENTER BOARD,
an Alabama nonprofit body corporate and politic

Alabama
Sec. Of State
 Merger
000-829
 Date 9/25/2014
 Time 17:00
 140929 5 Pg
 File \$100.00
 Ackn \$1.00
 Exp \$100.00
 Total \$200.00
 11/006

Pursuant to the provisions of §10A-3-5.04 of the Code of Alabama (1975), as amended, the undersigned entities, QHG of Jacksonville, Inc., an Alabama nonprofit corporation (Alabama Entity ID No. 179-471) formed in Calhoun County, Alabama ("QHG") and Regional Medical Center Board, an Alabama nonprofit body corporate and politic (Alabama Entity ID No. 787-535) ("RMCB") formed in Calhoun County, Alabama, adopt the following Articles of Merger for the purpose of merging QHG with and into RMCB.

FIRST: The plan of merger set forth in that certain Agreement and Plan of Merger dated as of September 22, 2014, the form of which is attached hereto as Exhibit A and made a part hereof as if set forth in full at this point, was duly adopted and approved by the Boards of Directors of the undersigned entities in the manner prescribed by the Alabama Nonprofit Corporation Law.

SECOND: For each of QHG and RMCB, the votes entitled to be cast by each voting group on said Plan of Merger are as follows:

<u>Name of Entity</u>	<u>No. of Votes Entitled to be Cast by Board of Directors</u>
QHG of Jacksonville, Inc.	15
Regional Medical Center Board	15

THIRD: The number of votes for and against such Plan of Merger of each of QHG and RMCB are as follows:

<u>Name of Entity</u>	<u>No. of Votes for</u>	<u>No. of Votes Against</u>
QHG of Jacksonville, Inc.	15	0
Regional Medical Center Board	15	0

This vote occurred on September 22, 2014, at a joint meeting of the Board of Directors of QHG and RMCB, in which quorum was present. All notice requirements were waived.

FOURTH: The names of the undersigned entities and the states and/or counties in which their Articles of Incorporation are filed are:

Name of Entity

County and State

QHG of Jacksonville, Inc.

Calhoun County, Alabama

Regional Medical Center Board

Calhoun County, Alabama

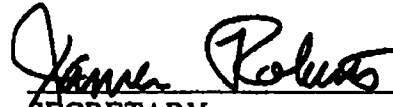
FIFTH: RMCB is the surviving entity, and upon consummation thereof, the name of the surviving entity shall be Regional Medical Center Board, and the surviving entity is to be governed by the laws of the State of Alabama.

SIXTH: A copy of the Plan of Merger will be provided as required by law, without cost.


SEVENTH: A copy of the Plan of Merger is on file at the office of the surviving entity, located at 400 East Tenth Street, Anniston, Alabama 36207.

Dated September 22, 2014.

**QHG OF JACKSONVILLE, INC.,
an Alabama nonprofit corporation**

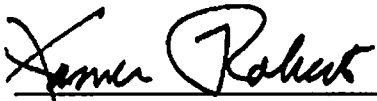


SECRETARY

By: 

Its: Gregory J. Kernion
Chairman

**REGIONAL MEDICAL CENTER BOARD,
an Alabama nonprofit body corporate and
politic**



SECRETARY

By: 

Its: Gregory J. Kernion
Chairman

EXHIBIT A

**Agreement and Plan of Merger
of
QHG of Jacksonville, Inc.
with and into
Regional Medical Center Board**

AGREEMENT AND PLAN OF MERGER
of
QHG OF JACKSONVILLE, INC.,
an Alabama nonprofit corporation
with and into
REGIONAL MEDICAL CENTER BOARD,
an Alabama nonprofit body corporate and politic

THIS AGREEMENT AND PLAN OF MERGER (this "Agreement") is made by and between QHG of Jacksonville, Inc., an Alabama nonprofit corporation ("QHG") and Regional Medical Center Board, an Alabama nonprofit body corporate and politic ("RMCB").

WITNESSETH, THAT:

WHEREAS, QHG and RMCB are each nonprofit entities duly organized and existing under the laws of the State of Alabama; and

WHEREAS, the members of the Boards of Directors of RMCB and QHG are identical; and

WHEREAS, the Boards of Directors of QHG and RMCB deem it advisable for the general welfare and advantage of the two entities and the public served thereby that the two entities merge into a single entity pursuant to this Agreement, and the two entities respectively desire to so merge pursuant to this Agreement.

NOW, THEREFORE, in consideration of the premises and of the mutual agreements herein contained, the parties hereto agree as follows:

1. Merger. QHG shall be merged into RMCB.
2. Terms of Merger. The terms of the merger are:
 - a. QHG shall be merged into RMCB in accordance with the procedure set forth in the Code of Alabama of 1975, §10A-3-5.01 et seq.
 - b. RMCB shall be the surviving entity. The corporate identity, existence, purposes, powers, franchises, rights and immunities of RMCB shall continue unaffected and unimpaired by the merger. The name of RMCB, the surviving entity, shall remain "Regional Medical Center Board." The Articles of Incorporation and Bylaws of RMCB shall remain in effect unaltered as the Articles of Incorporation and Bylaws of the surviving entity; and the duly qualified and elected directors and officers of RMCB immediately prior to the Effective Time defined herein shall be the directors and officers of the surviving entity.
 - c. The corporate identity, existence, purpose, powers, franchises, rights (legal or otherwise), immunities, patents, trademarks, licenses, registrations and other assets of every kind and description of QHG shall be transferred to, vested in, developed upon, and

merged into RMCB, and RMCB shall be fully vested therewith on the Effective Date without any further act or deed.

d. The separate existence of QHG, except insofar as specifically otherwise provided by law, shall cease at the Effective Time, whereupon QHG and RMCB shall become a single entity.

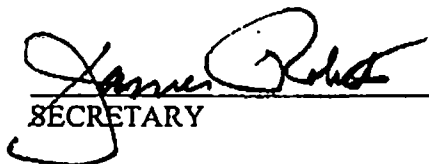
3. Directors' Approval. As provided by Alabama Code, this Agreement and Plan of Merger shall be approved by the Directors of QHG and RMCB.

4. Termination and Abandonment. Anything herein or elsewhere to the contrary notwithstanding, this Agreement may be terminated and abandoned by the board of directors of RMCB at any time prior to the date of filing Articles of Merger with the Secretary of State.

5. Effective Time. The merger shall become effective upon filing of the Articles of Merger with the Alabama Secretary of State (the "Effective Time").

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be executed by its duly authorized officer as of the 22nd day of September, 2014.

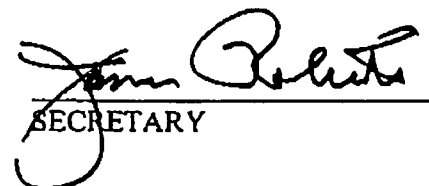
QHG OF JACKSONVILLE, INC.,
an Alabama nonprofit corporation



SECRETARY

By: 
Gregory I. Kernion
Its: Chairman

REGIONAL MEDICAL CENTER BOARD,
an Alabama nonprofit body corporate and
politic



SECRETARY

By: 
Gregory I. Kernion
Its: Chairman