

December 11, 2020

VIA EMAIL

State Health Planning and Development Agency
P.O. Box 303025
Montgomery, Alabama 36130
shpda.online@shpda.alabama.gov

Re: Notice of Change of Ownership/Control for Ambulatory Surgery Center "Gadsden Surgery Center" 055-U2802

To Whom It May Concern:

This letter and enclosure constitute notice of a change in ownership and control with respect to Gadsden Surgery Center (the "ASC"), SHPDA ID Number 055-U2802.

Presently, the ASC is owned and operated by Gadsden Surgery Center, Ltd., a limited partnership (the "Partnership"). The general partner of the Partnership is Gadsden Surgery Center, LLC (the "Current General Partner"), which owns a 58.5% partnership interest in the Partnership.

On or after January 1, 2021, the Current General Partner will sell, and Gadsden Regional Medical Center, LLC (the "New General Partner") will purchase, all of the Current General Partner's 58.5% partnership interest in the Partnership, in exchange for a purchase price of approximately \$3,738,000.00 (the "Transaction"). The Transaction will result in an indirect change of ownership and control of the ASC with respect to which notice is hereby provided.

The direct and indirect ownership of the New General Partner is as follows:

Gadsden Regional Medical Center, LLC is owned 100% by GRMC Holdings, LLC.
GRMC Holdings, LLC is owned 100% by Tennyson Holdings, LLC.
Tennyson Holdings, LLC is owned 100% by Triad Healthcare LLC.
Triad Healthcare, LLC is 100% owned by HMA-TRI Holdings, LLC
HMA-TRI Holdings, LLC is 100% owned by CHS/Community Health Systems, Inc.
CHS/Community Health Systems, Inc. is 100% owned by Community Health Systems, Inc., which is a publicly traded company, trading under the symbol of "CYH" on the NYSE.

A diagram illustrating the pre- and post-Transaction ownership of the ASC is attached hereto.

Following the Transaction, the ASC will continue to operate in the ordinary course. No special costs, equipment purchases, or construction is anticipated in connection with the Transaction. The ASC

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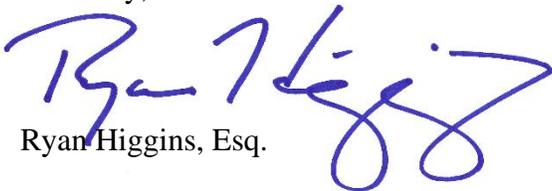
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anticipates that its annual operating costs will continue in the ordinary course, which the ASC projects to be approximately \$5,500,000.00 in calendar year 2021. There will be no changes in the services provided by the ASC. The Transaction will not involve the addition or conversion of any beds or surgical suites. Again, the Transaction involves only an indirect change of ownership and control of the ASC. The ASC will enter into a services agreement with CHSPSC, LLC (“CHSPSC”), an affiliate of the New General Partner, pursuant to which CHSPSC will provide substantially all administrative services required by the ASC. To the extent this means that CHSPSC will be an “Operator” of the ASC, CHSPSC has signed the enclosed Notice as “Operator” under “Acquiring Authority”.

Enclosed with this letter are a completed “Notice of Change of Ownership/Control” form. Payment in the amount of \$2,500.00 is being made today to the State Health Planning and Development Agency via its online NICUSA.com portal.

Please do not hesitate to contact me if you need any additional information to insure a full understanding of the Transaction.

Sincerely,

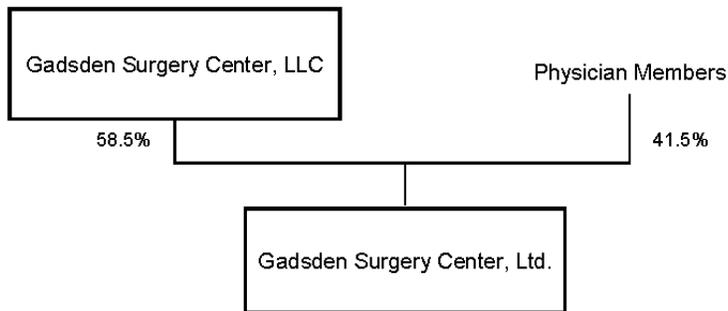


Ryan Higgins, Esq.

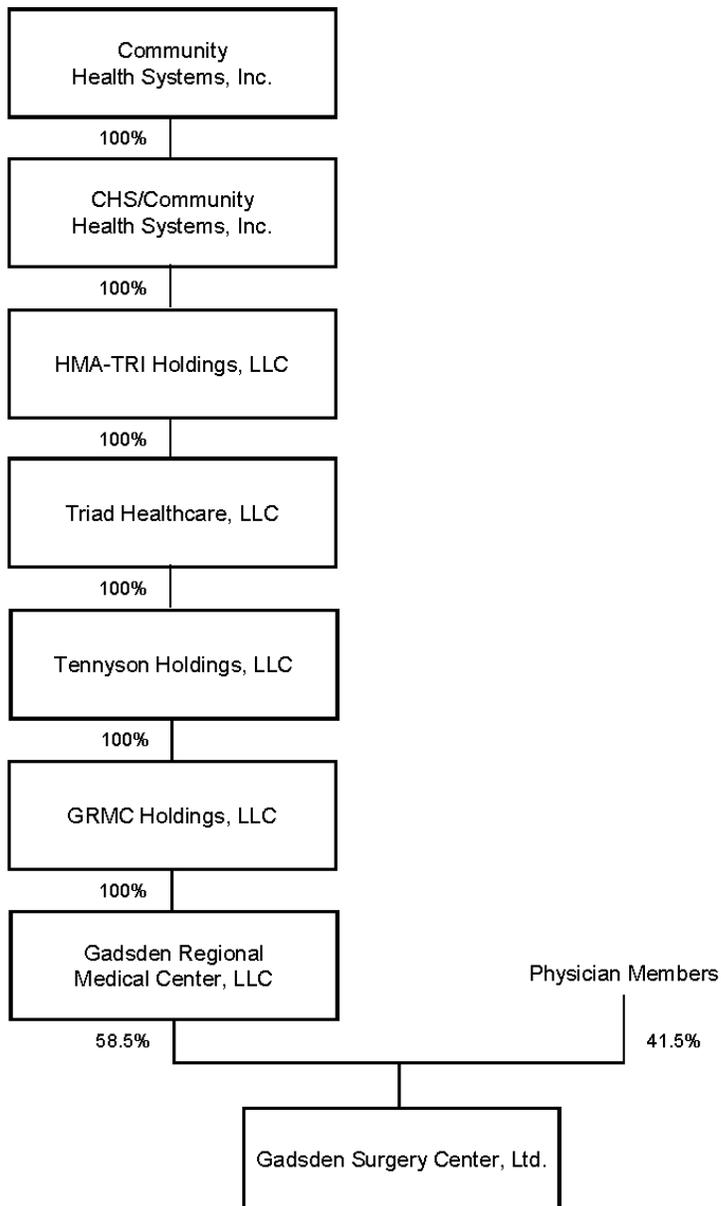
**McDermott
Will & Emery**

Diagrams of Pre- and Post-Transaction Ownership of the ASC

Pre-Transaction Ownership:



Post-Transaction Ownership:



NOTICE OF CHANGE OF OWNERSHIP/CONTROL

The following notification of intent is provided pursuant to all applicable provisions of ALA. CODE § 22-21-270 (1975 as amended) and ALA. ADMIN. CODE r. 410-1-7-.04. This notice must be filed at least twenty (20) days prior to the transaction.

Change in Direct Ownership or Control (of a vested Facility; ALA. CODE §§ 22-20-271(d), (e))

Change in Certificate of Need Holder (ALA. CODE § 22-20-271(f))

Change in Facility Management (Facility Operator)

Any transaction other than those above-described requires an application for a Certificate of Need.

Part I: Facility Information

SHPDA ID Number: _____
(This can be found at www.shpda.alabama.gov, Health Care Data, ID Codes)

Name of Facility/Provider: _____
(ADPH Licensure Name)

Physical Address: _____

County of Location: _____

Number of Beds/ESRD Stations: _____

CON Authorized Service Area (Home Health and Hospice Providers Only). Attach additional pages if necessary. _____

Part II: Current Authority (Note: If this transaction will result in a change in direct ownership or control, as defined under ALA. CODE § 22-20-271(e), please attach organizational charts outlining current and proposed structures.)

Owner (Entity Name) of Facility named in Part I: _____

Mailing Address: _____

Operator (Entity Name): _____

Part III: Acquiring Entity Information

Name of Entity: _____

Mailing Address: _____

Operator (Entity Name): Gadsden Surgery Center, Ltd.
 Proposed Date of Transaction is on or after: 01/01/2021

Part IV: Terms of Purchase

Monetary Value of Purchase: \$ 3,738,000.00
 Type of Beds: NA
 Number of Beds/ESRD Stations: 0

Financial Scope: to Include Preliminary Estimate of the Cost Broken Down by Equipment, Construction, and Yearly Operating Cost:

Projected Equipment Cost: \$ 0.00
 Projected Construction Cost: \$ 0.00
 Projected Yearly Operating Cost: \$ 5,500,000.00
 Projected Total Cost: \$ 5,500,000.00

On an Attached Sheet Please Address the Following:

- 1.) The services to be offered by the proposal (the applicant will state whether he has previously offered the service, whether the service is an extension of a presently offered service, or whether the service is a new service).
- 2.) Whether the proposal will include the addition of any new beds.
- 3.) Whether the proposal will involve the conversion of beds.
- 4.) Whether the assets and stock (if any) will be acquired.

Part V: Certification of Information

Current Authority Signature(s):

The information contained in this notification is true and correct to the best of my knowledge and belief.

Owner(s): Gadsden Surgery Center, LLC
 Operator(s): Surgical Care Affiliates, LLC
 /Date: 12/10/2020

Ladd Mark
 Ladd Mark, Vice President
Ladd Mark
 Ladd Mark, Vice President and General Counsel

SWORN to and subscribed before me, this 10th day of December, 2020.

(Seal)

Regina G. Biddings
Notary Public

My Commission Expires:



Acquiring Authority Signature(s):

I agree to be responsible for reporting of all services provided during the current annual reporting period, as specified in ALA. ADMIN. CODE r. 410-1-3-.12. The information contained in this notification is true and correct to the best of my knowledge and belief.

Purchaser(s): _____

Operator(s): _____

Title/Date: _____

SWORN to and subscribed before me, this _____ day of _____, _____.

(Seal)

Notary Public

My Commission Expires: _____

Author: Alva M. Lambert

Statutory Authority: § 22-21-271(c), Code of Alabama, 1975

History: New Rule

SWORN to and subscribed before me, this _____ day of _____, _____.

(Seal)

Notary Public

My Commission Expires: _____

Acquiring Authority Signature(s):

I agree to be responsible for reporting of all services provided during the current annual reporting period, as specified in ALA. ADMIN. CODE r. 410-1-3-.12. The information contained in this notification is true and correct to the best of my knowledge and belief.

Purchaser(s): Gadsden Regional Medical Center, LLC _____

[Signature]
Tim Hingtgen, President

Operator(s): CHSPSC, LLC _____

[Signature]
Tim Hingtgen, President & Chief Operating Officer

Title/Date: _____

SWORN to and subscribed before me, this 10th day of December, 2020.

(Seal)



[Signature]

Notary Public

My Commission Expires: 9/9/2023

Author: Alva M. Lambert

Statutory Authority: § 22-21-271(c), Code of Alabama, 1975

History: New Rule