

JOE W. CAMPBELL, SHAREHOLDER
Direct Dial: 256.265.2432
Direct Fax: 256.265.2839
E-Mail Address: joe.campbell@hhsys.org

November 24, 2015

VIA FEDERAL EXPRESS

Mr. Alva Lambert, Executive Director
Alabama State Health Planning and Development Agency
100 North Union Street, Suite 870
Montgomery, Alabama 36104

Re: Notification
Facility: Athens-Limestone Hospital

Dear Alva,

Please accept this letter as notice of a long term lease arrangement whereby The Health Care Authority of the City of Huntsville ("Huntsville Authority") and The Health Care Authority of Athens & Limestone County recently executed a Lease Agreement with an effective date of January 1, 2016 for a primary term of forty years, with four renewal terms of ten years each and an option to purchase. This lease will result in the assets and operations of Athens Limestone Hospital being leased and managed by the Huntsville Authority, or its wholly owned subsidiary.

Enclosed please find a "Change of Control" form containing the information needed concerning this arrangement, as well as a check in the amount of \$2,500.00.

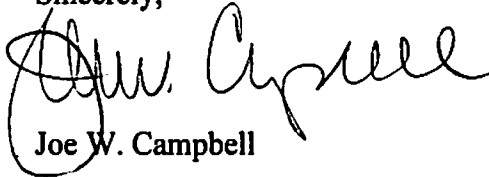
The following additional information is provided:

- (a) Athens-Limestone Hospital will continue to function as an acute care hospital.
- (b) The transaction will not result in the addition of new beds.
- (c) The transaction will not result in the conversion of beds.
- (d) The transaction does not involve stock or any legal change of ownership.

Mr. Alva Lambert
November 24, 2015
Page 2

If you have any questions please contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Joe W. Campbell", written in a cursive style.

Joe W. Campbell

cc: David S. Spillers, CEO Huntsville Hospital
David Pryor, President Athens-Limestone Hospital
Ray Sherer, Licensure Program Director, Alabama Department of Public Health

CHANGE OF CONTROL

Part I: Lessee Organization Information

Name of Organization: HH Health System – Athens Limestone, LLC, A wholly owned subsidiary of The Health Care Authority of the City of Huntsville

Facility Name:
(ADPH Licensure name) Athens Limestone Hospital

SHPDA ID Number: 083-6530090

Address (PO Box #): 101 Sivley Road

City, State, Zip, County: Huntsville, AL 35801

Number/Type Licensed Beds: 71 Acute Care Beds

Owner(s): (Lessee) The Health Care Authority of the City of Huntsville, by and through its wholly owned subsidiary, HH Health System – Athens Limestone, LLC

Operator(s): HH Health System – Athens Limestone, LLC

Part II: Lessor Organization Information

Name of Organization: The Healthcare Authority of Athens & Limestone County d/b/a Athens Limestone Hospital

Address (PO Box #): P.O. Box 999

City, State, Zip, County: Athens, AL 35612

Number/Type Licensed Beds: 71 Acute Care Beds

Owner(s): The Healthcare Authority of Athens and Limestone County

Operator(s): The Healthcare Authority of Athens and Limestone County

Part III: Value of Consideration

Monetary Value of Lease: \$40,000 (Lease payment) No./Type Beds: 71 Acute Care

Terms of Lease: Lease with 40 Year Initial Term, four additional terms of 10 years, with an option of Lessee to purchase at any time
(add more pages as necessary to describe the sale)

Part IV: List of Certificate of Need Authority

Number of Beds: 71

Types of Institutional Health Services: Acute Care Hospital

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):

Operator(s):

Title/Date:

[Signature]
[Signature]
President

NOV. 20, 2015

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:

[Signature]

CHIEF EXECUTIVE OFFICER NOV 24 2015

ADDITIONAL INFORMATION

***1.) The financial scope of the project to include the preliminary estimate of costs broken down by equipment, construction, and yearly operating costs.**

While hospital improvements are contemplated by this lease, there is no financial obligation of this nature imposed.

***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).**

The hospital will continue to be operated as an acute care hospital.

***3.) Whether the proposal will include the addition of any new beds.**

This lease does not include the addition of any new beds to the hospital.

***4.) Whether the proposal will involve the conversion of beds.**

This lease does not involve the conversion of beds.

***5.) Whether the assets and stock (if any) will be acquired.**

The assets are leased.