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STATE HEALTH PLANNING AND
DEVELOPMENT AGENCY

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July 3, 2024 - REVISED 7/12/2024

Alabama State Health Planning & Development Agency (SHPDA)
P.O. Box 303025
Montgomery, Alabama 36130-3025

Re: Notice of Change of Ownership/Control in Certificate of Need Holder – First Choice Hospice, Inc. – SHPDA ID Number: 039-P2494

Dear Sir or Madam:

ACG Alabama, LLC (“Acquiring Entity”) is submitting this Notice of Change of Ownership/Control in a Certificate of Need Holder to effectuate a Change of Ownership (“CHOW”) for the certificate of need held by First Choice Hospice, Inc. (“Current Authority”) (SHPDA ID Number: 039-P2494). Payment of the CHOW Fee in the amount of \$2,577.00 has been made concurrent with this Notice through SHPDA’s electronic payment portal. On June 14, 2024, Acquiring Entity and Current Authority entered into a Membership Interest Purchase Agreement for Acquiring Entity to acquire substantially all of the equity interests of Current Authority. Acquiring Entity and Current Authority intend to proceed to closing for the transaction immediately upon the approval of Acquiring Entity’s CHOW application by the Alabama Department of Public Health (“ADPH”) and fulfillment of this Notice of Change of Ownership/Control as required by Ala. Code § 22-21-270 *et seq.* and Ala. Admin. Code r. 410-1-7-.04.

Prior to Acquiring Entity and Current Authority closing the transactions contemplated by the Membership Interest Purchase Agreement to consummate the transaction and CHOW between the parties, Current Authority will undergo a conversion from an Alabama corporation to an Alabama limited liability company under Alabama law. Following the conversion, Current Authority will retain its federal and state tax identification numbers and its name will change from First Choice Hospice, Inc. to First Choice Hospice, LLC.

Should SHPDA require any additional information in connection with its review and processing of this application, please do not hesitate to contact me at (202) 282-5779 or eknickrehm@winston.com.

Sincerely,

Eric J. Knickrehm

EJK

Enclosures:

- Notice of Change of Ownership/Control Form
- Supplemental Response Attachment to Notice of Change of Ownership/Control Form
- Structure Charts Reflecting Pre-CHOW Ownership, Conversion to an LLC, and Post-CHOW Ownership

cc Scott McDearman, Partner, Grant, Konvalinka & Harrison, P.C., Legal Counsel to Current Authority
Hunter N. Hoskins, Associate, Grant, Konvalinka & Harrison, P.C., Legal Counsel to Current Authority

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: 039-P2494
(This can be found at www.shpda.alabama.gov, Health Care Data, ID Codes)

Name of Facility/Provider: First Choice Hospice, Inc. d/b/a First Choice Hospice Andalusia
(ADPH Licensure Name)

Physical Address: 1015 S Three Notch St.
Andalusia, AL 36420

County of Location: COVINGTON

Number of Beds/ESRD Stations: 0

CON Authorized Service Area (Home Health and Hospice Providers Only). Attach additional pages if necessary. Butler, Conecuh, Covington, Escambia

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: First Choice Hospice, Inc. d/b/a First Choice Hospice Andalusia
1015 S Three Notch St.
Andalusia, AL 36420

Mailing Address: First Choice Hospice, Inc. d/b/a First Choice Hospice Andalusia

Operator (Entity Name): First Choice Hospice, Inc. d/b/a First Choice Hospice Andalusia

Part III: Acquiring Entity Information

Name of Entity: ACG Alabama, LLC

Mailing Address: 187 N. Church St., Suite 201
Spartanburg, SC 29306

Operator (Entity Name): ACG Alabama, LLC

Proposed Date of Transaction is on or after: 07/21/2024

Part IV: Terms of Purchase

Monetary Value of Purchase: \$ 6,000,000.00

Type of Beds: N/A (In-home hospice, no inpatient beds)

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: \$ 300,000.00

Projected Construction Cost: \$ 0.00

Projected Yearly Operating Cost: \$ 2,200,000.00

Projected Total Cost: \$ 2,500,000.00

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): John Holley, Linda Bowden

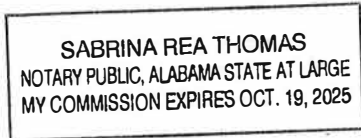
Operator(s): Linda Bowden

Title/Date: Administrator

John A. Holley
Linda Bowden
Linda Bowden
Linda Bowden 7-2-24

SWORN to and subscribed before me, this 2nd day of July, 2024.

(Seal)



Sabrina Rea Thomas
Notary Public

My Commission Expires: 10/19/25

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): ACG Alabama, LLC _____

Operator(s): ACG Alabama, LLC _____

Title/Date: President and CEO _____

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 2nd day of July, 2024.

(Seal) KELLIE LOWERY
Notary Public, State of South Carolina
My Commission Expires April 27, 2033

Kellie Lowery
Notary Public

My Commission Expires: 4-27-2033

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): ACG Alabama, LLC [Signature]

Operator(s): ACG Alabama, LLC [Signature]

Title/Date: Treasurer and CFO [Signature]

SWORN to and subscribed before me, this 2nd day of July, 2024.

(Seal) KELLIE LOWERY
Notary Public, State of South Carolina
My Commission Expires April 27, 2033

Kellie Lowery
Notary Public

My Commission Expires: 4-27-2033

Author: Alva M. Lambert
Statutory Authority: § 22-21-271(c), Code of Alabama, 1975
History: New Rule

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).

ACG Alabama, LLC intends to acquire 100% of the issued and outstanding equity interests of First Choice Hospice and have First Choice Hospice continue provide in home hospice and palliative care services to patients in the same service areas for which it is currently permitted pursuant to Facility IDs # 2381-HPC, 2493-HPC, and 2494-HPC.

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

No.

3.) Whether the proposal will include the conversion of beds.

No.

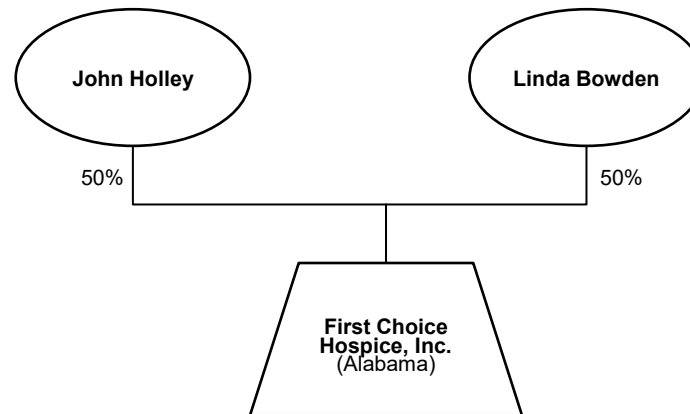
4.) Whether the assets and stock (if any) will be acquired.

Yes, ACG Alabama, LLC intends to acquire 100% of the equity interests of First Choice Hospice.

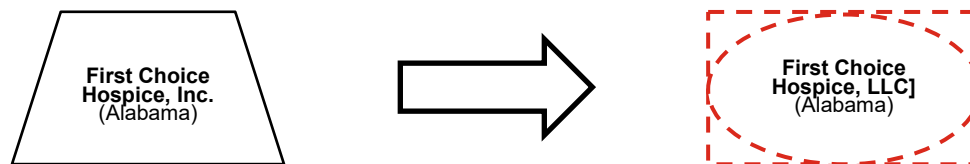
Prior to closing the transaction, First Choice Hospice, Inc. will undergo a corporate restructuring and convert from an Alabama corporation to an Alabama limited liability company. After the conversion, the name of the entity will be First Choice Hospice, LLC. First Choice Hospice, LLC will retain its same EIN following the conversion from a corporation to a limited liability company.

After the pre-closing restructuring of First Choice Hospice is complete, ACG Alabama, LLC will acquire 100% of the membership interests of First Choice Hospice, LLC from John Holley (50% owner) and Linda Bowden (50%) owner such that ACG Alabama, LLC will become the direct owner of First Choice Hospice, LLC after the completion of the change of ownership.

Current First Choice Hospice, Inc. Structure



Conversion from an Alabama Corporation to an Alabama Limited Liability Company



1. First Choice Hospice, Inc. converts from an Alabama corporation to an Alabama limited liability company, First Choice Hospice, LLC.
2. First Choice Hospice, LLC retains its federal and state taxpayer identification numbers (TINs).

Post-Acquisition Ownership Structure

