NEW YORK STATE
VENDOR RESPONSIBILITY QUESTIONNAIRE
FOR-PROFIT BUSINESS ENTITY

You have selected the For-Profit Non-Construction questionnaire which may be printed and completed in this format or, for your convenience, may be completed online using the New York State VendRep System.

COMPLETION & CERTIFICATION

The person(s) completing the questionnaire must be knowledgeable about the vendor’s business and operations. An owner or officer must certify the questionnaire and the signature must be notarized.

NEW YORK STATE VENDOR IDENTIFICATION NUMBER (VENDOR ID)

The Vendor ID is a ten-digit identifier issued by New York State when the vendor is registered on the Statewide Vendor File. This number must now be included on the questionnaire. If the business entity has not obtained a Vendor ID, contact the OSC Help Desk at clohelpdesk@osc.state.ny.us or call 866-370-4672.

DEFINITIONS

All underlined terms are defined in the “New York State Vendor Responsibility Definitions List,” found at www.osc.state.ny.us/vendrep/documents/questionnaire/definitions.pdf. These terms may not have their ordinary, common or traditional meanings. Each vendor is strongly encouraged to read the respective definitions for any and all underlined terms. By submitting this questionnaire, the vendor agrees to be bound by the terms as defined in the "New York State Vendor Responsibility Definitions List" existing at the time of certification.

RESPONSES

Every question must be answered. Each response must provide all relevant information which can be obtained within the limits of the law. However, information regarding a determination or finding made in error which was subsequently corrected is not required. Individuals and Sole Proprietors may use a Social Security Number but are encouraged to obtain and use a federal Employer Identification Number (EIN).

REPORTING ENTITY

Each vendor must indicate if the questionnaire is filed on behalf of the entire Legal Business Entity or an Organizational Unit within or operating under the authority of the Legal Business Entity and having the same EIN. Generally, the Organizational Unit option may be appropriate for a vendor that meets the definition of “Reporting Entity” but due to the size and complexity of the Legal Business Entity, is best able to provide the required information for the Organizational Unit, while providing more limited information for other parts of the Legal Business Entity and Associated Entities.

ASSOCIATED ENTITY

An Associated Entity is one that owns or controls the Reporting Entity or any entity owned or controlled by the Reporting Entity. However, the term Associated Entity does not include “sibling organizations” (i.e., entities owned or controlled by a parent company that owns or controls the Reporting Entity), unless such sibling entity has a direct relationship with or impact on the Reporting Entity.

STRUCTURE OF THE QUESTIONNAIRE

The questionnaire is organized into eleven sections. Section I is to be completed for the Legal Business Entity. Section II requires the vendor to specify the Reporting Entity for the questionnaire. Section III refers to the individuals of the Reporting Entity, while Sections IV-VIII require information about the Reporting Entity. Section IX pertains to any Associated Entities, with one question about their Officials/Owners. Section X relates to disclosure under the Freedom of Information Law (FOIL). Section XI requires an authorized contact for the questionnaire information.
NEW YORK STATE
VENDOR RESPONSIBILITY QUESTIONNAIRE
FOR-PROFIT BUSINESS ENTITY

I. LEGAL BUSINESS ENTITY INFORMATION

<table>
<thead>
<tr>
<th>Legal Business Entity Name*</th>
<th>EIN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paladin Healthcare Management, LLC</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Address of the Principal Place of Business (street, city, state, zip code)</th>
<th>New York State Vendor Identification Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>2121 Rosencrans Avenue, Suite 2320, El Segundo, CA 90245</td>
<td>Pending</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Telephone</th>
<th>Fax</th>
</tr>
</thead>
<tbody>
<tr>
<td>(310) 414-2700 ext.</td>
<td>(310) 414-2709</td>
</tr>
</tbody>
</table>

Email: jmacpherson@pldn.com
Website: www.pldn.com

Additional Legal Business Entity Identities: If applicable, list any other DBA, Trade Name, Former Name, Other Identity, or EIN used in the last five (5) years and the status (active or inactive).

<table>
<thead>
<tr>
<th>Type</th>
<th>Name</th>
<th>EIN</th>
<th>Status</th>
</tr>
</thead>
</table>

1.0 Legal Business Entity Type - Check appropriate box and provide additional information:

- [ ] Corporation (including PC)
- [x] Limited Liability Company (LLC or PLLC)
- [ ] Partnership (including LLP, LP or General)
- [ ] Sole Proprietor
- [ ] Other

If Other, explain:

1.1 Was the Legal Business Entity formed or incorporated in New York State? [ ] Yes [x] No

If "No," indicate jurisdiction where Legal Business Entity was formed or incorporated and attach a Certificate of Good Standing from the applicable jurisdiction or provide an explanation if a Certificate of Good Standing is not available.

- [x] United States State Delaware
- [ ] Other Country ______

Explain, if not available:

1.2 Is the Legal Business Entity publicly traded? [ ] Yes [x] No

If "Yes," provide CIK Code or Ticker Symbol

1.3 Does the Legal Business Entity have a DUNS Number? [ ] Yes [x] No

If "Yes," Enter DUNS Number

*All underlined terms are defined in the "New York State Vendor Responsibility Definitions List," which can be found at www.osc.state.ny.us/vendrep/documents/questionnaire/definitions.pdf.
NEW YORK STATE
VENDOR RESPONSIBILITY QUESTIONNAIRE
FOR-PROFIT BUSINESS ENTITY

I. LEGAL BUSINESS ENTITY INFORMATION

1.4 If the Legal Business Entity's Principal Place of Business is not in New York State, does the Legal Business Entity maintain an office in New York State? (Select "N/A," if Principal Place of Business is in New York State.)
☐ Yes ☒ No ☐ N/A

If "Yes," provide the address and telephone number for one office located in New York State.

1.5 Is the Legal Business Entity a New York State certified Minority-Owned Business Enterprise (MBE), Women-Owned Business Enterprise (WBE), New York State Small Business (SB) or a federally certified Disadvantaged Business Enterprise (DBE)?
☐ Yes ☒ No

If "Yes," check all that apply:
☐ New York State certified Minority-Owned Business Enterprise (MBE)
☐ New York State certified Women-Owned Business Enterprise (WBE)
☐ New York State Small Business (SB)
☐ Federally certified Disadvantaged Business Enterprise (DBE)

1.6 Identify Officials and Principal Owners, if applicable. For each person, include name, title and percentage of ownership. Attach additional pages if necessary. If applicable, reference to relevant SEC filing(s) containing the required information is optional.

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Percentage Ownership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Joel L. Freedman</td>
<td>President</td>
<td>100%</td>
</tr>
<tr>
<td>James P. MacPherson, Jr.</td>
<td>Principal</td>
<td>0%</td>
</tr>
</tbody>
</table>
II. REPORTING ENTITY INFORMATION

2.0 The Reporting Entity for this questionnaire is:
Note: Select only one.

- Legal Business Entity

- Organizational Unit within and operating under the authority of the Legal Business Entity

See definitions of "Reporting Entity" and "Organizational Unit" for additional information on criteria to qualify for this selection.

Note: If selecting this option, "Reporting Entity" refers to the entire Legal Business Entity for the remainder of the questionnaire. (SKIP THE REMAINDER OF SECTION II AND PROCEED WITH SECTION III.)

See definitions of "Reporting Entity" and "Organizational Unit" for additional information on criteria to qualify for this selection.

Note: If selecting this option, "Reporting Entity" refers to the Organizational Unit within the Legal Business Entity for the remainder of the questionnaire. (COMPLETE THE REMAINDER OF SECTION II AND ALL REMAINING SECTIONS OF THIS QUESTIONNAIRE.)

IDENTIFYING INFORMATION

<table>
<thead>
<tr>
<th>a) Reporting Entity Name</th>
<th>Telephone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address of the Primary Place of Business (street, city, state, zip code)</td>
<td>ext.</td>
</tr>
</tbody>
</table>

| b) Describe the relationship of the Reporting Entity to the Legal Business Entity |

| c) Attach an organizational chart |

<table>
<thead>
<tr>
<th>d) Does the Reporting Entity have a DUNS Number?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
</tr>
</tbody>
</table>

| If "Yes," enter DUNS Number |

<table>
<thead>
<tr>
<th>e) Identify the designated manager(s) responsible for the business of the Reporting Entity. For each person, include name and title. Attach additional pages if necessary.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>
NEW YORK STATE
VENDOR RESPONSIBILITY QUESTIONNAIRE
FOR-PROFIT BUSINESS ENTITY

INSTRUCTIONS FOR SECTIONS III THROUGH VII

For each "Yes," provide an explanation of the issue(s), relevant dates, the government entity involved, any remedial or corrective action(s) taken and the current status of the issue(s). For each "Other," provide an explanation which provides the basis for not definitively responding "Yes" or "No." Provide the explanation at the end of the section or attach additional sheets with numbered responses, including the Reporting Entity name at the top of any attached pages.

### III. LEADERSHIP INTEGRITY

*Within the past five (5) years, has any current or former reporting entity official or any individual currently or formerly having the authority to sign, execute or approve bids, proposals, contracts or supporting documentation on behalf of the reporting entity with any government entity been:*

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.0 Sanctioned relative to any business or professional permit and/or license?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.1 Suspended, debarred, or disqualified from any government contracting process?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.2 The subject of an investigation, whether open or closed, by any government entity for a civil or criminal violation for any business-related conduct?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.3 Charged with a misdemeanor or felony, indicted, granted immunity, convicted of a crime or subject to a judgment for:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Any business-related activity; or</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b) Any crime, whether or not business-related, the underlying conduct of which was related to truthfulness?</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

For each "Yes" or "Other" explain:

### IV. INTEGRITY – CONTRACT BIDDING

*Within the past five (5) years, has the reporting entity:*

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.0 Been suspended or debarred from any government contracting process or been disqualified on any government procurement, permit, license, concession, franchise or lease, including, but not limited to, debarment for a violation of New York State Workers’ Compensation or Prevailing Wage laws or New York State Procurement Lobbying Law?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.1 Been subject to a denial or revocation of a government prequalification?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.2 Been denied a contract award or had a bid rejected based upon a non-responsibility finding by a government entity?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.3 Had a low bid rejected on a government contract for failure to make good faith efforts on any Minority-Owned Business Enterprise, Women-Owned Business Enterprise or Disadvantaged Business Enterprise goal or statutory affirmative action requirements on a previously held contract?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.4 Agreed to a voluntary exclusion from bidding/contracting with a government entity?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.5 Initiated a request to withdraw a bid submitted to a government entity in lieu of responding to an information request or subsequent to a formal request to appear before the government entity?</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

For each "Yes," explain:
# NEW YORK STATE
## VENDOR RESPONSIBILITY QUESTIONNAIRE
### FOR-PROFIT BUSINESS ENTITY

## V. INTEGRITY – CONTRACT AWARD

**Within the past five (5) years, has the reporting entity:**

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.0 Been suspended, cancelled or terminated for cause on any government contract including, but not limited to, a non-responsibility finding?</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>5.1 Been subject to an administrative proceeding or civil action seeking specific performance or restitution in connection with any government contract?</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>5.2 Entered into a formal monitoring agreement as a condition of a contract award from a government entity?</td>
<td>☐</td>
<td>☑</td>
</tr>
</tbody>
</table>

For each "Yes," explain:

## VI. CERTIFICATIONS/LICENSES

**Within the past five (5) years, has the reporting entity:**

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.0 Had a revocation, suspension or disbarment of any business or professional permit and/or license?</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>6.1 Had a denial, decertification, revocation or forfeiture of New York State certification of Minority-Owned Business Enterprise, Women-Owned Business Enterprise or federal certification of Disadvantaged Business Enterprise status for other than a change of ownership?</td>
<td>☐</td>
<td>☑</td>
</tr>
</tbody>
</table>

For each "Yes," explain:

## VII. LEGAL PROCEEDINGS

**Within the past five (5) years, has the reporting entity:**

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.0 Been the subject of an investigation, whether open or closed, by any government entity for a civil or criminal violation?</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>7.1 Been the subject of an indictment, grant of immunity, judgment or conviction (including entering into a plea bargain) for conduct constituting a crime?</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>7.2 Received any OSHA citation and Notification of Penalty containing a violation classified as serious or willful?</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>7.3 Had a government entity find a willful prevailing wage or supplemental payment violation or any other willful violation of New York State Labor Law?</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>7.4 Entered into a consent order with the New York State Department of Environmental Conservation, or received an enforcement determination by any government entity involving a violation of federal, state or local environmental laws?</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>7.5 Other than previously disclosed:</td>
<td>☒</td>
<td>☑</td>
</tr>
<tr>
<td>a) Been subject to fines or penalties imposed by government entities which in the aggregate total $25,000 or more; or</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>b) Been convicted of a criminal offense pursuant to any administrative and/or regulatory action taken by any government entity?</td>
<td>☐</td>
<td>☑</td>
</tr>
</tbody>
</table>

For each "Yes," explain:
### VIII. FINANCIAL AND ORGANIZATIONAL CAPACITY

**8.0** Within the past five (5) years, has the Reporting Entity received any formal unsatisfactory performance assessment(s) from any government entity on any contract?

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

If "Yes," provide an explanation of the issue(s), relevant dates, the government entity involved, any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.

**8.1** Within the past five (5) years, has the Reporting Entity had any liquidated damages assessed over $25,000?

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

If "Yes," provide an explanation of the issue(s), relevant dates, contracting party involved, the amount assessed and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.

**8.2** Within the past five (5) years, have any liens or judgments (not including UCC filings) over $25,000 been filed against the Reporting Entity which remain undischarged?

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

If "Yes," provide an explanation of the issue(s), relevant dates, the Lien holder or Claimant's name(s), the amount of the lien(s) and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.

**8.3** In the last seven (7) years, has the Reporting Entity initiated or been the subject of any bankruptcy proceedings, whether or not closed, or is any bankruptcy proceeding pending?

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

If "Yes," provide the bankruptcy chapter number, the court name and the docket number. Indicate the current status of the proceedings as "Initiated," "Pending" or "Closed." Provide answer below or attach additional sheets with numbered responses.

**8.4** During the past three (3) years, has the Reporting Entity failed to file or pay any tax returns required by federal, state or local tax laws?

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

If "Yes," provide the taxing jurisdiction, the type of tax, the liability year(s), the tax liability amount the Reporting Entity failed to file/pay and the current status of the tax liability. Provide answer below or attach additional sheets with numbered responses.

**8.5** During the past three (3) years, has the Reporting Entity failed to file or pay any New York State unemployment insurance returns?

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

If "Yes," provide the years the Reporting Entity failed to file/pay the insurance, explain the situation and any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.

**8.6** During the past three (3) years, has the Reporting Entity had any government audit(s) completed?

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

a) If "Yes," did any audit of the Reporting Entity identify any reported significant deficiencies in internal control, fraud, illegal acts, significant violations of provisions of contract or grant agreements, significant abuse or any material disallowance?

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

If "Yes" to 8.6 a), provide an explanation of the issue(s), relevant dates, the government entity involved, any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.
### IX. ASSOCIATED ENTITIES

*This section pertains to any entity(ies) that either controls or is controlled by the reporting entity.

(See definition of "associated entity" for additional information to complete this section.)*

<table>
<thead>
<tr>
<th>9.0 Does the Reporting Entity have any Associated Entities?</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Yes ☒ No</td>
</tr>
</tbody>
</table>

*Note: All questions in this section must be answered if the Reporting Entity is either:*

- An Organizational Unit;
- The entire Legal Business Entity which controls, or is controlled by, any other entity(ies).

*If "No," SKIP THE REMAINDER OF SECTION IX AND PROCEED WITH SECTION X.*

<table>
<thead>
<tr>
<th>9.1 Within the past five (5) years, has any Associated Entity Official or Principal Owner been charged with a misdemeanor or felony, indicted, granted immunity, convicted of a crime or subject to a judgment for:</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Yes ☐ No</td>
</tr>
</tbody>
</table>

| a) Any business-related activity; or |
| ☐ Yes ☐ No |

<table>
<thead>
<tr>
<th>b) Any crime, whether or not business-related, the underlying conduct of which was related to truthfulness?</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Yes ☐ No</td>
</tr>
</tbody>
</table>

*If "Yes," provide an explanation of the issue(s), the individual involved, his/her title and role in the Associated Entity, his/her relationship to the Reporting Entity, relevant dates, the government entity involved, any remedial or corrective action(s) taken and the current status of the issue(s).*

<table>
<thead>
<tr>
<th>9.2 Does any Associated Entity have any currently undischarged federal, New York State, New York City or New York local government liens or judgments (not including UCC filings) over $50,000?</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Yes ☐ No</td>
</tr>
</tbody>
</table>

*If "Yes," provide an explanation of the issue(s), identify the Associated Entity’s name(s), EIN(s), primary business activity, relationship to the Reporting Entity, relevant dates, the Lien holder or Claimant’s name(s), the amount of the Lien(s) and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.*

<table>
<thead>
<tr>
<th>9.3 Within the past five (5) years, has any Associated Entity:</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Yes ☒ No</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>a) Been disqualified, suspended or debarred from any federal, New York State, New York City or other New York local government contracting process?</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Yes ☐ No</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>b) Been denied a contract award or had a bid rejected based upon a non-responsibility finding by any federal, New York State, New York City, or New York local government entity?</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Yes ☐ No</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>c) Been suspended, cancelled or terminated for cause (including for non-responsibility) on any federal, New York State, New York City or New York local government contract?</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Yes ☐ No</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>d) Been the subject of an investigation, whether open or closed, by any federal, New York State, New York City, or New York local government entity for a civil or criminal violation with a penalty in excess of $500,000?</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Yes ☐ No</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>e) Been the subject of an indictment, grant of immunity, judgment, or conviction (including entering into a plea bargain) for conduct constituting a crime?</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Yes ☐ No</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>f) Been convicted of a criminal offense pursuant to any administrative and/or regulatory action taken by any federal, New York State, New York City, or New York local government entity?</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Yes ☐ No</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>g) Initiated or been the subject of any bankruptcy proceedings, whether or not closed, or is any bankruptcy proceeding pending?</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Yes ☐ No</td>
</tr>
</tbody>
</table>

*For each "Yes," provide an explanation of the issue(s), identify the Associated Entity’s name(s), EIN(s), primary business activity, relationship to the Reporting Entity, relevant dates, the government entity involved, any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.*
NEW YORK STATE
VENDOR RESPONSIBILITY QUESTIONNAIRE
FOR-PROFIT BUSINESS ENTITY

X. FREEDOM OF INFORMATION LAW (FOIL)

10. Indicate whether any information supplied herein is believed to be exempt from disclosure under the Freedom of Information Law (FOIL.).
Note: A determination of whether such information is exempt from FOIL will be made at the time of any request for disclosure under FOIL.

☐ Yes  ☒ No

If "Yes," indicate the question number(s) and explain the basis for the claim.

XI. AUTHORIZED CONTACT FOR THIS QUESTIONNAIRE

<table>
<thead>
<tr>
<th>Name</th>
<th>Telephone</th>
<th>Fax</th>
</tr>
</thead>
<tbody>
<tr>
<td>James P. MacPherson, Jr</td>
<td>(310) 414-2700 ext. 2704</td>
<td>(310) 414-2709</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Title</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal</td>
<td><a href="mailto:jmacpherson@pldn.com">jmacpherson@pldn.com</a></td>
</tr>
</tbody>
</table>
NEW YORK STATE
VENDOR RESPONSIBILITY QUESTIONNAIRE
FOR-PROFIT BUSINESS ENTITY

Certification

The undersigned: (1) recognizes that this questionnaire is submitted for the express purpose of assisting New York State government entities (including the Office of the State Comptroller (OSC)) in making responsibility determinations regarding award or approval of a contract or subcontract and that such government entities will rely on information disclosed in the questionnaire in making responsibility determinations; (2) acknowledges that the New York State government entities and OSC may, in their discretion, by means which they may choose, verify the truth and accuracy of all statements made herein; and (3) acknowledges that intentional submission of false or misleading information may result in criminal penalties under State and/or Federal Law, as well as a finding of non-responsibility, contract suspension or contract termination.

The undersigned certifies that he/she:

- is knowledgeable about the submitting Business Entity's business and operations;
- has read and understands all of the questions contained in the questionnaire;
- has not altered the content of the questionnaire in any manner;
- has reviewed and/or supplied full and complete responses to each question;
- to the best of his/her knowledge, information and belief, confirms that the Business Entity’s responses are true, accurate and complete, including all attachments, if applicable;
- understands that New York State government entities will rely on the information disclosed in the questionnaire when entering into a contract with the Business Entity; and
- is under an obligation to update the information provided herein to include any material changes to the Business Entity’s responses at the time of bid/proposal submission through the contract award notification, and may be required to update the information at the request of the New York State government entities or OSC prior to the award and/or approval of a contract, or during the term of the contract.

Signature of Owner/Official

[Signature]

Printed Name of Signatory

James P. MacPherson, Jr.

Title

Principal

Name of Business

Paladin Healthcare Management, LLC

Address

2121 Rosscrans Avenue, Suite 2320

City, State, Zip

El Segundo, CA 90245

Sworn to before me this ______ day of ______, 20____.

Notary Public

Page 10 of 10
State of California  
County of Los Angeles  

On March 17, 2014 before me, Mark Dakich, Notary Public  
(here insert name and title of the officer)  

personally appeared James P. MacPherson, Jr.  

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to  
the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized  
capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf  
of which the person(s) acted, executed the instrument.  

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is  
true and correct.  

WITNESS my hand and official seal.  

Signature:  

[Signature]  

[Seal]  

OPTIONAL INFORMATION  

Law does not require the information below. This information could be of great value to any person(s) relying on this document  
and could prevent fraudulent and/or the reattachment of this document to an unauthorized document(s)  

DESCRIPTION OF ATTACHED DOCUMENT  

Title or Type of Document: New York State - Vendor Responsibility Questionnaire  
Number of Pages: 10  

SIGNER IS REPRESENTING:  

Name of Person(s) or Entity(ies): Paladin Healthcare Management, LLC  

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NEW YORK STATE VENDOR RESPONSIBILITY QUESTIONNAIRE
FOR-PROFIT BUSINESS ENTITY

You have selected the For-Profit Non-Construction questionnaire which may be printed and completed in this format or, for your convenience, may be completed online using the New York State VendRep System.

COMPLETION & CERTIFICATION

The person(s) completing the questionnaire must be knowledgeable about the vendor's business and operations. An owner or officer must certify the questionnaire and the signature must be notarized.

DEFINITIONS

All underlined terms are defined in the "New York State Vendor Responsibility Definitions List," found at http://www.osc.state.ny.us/vendrep/documents/definitions.pdf. These terms may not have their ordinary, common or traditional meanings. Each vendor is strongly encouraged to read the respective definitions for any and all underlined terms. By submitting this questionnaire, the vendor agrees to be bound by the terms as defined in the "New York State Vendor Responsibility Definitions List" existing at the time of certification.

RESPONSES

Every question must be answered. Each response must provide all relevant information which can be obtained within the limits of the law. However, information regarding a determination or finding made in error which was subsequently corrected is not required. Individuals and Sole Proprietors may use a Social Security Number but are encouraged to obtain and use a federal Employer Identification Number (EIN).

REPORTING ENTITY

Each vendor must indicate if the questionnaire is filed on behalf of the entire Legal Business Entity or an Organizational Unit within or operating under the authority of the Legal Business Entity and having the same EIN. Generally, the Organizational Unit option may be appropriate for a vendor that meets the definition of "Reporting Entity" but due to the size and complexity of the Legal Business Entity, is best able to provide the required information for the Organizational Unit, while providing more limited information for other parts of the Legal Business Entity and Associated Entities.

ASSOCIATED ENTITY

An Associated Entity is one that owns or controls the Reporting Entity or any entity owned or controlled by the Reporting Entity. However, the term Associated Entity does not include "sibling organizations" (i.e., entities owned or controlled by a parent company that owns or controls the Reporting Entity), unless such sibling entity has a direct relationship with or impact on the Reporting Entity.

STRUCTURE OF THE QUESTIONNAIRE

The questionnaire is organized into eleven sections. Section I is to be completed for the Legal Business Entity. Section II requires the vendor to specify the Reporting Entity for the questionnaire. Section III refers to the individuals of the Reporting Entity, while Sections IV-VIII require information about the Reporting Entity. Section IX pertains to any Associated Entities, with one question about their Officials/Owners. Section X relates to disclosure under the Freedom of Information Law (FOIL). Section XI requires an authorized contact for the questionnaire information.
# NEW YORK STATE VENDOR RESPONSIBILITY QUESTIONNAIRE
## FOR-PROFIT BUSINESS ENTITY

### I. LEGAL BUSINESS ENTITY INFORMATION

<table>
<thead>
<tr>
<th>Legal Business Entity Name*</th>
<th>EIN (Enter 9 digits, without hyphen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>dsSaint George's University Limited</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Address of the Principal Place of Business (street, city, state, zip code)</th>
<th>Telephone</th>
<th>Fax</th>
</tr>
</thead>
<tbody>
<tr>
<td>University Centre, Grenada, West Indies</td>
<td>(473) 444-4175 ext.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>E-mail</th>
<th>Website</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><a href="http://www.sgu.edu">www.sgu.edu</a></td>
</tr>
</tbody>
</table>

Additional Legal Business Entity Identities: If applicable, list any other DBA, Trade Name, Former Name, Other Identity, or EIN used in the last five (5) years and the status (active or inactive).

<table>
<thead>
<tr>
<th>Type</th>
<th>Name</th>
<th>EIN</th>
<th>Status</th>
</tr>
</thead>
</table>

1.0 Legal Business Entity Type – Check appropriate box and provide additional information:

- Corporation (including PC)
- Date of Incorporation: 3/1/1976

- Limited Liability Company (LLC or PLLC)
- Date of Organization

- Partnership (including LLP, LP or General)
- Date of Registration or Establishment

- Sole Proprietor
- How many years in business?

- Other
- Date Established

If Other, explain: Grenadian Corporation Chartered in 1976

1.1 Was the Legal Business Entity formed or incorporated in New York State? □ Yes ☒ No

If "No," indicate jurisdiction where Legal Business Entity was formed or incorporated and attach a Certificate of Good Standing from the applicable jurisdiction or provide an explanation if a Certificate of Good Standing is not available.

- United States State   
- Other Country Grenada, West Indies

Explain, if not available: Grenada does not issue Certificates of Good Standing.

1.2 Is the Legal Business Entity publicly traded? □ Yes ☒ No

If "Yes," provide CIK Code or Ticker Symbol

1.3 Does the Legal Business Entity have a DUNS Number? □ Yes ☒ No

If "Yes," Enter DUNS Number

*All underlined terms are defined in the “New York State Vendor Responsibility Definitions List,” which can be found at http://www.osc.state.ny.us/vendrep/documents/definitions.pdf.

Page 2 of 10

June 28, 2010
NEW YORK STATE VENDOR RESPONSIBILITY QUESTIONNAIRE
FOR-PROFIT BUSINESS ENTITY

1. LEGAL BUSINESS ENTITY INFORMATION

1.4 If the Legal Business Entity’s Principal Place of Business is not in New York State, does the Legal Business Entity maintain an office in New York State? (Select “N/A,” if Principal Place of Business is in New York State.)

☐ Yes ☒ No
☐ N/A

If “Yes,” provide the address and telephone number for one office located in New York State.
N/A

1.5 Is the Legal Business Entity a New York State certified Minority-Owned Business Enterprise (MBE), Women-Owned Business Enterprise (WBE), New York State Small Business (SB) or a federally certified Disadvantaged Business Enterprise (DBE)?

☐ Yes ☒ No

If “Yes,” check all that apply:

☐ New York State certified Minority-Owned Business Enterprise (MBE)
☐ New York State certified Women-Owned Business Enterprise (WBE)
☐ New York State Small Business (SB)
☐ Federally certified Disadvantaged Business Enterprise (DBE)

1.6 Identify Officials and Principal Owners, if applicable. For each person, include name, title and percentage of ownership. Attach additional pages if necessary. If applicable, reference to relevant SEC filing(s) containing the required information is optional.

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Percentage Ownership (Enter 0% if not applicable)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charles R. Modica</td>
<td>Chancellor</td>
<td>50%</td>
</tr>
<tr>
<td>Patrick F. Adams</td>
<td>Secretary</td>
<td>50%</td>
</tr>
</tbody>
</table>
II. REPORTING ENTITY INFORMATION

The Reporting Entity for this questionnaire is:

Note: Select only one.

☑ Legal Business Entity

Note: If selecting this option, "Reporting Entity" refers to the entire Legal Business Entity for the remainder of the questionnaire. (SKIP THE REMAINDER OF SECTION II AND PROCEED WITH SECTION III.)

☐ Organizational Unit within and operating under the authority of the Legal Business Entity

See definitions of "Reporting Entity" and "Organizational Unit" for additional information on criteria to qualify for this selection.

Note: If selecting this option, "Reporting Entity" refers to the Organizational Unit within the Legal Business Entity for the remainder of the questionnaire. (COMPLETE THE REMAINDER OF SECTION II AND ALL REMAINING SECTIONS OF THIS QUESTIONNAIRE.)

IDENTIFYING INFORMATION

a) Reporting Entity Name

Address of the Primary Place of Business (street, city, state, zip code)  

Telephone  

b) Describe the relationship of the Reporting Entity to the Legal Business Entity

c) Attach an organizational chart

d) Does the Reporting Entity have a DUNS Number?  

☐ Yes  ☐ No

If "Yes," enter DUNS Number

e) Identify the designated manager(s) responsible for the business of the Reporting Entity. For each person, include name and title. Attach additional pages if necessary.

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>
NEW YORK STATE VENDOR RESPONSIBILITY QUESTIONNAIRE
FOR PROFIT BUSINESS ENTITY

INSTRUCTIONS FOR SECTIONS III THROUGH VII

For each "Yes," provide an explanation of the issue(s), relevant dates, the government entity involved, any remedial or corrective action(s) taken and the current status of the issue(s). For each "Other," provide an explanation which provides the basis for not definitively responding "Yes" or "No." Provide the explanation at the end of the section or attach additional sheets with numbered responses, including the Reporting Entity name at the top of any attached pages.

### III. LEADERSHIP INTEGRITY

Within the past five (5) years, has any current or former Reporting Entity Official or any individual currently or formerly having the authority to sign, execute or approve bids, proposals, contracts or supporting documentation on behalf of the Reporting Entity with any government entity been:

| 3.0 Sanctioned relative to any business or professional permit and/or license? | □ Yes  ❌ No  □ Other |
| 3.1 Suspended, debarred, or disqualified from any government contracting process? | □ Yes  ❌ No  □ Other |
| 3.2 The subject of an investigation, whether open or closed, by any government entity for a civil or criminal violation for any business-related conduct? | □ Yes  ❌ No  □ Other |
| 3.3 Charged with a misdemeanor or felony, indicted, granted immunity, convicted of a crime or subject to a judgment for:  
a) Any business-related activity; or  
b) Any crime, whether or not business-related, the underlying conduct of which was related to truthfulness? | □ Yes  ❌ No  □ Other |

For each "Yes" or "Other" explain:

N/A

### IV. INTEGRITY - CONTRACT BIDDING

Within the past five (5) years, has the Reporting Entity:

| 4.0 Been suspended or debarred from any government contracting process or been disqualified on any government procurement, permit, license, concession, franchise or lease, including, but not limited to, debarment for a violation of New York State Workers’ Compensation or Prevailing Wage laws or New York State Procurement Lobbying Law? | □ Yes  ❌ No |
| 4.1 Been subject to a denial or revocation of a government prequalification? | □ Yes  ❌ No |
| 4.2 Been denied a contract award or had a bid rejected based upon a non-responsibility finding by a government entity? | □ Yes  ❌ No |
| 4.3 Had a low bid rejected on a government contract for failure to make good faith efforts on any Minority-Owned Business Enterprise, Women-Owned Business Enterprise, or Disadvantaged Business Enterprise goal or statutory affirmative action requirements on a previously held contract? | □ Yes  ❌ No |
| 4.4 Agreed to a voluntary exclusion from bidding/contracting with a government entity? | □ Yes  ❌ No |
| 4.5 Initiated a request to withdraw a bid submitted to a government entity in lieu of responding to an information request or subsequent to a formal request to appear before the government entity? | □ Yes  ❌ No |

For each "Yes," explain:

N/A
# NEW YORK STATE VENDOR RESPONSIBILITY QUESTIONNAIRE
## FOR-PROFIT BUSINESS ENTITY

### V. INTEGRITY – CONTRACT AWARD
Within the past five (5) years, has the Reporting Entity:

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.0 Been suspended, cancelled or terminated for cause on any government contract including, but not limited to, a non-responsibility finding?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.1 Been subject to an administrative proceeding or civil action seeking specific performance or restitution in connection with any government contract?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.2 Entered into a formal monitoring agreement as a condition of a contract award from a government entity?</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

For each “Yes,” explain:

N/A

### VI. CERTIFICATIONS/LICENSES
Within the past five (5) years, has the Reporting Entity:

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.0 Had a revocation, suspension or disbarment of any business or professional permit and/or license?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.1 Had a denial, decertification, revocation or forfeiture of New York State certification of Minority-Owned Business Enterprise, Women-Owned Business Enterprise or federal certification of Disadvantaged Business Enterprise status for other than a change of ownership?</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

For each “Yes,” explain:

N/A

### VII. LEGAL PROCEEDINGS
Within the past five (5) years, has the Reporting Entity:

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.0 Been the subject of an investigation, whether open or closed, by any government entity for a civil or criminal violation?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.1 Been the subject of an indictment, grant of immunity, judgment or conviction (including entering into a plea bargain) for conduct constituting a crime?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.2 Received any OSHA citation and Notification of Penalty containing a violation classified as serious or willful?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.3 Had a government entity find a willful prevailing wage or supplemental payment violation or any other willful violation of New York State Labor Law?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.4 Entered into a consent order with the New York State Department of Environmental Conservation, or received an enforcement determination by any government entity involving a violation of federal, state or local environmental laws?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.5 Other than previously disclosed:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Been subject to fines or penalties imposed by government entities which in the aggregate total $25,000 or more; or</td>
<td></td>
<td></td>
</tr>
<tr>
<td>b) Been convicted of a criminal offense pursuant to any administrative and/or regulatory action taken by any government entity?</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

For each “Yes,” explain:

N/A
VIII. FINANCIAL AND ORGANIZATIONAL CAPACITY

8.0 Within the past five (5) years, has the Reporting Entity received any formal unsatisfactory performance assessment(s) from any government entity on any contract?  
☐ Yes  ☒ No
If "Yes," provide an explanation of the issue(s), relevant dates, the government entity involved, any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.
N/A

8.1 Within the past five (5) years, has the Reporting Entity had any liquidated damages assessed over $25,000?  
☐ Yes  ☒ No
If "Yes," provide an explanation of the issue(s), relevant dates, contracting party involved, the amount assessed and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.
N/A

8.2 Within the past five (5) years, have any liens or judgments (not including UCC filings) over $25,000 been filed against the Reporting Entity which remain undischarged?  
☐ Yes  ☒ No
If "Yes," provide an explanation of the issue(s), relevant dates, the Lien holder or Claimant’s name(s), the amount of the lien(s) and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.
N/A

8.3 In the last seven (7) years, has the Reporting Entity initiated or been the subject of any bankruptcy proceedings, whether or not closed, or is any bankruptcy proceeding pending?  
☐ Yes  ☒ No
If "Yes," provide the bankruptcy chapter number, the court name and the docket number. Indicate the current status of the proceedings as "Initiated," "Pending" or "Closed." Provide answer below or attach additional sheets with numbered responses.
N/A

8.4 During the past three (3) years, has the Reporting Entity failed to file or pay any tax returns required by federal, state or local tax laws?  
☐ Yes  ☒ No
If "Yes," provide the taxing jurisdiction, the type of tax, the liability year(s), the tax liability amount the Reporting Entity failed to file/pay and the current status of the tax liability. Provide answer below or attach additional sheets with numbered responses.
N/A

8.5 During the past three (3) years, has the Reporting Entity failed to file or pay any New York State unemployment insurance returns?  
☐ Yes  ☒ No
If "Yes," provide the years the Reporting Entity failed to file/pay the insurance, explain the situation and any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.
N/A

8.6 During the past three (3) years, has the Reporting Entity had any government audit(s) completed?  
☐ Yes  ☒ No

a) If "Yes," did any audit of the Reporting Entity identify any reported significant deficiencies in internal control, fraud, illegal acts, significant violations of provisions of contract or grant agreements, significant abuse or any material disallowance?  
☐ Yes  ☒ No
If "Yes" to 8.6 a), provide an explanation of the issue(s), relevant dates, the government entity involved, any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.
N/A
### IX. ASSOCIATED ENTITIES

This section pertains to any entity(ies) that either controls or is controlled by the Reporting Entity. (See definition of “Associated Entity” for additional information to complete this section.)

#### 9.0 Does the Reporting Entity have any Associated Entities?

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
</table>

Note: All questions in this section must be answered if the Reporting Entity is either:

- An Organizational Unit; or
- The entire Legal Business Entity which controls, or is controlled by, any other entity(ies).

If “No,” SKIP THE REMAINDER OF SECTION IX AND PROCEED WITH SECTION X.

#### 9.1 Within the past five (5) years, has any Associated Entity Official or Principal Owner been charged with a misdemeanor or felony, indicted, granted immunity, convicted of a crime or subject to a judgment for:

- Any business-related activity; or
- Any crime, whether or not business-related, the underlying conduct of which was related to truthfulness?

If “Yes,” provide an explanation of the issue(s), the individual involved, his/her title and role in the Associated Entity, his/her relationship to the Reporting Entity, relevant dates, the government entity involved, any remedial or corrective action(s) taken and the current status of the issue(s).

#### 9.2 Does any Associated Entity have any currently undischarged federal, New York State, New York City or New York local government liens or judgments (not including UCC filings) over $50,000?

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
</table>

If “Yes,” provide an explanation of the issue(s), identify the Associated Entity’s name(s), EIN(s), primary business activity, relationship to the Reporting Entity, relevant dates, the Lien holder or Claimant’s name(s), the amount of the lien(s) and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.

#### 9.3 Within the past five (5) years, has any Associated Entity:

<table>
<thead>
<tr>
<th>a)</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>b)</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>c)</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>d)</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>e)</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>f)</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>g)</td>
<td>Yes</td>
<td>No</td>
</tr>
</tbody>
</table>

For each “Yes,” provide an explanation of the issue(s), identify the Associated Entity’s name(s), EIN(s), primary business activity, relationship to the Reporting Entity, relevant dates, the government entity involved, any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.
NEW YORK STATE VENDOR RESPONSIBILITY QUESTIONNAIRE
FOR-PROFIT BUSINESS ENTITY

X. FREEDOM OF INFORMATION LAW (FOIL)

10. Indicate whether any information supplied herein is believed to be exempt from disclosure under the Freedom of Information Law (FOIL).
   Note: A determination of whether such information is exempt from FOIL will be made at the time of any request for disclosure under FOIL.

   □ Yes  ☒ No

   Indicate the question number(s) and explain the basis for the claim.

   N/A

XI. AUTHORIZED CONTACT FOR THIS QUESTIONNAIRE

<table>
<thead>
<tr>
<th>Name</th>
<th>Telephone</th>
<th>Fax</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Title</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Vice President and General Counsel</td>
<td><a href="mailto:cadams@sgu.edu">cadams@sgu.edu</a></td>
</tr>
</tbody>
</table>
NEW YORK STATE VENDOR RESPONSIBILITY QUESTIONNAIRE
FOR-PROFIT BUSINESS ENTITY

Certification

The undersigned: (1) recognizes that this questionnaire is submitted for the express purpose of assisting New York State contracting entities in making responsibility determinations regarding an award of a contract or approval of a subcontract; (2) recognizes that the Office of the State Comptroller (OSC) will rely on information disclosed in the questionnaire in making responsibility determinations and in approving a contract or subcontract; (3) acknowledges that the New York State contracting entities and OSC may, in their discretion, by means which they may choose, verify the truth and accuracy of all statements made herein; and (4) acknowledges that intentional submission of false or misleading information may constitute a misdemeanor or felony under New York State Penal Law, may be punishable by a fine and/or imprisonment under Federal Law, and may result in a finding of non-responsibility, contract suspension or contract termination.

The undersigned certifies that he/she:

- is knowledgeable about the Reporting Entity's business and operations;
- has read and understands all of the questions contained in the questionnaire;
- has not altered the content of the questionnaire in any manner;
- has reviewed and/or supplied full and complete responses to each question;
- to the best of his/her knowledge, information and belief, confirms that the Reporting Entity's responses are true, accurate and complete, including all attachments, if applicable;
- understands that New York State will rely on the information disclosed in the questionnaire when entering into a contract with the Reporting Entity; and
- is under obligation to update the information provided herein to include any material changes to the Reporting Entity's responses at the time of bid/proposal submission through the contract award notification, and may be required to update the information at the request of the New York State contracting entities or OSC prior to the award and/or approval of a contract, or during the term of the contract.

Signature of Owner/Officer

Printed Name of Signatory

Charles S. Adams

Title

Executive Vice President and General Counsel

Reporting Entity Name

Saint George's University Limited

Address

University Centre

City, State, Zip

Grenada, West Indies

Sworn to before me this 13th day of March 2014;

[Signature]

Notary Public

KELLY ANNE PASCALE
NOTARY PUBLIC, STATE OF NEW YORK
NO: 01PAB197859
QUALIFIED IN SUFFOLK COUNTY
COMMISSION EXPIRES AUGUST 5, 2014

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June 28, 2010
NEW YORK STATE
VENDOR RESPONSIBILITY QUESTIONNAIRE
FOR-PROFIT BUSINESS ENTITY

You have selected the For-Profit Non-Construction questionnaire which may be printed and completed in this format or, for your convenience, may be completed online using the New York State VendRep System.

### COMPLETION & CERTIFICATION

The person(s) completing the questionnaire must be knowledgeable about the vendor's business and operations. An owner or officer must certify the questionnaire and the signature must be notarized.

### NEW YORK STATE VENDOR IDENTIFICATION NUMBER (VENDOR ID)

The Vendor ID is a ten-digit identifier issued by New York State when the vendor is registered on the Statewide Vendor File. This number must now be included on the questionnaire. If the business entity has not obtained a Vendor ID, contact the OSC Help Desk at gophelpdesk@osc.state.ny.us or call 866-370-4672.

### DEFINITIONS

All underlined terms are defined in the "New York State Vendor Responsibility Definitions List," found at www.osc.state.ny.us/vendrep/documents/questionnaire/definitions.pdf. These terms may not have their ordinary, common or traditional meanings. Each vendor is strongly encouraged to read the respective definitions for any and all underlined terms. By submitting this questionnaire, the vendor agrees to be bound by the terms as defined in the "New York State Vendor Responsibility Definitions List" existing at the time of certification.

### RESPONSES

Every question must be answered. Each response must provide all relevant information which can be obtained within the limits of the law. However, information regarding a determination or finding made in error which was subsequently corrected is not required. Individuals and Sole Proprietors may use a Social Security Number but are encouraged to obtain and use a federal Employer Identification Number (EIN).

### REPORTING ENTITY

Each vendor must indicate if the questionnaire is filed on behalf of the entire Legal Business Entity or an Organizational Unit within or operating under the authority of the Legal Business Entity and having the same EIN. Generally, the Organizational Unit option may be appropriate for a vendor that meets the definition of "Reporting Entity" but due to the size and complexity of the Legal Business Entity, is best able to provide the required information for the Organizational Unit, while providing more limited information for other parts of the Legal Business Entity and Associated Entities.

### ASSOCIATED ENTITY

An Associated Entity is one that owns or controls the Reporting Entity or any entity owned or controlled by the Reporting Entity. However, the term Associated Entity does not include "sibling organizations" (i.e., entities owned or controlled by a parent company that owns or controls the Reporting Entity), unless such sibling entity has a direct relationship with or impact on the Reporting Entity.

### STRUCTURE OF THE QUESTIONNAIRE

The questionnaire is organized into eleven sections. Section I is to be completed for the Legal Business Entity. Section II requires the vendor to specify the Reporting Entity for the questionnaire. Section III refers to the individuals of the Reporting Entity, while Sections IV-VIII require information about the Reporting Entity. Section IX pertains to any Associated Entities, with one question about their Officials/Owners. Section X relates to disclosure under the Freedom of Information Law (FOIL). Section XI requires an authorized contact for the questionnaire information.
NEW YORK STATE
VENDOR RESPONSIBILITY QUESTIONNAIRE
FOR-PROFIT BUSINESS ENTITY

I. LEGAL BUSINESS ENTITY INFORMATION

<table>
<thead>
<tr>
<th>Legal Business Entity Name*</th>
<th>EIN</th>
</tr>
</thead>
<tbody>
<tr>
<td>SRC Investment Partners, LLC</td>
<td>46-36989861</td>
</tr>
</tbody>
</table>

Address of the Principal Place of Business (street, city, state, zip code)
604 31st Street
Manhattan Beach, CA 90266

New York State Vendor Identification Number
0

Telephone
(310) 593-3678 ext.

Fax

Email
norgano@stantonroadcapital.com

Website
www.stantonroadcapital.com

Additional Legal Business Entity Identities: If applicable, list any other DBA, Trade Name, Former Name, Other Identity, or RIN used in the last five (5) years and the status (active or inactive).

<table>
<thead>
<tr>
<th>Type</th>
<th>Name</th>
<th>EIN</th>
<th>Status</th>
</tr>
</thead>
</table>

1.0 Legal Business Entity Type – Check appropriate box and provide additional information:

☐ Corporation (including PC)

☐ Limited Liability Company (LLC or PLLC)

☐ Partnership (including LLP, LP or General)

☐ Sole Proprietor

☐ Other

Date of Incorporation

Date of Organization 8/15/2013

Date of Registration or Establishment

How many years in business?

Date Established

If Other, explain:

1.1 Was the Legal Business Entity formed or incorporated in New York State?

☐ Yes  ☒ No

If 'No,' indicate jurisdiction where Legal Business Entity was formed or incorporated and attach a Certificate of Good Standing from the applicable jurisdiction or provide an explanation if a Certificate of Good Standing is not available.

☒ United States  State  Delaware

☐ Other  Country

Explain, if not available:

1.2 Is the Legal Business Entity publicly traded?

☐ Yes  ☒ No

If "Yes," provide CIK Code or Ticker Symbol

1.3 Does the Legal Business Entity have a DUNS Number?

☐ Yes  ☒ No

If "Yes," Enter DUNS Number

*All underlined terms are defined in the “New York State Vendor Responsibility Definitions List,” which can be found at www.osce.state.ny.us/vendrep/documents/questionnaire/definitions.pdf.
I. LEGAL BUSINESS ENTITY INFORMATION

1.4 If the Legal Business Entity’s Principal Place of Business is not in New York State, does the Legal Business Entity maintain an office in New York State?
(Select “N/A,” if Principal Place of Business is in New York State.)
☐ Yes ☒ No ☐ N/A

If “Yes,” provide the address and telephone number for one office located in New York State.

1.5 Is the Legal Business Entity a New York State certified Minority-Owned Business Enterprise (MBE), Women-Owned Business Enterprise (WBE), New York State Small Business (SB) or a federally certified Disadvantaged Business Enterprise (DBE)?
☐ Yes ☒ No

If “Yes,” check all that apply:
☐ New York State certified Minority-Owned Business Enterprise (MBE)
☐ New York State certified Women-Owned Business Enterprise (WBE)
☐ New York State Small Business (SB)
☐ Federally certified Disadvantaged Business Enterprise (DBE)

1.6 Identify Officials and Principal Owners, if applicable. For each person, include name, title and percentage of ownership. Attach additional pages if necessary. If applicable, reference to relevant SEC filing(s) containing the required information is optional.

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Percentage Ownership (Enter 0% if not applicable)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nicholas Orzuno</td>
<td>Principal</td>
<td>50%</td>
</tr>
<tr>
<td>Timothy T Ronan Jr</td>
<td>Principal</td>
<td>50%</td>
</tr>
</tbody>
</table>
II. REPORTING ENTITY INFORMATION

2.0 The Reporting Entity for this questionnaire is:
   
   Note: Select only one.

   ☒ Legal Business Entity
       
       Note: If selecting this option, "Reporting Entity" refers to the entire Legal Business Entity for the remainder of the questionnaire. (SKIP THE REMAINDER OF SECTION II AND PROCEED WITH SECTION III.)

   □ Organizational Unit within and operating under the authority of the Legal Business Entity
       
       See definitions of "Reporting Entity" and "Organizational Unit" for additional information on criteria to qualify for this selection.

       Note: If selecting this option, "Reporting Entity" refers to the Organizational Unit within the Legal Business Entity for the remainder of the questionnaire. (COMPLETE THE REMAINDER OF SECTION II AND ALL REMAINING SECTIONS OF THIS QUESTIONNAIRE.)

IDENTIFYING INFORMATION

a) Reporting Entity Name

   Address of the Primary Place of Business (street, city, state, zip code)
   Telephone
   ext.

b) Describe the relationship of the Reporting Entity to the Legal Business Entity

c) Attach an organizational chart

d) Does the Reporting Entity have a DUNS Number?
   □ Yes □ No
   
   If "Yes," enter DUNS Number

e) Identify the designated manager(s) responsible for the business of the Reporting Entity.
   For each person, include name and title. Attach additional pages if necessary.

   Name
   Title
NEW YORK STATE
VENDOR RESPONSIBILITY QUESTIONNAIRE
FOR-PROFIT BUSINESS ENTITY

INSTRUCTIONS FOR SECTIONS III THROUGH VII

For each “Yes,” provide an explanation of the issue(s), relevant dates, the government entity involved, any remedial or corrective action(s) taken and the current status of the issue(s). For each “Other,” provide an explanation which provides the basis for not definitively responding “Yes” or “No.” Provide the explanation at the end of the section or attach additional sheets with numbered responses, including the Reporting Entity name at the top of any attached pages.

### III. LEADERSHIP INTEGRITY

*Within the past five (5) years, has any current or former reporting entity official or any individual currently or formerly having the authority to sign, execute or approve bids, proposals, contracts or supporting documentation on behalf of the reporting entity with any government entity been:

<table>
<thead>
<tr>
<th>3.0 Sanctioned relative to any business or professional permit and/or license?</th>
<th>□ Yes □ No □ Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1 Suspended, debarred, or disqualified from any government contracting process?</td>
<td>□ Yes □ No □ Other</td>
</tr>
<tr>
<td>3.2 The subject of an investigation, whether open or closed, by any government entity for a civil or criminal violation for any business-related conduct?</td>
<td>□ Yes □ No □ Other</td>
</tr>
</tbody>
</table>
| 3.3 Charged with a misdemeanor or felony, indicted, granted immunity, convicted of a crime or subject to a judgment for:
  a) Any business-related activity; or
  b) Any crime, whether or not business-related, the underlying conduct of which was related to truthfulness? | □ Yes □ No □ Other |

For each “Yes” or “Other” explain:

### IV. INTEGRITY – CONTRACT BIDDING

*Within the past five (5) years, has the reporting entity:

| 4.0 Been suspended or debarred from any government contracting process or been disqualified on any government procurement, permit, license, concession, franchise or lease, including, but not limited to, debarment for a violation of New York State Workers’ Compensation or Prevailing Wage laws or New York State Procurement Lobbying Law? | □ Yes □ No |
| 4.1 Been subject to a denial or revocation of a government prequalification? | □ Yes □ No |
| 4.2 Been denied a contract award or had a bid rejected based upon a non-responsibility finding by a government entity? | □ Yes □ No |
| 4.3 Had a low bid rejected on a government contract for failure to make good faith efforts on any Minority-Owned Business Enterprise, Women-Owned Business Enterprise or Disadvantaged Business Enterprise goal or statutory affirmative action requirements on a previously held contract? | □ Yes □ No |
| 4.4 Agreed to a voluntary exclusion from bidding/contracting with a government entity? | □ Yes □ No |
| 4.5 Initiated a request to withdraw a bid submitted to a government entity in lieu of responding to an information request or subsequent to a formal request to appear before the government entity? | □ Yes □ No |

For each “Yes,” explain:
V. INTEGRITY – CONTRACT AWARD

*Within the past five (5) years, has the reporting entity:*

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.0 Been suspended, cancelled or terminated for cause on any government contract including, but not limited to, a non-responsibility finding?</td>
<td>☐</td>
<td>☒</td>
</tr>
<tr>
<td>5.1 Been subject to an administrative proceeding or civil action seeking specific performance or restitution in connection with any government contract?</td>
<td>☐</td>
<td>☒</td>
</tr>
<tr>
<td>5.2 Entered into a formal monitoring agreement as a condition of a contract award from a government entity?</td>
<td>☐</td>
<td>☒</td>
</tr>
</tbody>
</table>

For each “Yes,” explain:

VI. CERTIFICATIONS/LICENSES

*Within the past five (5) years, has the reporting entity:*

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.0 Had a revocation, suspension or disbarment of any business or professional permit and/or license?</td>
<td>☐</td>
<td>☒</td>
</tr>
<tr>
<td>6.1 Had a denial, decertification, revocation or forfeiture of New York State certification of Minority-Owned Business Enterprise, Women-Owned Business Enterprise or federal certification of Disadvantaged Business Enterprise status for other than a change of ownership?</td>
<td>☐</td>
<td>☒</td>
</tr>
</tbody>
</table>

For each “Yes,” explain:

VII. LEGAL PROCEEDINGS

*Within the past five (5) years, has the reporting entity:*

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.0 Been the subject of an investigation, whether open or closed, by any government entity for a civil or criminal violation?</td>
<td>☐</td>
<td>☒</td>
</tr>
<tr>
<td>7.1 Been the subject of an indictment, grant of immunity, judgment or conviction (including entering into a plea bargain) for conduct constituting a crime?</td>
<td>☐</td>
<td>☒</td>
</tr>
<tr>
<td>7.2 Received any OSHA citation and Notification of Penalty containing a violation classified as serious or willful?</td>
<td>☐</td>
<td>☒</td>
</tr>
<tr>
<td>7.3 Had a government entity find a willful prevailing wage or supplemental payment violation or any other willful violation of New York State Labor Law?</td>
<td>☐</td>
<td>☒</td>
</tr>
<tr>
<td>7.4 Entered into a consent order with the New York State Department of Environmental Conservation, or received an enforcement determination by any government entity involving a violation of federal, state or local environmental laws?</td>
<td>☐</td>
<td>☒</td>
</tr>
<tr>
<td>7.5 Other than previously disclosed:</td>
<td>☐</td>
<td>☒</td>
</tr>
<tr>
<td>a) Been subject to fines or penalties imposed by government entities which in the aggregate total $25,000 or more; or</td>
<td>☐</td>
<td>☒</td>
</tr>
<tr>
<td>b) Been convicted of a criminal offense pursuant to any administrative and/or regulatory action taken by any government entity?</td>
<td>☐</td>
<td>☒</td>
</tr>
</tbody>
</table>

For each “Yes,” explain:
**NEW YORK STATE**  
**VENDOR RESPONSIBILITY QUESTIONNAIRE**  
**FOR-PROFIT BUSINESS ENTITY**

### VIII. FINANCIAL AND ORGANIZATIONAL CAPACITY

8.0 Within the past five (5) years, has the Reporting Entity received any formal unsatisfactory performance assessment(s) from any government entity on any contract?  
- Yes  
- No

If "Yes," provide an explanation of the issue(s), relevant dates, the government entity involved, any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.

8.1 Within the past five (5) years, has the Reporting Entity had any liquidated damages assessed over $25,000?  
- Yes  
- No

If "Yes," provide an explanation of the issue(s), relevant dates, contracting party involved, the amount assessed and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.

8.2 Within the past five (5) years, have any liens or judgments (not including UCC filings) over $25,000 been filed against the Reporting Entity which remain undischarged?  
- Yes  
- No

If "Yes," provide an explanation of the issue(s), relevant dates, the Lien holder or Claimant's name(s), the amount of the lien(s) and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.

8.3 In the last seven (7) years, has the Reporting Entity initiated or been the subject of any bankruptcy proceedings, whether or not closed, or is any bankruptcy proceeding pending?  
- Yes  
- No

If "Yes," provide the bankruptcy chapter number, the court name and the docket number. Indicate the current status of the proceedings as "Initiated," "Pending" or "Closed." Provide answer below or attach additional sheets with numbered responses.

8.4 During the past three (3) years, has the Reporting Entity failed to file or pay any tax returns required by federal, state or local tax laws?  
- Yes  
- No

If "Yes," provide the taxing jurisdiction, the type of tax, the liability year(s), the tax liability amount the Reporting Entity failed to file/pay and the current status of the tax liability. Provide answer below or attach additional sheets with numbered responses.

8.5 During the past three (3) years, has the Reporting Entity failed to file or pay any New York State unemployment insurance returns?  
- Yes  
- No

If "Yes," provide the years the Reporting Entity failed to file/pay the insurance, explain the situation and any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.

8.6 During the past three (3) years, has the Reporting Entity had any government audit(s) completed?  
- Yes  
- No

a) If "Yes," did any audit of the Reporting Entity identify any reported significant deficiencies in internal control, fraud, illegal acts, significant violations of provisions of contract or grant agreements, significant abuse or any material disallowance?  
- Yes  
- No

If "Yes" to 8.6 a), provide an explanation of the issue(s), relevant dates, the government entity involved, any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.
IX. ASSOCIATED ENTITIES

This section pertains to any entity(ies) that either controls or is controlled by the reporting entity. (See definition of "associated entity" for additional information to complete this section.)

9.0 Does the Reporting Entity have any Associated Entities?

Note: All questions in this section must be answered if the Reporting Entity is either:
- An Organizational Unit; or
- The entire Legal Business Entity which controls, or is controlled by, any other entity(ies).

If "No," SKIP THE REMAINDER OF SECTION IX AND PROCEED WITH SECTION X.

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.1 Within the past five (5) years, has any Associated Entity Official or Principal Owner been charged with a misdemeanor or felony, indicted, granted immunity, convicted of a crime or subject to a judgment for:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Any business-related activity; or</td>
<td></td>
<td></td>
</tr>
<tr>
<td>b) Any crime, whether or not business-related, the underlying conduct of which was related to truthfulness?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If &quot;Yes,&quot; provide an explanation of the issue(s), the individual involved, his/her title and role in the Associated Entity, his/her relationship to the Reporting Entity, relevant dates, the government entity involved, any remedial or corrective action(s) taken and the current status of the issue(s).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9.2 Does any Associated Entity have any currently undischarged federal, New York State, New York City or New York local government liens or judgments (not including UCC filings) over $50,000?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If &quot;Yes,&quot; provide an explanation of the issue(s), identify the Associated Entity's name(s), EIN(s), primary business activity, relationship to the Reporting Entity, relevant dates, the Lien holder or Claimant's name(s), the amount of the lien(s) and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9.3 Within the past five (5) years, has any Associated Entity:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Been disqualified, suspended or debarred from any federal, New York State, New York City or other New York local government contracting process?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>b) Been denied a contract award or had a bid rejected based upon a non-responsibility finding by any federal, New York State, New York City, or New York local government entity?</td>
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<td></td>
</tr>
<tr>
<td>c) Been suspended, cancelled or terminated for cause (including for non-responsibility) on any federal, New York State, New York City or New York local government contract?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>d) Been the subject of an investigation, whether open or closed, by any federal, New York State, New York City, or New York local government entity for a civil or criminal violation with a penalty in excess of $500,000?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>e) Been the subject of an indictment, grant of immunity, judgment, or conviction (including entering into a plea bargain) for conduct constituting a crime?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>f) Been convicted of a criminal offense pursuant to any administrative and/or regulatory action taken by any federal, New York State, New York City, or New York local government entity?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>g) Initiated or been the subject of any bankruptcy proceedings, whether or not closed, or is any bankruptcy proceeding pending?</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

For each "Yes," provide an explanation of the issue(s), identify the Associated Entity's name(s), EIN(s), primary business activity, relationship to the Reporting Entity, relevant dates, the government entity involved, any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.
NEW YORK STATE
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X. FREEDOM OF INFORMATION LAW (FOIL)

10. Indicate whether any information supplied herein is believed to be exempt from disclosure under the Freedom of Information Law (FOIL).

☐ Yes ☒ No

Note: A determination of whether such information is exempt from FOIL will be made at the time of any request for disclosure under FOIL.

If "Yes," indicate the question number(s) and explain the basis for the claim.

XI. AUTHORIZED CONTACT FOR THIS QUESTIONNAIRE

<table>
<thead>
<tr>
<th>Name</th>
<th>Telephone</th>
<th>Fax</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nicholas Orzano.</td>
<td>(310) 593-3678</td>
<td></td>
</tr>
<tr>
<td>Title</td>
<td>Email</td>
<td></td>
</tr>
<tr>
<td>Principal</td>
<td><a href="mailto:norzano@stantonroadcapital.com">norzano@stantonroadcapital.com</a></td>
<td></td>
</tr>
</tbody>
</table>
NEW YORK STATE
VENDOR RESPONSIBILITY QUESTIONNAIRE
FOR-PROFIT BUSINESS ENTITY

Certification

The undersigned: (1) recognizes that this questionnaire is submitted for the express purpose of assisting New York State government entities (including the Office of the State Comptroller (OSC)) in making responsibility determinations regarding award or approval of a contract or subcontract and that such government entities will rely on information disclosed in the questionnaire in making responsibility determinations; (2) acknowledges that the New York State government entities and OSC may, in their discretion, by means which they may choose, verify the truth and accuracy of all statements made herein; and (3) acknowledges that intentional submission of false or misleading information may result in criminal penalties under State and/or Federal Law, as well as a finding of non-responsibility, contract suspension or contract termination.

The undersigned certifies that he/she:

- is knowledgeable about the submitting Business Entity’s business and operations;
- has read and understands all of the questions contained in the questionnaire;
- has not altered the content of the questionnaire in any manner;
- has reviewed and/or supplied full and complete responses to each question;
- to the best of his/her knowledge, information and belief, confirms that the Business Entity’s responses are true, accurate and complete, including all attachments, if applicable;
- understands that New York State government entities will rely on the information disclosed in the questionnaire when entering into a contract with the Business Entity; and
- is under an obligation to update the information provided herein to include any material changes to the Business Entity’s responses at the time of bid/proposal submission through the contract award notification, and may be required to update the information at the request of the New York State government entities or OSC prior to the award and/or approval of a contract, or during the term of the contract.

Signature of Owner/Official

Printed Name of Signatory Nicholas Orzano

Title Principal

Name of Business SRC Investment Partners, LLC

Address 604 31st Street

City, State, Zip Manhattan Beach, CA 90266

Sworn to before me this __________ day of ____________, 20___;

__________________________________________
Notary Public
State of California
County of Los Angeles

On March 18, 2014 before me, Mark Dakich, Notary Public

personally appeared Nicholas Orzano

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to
the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized
capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of
which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is
true and correct.

WITNESS my hand and official seal.

Signature

MARK EDWARD DAKICH
Comm. #2031959
Notary Public - California
Los Angeles County
Comm. Expires Jul 1, 2017

OPTIONAL INFORMATION

Law does not require the information below. This information could be of great value to any person(s) relying on this document
and could prevent fraudulent and/or the reattachment of this document to an unauthorized document(s)

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document: New York State - Vendor Responsibility Questionnaire

Document Date: ________________ Number of Pages: 10

Signer(s) if Different Than Above: __________________________

Other Information: __________________________

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s): Nicholas Orzano

☐ Individual
☐ Corporate Officer

☐ Partner
☐ Attorney-in-Fact
☐ Trustee
☐ Guardian/Conservator
☐ Other: __________________________

SIGNER IS REPRESENTING:

Name of Person(s) or Entity(ies): SRC Investment Partners, LLC

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ATTACHMENT J:

Confidentiality Letter Request for Proposal (X002654)
ATTACHMENT K:

Foil Letter
Request for Proposal
(X002654)
ATTACHMENT L:

Equal Employment Opportunity Policy Statement
Request for Proposal (X002654)
PURPOSE:
The purpose of this policy is to ensure that CCACO maintains a workplace that is open and welcoming towards all members and employees. CCACO strives to uphold the values of equality and fairness across its entire organization and activities. To this end, and in accordance with CCACO’s guiding principles, this policy ensures that no CCACO member, employee or applicant experiences discrimination as a result of his/her personal or physical characteristics and/or situation.

POLICY:

Equal Opportunity
Equal opportunity is given to all applicants without regard to race, sex, gender identity, color, creed, religion, age, disability, national origin, veteran’s status, marital status, sexual orientation, familial status, pregnancy, predisposing genetic characteristics, military status, domestic violence victim status or criminal conviction. Selection of applicants is based solely on ability and qualifications for the job.

Americans with Disabilities Act
Physical disabilities that do not — with reasonable accommodation — affect an applicant’s ability to do the job he/she has applied for are not cause for exclusion.

Grievance Procedures
CCACO strives to be consistent and fair in its labor relations and pursues the development of sound working relationships among supervisors and employees. Usually, issues resulting in a grievance are the result of a misunderstanding and can be resolved through improved communication between management and employees. If, however, employees believe that they have been subjected to unfair, capricious, or discriminatory behavior, they may file a formal grievance with CCACO management.
ATTACHMENT M:

5B, Financial Statements
Request for Proposal
(X002654)
ATTACHMENT N:

Letters of Support
Request for Proposal
(X002654)
03/12/14

Dr. Henry Chen  
Chinese Community Accountability Care Organization  
139 Centre Street, Ste 318  
New York, New York 10013

VIA EMAIL: hchen@ccaco.org

RE: Long Island College Hospital (LICH)

Re: Lender Commitment Letter

Dear Dr. Chen:

Empire State Regional Center EB-5 (herein referred to as the “Lender”) is pleased to offer this commitment letter to Fund Eighty Million Dollars ($80,000,000) to Chinese Community Accountability Care Organization (CCACO) (the “Borrower”). The loan proceeds will be used to purchase and restructure LICH located in Brooklyn, Kings County New York

The Loan will be made by the Lender to CCACO subject to the following terms and conditions:

Lender: Empire State Regional Center EB-5 and/or any of its affiliates

Borrower: Chinese Community Accountability Care Organization or an affiliate

Loan Term: 5 years Interest Only, two (2) year option

Funding Amount: Eighty Million ($80,000,000)

Interest Rate: 4.5% (Four and One Half Percent) *

Personal Recourse: None

Prepayment Premium: None, 30 month lock-out

Production Fee: 1% of funding payable at closing, 5% Equity

Filing Fees: Per contract

2815 Monroe Avenue  
Rochester, New York 14617  
Phone: 585-541-5400  
Fax: 585-541-5409  
Email: info@ccaco.org
Security: First Lien Position on all Real Estate with Improvements, Equipment and Assignment of Receivables.


Use of Proceeds: Purchase property, improvements and working capital reserves.

Escrow Agent: TBD satisfactory to Empire State EB-5

Please acknowledge your acceptance of this commitment letter by signing and returning.

This commitment letter is subject to favorable Economic and Jobs Impact Study compliant with USCIS regulations and standards. This letter will expire 30 days after the date issued above.

Sincerely,

[Signature]

David J Eckert
Empire State Regional Center EB-5
March 18, 2014

Dr. Henry Chen, CEO
Chinese Community Accountable Care Organization (CCACO)
139 Centre Street, Suite 318
New York, NY 10013

Dr. Henry Chen
Executive Vice President:
Eastern Chinese American Physicians Independent Physician Association (ECAPIPA)
3370 Prince St, Suite 703
Flushing, NY 11354

Dear Dr. Chen:

This letter will serve to express our interest to collaborate with the Chinese Community Accountable Care Organization and Eastern Chinese American Physician IPA in a transaction (a “Transaction”) pursuant to which Saint George’s University Limited (St. George’s) would acquire the right to place medical students into clerkships and graduates into residency positions at the Long Island College Hospital or at a successor full service acute care hospital (collectively referred to herein as the “Hospital”) that is operated with the assets subject to the request for proposal (RFP) process conducted by the State University of New York (SUNY), Office of Business Operations & Procurement, RFP 002854, February 26, 2014).

Such a Transaction would involve the following:

1. **Payment.** Subject to further due diligence, Saint George’s would pay an amount up to twenty five million dollars ($25,000,000.00) for an agreed upon number of 3rd and 4th year clerkships, as well as residency positions for graduates to be assigned exclusively to students of Saint George’s (the “Available Slots”). When the Hospital has an ACGME accredited residency program and the Hospital first becomes eligible to accept medical students for clerkships and graduates for residencies, Saint George’s would prepay the entire amount (the “Prepayment”) due for all Available Slots during the first, second, third and fourth years following such date (the “Prepaid Period”). Such Prepayment would be nonrefundable absent a breach by the Hospital of the terms of the Agreement (as defined below).

2. **The Agreement.** Saint George’s would be willing to enter into an agreement with the Hospital (the “Agreement”) governing the terms and conditions pursuant to which Saint George’s would be willing to make the Prepayment. Among other things, it is anticipated that the Agreement would provide: (1) that the Hospital has an ACGME accredited residency program, (2) a guarantee of an agreed upon number of 3rd and 4th year clerkships for St. George’s students and residency positions for graduates, (3) a guarantee that St. George’s has control over
appointment of program directors at the Hospital for all ACGME approved programs, and (4) to maintain a quality academic environment, the Hospital will only accept students from St. George's University, LCME approved programs and osteopathic schools. The Hospital will not accept any other medical students or graduates from a non-LCME, non-AOA approved medical school.

3. **Conditions to Closing.** Saint George's obligation to close the Transaction would be subject to the satisfaction of the following conditions:

   (a) **ACGME Accreditation.** Establishment of ACGME accredited residency programs at LICH or any successor full service acute care hospital.

   (b) **Due Diligence.** Saint George's shall have completed to its satisfaction its due diligence review of the Hospital operator and its business plan.

   (c) **Documentation.** The negotiation, execution, and delivery of the Agreement and related documents, setting forth the terms and conditions of the Transaction and containing such customary provisions, representations, warranties, covenants, and indemnifications, and providing for the receipt by the parties of such ancillary documents, as shall be reasonably acceptable to the parties and their respective counsel.

   (d) **Regulatory Matters.** Saint George's shall have received and reviewed to its satisfaction copies of all licenses, permits, and other regulatory materials and approval requirements pertaining to the Hospital. Additionally, Saint George's will have received any and all licenses, permits or approvals required by any applicable New York State regulatory body, for St. George's to perform its obligations as outlined herein.

4. **Public Announcements.** Subject to requirements of law, any news releases or other announcements prior to Closing by any party to this letter, or any of their respective affiliates or agents pertaining to this letter or the transactions contemplated herein shall be approved in writing by all parties prior to release.

5. **Good Faith Deposit.** As a showing of Saint George's interest, financial capability and earnestness in providing this letter, concurrently herewith Saint George's is depositing the sum of one million dollars ($1,000,000.00) in the attorney escrow account of St. George's General Counsel's office to be held by such entity unless and until Saint George's shall, in its sole and absolute discretion, notify such entity to refund such amount to Saint George's, in which case, such amount will be fully refunded. Such entity, however, will promptly notify the Hospital or its legal representative solely for informational purposes if any such refund is required.

6. **Non-Binding Effect.** This letter does not constitute or create, and shall not be deemed to constitute or create, any legally binding or enforceable obligation on the part of St. George's. It is understood that this letter merely constitutes a statement of interest on the part of Saint George's with respect to the proposed
Transaction, does not contain all matters upon which agreement must be reached in order for the proposed Transaction to be consummated and creates no binding rights in favor of any party.

7. This letter supersedes any and all prior or contemporaneous oral or written communications or letters, express or implied, with respect to the subject matter contained herein. Specifically, this letter of intent supersedes and makes null and void the non-binding letter of intent executed February 4, 2014 and addressed "To any Prospective Operator of a Hospital in the LICH Vicinity."

Very truly yours,

SAINT GEORGE'S UNIVERSITY LIMITED

[Signature]

By: Charles R. Modica
Title: Chancellor
Term Sheet

March 17, 2014

Dear Josephine Wu,

Thank you for your interest in using Nationwide Capital LLC to secure your commercial financing needs. The following loan commitment is based upon our preliminary analysis of the information that you provided regarding the subject property.

Borrower:
Dr. Henry Chen CEO of Chinese Community Accountable Organization (CCACO) and EVP of Eastern Chinese American Physician IPA (ECAPIPA)

Lender: Nationwide Capital

Subject Property: 339 Hicks Street
Brooklyn, NY 11201

Purpose: Refinance

Loan Amount: $240,000,000

Security: The subject loan shall be secured by; (i) a Collateral on the Subject Property (ii) An assignment of security interest in all current and future leases, rents, and other income related to the Property and (iii) UCC1-Liens on all personal property, equipment, and fixtures.

USE OF PROCEEDS: refinance

LOAN TERM: 2 year

INTEREST RATE: 8%

INTEREST RESERVE: TBD

PREPAYMENT: 90 days
ORIGINATION FEE: DUE AT CLOSING- Borrower shall pay a fee to Private Investor of 3.00% of the Loan amount.

TAKE-OUT: Following the terms of this term sheet, the take-out will consist of a government Tax-exempt Bond.

RE TAX & INSURANCE RESERVE At closing, a 12-month real estate tax and insurance reserve account will be established with the Private Investor from all proceeds.

EXPENSE DEPOSIT: Payment in the amount of One Hundred Forty Nine Thousand Dollars ($149,000) shall be delivered to Nationwide Capital, simultaneously with the submission of this term sheet, to be applied towards Private Investors underwriting expenses in connections with this loan, including, but not limited to credit and background check, and any other expenses incurred by Private Investor while conducting due diligence. This fee is fully refundable if the loan is not approved, except for Five Thousand Five Hundred Dollars ($5,500.00) for underwriting fees, and One Thousand Eight Hundred and Fifty Dollars ($1,850) earned upon receipt and non-refundable. Please make check payable to Nationwide Capital. Reports will include but not limited to an environmental report, engineering report, market study, and appraisal.

FEES: Borrower shall be responsible to pay any fees for the appraisal, and environmental reports, legal fees, filing and recording fees (including mortgage assignment recording fees, if applicable), a review of insurance requirements by Private Investor’s insurance consultant, third party due diligence and any other customary closing costs normally paid by the borrower, that exceed the initial expense deposit.

INSURANCE: Borrower shall maintain at all times, at borrowers sole cost and expense, paid-up policies of liability, property damage, casualty, rent loss insurance and all other insurance that may be required by Private Investor under the loan Documents. All insurance shall be maintained with responsible and reputable insurance companies or associations satisfactory in all respects to Private Investor. Each policy of insurance shall name Private Investor as mortgagee, additional loss payee and shall include mandatory 30-day written notice to Private Investor of any modification or cancellation to any such policies. Prior to closing, the borrower shall deliver Life Of Loan Flood Hazard Certification to the Private Investor. In the event the property is located in a flood hazard area, the borrower shall provide flood insurance naming the Private
Investor as first mortgage in the maximum available amount (but in no event in an amount unacceptable to the Private Investor).

MORTGAGEE CLAUSE: Nationwide Capital
79 E. Putnam Avenue Greenwich CT 06830
ISAOA, ATIMA

ASSUMPTION: This loan is not assumable.

LEINS & ENCUMBERANCES: Borrower shall not lease, encumber or convey the property during the term of the loan.

LEASES AND RENTS: If there are any leases in existence affecting the collateral Property at the time of the closing of the loan, those leases must contain a satisfactory subordination clause whereby they are subject and subordinate in all respects to the lien of the Private Investor’s mortgage. Additionally, Private Investor shall receive an assignment of and security interest in all current and future leases, rents and other income related to the Property. Private Investor will require executed estoppels. Private Investor shall have the reasonable right to approve all future leases.

POWER OF ATTORNEY: The use of Power Of Attorney is not acceptable.

PARTICIPANTS: The Private Investor reserves the right to participate, sell or assign its interest in the loan and the Borrower agrees to execute any documentation necessary to facilitate this.

FINANCIAL REPORTING: The Borrower and Guarantors agree to provide Private Investor with updates financial information, including but not limited to, copies of personal tax returns, personal financial statements, and tax returns of other ownership entities when and as requested by Private Investor.

COMPLIANCE: This provision will survive the closing of the loan contemplated herein and you shall have a continuing obligation to furnish any documents, forms, authorizations, releases, signatures, or any information related to the mortgage application or to the mortgage closing (Collectively the documents). In the event of any mistake, omission from, or loss of any document, either by you or the Private Investor, whether before or after the closing, you shall cooperate fully with Private Investor, in correcting or resupplying such document(s).
COSTS: Borrower will be required to pay all costs and expenses related to the loan, including, but not limited to, property appraisal fees, environmental fees, structural review fees, construction review fees, all credit card reports, background searches, cost of title insurance, recording fees, site inspection/travel fees, processing fees, copying fees, postage fees, wiring fees and Private Investor’s council fees, whether or not your loan closes.

DUE DILIGENCE: Private Investor’s obligations hereunder are contingent on Private Investor completing, to its sole and absolute satisfaction, a complete review of the Borrower’s financials (personal and corporate), the subject property and the surrounding market. At any time, Private Investor may elect in its sole and absolute discretion to terminate this agreement.

OTHER CONDITIONS: In addition to completion of the Private Investor’s Due Diligence as outlined above, Private Investor’s obligations hereunder are contingent on satisfactorily completion, in Private Investor’s sole and absolute discretion: (i) site inspection, (ii) title review, (iii) survey review, (iv) review of borrower background and credit, (v) if applicable, satisfactory review of all construction and project matters including, but not limited to: (a) project budget (b) plans and specifications, (c) construction contracts with general contractor acceptable to the Private Investor, (d) architect’s contracts, (e) engineer’s contracts (f) other major contracts, (g) applicable licenses, (h) building permits and zoning approval, (i) certifications from the Contractor, Borrower’s architect or architect/engineer, and (j) reports of Private Investor’s consultants: (vi) review of leases, (vii) review of construction plans and budget, (viii) any other reasonable information necessary for Private Investor to perform due diligence in efforts to make the proposed loan and (ix) the Borrower’s execution of loan documents. The Private Investor shall hire a construction consultant to review the project plans and specifications and feasibility of the construction budget and schedule. The construction consultant will monitor construction progress during the Term of The Loan. The cost of the construction consultant shall be at the Borrower’s expense. The Borrower shall be responsible to pay all attorney’s fees and costs incurred by Private Investor due to any dispute that arises in connection with this Agreement. k) If appraisal doesn’t meet value requirements, the sponsor needs to come with cash up to 10% to close the deal as fresh equity.
DOCUMENTATION: Upon Borrower’s acceptance of the letter and payment of the Expense Deposit, Private Investor shall commence its Due Diligence and the documentation of the subject loan based on the terms outlined herein. Such documentation shall include, but not limited to, preparation of Private Investor’s standard loan documentation, requirements for an Opinion Letter from Borrower’s counsel acceptable to Private Investor, Private Investor’s standard requirements for covenants and representations by Borrower and other matters. Additionally, the documents/information requested on the attached Exhibit A should be gathered and returned with this executed letter.

GUARANTEE: --------- and any other 10% or greater equity owner in subject property shall execute a guaranty, which shall guaranty payment of 100% of outstanding subject loan, plus any accrued interest and late fees, real estate taxes and all costs of enforcement of the loan. In addition, Borrower and the Guarantor shall be required to execute an environmental indemnity agreement in form and substance satisfactory to the Private Investor.

CERTIFICATIONS: The Borrower’s acceptance of this commitment shall constitute his, her or its certification that the representations made by the Borrower in its application for the Loan are true and complete as of the date of your acceptance of this term sheet and that the Borrower did not fail to set forth in its application any material fact pertaining to the financial condition, operations, business prospects or properties of the Borrower. The Private Investor shall not be obligated to make the loan in the event it is determined by the Private Investor that the conditions hereof have not been met or that representations made by the Borrower in his application are not true and complete as of the date of closing.

OTHER FEES: Borrower shall represent and warrant to Private Investor that no entities other than Nationwide Capital have participated in the procurement of the subject loan and their fee for arranging said loan shall be _5% Of the Loan Amount and paid at closing from loan proceeds. Nationwide Capital

INDEMNIFICATION: By the Borrower’s execution and return of the term sheet, Borrower also agrees to indemnify and to hold harmless Private Investor and its affiliates, together with their respective officers, directors, agents, representatives, and employees (collectively, the “Indemnified Persons”) against
all claims, damages, liabilities and expenses, including, without limitation, the reasonable fees and expenses of legal counsel, which may be incurred by or asserted against any indemnified Persons in connection with or arising out of this Term Sheet, the proposed loan contemplated hereby, related due diligence, or any action by any indemnified Persons in furtherance of this proposed Loan.

PUBLICATION RELEASE: Borrower agrees that Private Investor may release publicity articles or advertisements concerning its financing of the property.

EXCLUSIVITY: Borrower has chosen to work exclusively with Private Investor to accomplish this financing and will not provide a deposit to any other Private Investor or otherwise engage another Private Investor to solicit a financing proposal or conduct onsite due diligence until the sooner of (a) the closing of the subject loan with Private Investor or (b) ninety (90) days from the receipt of this letter as signed and accepted below.

BREAK-UP-FEE: 2% of the total loan amount. If this Term Sheet is executed, Private Investor is prepared to make the loan on substantially the same terms as those outlined in this offer letter, but prior to funding, the Borrower or an affiliate or controlled entity obtains debt or equity financing for the Property from a source other than the Private Investor, or sells the Property, then Private Investor will be deemed to have earned the entire Break-up-Fee and shall be entitled to be paid the same. In such event, the Borrower and the Guarantor consent to the filing or recordation of a lis pendens or any other appropriate documentation to evidence a lien for the payment required, including all reasonable attorney’s fees, and costs of collection pursuant to this section. In such event, any part of the good faith deposit that has not been disbursed to third parties shall be deemed earned as part of the Break-Up-Fee.

NOTICE: Nationwide Capital requires you to obtain legal counsel for this transaction.

EXPIRATION: This offer will be considered null and void if not accepted by April 18, 2014

By signing below, borrower(s) and/or key principals authorize Nationwide Capital to procure credit reports on the borrower(s)
and/or key principals to be used strictly in the underwriting of this loan application.

The terms set forth herein are acceptable.

_________
Borrower (or authorized agent) SS#____________________

_________
Borrower (or authorized agent) SS#____________________

_________
Borrower (or authorized agent) SS#____________________

_________
Borrower (or authorized agent) SS#____________________

DATE____________________

INCLUSIVE THE FOLLOWING DOCUMENTATION/INFORMATION WHEN RETURNING THIS EXECUTED LETTER:

1) PROFIT AND LOSS STATEMENT FOR 2014 YTD
2) FEDERAL BUSINESS TAX RETURNS FOR 2012, 2013
3) FEDERAL PERSONAL TAX RETURNS FOR 2012, 2013
4) BUSINESS RESUME ON BORROWER
5) CURRENT PERSONAL FINANCIAL STATEMENT
March 14, 2014

Dr. Henry Chen, MD
Chinese Community Accountable Care Organization
139 Centre Street
Suite 318
New York, NY 10013

RE: INDICATION OF INTEREST

Real Estate Partner - Acquisition and Development
Long Island College Hospital – Brooklyn, New York

Dear Dr. Chen:

As we have discussed, Stanton Road Capital, LLC ("SRC") is interested in providing its capital and investment expertise as a preferred real estate partner to the Chinese Community Accountable Care Organization ("CCACO") as it pursues its acquisition of Long Island Community Hospital ("LICH") and its related real property located in the Brooklyn, New York area. Based upon our preliminary analysis, including a review of Paladin Healthcare Capital's ("Paladin") assessment of the viability of an acute care hospital, we would strongly consider facilitating up to $250mm of equity capital and financing for the acquisition of the Core Hospitals Assets and the Non-Core Assets, as identified in the RFP property descriptions, on behalf of CCACO.

Such financing would be contingent upon full due diligence on the Core and Non-Core Assets, the development plan, and the hospital operations plan. SRC estimates that it would need up to 60 days to conduct its diligence and up to 30 days thereafter to close the transaction.

By way of background, SRC is a Los Angeles-based investment management firm focused on select commercial real estate and private equity strategies. The Principals of SRC have executed on over $2.5 billion of institutional commercial real estate transactions including over $300mm of acquisitions and development within the New York City metro and over $500mm of healthcare transactions.

Beginning in 2013, SRC partnered with the Principals of Paladin at Los Angeles-based Avanti Hospitals, LLC ("Avanti") to acquire and repurpose commercial real estate assets for its own proprietary integrated healthcare delivery system. To date, SRC has acquired over 40,000 square feet of under-utilized commercial real estate within Los Angeles County, renovated and repositioned the properties for medical use, then leased the properties to Avanti. SRC intends to acquire up to six additional assets in 2014 representing over 125,000 square feet of clinical use within Avanti's geographic footprint. We believe our ability to source, structure and execute on these types of opportunities is transferable to the Paladin strategy for LICH and its system's growth.

We have worked with several lenders and equity partners (including the principals of Paladin), and believe that many will continue to be supportive of our commitment to the healthcare sector and the Brooklyn market.
We look forward to learning more about your joint venture with Paladin and LICH, and welcome the opportunity to actively participate as your preferred real estate investor. Upon request, SRC will provide more complete terms and conditions in a comprehensive letter of intent.

Sincerely,

STANTON ROAD CAPITAL, LLC

[Signature]

Timothy T. Ronan, Jr.
Founder/Managing Partner
March 18, 2014

Chinese Community
Accountable Care Organization
Henry Chen, MD Chief Executive Officer

Re: Long Island College Hospital (LICH) RFP, Brooklyn, NY

Dear Dr. Chen:

This letter of intent confirms our mutual intent with respect to our working together in connection with the proposed purchase, renovation and development of a Proton Therapy Center at the Long Island College Hospital facility in Brooklyn, New York. This letter is a statement of our current mutual intentions.

1. It is understood that our team of BioScience Capital, Consulting and Development and Hill International would be the developer of the Proton Center to be located on the Long Island College Hospital (LICH) campus.

2. It is understood that we would deliver a three bwayer center with two gantries and one fixed beam, with total costs that could reach $250 million. Our team is very familiar with this type facility and equipment requirements of these unique and special projects (see enclosed team experience) and it is projects like this that we specifically seek out.

3. We understand that you have been working putting together a formal response to the Office of Business Operations & Procurement Request for Proposal X002654, Healthcare Services at Long Island College Hospital and Purchase of Property, with responses due on March 19, 2014 (the “RFP”).

4. We understand that the Physicians’ Group desires that the response to the RFP include a proton therapy center as part of the proposed upgrades to the Long Island College Hospital facility.

5. As we have discussed, our funding source (see attached) is interested funding 100% of the development of a proton therapy center and is prepared to proceed quickly in connection with a project at the Long Island College Hospital in Brooklyn once the Physicians’ Group’s proposal is accepted by the appropriate SUNY authorities and appropriate sponsorship and regulatory approvals are in place.

a. We believe that required sponsorship and approvals would include entering into an appropriate relationship with the Long Island College Hospital and/or the Physicians’ Group to sponsor the proton therapy center – by providing a source of patient referrals – and securing any required Certificate of Need (CON) from the State of New York (or the State eliminating or relaxing that requirement); and
b. We believe a necessary condition to funding is the identification of a reasonably acceptable tenant for the project, willing to sign a lease and a work letter.

6. It is currently envisioned that any likely transaction would include some or all of the following elements:

   a. The establishment of a special purpose entity to own the real property and/or the development project.
   b. The funding source would own a controlling interest in the SPE.
   c. The transfer of the property in shovel-ready form to the SPE.
   d. BioScience Capital and Hill Development would jointly develop the property.
   e. Hill International will also be engaged to manage the project.

We look forward to continuing our discussions, and hopefully to reaching agreement on the many details covering a medical development project of this sort.

Best regards,

BioScience Capital, Consulting and Development LLC

[Signature]

Doug Kornich
Managing Partner
Accepted but not agreed:
18 March 2014

Henry Chen, MD
Chinese Community Accountable Care Organization, Inc. (CCACO)
139 Centre Street, Suite 318
New York, NY 10013

Henry Chen, MD
Eastern Chinese American Physicians Independent Physician Association (ECAP IPA)
3370 Prince St, Suite 703
Flushing, NY 11354

Dear Dr. Chen,

Emergency Medical Associates (EMA), Inpatient Medical Associates (IMA) and eMedical Offices (EMO) enthusiastically support the Chinese Community Accountable Care Organization’s (CCACO) plan to assume operations of Long Island College Hospital (LICH).

EMA, IMA and EMO see over one million patients annually in our Emergency Department, Inpatient and Urgent Care Center practices in New York and New Jersey.

As shown by the recent Institute of Medicine report, much of the opportunity to improve outcomes and reduce cost is found in post-acute and inpatient services, respectively. EMA, IMA and EMO, working collaboratively with CCACO, can provide a uniquely integrated continuum of Emergency Department (LICH’s largest admitter), Inpatient, Post-Acute and Urgent Care services, focused on improving transitions of care and supporting care management for the entire care continuum.

This letter does not constitute a formal commitment by EMA, IMA and/or EMO to provide healthcare services as may be specified in RFP X002654, and EMA, IMA and EMO reserve the right to conduct further analysis in order to determine whether to provide such services.

Thank you,

Charles “Rick” Grunau, M.D.
Senior Advisor
Emergency Medical Associates
3 Century Drive
Parsippany, NJ 07054
973-251-1126 O
908-581-0800 C
March 12, 2014

Henry Chen, MD
Chief Executive Officer
Chinese Community Accountable Care Organization
139 Centre Street, Suite 318
New York, NY 10013

Re: Long Island College Hospital

Dear Dr. Chen:

Paladin Healthcare Capital, LLC ("Paladin") is pleased to submit this non-binding indication of interest to establish a partnership with Chinese Community Accountable Care Organization/Eastern Chinese American Physician IPA (collectively "CCACO") with respect to CCACO's proposal to acquire the real estate of Long Island College Hospital ("LICH") and provide healthcare services at LICH pursuant to RFP X002654 issued on February 26, 2014 by the State University of New York ("SUNY").

The principals of Paladin believe that maintaining LICH as a full service hospital is vital to the Brooklyn communities that it serves, which have historically included underserved and underinsured populations, and which are currently undergoing significant redevelopment and experiencing significant in-migration trends that are expected to continue for the foreseeable future. Such trends further underscore the need for a stable acute care hospital that provides emergency room access and critical services to a dense population that is growing exponentially.

The purpose of this letter (the "Letter") is to indicate and summarize Paladin's interest in providing comprehensive management services for the acute care operations of LICH in partnership with CCACO, as well as to provide background information regarding Paladin, its financing sources, and preliminary thoughts regarding the future operations of LICH. Upon request, Paladin will provide more complete terms and conditions in a comprehensive letter of intent.

BACKGROUND INFORMATION

Paladin is a special opportunity investor that makes private equity, structured debt and real estate investments in the healthcare sector. It provides capital to over-leveraged and/or underperforming hospitals that can be transitioned to stable and profitable enterprises, with a particular focus on urban community hospitals. Having developed a distinct business model that is uniquely suited for such hospitals, Paladin's principals acquired several urban community hospitals in South and East Los Angeles (the "LA Hospitals") that were severely underperforming, both financially and clinically, and transformed them into a vibrant hospital system that delivers quality, cost-effective care and 24/7/365 emergency department ("ED") access to some of the most under-bedded and underserved communities in the United States.

Paladin principals and advisors comprise a highly experienced and successful management team with broad collective strengths in the areas of hospital operations, emergency department operations, managed care, healthcare facilities management, finance, law, and real estate. The team has deep experience in turnaround situations, and has successfully driven rapid improvements in performance at each of the LA Hospitals, including dramatic enhancements to care quality, operational efficiency, and financial performance. The strength of this team has enabled Paladin to refine a business model that can transform underperforming hospitals in underserved communities into low-cost providers of quality acute care services.
THE HEALTHCARE ENVIRONMENT

It is widely believed that the current government-sponsored healthcare system in the US is economically unsustainable, as rising Medicare and Medicaid expenditures continue to outpace the growth of the overall US economy. The Affordable Care Act ("ACA") and other healthcare reform initiatives aim to establish policies and systems that will control costs and improve quality on a sustainable basis. The ACA is largely promoting integrated healthcare delivery and information technology as the primary mechanisms to enable providers to simultaneously improve quality and lower their relative cost structures. If efficiencies are realized and non-value-added activities are jettisoned, providers will successfully make this transition. However, those that fail to adapt appropriately will be highly vulnerable, as will the communities they serve.

Whether taking the form of an Accountable Care Organization ("ACO") or other organizational structure, integrated healthcare delivery offers great potential, as successful managed care companies have proven that integrated systems and state-of-the-art care coordination methodologies can help to control healthcare expenditures among populations of commercial health plan beneficiaries. The impressive success that CCACO has achieved is further validation of the prospective impact of integrated healthcare delivery in urban communities. The fact is, above average results can occur when members understand their benefits and have reasonable access to comprehensive provider networks, and aligned physicians appropriately coordinate and control the utilization within such networks. However, these types of coordinated and comprehensive networks don't really exist in most urban communities in the US.

As LICH has experienced, the healthcare gatekeepers in underserved urban communities are more often hospitals than physicians, as many community members wait until they are sick to access the healthcare system, and then do so by visiting a local emergency department. This creates a unique dynamic where the majority of hospital admissions are "unassigned" patients who don't have an existing relationship with a primary care physician ("PCP"). The ACA assumes that incented physicians will favorably influence patient behavior, but this won't happen where patient-physician relationships don't exist.

Furthermore, there has historically been insufficient care coordination among providers (much less contracted and coordinated networks) in many urban centers, resulting in residents who often have little to no idea of their current health status, no knowledge of their health insurance benefits or how to access them, and ingrained habits that impair overall health outcomes. These dynamic forces are widespread in the markets served by the LA Hospitals; and the marketplace served by LICH appears to share many of these characteristics. We agree with you that to remain viable and vibrant in the long-term, LICH must overcome these challenges and build an integrated healthcare delivery system that coordinates and delivers a complete spectrum of quality acute care, physician, and ancillary services on a financially-sustainable basis that may involve some underwriting risk.

Given new paradigms that are reshaping the healthcare industry, Paladin and its principals have made a commitment to develop population health strategies that favorably impact underrepresented communities. The goal of these efforts is to help patients become more engaged in their own healthcare, identify value-based drivers to align providers and patients, and develop mechanisms to enable payors and providers to better communicate with beneficiaries in culturally sensitive ways such that beneficiaries clearly understand their health benefits and how best to access them. These and other tangible and innovative strategies offer the potential to dramatically improve health outcomes and overall quality of life among communities that are too often marginalized. CCACO is already in the forefront of implementing these types of strategies, and Paladin believes it can be an integral part of delivering population health to the communities surrounding LICH.
Paladin’s President is a founding member of Harvard Medical School’s Healthcare Policy Advisory Board and a Board Member of the Leonard Schaeffer Center at the University of Southern California, which respectively are the first and fourth ranked health policy departments in the US. These affiliations and other long-term relationships enable collaboration with the most innovative and successful leaders in the healthcare industry, and provide access to the research capabilities of academic institutions at the forefront of healthcare delivery innovation, a strength that we believe can be of significant benefit to LICH.

PRELIMINARY TRANSITION AND DEVELOPMENT PLAN

Paladin’s hospital operating model is tightly defined, highly successful, and portable to most hospitals. We are confident that several of its elements can have a materially favorable impact on LICH, while sustaining and leveraging the many beneficial characteristics that are already in place at the Hospital. The model includes a wide range of clinical and operational improvement initiatives that can significantly improve clinical and financial performance, as well as employee and patient satisfaction, by maintaining strong disciplines in the areas of emergency department operations, care coordination, case management, clinical documentation, recruiting, staff flexing, purchasing, facilities management, contracting, revenue cycle, and capital strategies. Key initiatives include:

- Improving Emergency Department wait times and left-without-being-seen metrics;
- Improving clinical quality and documentation through sophisticated hospitalist and case management programs;
- Decreasing supply chain costs by standardizing purchasing activities and establishing stringent protocols;
- Controlling labor costs through disciplined staffing policies, while strengthening employee retention and recruitment activities;
- Increasing cash collections by implementing tighter protocols and promoting discipline across the revenue cycle;
- Developing profitable recurring revenue streams and increasing inpatient volumes by expanding and refining managed care activities;
- Realigning administrative infrastructure to better capitalize on system scale and to standardize best practices; and
- Engaging in community activities that educate, inspire, and improve quality of life and overall health outcomes.

OPERATING INITIATIVES

LICH has been providing comprehensive healthcare services to the Brooklyn market for over 150 years. It has been stated that, due to a number of factors such as shrinking reimbursements from Medicare, Medicaid, and managed care payors; inability to grow market share; loss of support from existing/prior affiliated physicians; a historically high volume of uninsured patients; and escalating professional liability and insurance costs, LICH has experienced a significant deterioration in its financial condition in recent years. Concurrently, operating expenses have remained high relative to net revenues.
To date, Paladin has had access to very limited information regarding the historical and current operational and financial performance of LICH. Accordingly, Paladin is not in a position to definitively quantify the effects that its business model can have on the business. Following a more thorough evaluation of LICH’s historical, budgeted, and projected financial statements and information, as well as material agreements and contracts, contingent liabilities, billing and utilization, litigation matters, and employees and medical staff, Paladin can quickly develop a tangible transition plan that includes financial projections and assumptions to quantify the financial and clinical benefits expected to be derived from various profit improvement initiatives, economies of scale, and synergies that we have identified at a high level.

However, based on its market knowledge, well defined business model, and extensive experience of its team in turnaround environments and with urban community hospitals having a comparable to inferior payor mix to that of LICH, Paladin is confident that implementation of its operating model will have a significant impact on the operational, clinical and financial performance of LICH over a relatively short time frame. Hopefully, the impact of such initiatives is sufficient to insure the ongoing sustainable of the hospital operation.

The principals of Paladin anticipate that a transition plan for LICH will include the profit improvement initiatives highlighted below.

Optimize Emergency Department Performance

A particular strength and focus of Paladin’s business model is ED management. Following its acquisition of the LA Hospitals, a conscious decision was made to view emergency medical technicians and paramedics (together, “Paramedics”) as vital customers of the hospitals. A significant effort was expended to establish strong, coordinated relationships with the Paramedics; and to gain their confidence that they were safely and efficiently presenting patients at competent hospitals. A further commitment was made to keep the EDs open and accessible on a 24/7/365 basis, whereas most EDs in the market were on diversion between 40% and 50% of the time. Within a short period of time, each ED achieved industry-leading metrics for quality and efficiency, leading to increases in Paramedic volumes of more than 40% (Chart 1) and comparable increases in hospital admissions. These increases enabled the LA Hospitals to achieve scale without having to reduce staffing levels, which is counter to most turnaround strategies.

LICH’s ED cares for over 57,000 patients annually. The department is a 911-receiving center for New York City’s Emergency Services and a Cardiac Care Center of the New York Heart Association. While LICH’s ED performs on par relative to other Brooklyn hospitals, given the size and current ED volumes at LICH, Paladin is highly confident that its operations expertise can enable the LICH ED to become among the most efficient and effective amongst urban hospitals in New York by:

- Reducing Wall Times (time between a Paramedic’s arrival to an ED and the patient being seen by a physician and the Paramedic can leave)
- Reducing ED LOS (time between a patient’s arrival to the ED before being admitted or discharged)
- Reducing Left-Without-Being-Seen (percentage of patients presenting to the ED that leave prior to receiving treatment, most often due to excessive Wait Times)
- Reducing Diversion Hours (when a hospital is not accepting Paramedic runs)
- Increasing Patient Satisfaction (often a byproduct of all of the above)

Based on its business model and ability to execute, Paladin will seek to drive substantial improvements to ED operations. Paladin also believes, empirically, that there will be opportunities to recapture 911/paramedic runs that were historically presented to LICH, but which are likely being redirected to other area hospitals due to the turmoil surrounding LICH during the past year in particular.

Improve Documentation

Paladin places a significant emphasis on accurate and comprehensive documentation. Improved documentation increases charge capture, which can have an immediate and dramatic impact on the bottom line. In addition, precise documentation can increase patient safety, improve workflow, promote collaboration and improve communication among clinicians, and allow for more nurse-patient time and better utilization of physician time. More precise documentation has successfully impacted CMI at each of the LA Hospitals (Chart 2), driving increases of more than 10%.

Paladin’s documentation training and support program empowers physicians by enabling them to document with consistently improving levels of precision to more accurately reflect CMI and favorably impact clinical and financial outcomes. In Paladin’s experience, in 911-receiving hospitals that have high ED volumes, yet where there is financial underperformance, some combination of inadequate clinical documentation and suboptimal inpatient management exists. An assessment of operating metrics will enable Paladin to quantify the magnitude of any opportunities to improve documentation processes at LICH, which leads to the ability to improve charge capture, thereby facilitating profit improvements.

Improve Quality of Care through Hospitalist and Case Management Programs

Paladin’s hospital operating model is grounded in the belief that “efficiency is the friend of quality care” and vice versa. Paladin’s principals developed “home-grown” hospitalist and case management programs at the LA Hospitals that have proven to be highly effective. These programs had an almost immediate and substantial impact on quality at each of the LA Hospitals (Chart 3), which previously had been among the lowest quality providers in Southern California.

Paladin has found that the most effective hospitalists are those who have active practices and have earned the respect of fellow physicians. Paladin’s principals have proven to be very effective at educating and empowering physicians to become excellent hospitalists that are not only experts at acute patient care, but also true teachers and leaders among the medical staff.
Paladin’s case management program is designed to ensure that patients are admitted and transitioned to the appropriate level of care by ensuring that patient care plans are diligently executed and physicians/hospitalists are in the right place at the right time to make timely and clinically-appropriate decisions. Case managers are responsible for the implementation of patient care plans, including communication and coordination with patients, families, and third-party providers. As a result, physicians can focus on what they do best – diagnosing patients and developing appropriate care plans.

Paladin believes that the academic orientation and clear commitment to quality that has been a historical characteristic of LICH, coupled with Paladin’s ability to educate and empower such clinicians, will lend to the development of highly effective hospitalist and case management programs at LICH. As a result, Paladin believes there are opportunities to improve inpatient management such that average lengths of stay for Medicare and Medicaid patients will be reduced, yielding estimated profit improvements of up to $3.6mm per annum (Table 3).

Drive Margin by Reducing Supply Expense

Paladin has successfully implemented numerous expense reduction strategies to lower supply chain costs at each of the LA Hospitals, often driving costs per APD to the lowest levels in the Los Angeles market (Chart 5). In addition to capitalizing on efficiencies afforded by combining purchasing power, standardizing clinical and non-clinical supplies, and centralizing decision making, Paladin has introduced new programs that have positively impacted expenses and decreased inventory levels, including SKU reduction, tight formularies and operating guidelines, reprocessing, and electronic forms management, among several others.

Paladin has historically partnered with MedAssets to help achieve its supply chain goals, leveraging its expertise and GPO network. Further analysis of detailed historical monthly operating reports is necessary to quantify profit improvement opportunities in the supply chain; however, based on high level financial statements, and considering the likely volumes of LICH’s current supplies utilization, Paladin believes there is likely a significant opportunity to realize significantly lower supply costs through a combination of standardization, inventory controls, improved purchasing efficiencies through contracted GPO relationships and automated purchasing transactions; improved purchase auditing and adherence to contract pricing; and management of physician preferences, to name a few.

Review of Insurance Policies and Programs

Paladin believes that proper insurance coverage and a strong orientation toward risk management are the primary drivers of a successful insurance program. This is especially true in high-intensity environments such as hospitals. With the assistance of its strategic partner, Lockton Associates, Paladin would seek to conduct a complete review of LICH’s insurance policies and risk management programs to ensure that the Hospital has cost-effective, comprehensive coverage to protect its patients, its employees, its physicians, and its mission. During the next phase of due diligence, Paladin will engage Lockton to help identify specific costs savings that may be available through renegotiation and competitive bidding with new carriers, and risk management strategies that can improve safety and reduce claims. Based upon preliminary due diligence, Paladin believes there may be opportunities to drive value within the Hospital’s malpractice program and employee benefit plans; however, comprehensive due diligence is required before developing and quantifying a viable plan.
THE PROPOSED TRANSACTION & MANAGEMENT SERVICES

Paladin’s principals have enjoyed their various discussions with CCACO’s management team and appreciate that the perspectives and vision of its leadership team are consistent with Paladin’s perspectives. Paladin is very flexible regarding the structure of the relationship between Paladin and CCACO/LICH, which could range from a traditional management services arrangement to a risk-based management and/or equity ownership arrangement. Three such prospective structures are outlined hereunder, each of which requires substantial further review by both Paladin and CCACO counsel.

As contemplated, potential structures are as follows:

1. Joint Venture

Under a joint venture arrangement, and subject to any state and/or federal regulations governing ownership of acute care hospital facilities and/or operations, CCACO and Paladin would acquire the assets of LICH through a special purpose entity to be owned by CCACO and Paladin (or special purpose entities established by CCACO and Paladin) on a basis to be agreed upon. Under such an arrangement, Paladin would also establish a management company (“ManageCo”) to oversee and manage the day-to-day operations of LICH. In the event CCACO acquires the corporate entity of LICH, ManageCo would enter into an agreement with LICH in exchange for a market fee equal to 3% of Net Revenue (“Management Agreement”). ManageCo would assume exclusive day-to-day responsibility for management and administration of hospital operations and begin to implement its transition plan, working closely with CCACO management. Significant support will be provided by Paladin’s principals and advisors, and day-to-day management will be provided by four full-time C-level executives, including a CEO, CFO, COO and CMO. The Management Agreement will remain in effect so long as ManageCo continues to meet performance standards that will be mutually agreed upon by ManageCo and CCACO.

2. Management Services with Financial Responsibility

This scenario assumes that LICH or its assets are acquired by an entity controlled by CCACO (“HospitalCo”) wherein Paladin does not have an equity interest. Under this arrangement, upon closing, Paladin would establish a new special purpose company (“NewCo”) which would enter into a lease (“Lease Agreement”) and management agreement (“Management Agreement”) that provide, among other terms, the following:

a. Upon the execution of the Management Agreement (the “Closing”), NewCo shall assume the financial and operational responsibility for the operation of the acute care facilities (herein referred to as the “Hospital”), subject to agreement between Paladin and CCACO as to the number of active beds that are appropriate to support the community’s acute healthcare needs. NewCo shall have the sole and exclusive right and responsibility to provide such management services as it deems necessary or appropriate for the management and administration of said acute care operations in the ordinary course of business (the “Hospital Operations”). The Management Agreement shall remain in effect so long as NewCo continues to meet performance standards that shall be mutually agreed upon by NewCo and CCACO.

b. NewCo shall be paid a management fee equal to 100% of all cash collections derived from Hospital Operations subsequent to the Closing; and shall be responsible for all future costs, expenses, obligations, liabilities, and risks of loss relating to the Hospital Operations. Thereby, as of the Closing, NewCo shall be solely responsible for the funding as well as the gains and/or losses associated with the Hospital Operations. NewCo shall be adequately capitalized to meet its obligations.
c. NewCo shall enter into the Lease Agreement whereby it shall lease from HospitalCo on a long-term triple-net basis the owned real and personal property. The lease payment shall be based on a reasonable market value of the hospital property. Paladin’s intent is to offer a fair rental rate that is at or slightly above market. In addition, NewCo shall assume the leases associated with any leased equipment that NewCo deems necessary to support the Hospital Operations.

d. NewCo shall continue to operate the Hospital as a general acute care hospital with 24/7/365 emergency room services in compliance with all applicable regulatory requirements. NewCo shall work with the existing physicians, management, staff, and unions to ensure a smooth transition of personnel to the new operations, and to further ensure that continuity of patient care is maintained throughout the transition.

3. Traditional Fee for Management Services Structure

Under a traditional management services arrangement, Paladin would establish a new special purpose management company (“ManageCo”) to oversee and manage the day-to-day operations of LICH. In the event CCACO acquires the corporate entity of LICH, ManageCo would enter into an agreement with LICH in exchange for a market fee equal to 3% of Net Revenue (“Management Agreement”). ManageCo would assume exclusive day-to-day responsibility for management and administration of hospital operations and begin to implement its transition plan, working closely with CCACO management. Significant support will be provided by Paladin’s principals and advisors, and day-to-day management will be provided by four full-time C-level executives, including a CEO, CFO, COO and CMO. The Management Agreement shall remain in effect so long as ManageCo continues to meet performance standards that shall be mutually agreed upon by ManageCo and CCACO.

Under the assumption that CCACO acquire LICH or its assets (and presumably certain liabilities) through a special purpose entity (“NewCo”), Newco would hold such assets and liabilities on its balance sheet. Assuming a Change of Ownership (“CHOW”) is required before NewCo commences operations, NewCo would lease the acquired operating assets to LICH, pending the completion of the CHOW. Upon completion of the CHOW, the Management Agreement would be transferred to NewCo.

Upon termination of the Management Agreement without cause or pursuant to mutually acceptable terms and conditions, ManageCo will receive a share (e.g., 25%) of the enterprise value that has been created during the management period, which value shall be calculated by first determining the EBITDA differential based on the normalized LTM EBITDA at the beginning of and at the end of the management period, and then multiplying such differential by a market multiple. This construct provides an equity incentive that is fully aligned with the owners of the business, and enables Paladin to exit at a time when the business should be able to secure conventional given stable performance.

In any of the above scenarios, Paladin will ensure that NewCo has sufficient working capital to operate in the ordinary course of business on a financially sound basis. To this end, Paladin will initially secure a working capital financing facility from a leading healthcare lender on behalf of NewCo.

CAPITAL SOLUTIONS

Paladin’s principals and advisors have completed more than 175 transactions totaling more than $4 billion over the past 25 years. The manner in which the acquisition and ongoing operations of the Hospital, as well as the related and unrelated real properties is capitalized will be critical to the future success of the Hospital and real estate opportunities.

Our capital is flexible and can include a range of solutions that are specifically tailored to a company’s particular circumstances. This may involve providing equity (control or minority), debt (1st and 2nd liens on real property, mezzanine and bridge loans), buying real property (including sale-leaseback transactions), acquiring operating companies, funding capital improvements, and fueling the development of
physician and/or ancillary delivery systems, among other essential financial and/or operating objectives.

FINANCING SOURCES

In addition to our own capital, our depth of experience has afforded Paladin numerous long-term relationships with key financing sources in the healthcare market and the ability to consistently close complex transactions. The success of the LA Hospitals, and value created as a result of such success, has attracted several capital sources that have expressed a desire to participate in Paladin transactions. As appropriate, we are happy to provide indications of interest from our financing partners separately.

SUMMARY

Due to the unique and diverse skills and experience of the Paladin team, along with the extensive benefits afforded by its tightly defined hospital operations model and future plans, Paladin believes that it is the ideal partner to assist CCACO in and surrounding communities. Paladin’s goal is to develop a long-term partnership that is truly a “win-win” for all parties involved, particularly a community which would otherwise suffer if the hospital were to shut down. Paladin looks forward to receiving your response and feedback, will remain flexible as to the ultimate deal structure, and stands ready to commence more formal due diligence and preparation of a comprehensive letter of intent as the LICH RFP process progresses.

It is understood that this Letter is a non-binding indication of interest and does not create any obligation on the part of Paladin, its affiliates, or its capital partners. As is customary, the Proposed Transaction or any other transaction is contingent upon, among other things, the satisfactory completion of due diligence, as well as the negotiation, execution, and delivery of a mutually acceptable purchase agreement. Please note that this Letter is confidential and its contents or existence may not be disclosed to anyone other than representatives of HUH and its advisors without the prior written consent of Paladin.

Paladin is excited by this opportunity and looks forward to working with CCACO in furtherance of a successful transaction and would welcome the opportunity to answer any additional questions you may have.

Sincerely,

[Signature]

James MacPherson
Principal
Paladin Healthcare Capital, LLC

cc. Joel Freedman
    Dr. Mark Bell
    Dr. Irv Edwards
    Nick Orzano
    Tim Ronan
ATTACHMENT 0:

Curriculum Vitae & Biographical Information

Request for Proposal (X002654)
Experience

Jon Ballan’s practice involves municipal and infrastructure finance, public authority finance, stadium finance, economic development, housing finance, project finance, government relations, and privatization and securitization of public assets. He is the head of MLA’s New York Public Finance group and co-chair of the firm’s Global Infrastructure and Public-Private Partnerships practice.

Mr. Ballan has broad experience developing innovative legal structures for numerous state and local bond issuers and investment bankers. He has served as bond counsel, underwriter’s counsel, borrower’s counsel, developer’s counsel, and trustee counsel for tax-exempt and taxable transactions in various areas, including economic development, housing, transportation, education, sports facilities, nonprofit, loan securitization, solid waste, water and wastewater. He has been named as one of New York’s leading lawyers in Bonds/Government Finance by New York Super Lawyers for each of the past five years.

From 2001 to 2013, Mr. Ballan led and developed the New York municipal bond practice at another well-known firm. He also has worked as an investment banker in the public finance department of a major investment bank.

Notable Engagements

- Served as special bond counsel to the New York Yankees in connection with the financing by the New York City Industrial Development Agency of the new Yankee Stadium, which was honored in 2006 by The Bond Buyer as its “Deal of the Year.” Federal tax law revisions were required to undertake the financing. This transaction, and two subsequent related deals, involved the issuance of more than $1.2 billion of tax-exempt PILOT Revenue Bonds and $125 million of federally taxable Rental Revenue Bonds.

- Served as special counsel to the Empire State Development Corporation. Led legal team that created the New York Liberty Development Corporation (NYLDC) for the primary purpose of issuing New York Liberty Bonds for commercial projects to assist New York City following the terrorist attacks on September 11, 2001.

- Led bond counsel team on NYLDC’s issuance of $1.9 billion of revenue bonds to finance the construction of the new world headquarters of Goldman Sachs near Ground Zero.

- Led bond counsel team for the Empire State Development Corporation on the financing of a new arena for the New Jersey Nets to be constructed in the Atlantic Yards area of downtown Brooklyn. Numerous novel legal issues relating to the finance structure, securities, and real estate and tax laws needed to be solved prior to the closing.
• Served as underwriters' counsel on many significant financings, including those of the New York State Thruway Authority and the Metropolitan Transportation Authority.

• Served as underwriter's counsel on nearly $1 billion of financings and refinancings of the Dormitory Authority of the State of New York on behalf of the North Shore-Long Island Jewish Health System.

• Served as underwriter's counsel or bond counsel on numerous financings of educational facilities through DASNY and a number of industrial development agencies.

• Served as underwriter's counsel on more than $2 billion New York State Tobacco Settlement Financing Corporation Asset-Backed Revenue Bonds.

• Served as bond counsel for the New York State Housing Finance Agency and New York State Environmental Facilities Corporation.

• Served as bond counsel or underwriter's counsel for state fiscal oversight boards in the City of Buffalo and Nassau County.

• Served as bond counsel and borrower's counsel on innovative governmental infrastructure finance transactions for libraries, water systems, solid waste facilities, and cultural centers for various cities and counties.

Education
• J.D., George Washington University
• B.A., magna cum laude and Phi Beta Kappa, Williams College

Bar Admissions
• District of Columbia
• New Jersey
• New York
DON M. BOSCO, ESQ.

A native of New York City, Don brings over thirty years of experience as an international corporate attorney and project developer. He managed financial services and trading firms in New York, London, Hong Kong, Taipei and Beijing. Major Bosco served in the US Army Judge Advocate General’s Corps and Counsel for International Development at the Headquarters, Chief of Engineers, US Army Corps of Engineers, in Washington, DC. He also served as Minority Counsel to the Special Subcommittee on U.S. Trade with China of the U.S. House of Representatives from 1983-1984. In 1984, he worked out of the US Embassy in Beijing as a consultant to the U.S. Trade & Development Program. He served as Senior Vice President and General Counsel for Shearson Lehman Trading Company and a Vice President of Shearson Lehman/American Express in New York from 1984 - 1988. From 1989-1990, he was Branch Manager for all European business and trading operations for Thomson McKinnon, Inc., based in London. During 1990-1994, Bosco was New York Counsel to Quotron Systems, Inc., a subsidiary of Citicorp, Inc., and went on to become Senior Counsel for Information Systems in Citicorp’s legal department in New York City. He served as Branch Manager in Hong Kong and Taipei for Spike Trading, LLC, a futures trading firm and member of the Chicago Mercantile Exchange and the Chicago Board of Trade, from 1994-1998. Bosco is a 1976 graduate of Georgetown University’s School of Foreign Service in Washington, D.C. and 1979 graduate of Fordham University School of Law in New York. He holds an LL.M. degree in International and Comparative Law from Georgetown University Law Center earned in 1984. Member, New York Bar. Currently a Partner in Bosco & Ward Law Offices in New York City and Los Angeles, and affiliated law firms in Shenzhen, China; Managua, Nicaragua; San Jose, Costa Rica. Provides legal and business advisory services for direct foreign investment, acquisitions, cross-border financing and business development; negotiates complex financing, including public/private sector partnerships. Past clients include multinational telecommunications, private banking and financial services companies in the USA, Europe and Asia. Bosco is active in community service and serves on the Board of Directors of the North Shore Business Association on Staten Island; The New York Law Enforcement Foundation; Chairman of MakerSpace, Inc., a not-for-profit business incubator program on Staten Island; and a Member of the Board of Directors of the Staten Island Historical Society at Historic Richmond Town.
Robert D. Greenberg, AICP
President
RDG Associates

Mr. Greenberg has provided architectural, master planning, real estate, relocation planning & project management services for leading architecture & engineering firms, real estate developers, government agencies and corporate clients for over 30 years. His areas of expertise include healthcare & hospital facilities, office buildings & interiors, warehouse & industrial sites, residential developments, downtown and citywide master planning & zoning studies.

In the field of medical facilities, Mr. Greenberg prepared a master plan for the eleven building, 735,000 SF campus of St. Barnabas Healthcare System's Monmouth Medical Center that included the design of a 32-station/three zone pneumatic tube system, new IT backbone, upgraded nurses stations and CAD databasing of the entire 100-year-old campus. He also developed master plans, floor plans and budgets for the Visiting Nurse Service of New York's headquarters and 23 service locations, developed and managed multi-year contracts for services for NYU Medical Center and Columbia Presbyterian, and worked on the preliminary conceptual plans for the 'hospital' facility for St. Joseph's Regional Medical Center in Paterson, NJ.

Other key projects/clients include the master planning of the 1.25 million SF headquarters and network operations centers for Verizon Wireless in Basking Ridge, NJ and Richardson, TX; the two hour emergency exit stairway lighting and reflective signage system concept for the pre-9/11 World Trade Center; the 600,000 SF/40-acre master plan for Hines Development's Bridgewater Crossing campus (headquarters for Aventis Pharmaceutical), the downtown 10-year master plan/implementation and 'tandem parking' concept for the Westwood Parking Authority in Westwood, NJ; and the master plan and conceptual design of the 217-unit residential, 722-space public commuter/private residential parking garage and retail site for Woodmont Properties and Roseland Property Group's The Highlands at Morristown Station development in cooperation with NJ Transit.
Francis Cauffman

New York Experience

Francis Cauffman has completed, or is engaged in, extensive architecture, planning, and interior design projects for following institutions in the New York Metropolitan Region:

Atlantic Health
AtlantiCare Regional Medical Center
Beth Israel Medical Center
Bronx Lebanon Medical Center
Callen Lorde
Cohen Children’s Hospital
Coler-Goldwater North
Columbia University Medical Center
Continuum Health
Cooper University Hospital
Hospital for Special Surgery
Lenox Hill Hospital
Memorial Sloan Kettering Cancer Center
Montefiore Medical Center
Mt. Sinai Hospital
Mt. Sinai Medical Center
New York Blood Center
New York Hotel Trades Council
New York Presbyterian Hospital
North Shore-LIJ Medical Center
NYU Langone Medical Center
Southside Hospital
St. Michael’s Medical Center
St. Joseph’s Regional Medical center
Trinitas Regional Medical Center
Weill Cornell Medical Center
St. Joseph's Healthcare System, Inc.
St. Joseph's Regional Medical Center – Critical Care Building
Paterson, New Jersey

Size
175,000 SF

Services
Architecture, Planning, Interior Design

Description
- New 4-story critical care building (CCB) project part of Strategic Facility Plan & Implementation by Francis Cauffman for a 600-bed teaching hospital and health system.
- 88 treatment areas in separate Pediatric, Geriatric and Adult emergency departments, including trauma, fast-track, triage rooms and treatment bays.
- 12 advanced systems-integrated operating theaters, pre-operative and post-operative areas, and a dedicated surgical waiting area.
- 56 new private patient critical care rooms in critical care units including: Cardiac Care Unit/Open Heart Cardiac Care Unit; Surgical Intensive Care Unit; Medical Intensive Care Unit.
- Rooftop helipad landing pad capable of accepting the larger medical helicopters.
- Ambulance and mobile intensive care vestibule capable of handling multiple vehicles simultaneously.
- 50,000 SF Level One Regional Trauma Center to receive 100,000 annual visits.

Awards
- 2011 IIDA President’s Choice Award – International Interior Design Association, PA/NJ/DE Chapter
Hospital for Special Surgery
Invited Design Competition
New York, New York

Size
750,000 SF

Services
Architecture, Planning, Interior Design

Description
- The Hospital for Special Surgery held an invited design competition to address their plans to demolish the Caspary Building and build on the site an approved River Building to the extent possible.
- Francis Cauffman sought to create an environment that embodies the culture and reputation of the Hospital for Special Surgery, a global leader in musculoskeletal medicine.
- The proposed 47 story, 750,000SF facility dramatically extends over the Franklin D. Roosevelt East River Drive, with an angular and contemporary profile that reflects the high-tech/high-touch approach to patient care and effectiveness for which HSS is renowned.
- The design includes a new lobby, 102 beds, and ten ORs programmed across the first 12 floors. On the third floor, a bridge to the existing hospital links related OR support functions and a doctor’s lounge. Surgical suite planning includes cores, pods, and race tracks. The patient floors are organized according to an EVB planning strategy for patient-centered care, staff-centered design, and acuity compatibility.
- Floors 14 through 24 were planned for 150,000 SF of physician office and ambulatory care space. The "universal" planning approach proposed for the ambulatory care space assumes a multi-disciplinary practice model. It also supports flexibility and growth, as well as accounting for future technological advancements.

The remaining floors of the building were...
Hospital for Special Surgery
Caspary Building
New York, New York

Size
128,000 SF

Services
Architecture, Planning, Interior Design

Description
• The Hospital for Special Surgery (HSS) is the leading orthopedic hospital in the United States. The HSS patient satisfaction scores for ambulatory services place it in the top 1% of ambulatory centers nationally.
• HSS retains Francis Cauffman for campus wide planning and signature design work at its main campus on the upper east side of Manhattan and at two new locations in northern New Jersey.
• Francis Cauffman's design team has been working with the Fundraising Campaign to develop a new identity to the existing Caspary building as an Ambulatory Care Center. The comprehensive study included re-imaging of the existing building with a reorientation of the new entry and New Lobby leading to the existing hospital.
• The Ambulatory Care Center (ACC) is an 8-story, 128,000 SF building on 71st Street at the main campus of HSS.
North Shore-LIJ Health System
Southside Hospital – Master Plan & Implementation Phase I
Bay Shore, New York

Size
56,700

Services
Architecture, Planning, Interior Design,
Medical Equipment Planning

Description
- The Southside New Clinical Building consolidates and replaces key programs into a modern facility creating a new entrance on campus.
- The new public atrium is an extension of the public spine, creating both an active sun-filled circulation and more secluded places of respite. What was essentially left-over space required between buildings was developed into an incredible design feature that is the focal point for the campus.
- The New Clinical Building includes Perioperative Services, Emergency Department and a 32-bed Patient Unit as well as some ancillary departments.
- The planning for the new clinical building addresses a future three-story vertical expansion.
Atlantic Health
Morristown Medical Center – Master Plan & Implementation
Morristown, New Jersey

Size
333,000 SF

Services
Architecture, Planning, Interior Design,
Medical Equipment Planning

Description
• Teaching hospital expansion project
  includes planned growth and improved services for cardiology, obstetrics, surgery and radiology.
• Expansion of Cardiac Cath Suite, two new EP labs and one vascular lab, new Cardiovascular Surgical Suite with six state-of-the-art operating rooms, inpatient and outpatient care and recovery area reconfiguration, diagnostic cardiac imaging, cardiac rehabilitation and outpatient diagnostic and clinics.
• Expansion of OB services for 5,000 births/year includes 54 new and renovated postpartum private bedrooms, LDR Suite expansion, new C-Section room and support, NICU expansion, new healthy baby nursery.
• Bed space expansion adds 205 beds by means of two interconnecting towers.
• Master Plan supports improved horizontal and vertical circulation; Provides for future bed space and Emergency Department, Radiology and support space expansion.

Awards
• 2009 Honorable Mention for Healthcare Public Spaces from the International Interior Design Association (IIDA)
• 2009 New Jersey Golden Trowel Award: Best in Category – Tile/Marble/Terrazzo, New Building Interiors

Cooper University Health Care
MD Anderson Cancer Center at Cooper
Camden, New Jersey

Size
103,000 SF

Services
Architecture, Planning, Interior Design,
Medical Equipment Planning

Description
• MD Anderson Cancer Center at Cooper is a partnership between Cooper University Health Care and The University of Texas MD Anderson Cancer Center.
• Comprehensive cancer center treating all types of cancers for patients in the Northeast
• Three-Level Cancer Center plus one (1) shelled floor
• Radiation Oncology with two (2) below grade linear accelerators, infusion center with 36 treatment bays, breast center, phlebotomy and central pharmacy
• Two (2) Linear Accelerator vaults:
  - 600 SF each
  - Access via sliding lead doors
  - Shared control room with access adjacent to each vault entry
  - Elekta was the Manufacturer of the two units
• New 170-space, sub-surface parking garage under landscaped entry plaza
• Second level healing garden
• Entry pavilion with registration and cafe
• Building planned for three (3) floors of vertical expansion
• Project is Registered LEED-NC v 3.0, Silver
March 13, 2014

Henry Chen, MD
Chief Executive Officer
Chinese Community Accountable Care Organization (CCACO)
139 Centre Street, Suite 318
New York, NY 10013

Eastern Chinese American Physicians Independent Physician Association (ECAP IPA)
3370 Prince St, Suite 703
Flushing, NY 11354

Re: Letter of Intent

Dear Dr. Chen,

Thank you and Dr. Wu for a most interesting and enlightening discussion on the vision the CCACO and ECAP IPA have for the future of Long Island College Hospital (LICH). While I was there for only a short time, I was well impressed with the quality of the medical staff, the potential of the management team and employees and the positive reaction to LICH I received from the community, which has been attested by recent community support. While LICH has been traumatized for years, I believe there are many positive assets which can be leveraged so as to afford the community appropriate healthcare services close to home.

It is my intent to accept your offer of the position of Chief Executive Officer, contingent upon your acquisition of the organization and the execution of the engagement contract currently under development. As I am between engagements, I am readily available and can start on short notice.

Thank you for the confidence you have placed in me. I look forward to helping your team achieve your vision for LICH.

Sincerely,

Peter J. Betts, LFACHE
President
PETER J. BETTS, LFACHE

8006 Collingwood Court
Bradenton, FL 34201
www.peterjbetts.com
peter@peterjbetts.com

Cell: (941) 539-4315
Office: (941) 358-6131

SEASONED HOSPITAL CHIEF EXECUTIVE

Innovative and participative Chief Executive Officer with a substantial record of senior executive experience and accomplishment, which provided significant contributions to large and small public, community-owned and faith-based non-profit hospitals in urban and rural communities. Excellent communication and team building skills.

A senior healthcare professional with a rich blend of strategic insight, operational acuity, fiscal intelligence and crisis management who is responsible for leading market growth and cultural change. Able to quickly build rapport with boards, medical staffs, employees, community, elected and appointed officials. Signature leadership experience includes:

- Bankruptcy
- Sales and Mergers
- Union Negotiations
- Interim Leadership
- Crisis Management
- Quality Improvement Plans
- Managed Care Contract Negotiations
- Financial Turnarounds
- Corporate Restructuring
- Governance Restructuring
- Litigation Support
- Hospitalist Programs
- Physician Recruitment
- Board and Medical Staff By-Laws

PROFESSIONAL EXPERIENCE

PETER J. BETTS & ASSOCIATES, INC., Bradenton, FL
President
2002 to present

The firm offers innovative strategies to hospital boards and executive leadership with an emphasis on management during a leadership change or crisis as the interim CEO or Chief Restructuring Officer (CRO), to include: turnarounds, bankruptcy, closure, sale, full asset merger, corporate and board restructuring, managed care contract negotiations, hospital consolidations, physician network expansion, practice acquisitions and litigation support.

Long Island College Hospital, Brooklyn, NY
October to December 2012

As a contracted Executive Consultant of Pitts Management Associates, Inc. at this 506 bed academic medical center, which is a part of the SUNY Downstate Medical Center, created and implemented a turnaround plan with 40 initiatives focusing on cash, expense management, clinical quality and customer service. Gained enthusiastic medical staff and employee support which greatly increased morale and commitment to undertake a culture change.
Johnson Memorial Corporation, Stafford Springs, CT May 2008 to April 2011

As a contracted Managing Director of FOCUS MANAGEMENT GROUP USA, INC., a firm offering turn-key turnaround management and consulting services to underperforming organizations and, subsequently under direct engagement, served as the interim Chief Executive Officer of Johnson Memorial Corporation, a 9 entity, 5 Board, not-for-profit network that includes a 92-bed general acute care hospital, a 180-bed skilled nursing home, a large home health entity and an outpatient campus which included imaging, surgery, laboratory, radiation therapy, sleep center and rehab.

Engaged to perform an assessment and to serve as the interim CEO for this organization, which had lost $14.7M in the prior fiscal year and only had $175K cash-on-hand with $85M in debts and obligations.

- Led a complex $30M turnaround while investing $10M in capital improvements during bankruptcy, without borrowing funds.
- Emerged from Chapter 11 as a stand-alone facility.
- Negotiated with multiple potential buyers achieving an Asset Purchase Agreement.
- Defeated a "hostile" takeover effort by a competitor.
- Led a corporate and governance reorganization reducing 9 entities to 4, 5 boards to 1, 60 Trustees to 12 Directors and provided them with the tools to manage efficiently and effectively.
- Revised medical staff and board by-laws.
- Completed strategic, medical staff development, capital, IT, and quality improvement plans.
- Negotiated $8M dollar line of credit.
- Integrated Finance, IT, Human Resources, Purchasing and Food Service.
- Renegotiated managed care contracts in mid-term from below cost to 135% of cost.
- Created a system-wide comprehensive IT platform, implementing 250 upgrades in 1 year.
- Renegotiated the nursing union contract to eliminate a defined benefit pension plan and annual cost of living increases.

Barnert Memorial Hospital, Paterson, NJ July 2007 to November 2008

A community owned 250-bed not-for-profit general acute care hospital.

- Engaged as the interim CEO to lead a turnaround and identify a purchaser for a hospital which had only 1 day's cash-on-hand and approximately $45M in debt.
- Without obtaining a loan, led the organization through Chapter 11 and sale.
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HURON CONSULTING GROUP, LLC, Chicago, IL
Director
Firm assists hospitals and healthcare systems with addressing complex challenges such as litigation, disputes, investigations, regulatory compliance, procurement, financial distress, and other sources of conflict or change.

- **Baptist Health System of East Tennessee, Knoxville, TN** (March to May 2007)
  A matrix-managed faith-based system with 6 acute care hospitals.
  - Served as interim CEO of 81-bed general acute care Baptist Hospital West.
  - Member of an assessment team which led a turnaround and merger with Mercy Health Partners.

- **Aliquippa Community Hospital, Aliquippa, PA** (February to April 2006)
  A community owned 250-bed not-for-profit general acute care hospital.
  - Participated as a member of a turnaround team with primary responsibilities for quality and sale of the hospital.
  - Resolved 47 quality deficiencies issued by the Department of Public Health in less than 30 days, thereby preventing the termination of the hospital’s provisional license.
  - Created and implemented a new Quality Improvement Plan.
  - Identified 18 potential buyers and sold the hospital within 90 days.
  - Revised board and medical staff bylaws.

Parkview Adventist Medical Center, Brunswick, ME (Multiple engagements between 2003 and 2012)
Parkview is a faith-based acute care hospital with 50 beds.

- Obstetrics practice acquisition assessment.
- Board bylaws revision recommendations.
- Developed a joint venture physician Practice Management structure.
- Physician contract negotiations.
- Assess continued participation in The Joint Commission.
- Litigation support.

CHRISTUS Spohn Health System, Corpus Christi, TX 2003 and May 2004 to December 2005
A faith-based acute care 7 hospital system within CHRISTUS Health, a 40 hospital matrix managed organization.

- In 2003, engaged to merge CHRISTUS Spohn – Alice, a 70-bed hospital into an acquired 148-bed for-profit hospital.
  - Hired entirely new staff, installed new IT systems and completed facility renovations prior to merger. The hospital was acquired at midnight and was performing surgery by 8:00 AM.
  - Positioned the system to fill the vacated hospital to achieve $5M in annual incremental revenue and savings.
• Engaged from May, 2004 to December, 2005 to provide interim management for the merged CHRISTUS Spohn – Alice facility.
  o Spearheaded financial turnaround of $6M.
  o Reduced overtime by 38% with staffing consistently 35 FTE’s below budget.
  o Developed and implemented a hospitalist program.
  o Reduced hospital average length-of-stay and significantly improved case mix index.
  o Developed and implemented clinical protocols.
  o Achieved first College of American Pathologists (CAP) accreditation for the Laboratory.
• In June, 2005, also provided interim management for 100-bed CHRISTUS Spohn – Kleberg hospital.

EAST JEFFERSON GENERAL HOSPITAL, Metairie, LA
1978 to 2002
President and Chief Executive Officer (1982-2002) and Associate Executive Director (1978 -1982)

This is a two hospital service district system with a flagship 475-bed general acute care facility and a managed 50-bed rural facility with 25 satellite and clinic locations. I was accountable for all operations and planning to the elected Parish Council (county government) and a politically appointed Board of Directors.

Selected accomplishments:
• Achieved a $12M turnaround within 6 months.
• Turned managed Riverside Medical Center around from a $454,000 loss to a $201,000 profit in 5 months.
• Re-engineered the revenue cycle to add $57M to the bottom line over 5 years.
• Increased net reserves from $4M to $100M while investing over $300M in capital equipment and facilities, without tax support.
• Led a state-wide effort of large service district hospitals which achieved $208M in intergovernmental transfer funds coming to the hospitals and the State of Louisiana.
• Led the market in the introduction of technology and new services to include: MRI, PET fusion scanner (4th in nation), IMRT, 16-slice CT angiography, PACS, Alzheimer Day Care Center, and elder programs.
• Grew market share in highly competitive market to 56% during 19 consecutive years of growth.
• Constructed a 228,000 square foot wellness facility targeted to the mature adult population that secured 2,000 members within the first year of operation.
• Co-owned a HMO and a PPO that generated $100M+ in revenues for the hospital.
• Created a customer service culture that gained national recognition and was the first in the world to be recognized by Disney.
• Employee satisfaction was at the 99th percentile.
• Achieved multiple Top 100 Hospitals Cardiovascular Benchmarks for Success designations.
• Received national award for quality from the patients' perspective.
• Created accredited free-standing Family Medicine Residency Program.
• Established an Independent Practice Association (IPA) of 160 physicians and a physician-hospital organization (PHO) of 450 physicians.
• Integrated physicians into decision-making, which was recognized by The Governance Institute and resulted in clinical vision and goals being incorporated into the strategic plan.
• First service district hospital in the state to create joint ventures with physicians including: two office buildings, MRI/RT and PET fusion scanner.
• First nursing Magnet hospital in State, which contributed to the lowest staffing vacancy rate in the region and the total exclusion of agency personnel.
• Created numerous community benefit programs, helping to make the organization the hospital of choice.

ST. JOSEPH HOSPITAL, Chicago, IL
A 511 bed faith-based acute care teaching hospital.
1974 to 1978

Assistant Director, Administrative Services
Responsible for a variety of clinical and support departments.

CHILDREN'S HOSPITAL OF THE KING'S DAUGHTERS, Norfolk, VA
A 90 bed teaching hospital with large outpatient clinics.
1972 to 1974

Assistant Executive Director
Responsibilities included most of the clinical and support departments as well as serving as the Director of Personnel and Director of Public Relations. I developed a Certificate of Need application which resulted in the construction of a replacement facility.

MILITARY

UNITED STATES AIR FORCE
1966 to 1970
Staff Sergeant, Materials Management

EDUCATION

• Master of Hospital Administration
  Medical College of Virginia, Virginia Commonwealth University, Richmond, VA

• Bachelor of Arts in History and English
  Albright College, Reading, PA
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PROFESSIONAL AFFILIATIONS, PAST BOARD SERVICE, PUBLICATIONS, AND SELECTED PRESENTATIONS

Professional Affiliations:
- Life Fellow, American College of Healthcare Executives (1972 — Present)
- Member, American Bankruptcy Institute (2006 — Present)
- Member, Turnaround Management Association (2006 — Present)

Past Board Service:
- Multiple board positions held in professional, governmental, and civic organizations throughout career.

Publications:
- Betts, Peter J.; "Boards Need to Know What They Don’t Know", The Governance Institute’s E-Briefings, September, 2013.
- Betts, Peter J.; "Why Engage an Interim Chief Executive Officer?" The Governance Institute’s E-Briefings, May, 2013.
- Betts, Peter J.; "Is there a Turnaround in Your Hospital’s Future?" Trustee, March, 2007.
- Betts, Peter J. and Hanson, Timothy H.; "Redesigning the Revenue Cycle, Healthcare Executive, American College of Healthcare Executives, July/August, 2005.
- Betts, Peter J. and Hanson, Timothy H.; "Redesigning the Revenue Cycle for Dramatic Improvement," Chief Executive Officer, American College of Healthcare Executives, Winter 2004, Volume 9, Issue 1.
- Betts, Peter J.; "Winning over the Medical Staff," Health Forum Journal, March/April, 2002.

Selected Presentations:
- "C-Suite Solutions for a Challenging Market," Webinar Faculty Member with DMI Transitions, August 2009.
- "What Important Issues are We Facing Today?" ABF Journal and New York Institute of Credit Conference, Villanova University, Radnor, PA, April 17, 2008.
- "Is there a Turnaround in your Hospital’s Future?" Texas Healthcare Trustees, Austin, TX, August 2007.
Professional Experience

Auburn Community Hospital  Auburn, NY  President/ Chief Executive Officer  2007-Present

Total management and Profit/Loss responsibility for Auburn Community Hospital which is a 99 bed acute care hospital and 80 bed skilled nursing facility. Responsible for an annual operating budget of $92 million dollars with more than 800 employees.

Elk Regional Health System  St. Mary’s, PA  President/ Chief Executive Officer  2004-2007

Total System management and Profit/Loss responsibility for Elk Regional Health System (ERHS) which is comprised of six corporations: Elk Regional Professional Group (ERHC) is an 83 bed acute care hospital and 138 bed skilled nursing facility, Elk Regional Professional Group (ERPG), a multi specialty group practice, Community Nurses, Inc. (CHI), ERHC Auxiliary, Inc. ELCO Housing and ERHC Foundation. Responsible for an annual operating budget of $81 million dollars with more than 1,200 employees.

Lancaster Urological Group (LUG)  2003-2004
Chief Executive Officer

LUG is a medical practice of eight urologists. As Chief Executive Officer, responsible to develop and implement a strategic plan to establish a freestanding ambulatory surgical center and diagnostic imaging center. Responsibilities also included strategic and operational planning, financial management, marketing and business development.

Lancaster General Susquehanna Division (LGSD)  1995-2003
President and Chief Executive Officer

Management of an acute care hospital with 62 licensed beds and a $25 million dollar budget. Served on LGH Board of Directors and reported to both the LGSD local Board of Directors and President, Lancaster General. Implementation of a systems integration plan to incorporate LGSD into LGH.

Fulton County Medical Center (FCMC)  McConnellsburg, PA  1990-1995
President/ Chief Executive Officer and Nursing Home Administrator

FCMC is a 100- bed small rural hospital and nursing home, consisting of 43 acute and 57 long care term beds with revenues of $8.8 million. Provided leadership among the governing Board of Directors, Medical Staff and employees of the hospital.

Responsibilities: Management of operational policies and procedures. Reported to Board of Directors.

Accomplishments include: A positive annual operating margin, physician recruitment, construction and renovations, new programs and services, and technological advancements.
The Hospital and Health Systems Associations of Pennsylvania, Harrisburg, PA 1985-1990
Director, Planning and Licensure

Education:
MA, Health Service Administration, The George Washington University, Washington, DC. 1981 BS, Finance and Economics (Honors), Stonehill College, North Easton, Massachusetts. 1979

Awards:
American College of Healthcare Executives, Regents’ Award, Early Career Executive Award, October 1997

Special Qualifications:
Licensed Nursing Home Administrator, New York, Pennsylvania and Massachusetts American College of Healthcare Executives Fellow
STUART G. MAY
9 Hemlock Lane, Kinnelon, NJ. 07405
Mobile: (973) 975-6226 sgmay@optonline.net

SUMMARY
A senior health care executive with experience in voluntary and public health, non-profit teaching and non-teaching institutions. Strengths in financial and operational management, strategic services, development and implementation of revenue producing programs and physician relations.

EXPERIENCE

Independent Consultant
February 2007 – Present

Provide services in the areas of Strategic Planning, Revenue Cycle, Expense Efficiencies, Business Development, Physician Relations and Merger and Acquisition analysis.

Major engagements:

Eastern Connecticut Health Network, Manchester, Connecticut
Network and Business Development July 2009 – June 2013

• Growth in market share via product line initiatives.
  o Identified additional services within corporate medicine resulting in program expansion and growth in secondary markets.
  o Enhancements to metabolic service line.
    • Bariatric surgery program
    • Ambulatory eating disorder program
  o Various initiatives to improve referral rates to health system.
• Identification of new market niches or segments.
  o Identified ambulatory imaging strategy that will result in a 5 year cash flow improvement of approximately $17 million.
  o Development of urgent care center.
  o Recruitment of neuro/spine surgeon.
• Expand health system affiliation network via strategic and clinical collaboration.
  o Development of Health Center for Manchester Community College.
  o Development of external ACO components.
  o Development of ECHN health information exchange.
  o Development of a medical foundation as vehicle for community physician alignment. Work included but not limited to evaluation of practices, compensation models and MSO management.
  o Various M&A evaluations.
• Collaborate with all joint venture and affiliate leaders on strategic initiatives and operational improvements.
  o Directors reporting:
    • Ambulatory Imaging
    • Corporate Medicine
    • Medical Foundation [physician enterprise]
MedAssets Revenue Cycle Division, Saddle River, New Jersey
August 2008 – June 2009

- Identification of revenue cycle opportunities throughout the continuum for various clients in the areas of patient access, health information management, and business office improvements/outourcing.

BARNERT HOSPITAL, Paterson, New Jersey
Vice President, Financial Services & CFO
February 2007 – December 2007

- Identification of revenue cycle and supply chain opportunities:
  - Documentation and coding valued at $700,000.
  - Denial reduction valued at $400,000.
  - Business office operations valued at $2 million.
  - Patient Access operations valued at $400,000.
  - Supply Chain management valued at $350,000.
- Improved cash flow during fourth quarter to allow for an orderly closing of the hospital.
- Reporting to this position is the Controller, the Directors for Health Information Management, and Information Technology. Operational Directors reporting are Behavioral Health, Wound Care, Sleep Studies, and Breast Center.

NEW YORK CITY HEALTH AND HOSPITALS CORPORATION, New York, New York

NORTH BRONX HEALTHCARE NETWORK, Bronx, New York
Chief Financial Officer (2/06 – 1/07)

The North Bronx Healthcare Network is a two hospital teaching network, Jacobi Medical Center a 490 bed tertiary care center and North Central Bronx Hospital a 232 bed acute care hospital. In addition to the two campuses, it also operates three off-site primary care centers. The network experiences 31,000 discharges, 595,000 outpatient visits and 160,000 emergency room visits. The network has an academic affiliation with the Albert Einstein College of Medicine of Yeshiva University. It employs 4,600 staff members, 660 attending physicians and clinicians via a contract with New York Medical Alliance, P.C., and has a $625 million operating budget. Reporting to this position are the Deputy CFOs for Finance, Revenue Management, Care Management/Denial Management and Network Director for Managed Care.
- Increased cash flow $10 million by reducing network’s DNFB by 17 days (led the corporation in FY06).
- Reduced inpatient denials by $600,000 from the prior fiscal year.
- Identified opportunities with clinical documentation specialists valued at $12 million implemented during FY06.
- Increased cash flow $14 million by improving network’s overall revenue cycle.
- Improved physician relations with NYMA by working with the affiliate’s management team to identify opportunities for increasing net revenues.
METROPOLITAN HOSPITAL CENTER, New York, New York
CFO (1/05 – 1/06)

Metropolitan Hospital Center is a 369 bed acute care teaching hospital and has an academic affiliation with New York Medical College. The hospital experiences 15,000 discharges, 68,000 emergency room visits, and 360,000 outpatient visits. In addition the hospital operates the Morrissania Diagnostic and Treatment Center, a primary and specialty care center located in the Bronx and experiences 130,000 visits. It employs 2,300 staff members, 230 attending physicians via a contract with New York Medical College, and has a $250 million operating budget. Reporting to this position are the Deputy CFO, the Directors for Patient Accounting, Patient Access, Utilization Review, Managed Care, and the Administrative Director for Acute Rehabilitation.

- Increased cash flow $1 million by reducing DNFB by 2 days (led the corporation in FY05).
- Redesigned financial screening process of self-pay patients resulting in $1 million of additional net revenue.
- Reduced inpatient denials by $500,000.
- Negotiated new physician contracts for Orthopedics and Neurosurgery increasing surgical revenues by $750,000.
- Redesign of acute rehabilitation unit resulting in an increased census and compliance with CMS 75% Rule.

ST. JOSEPH’S HEALTHCARE SYSTEM, Paterson, New Jersey
March 2001 – June 2004

ST. JOSEPH’S WAYNE HOSPITAL, Wayne, New Jersey
Vice President, Administrative & Financial Services and CFO (8/02 – 6/04)
Vice President, Financial Services & CFO (3/01 – 8/02)

St. Joseph’s Wayne Hospital is a 229 bed community acute care hospital. The hospital experiences 7,600 discharges, 150,000 outpatient visits and 28,000 emergency room visits and employs 700 staff members. Reporting to this position is the AVP for Financial Services, the Directors for Case Management, Materials Management, Radiology, Pharmacy, Diabetes Center, Mobile Intensive Care Unit (paramedics).

- Engineered a 22 month turnaround of an operating loss of $11 million to a breakeven performance.
- Revenue Cycle improvements of $2 million through CDM improvements ($1 million); reduction of inpatient denials ($500,000); charity care pool increase ($400,000); DNFB reduction ($165,000).
- Launched an ADA approved Diabetes Centers (first in the primary service area) which grew 25% in two years; low risk cardiac catheterization laboratory which achieved 400 procedures annually; grew outpatient radiology services by 7%.
- Collaborated with the President to recruit new physicians.

ST. JOSEPH’S HOSPITAL & MEDICAL CENTER, Paterson, New Jersey
Vice President, Finance (9/01 – 8/02)

St. Joseph’s Hospital & Medical Center is a 792 bed teaching tertiary care center. The hospital has an academic affiliation with both the Mount Sinai Health System and Columbia University. The hospital experiences 28,000 discharges, 245,000 outpatient visits and 60,000 emergency room visits and employs 3,300 staff members. Reporting to this position is the AVP for Financial