

At IAS Part 68 of the Supreme Court of the State of New York, County of Kings, 360 Adams Street, Brooklyn, NY 11201, on 4th JUNE, 2015.

P R E S E N T :

Hon. Jonathan Lee Baynes,
J.S.C.

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In the Matter of the Application :

Index No. 505795/15

DOWNSTATE AT LICH HOLDING COMPANY, INC., :

For an Order Approving the Sale of the Assets of
Downstate at LICH Holding Company, Inc.
pursuant to Sections 510 and 511 of the
Not-for-Profit Corporation Law. :

ORDER TO SHOW CAUSE

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UPON the annexed Verified Petition of Downstate at LICH Holding Company, Inc. ("Downstate") for an Order Approving the Sale of the Assets of Downstate at LICH Holding Company, Inc. pursuant to Sections 510 and 511 of the Not-for-Profit Corporation Law and the exhibits to the Petition and the Proposed Order Approving the Sale of the Assets of Downstate at LICH Holding Company, Inc. ("Proposed Order"),

LET RESPONDENTS (all those listed on Exhibit A annexed to this Order) show cause before IAS Part 68, Room 538, at the Courthouse, 360 Adams Street, Brooklyn, NY on June 30, 2015 at 9:30 am or as soon thereafter as counsel can be heard why a final Order should not be made and entered:

- a. approving the sale of all or substantially all of the assets of Downstate to FPG Cobble Hill Acquisitions, LLC pursuant to the First Amended and Restated Purchase and Sale Agreement dated as of June 30, 2014 ("PSA");

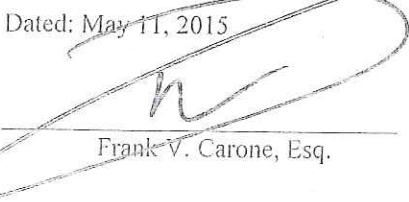
- b. approving the conveyance of all of Downstate's real estate property to the special purpose entities created by Purchaser FPG Cobble Hill Acquisitions, LLC to take title to the real property in accordance with the PSA, at the closings as provided in Table B of the Proposed Order;
- c. ordering that the proceeds of the sale, after making the defeasance payment on the portion of the Series 2012-D Personal Income Tax Bonds allocated to Downstate, paying the Condo Debt (as defined in the PSA), paying all debts and known liabilities of Downstate, paying for any required building upgrade in the interim medical space and any other obligation of Downstate under the PSA and setting aside the Reserve, shall be transferred by Downstate to its sole member, the State University of New York ("State University"), in accordance with Downstate's corporate purpose and the terms of the Grant and Distribution Agreement effective as of June 30, 2014; and upon the eventual dissolution of Downstate, any remaining portion of the Reserve after paying all debts and liabilities of Downstate shall be transferred to the State University in accordance with Downstate's corporate purpose;
- d. ordering Downstate to serve a copy of the signed Order on the Attorney General of the State of New York and ordering Downstate to send written notice to the Court and the Attorney General (i) of completion of each of the Initial Closing, the New Medical Site Closing and the Final Closing (as those terms are defined in the PSA) if the Transaction has been completed, (ii) if the Transaction has been abandoned, or (iii) if the Initial Closing and the balance of the Transaction are still pending 90 days after the Court's approval of the Proposed Order; and

e. granting such other and further relief as this Court deems just and proper; and it is ORDERED that sufficient cause appearing therefor, service of a copy of this Order to Show Cause, the Petition without Exhibits (due to the voluminous nature of the Exhibits to the Petition, instead of serving a copy with this Order to Show Cause, the Exhibits to the Petition are available for viewing and download at the following web address: www.suny.edu/hospitals/Petition), and the Proposed Order upon Respondents, including the Attorney General of the State of New York by mail at the addresses listed on Exhibit A to this Order to Show Cause seven days before the return date of the Petition be deemed good and sufficient service and in accordance with Not-for-Profit Corporation Law §511(b).

on June 23, 2015

E N T E R ,
~~_____~~
J.S.C.

Pursuant to 22 N.Y.C.R.R. §130-1.1-a, the undersigned, an attorney admitted to practice in the courts of New York, certifies that upon information and belief and after reasonable inquiry, the contentions contained in the foregoing Order to Show Cause are not frivolous.

Dated: May 11, 2015

Frank V. Carone, Esq.


ENTER

HON. JOHNNY LEE BAYNES

EXHIBIT A

Entity/Individual	Address for Notice
Boerum Hill Association, Brooklyn Heights Association, Carroll Gardens Neighborhood Association, Cobble Hill Association, Riverside Tenants' Association, Wyckoff Gardens Association, Inc., and Kate Mackenzie	Gibson, Dunn & Crutcher 200 Park Avenue New York, NY 10166
Concerned Physicians of LICH, LLC	Toomas Mihkel Sorra, M.D., F.A.C.G. 554 Henry Street Brooklyn, NY 11231
Letitia James, Public Advocate for the City of New York	M. Umair Kahn One Centre Street, 15th Floor New York, NY 10007
New York State Nurses Association and Carl Biers	Richard M. Seltzer Cohen, Weiss and Simon LLP 330 West 42nd Street New York, NY 10036
1199SEIU United Healthcare Workers East	Susan Cameron Levy Ratner, PC 80 Eighth Avenue New York, NY 10011
NAACP New York State Conference Attn: Dr. Hazel N. Dukes, President	1065 Avenue of the Americas, Suite 300 New York, NY 10018
Mobilizing Preachers & Communities Attn: Rev. Dr. Johnnie M. Green Jr.	c/o Mt Neboh Baptist Church 77 Saint Nicholas Avenue New York, NY 10027
One Hundred Black Men of New York, Inc. Attn: Michael Garner, President	105 East 22nd Street, Suite 911 New York, NY 10010
Senator Daniel Squadron	250 Broadway, Suite 2011 New York, NY 10007
Assemblywoman JoAnne Simon	341 Smith Street Brooklyn, NY 11231
Councilmember Brad Lander	456 Fifth Avenue, 3rd Floor Brooklyn, NY 11215
Councilmember Stephen Levin	410 Atlantic Avenue Brooklyn, NY 11217
Councilmember Carlos Menchaca	4471 4th Avenue, Ground Floor Brooklyn, NY 11220
Attorney General of the State of New York Attn: Paula Gellman	Office of the New York State Attorney General Charities Bureau 120 Broadway New York, NY 10271-0332
Dormitory Authority of the State of New York Attn: Michael E. Cusack, Esq., General Counsel	515 Broadway Albany, NY 12207