

May 16 2023

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Of Counsel
(202) 282-5779
eknickrehm@winston.com

May 16, 2023

Alabama State Health Planning & Development Agency (SHPDA)
P.O. Box 303025
Montgomery, Alabama 36130-3025**Re:** Notice of Change of Ownership/Control in Certificate of Need Holder – Hope Hospice, Inc. –
SHPDA ID Number: 073-P2532

Dear Sir or Madam:

ACG Acquisition, LLC (“Acquiring Entity”) is submitting this Notice of Change of Ownership/Control in a Certificate of Need Holder to effectuate a Change of Ownership (“CHOW”) for the certificate of need held by Hope Hospice, Inc. (“Current Authority”) (SHPDA ID Number: 073-P2532). Payment of the CHOW Fee in the amount of \$2,577.00 has been made concurrent with this Notice through SHPDA’s electronic payment portal. On May 5, 2023, Acquiring Entity and Current Authority entered into a Membership Interest Purchase Agreement for Acquiring Entity to acquire substantially all of the equity interests of Current Authority. Acquiring Entity and Current Authority intend to proceed to closing for the transaction immediately upon the approval of Acquiring Entity’s CHOW application by the Alabama Department of Public Health (“ADPH”) and fulfillment of this Notice of Change of Ownership/Control as required by Ala. Code § 22-21-270 *et seq.* and Ala. Admin. Code r. 410-1-7-.04.

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

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

Sincerely,



Eric J. Knickrehm

EJK

Enclosures:

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

cc Susan Dominick Doughton, Legal Counsel to Current Authority

NOTICE OF CHANGE OF OWNERSHIP/CONTROL

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

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

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

Change in Facility Management (Facility Operator)

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

Part I: Facility Information

SHPDA ID Number: 073-P2532

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

Name of Facility/Provider: Hope Hospice, Inc.
(ADPH Licensure Name)

Physical Address: 651 Main St. #159

Gardendale, AL 35071

County of Location: Jefferson

Number of Beds/ESRD Stations: N/A

CON Authorized Service Area (Home Health and Hospice Providers Only). Attach additional pages if necessary. Blount, Calhoun, Cherokee, Chilton, Clay, Cleburne, Cullman, Etowah, Jefferson, Randolph, Shelby, St. Clair, Talladega.

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

Owner (Entity Name) of Facility named in Part I: Hope Hospice, Inc.

Mailing Address: 651 Main St. #159

Gardendale, AL 35071

Operator (Entity Name): Hope Hospice, Inc.

Part III: Acquiring Entity Information

Name of Entity: ACG Acquisition, LLC

Mailing Address: 187 N. Church St., Suite 201

Spartanburg, SC 29306

Operator (Entity Name): ACG Acquisition, LLC

Proposed Date of Transaction is on or after: 6/11/2023

Part IV: Terms of Purchase

Monetary Value of Purchase: \$10,000,000

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

Number of Beds/ESRD Stations: N/A

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

Projected Equipment Cost: \$ 200,000

Projected Construction Cost: \$0

Projected Yearly Operating Cost: \$ 4,000,000

Projected Total Cost: \$ 4,200,000

On an Attached Sheet Please Address the Following:

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

Part V: Certification of Information

Current Authority Signature(s):

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

Owner(s): Deb Shaw Stark

Operator(s): Deb Shaw Stark

Title/Date: Administrator

Deb Shaw Stark
Deb Shaw Stark
Administrator

SWORN to and subscribed before me, this 12th day of May, 2023.

(Seal)



Cassy Bennett
Notary Public

My Commission Expires: 3/23/27

Acquiring Authority Signature(s):

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

Purchaser(s): ACG Acquisition, LLC

Operator(s): ACG Acquisition, LLC

Title/Date: President and CEO

[Signature]
[Signature]
CEO 5/16/23

SWORN to and subscribed before me, this 16 day of May, 2023.

(Seal)

Janelle I. Plows
Notary Public

My Commission Expires: 04.29.2030



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

1.) The services to be offered by the proposal (the applicant will state whether he has previously offered the service, whether the service is an extension of a presently offered service, or whether the service is a new service).

ACG Acquisition, LLC intends to acquire 100% of the issued and outstanding equity interests of Hope Hospice, and have Hope Hospice continue provide in home hospice and palliative care services to patients in the same service areas for which it is currently permitted pursuant to Facility ID # 073-P2532.

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

No.

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

No.

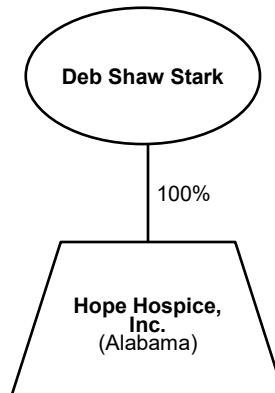
4.) Whether the assets and stock (if any) will be acquired.

Yes, ACG Acquisition, LLC intends to acquire 100% of the equity interests of Hope Hospice.

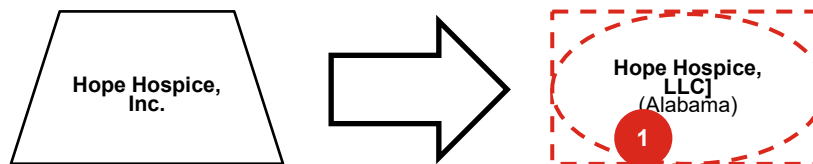
Prior to closing the transaction, Hope Hospice, Inc. will undergo a corporate restructuring and convert from an Alabama corporation to an Alabama limited liability company. After the conversion, the name of the entity will be Hope Hospice, LLC. Hope Hospice, LLC will retain its same EIN following the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

After the pre-closing restructuring of Hope Hospice is complete, ACG Acquisition, LLC will acquire 100% of the membership interests of Hope Hospice, LLC from Deborah Shaw Stark such that ACG Acquisition, LLC will become the direct owner of Hope Hospice, LLC after the completion of the change of ownership.

Current Hope Hospice, Inc. Structure

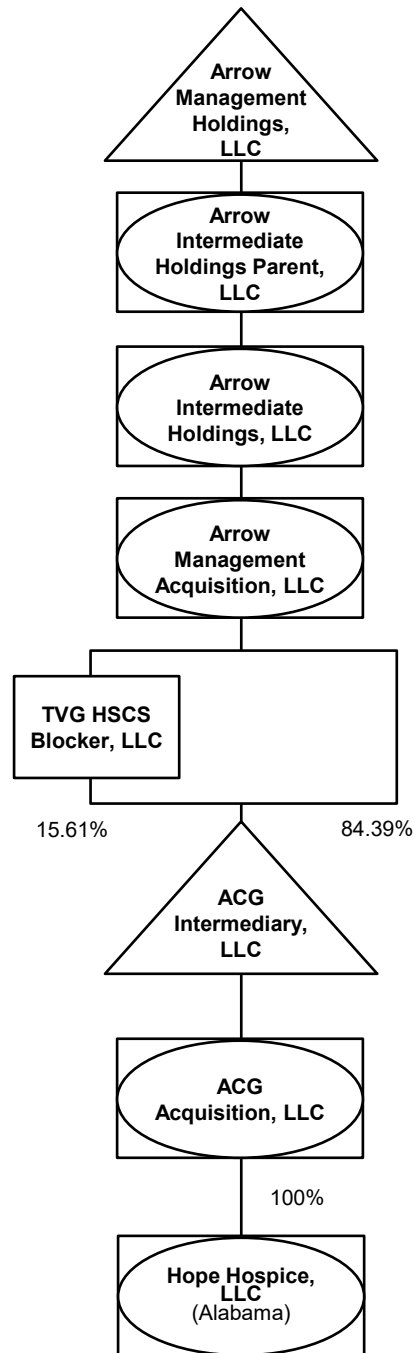


Conversion from an Alabama Corporation to an Alabama Limited Liability Company



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

Post-Acquisition Ownership Structure



Your Receipt

PURCHASE RECEIPT

SHPDA

PO Box 303025
Montgomery AL 36130-3025
(334)242-4109
bradford.williams@shpda.alabama.gov
OTC Local Ref ID: 82428622
5/16/2023 01:25 PM

Status: **APPROVED**
Customer Name: Eric J Knickrehm
Type: AmericanExpress
Credit Card Number: **** * 3007

Items	Quantity	TPE Order ID	Total Amount
Change of Ownership	1	91870032	\$2,500.00
Applicant Name: ACG Acquisition, LLC			
Filing Date: 05/16/2023			
Phone Number: (202) 282-5779			
Email Address: eknickrehm@winston.com			
Total remitted to the SHPDA			\$2,500.00
Alabama total amount charged			\$2,577.00