

Duke LIFEPOINT
HEALTHCARE

March 8, 2016

Attorney General
525 W. Ottawa Street, 7th Floor
Lansing, Michigan 48909

Department of Attorney General
Corporate Oversight Division
Charitable Trust Section attorney - Time Sensitive
525 W. Ottawa Street, 6th Floor
Lansing, Michigan 48909

Dear Mr. Attorney General:

Pursuant to the Monitoring, Compliance and Enforcement Agreement (the "MCE Agreement"), dated as of September 25, 2014, by and among the Michigan Department of Attorney General, MGH Wind Down, Inc. f/k/a Marquette General Hospital, Inc., DLP Marquette Holding Company, LLC ("DLP"), LifePoint Health, Inc. f/k/a LifePoint Hospitals, Inc., Superior Health Foundation, and Stout Risius Ross, Inc. ("Monitor"), please find enclosed a Certificate of Compliance, satisfying the requirement for an Annual Report (as defined in the MCE Agreement) for the period between January 1, 2015 and December 31, 2015.

Concurrent with the submission of the enclosed Certificate of Compliance, pursuant the MCE Agreement, DLP is submitting the Required Documents (as defined in the MCE Agreement) to Monitor.

Please feel free to contact me if you have any questions.

Sincerely,



Paul Hannah
SVP, Development

330 Seven Springs Way, Brentwood, Tennessee 37027

Phone 615.920.7000

DUKELIFEPOINTHEALTHCARE.COM

DLP MARQUETTE HOLDING COMPANY, LLC

CERTIFICATE OF COMPLIANCE

Pursuant to that certain Monitoring, Compliance and Enforcement Agreement (the "MCE Agreement"), dated as of September 25, 2014, by and among the Michigan Department of Attorney General, MGH Wind Down, Inc. f/k/a Marquette General Hospital, Inc. ("MGH"), DLP Marquette Holding Company, LLC ("DLP"), LifePoint Health, Inc. f/k/a LifePoint Hospitals, Inc., Superior Health Foundation, and Stout Risius Ross, Inc. ("Monitor"), I, Wesley Trent Crable, do hereby certify that I am the duly elected, qualified and acting officer of DLP, and further certify that during the period between January 1, 2015 and December 31, 2015:

1. **Indigent Care.** Pursuant to Section 9.9 of the Purchase Agreement, DLP has caused the Hospital to maintain and adhere to MGH's policies for the treatment of indigent patients prior to Closing (as defined in the Purchase Agreement), subject to any changes necessary to comply with applicable Legal Requirements (as defined in the Purchase Agreement) and the implications of healthcare reform legislation.
2. **Capital Commitment.** Pursuant to Section 9.10 of the Purchase Agreement, DLP has expended \$15,306,308 in capital expenditures as part of its Capital Commitment in compliance with the Capital Plan (as defined in the Purchase Agreement). For clarification purposes, pursuant to Section 9.10 of the Purchase Agreement and Section 2(I) of the MCE Agreement, DLP's compliance with the Capital Commitment does not require that the aggregate commitment be fulfilled on a pro-rated basis during the Commitment Period (as defined in the Purchase Agreement).
3. **Physician Recruitment Commitment.** Pursuant to Section 9.11 of the Purchase Agreement, DLP has expended \$6,774,056 to recruit and support new physicians in connection with the business or operations of the Hospital Facilities (as defined in the Purchase Agreement) in accordance with the Physician Recruitment Commitment Methodologies attached as Appendix 4 to the MCE Agreement.

As reflected on the Estimated Foundation Proceeds Certificate at the Closing (as defined in the Purchase Agreement), the aggregate amount of the Capital Commitment and the Physician Recruitment Commitment was reduced to \$321,718,000 as a result of the offsets pursuant to Sections 9.18 and 10.7 of the Purchase Agreement.

4. **Continuation of Services.** Pursuant to Section 9.15 of the Purchase Agreement, DLP continued to provide, in all material respects, and enhanced important healthcare services and programs described in Schedule 9.15 to the Purchase Agreement (the "Core Services").
5. **Restriction on Sale of the Hospital.** Pursuant to Section 9.17 of the Purchase Agreement, DLP has not sold the assets of the Hospital to a third party.
6. **Amendment to the Purchase Agreement.** The Purchase Agreement and its schedules and exhibits, including DLP's post-Closing commitments therein, have not been amended.
7. **Required Documents.** Pursuant to Section 2(A)(iii) of the MCE Agreement, DLP has submitted the Required Documents to the Monitor.

Capitalized terms used herein but not otherwise defined have the same meanings ascribed to such terms in the MCE Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of 3-4,
2016.

DLP MARQUETTE HOLDING COMPANY, LLC

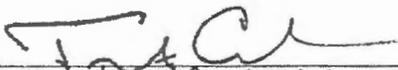
By: 
Name: TRENT CRABLE
Title: CEO

Exhibit A
UP Health System - Marquette
Capital Expenditures
Dec 2013-Dec 2015

		Running Total
Asset Purchase Agreement Commitment		\$ 300,000,000
<i>Amounts to be offset pursuant to Schedule 9.10:</i>		
Payments for Escanaba Doctors Park operating lease	\$ 10,938,073.00	
Linear Accelerator final payment	\$ 1,930,908.00	
Equipment operating leases	\$ 4,543,454.00	
Equipment purchased for Escanaba Doctors Park	\$ 1,898,932.00	
Total Schedule 9.10 Offset Amount		\$ 19,311,367.00
<i>Schedule 2.1(b) Tentative Shortfall to Meet Foundation Guarantee</i>		
<i>Commitment not reduced - \$9,792,000</i>		
September 1- December 31, 2012		
FF&E	\$3,218,780.00	
2012 Capital Expenditures		\$3,218,780.00
Calendar Year 2013		
FF&E	\$11,948,067.87	
Plans and Construction	unknown	
<i>Schedule 2.1(b) Final Shortfall w/Plante Moran review</i>		
<i>Commitment not reduced - \$28,282,000</i>		
2013 Capital Expenditures		\$11,948,067.87
Calendar Year 2014		
FF&E	\$8,584,851.61	
Plans and Construction	\$1,397,826.00	
2014 Capital Expenditures		\$9,982,677.61
Calendar Year 2015		
FF&E	\$10,281,163.00	
Plans and Construction	\$5,025,145.00	
Reduction in CapEx pursuant to APA	\$0.00	
2015 Capital Expenditures		\$15,306,308.00
Calendar Year 2016		
FF&E		
Plans and Construction		
Reduction in CapEx pursuant to APA		
2016 Capital Expenditures		\$0.00
January 1-August 31, 2017		
FF&E		
Plans and Construction		
Reduction in CapEx pursuant to APA		
<i>First 5 Years Capital Expenditures-\$180,000,000 Required</i>		\$59,767,200.48
September 1-December 31, 2017		
FF&E		
Reduction in CapEx pursuant to APA		
2017 Capital Expenditures		\$0.00
Calendar Year 2018		
FF&E		
Reduction in CapEx pursuant to APA		
2018 Capital Expenditures		\$0.00
Calendar Year 2019		
FF&E		
Reduction in CapEx pursuant to APA		
2019 Capital Expenditures		\$0.00
Calendar Year 2020		
FF&E		
Reduction in CapEx pursuant to APA		
2020 Capital Expenditures		\$0.00
Calendar Year 2021		
FF&E		
Reduction in CapEx pursuant to APA		
2021 Capital Expenditures		\$0.00
January 1-August 31, 2022		
FF&E		
Reduction in CapEx pursuant to APA		
January 1-August 31, 2022 Capital Expenditures		\$0.00
Capital Expenditure Commitment Remaining		\$240,232,799.52

Exhibit B
UP Health System - Marquette
Physician Recruiting Expenditures
Dec 2013-Dec 2015

Asset Purchase Agreement Commitment			\$50,000,000.00
			pending adjustment
September 1-December 31, 2012			
Department expenses	128,242		
New Physician Costs	329,574		
Recruitment Agreements/Private Practice	-		
Contractual payments for Physician Service Personnel for Purchased Physician Practice	699,839		
	-		
2012 Phys Recruitment Expenditures	1,157,655	101,359	1,056,295
Calendar Year 2013			
Department expenses	629,185	<u>Net Rev - 2013</u>	
New Physician Costs	4,524,388	-	
Recruitment Agreements/Private Practice	190,173	2,788,056	
Contractual payments for Physician Service Personnel for Purchased Physician Practice	2,061,883	-	
	-	1,049,807	
Reduction in Commitment pursuant to APA	unknown	-	
	-	-	
2013 Phys Recruitment Expenditures	7,405,629	3,837,863	3,567,766
Calendar Year 2014			
Department expenses	558,069	<u>Net Rev - 2014</u>	
New Physician Costs	8,172,680	-	
Recruitment Agreements/Private Practice	105,690	5,634,130	
Contractual payments for Physician Service Personnel for Purchased Physician Practice	924,747	-	
	-	385,239	
	-	-	
2014 Phys Recruitment Expenditures	9,761,186	6,019,368	3,741,818
Calendar Year 2015			
Department expenses	588,118	<u>Net Rev - 2015</u>	
New Physician Costs	7,079,996	-	
Recruitment Agreements/Private Practice	356,902	4,776,495	
Contractual payments for Physician Service Personnel for Purchased Physician Practice	4,830,633	-	
	-	1,305,098	
	-	-	
2015 Phys Recruitment Expenditures	12,855,648.68	6,081,592.44	6,774,056
Calendar Year 2016			
Department expenses			
New Physician Costs			
2016 Phys Recruitment Expenditures			
January 1-August 31, 2017			
Department expenses			
New Physician Costs			
<i>First 5 Years Capital Expenditures-\$30,000,000 Required</i>			
September 1-December 31, 2017			
Department expenses			
New Physician Costs			
2017 Phys Recruitment Expenditures			
Department expenses			
New Physician Costs			
2018 Phys Recruitment Expenditures			
Calendar Year 2019			
Department expenses			
New Physician Costs			
2019 Phys Recruitment Expenditures			
Calendar Year 2020			
Department expenses			
New Physician Costs			
2020 Phys Recruitment Expenditures			
Calendar Year 2021			
Department expenses			
New Physician Costs			
2021 Phys Recruitment Expenditures			
January 1-August 31, 2022			
Department expenses			
New Physician Costs			
Jan 1-Aug 31, 2022 Phys Recruitment Expenditures			
Physician Recruitment Expenditure Remaining			\$34,860,064.56