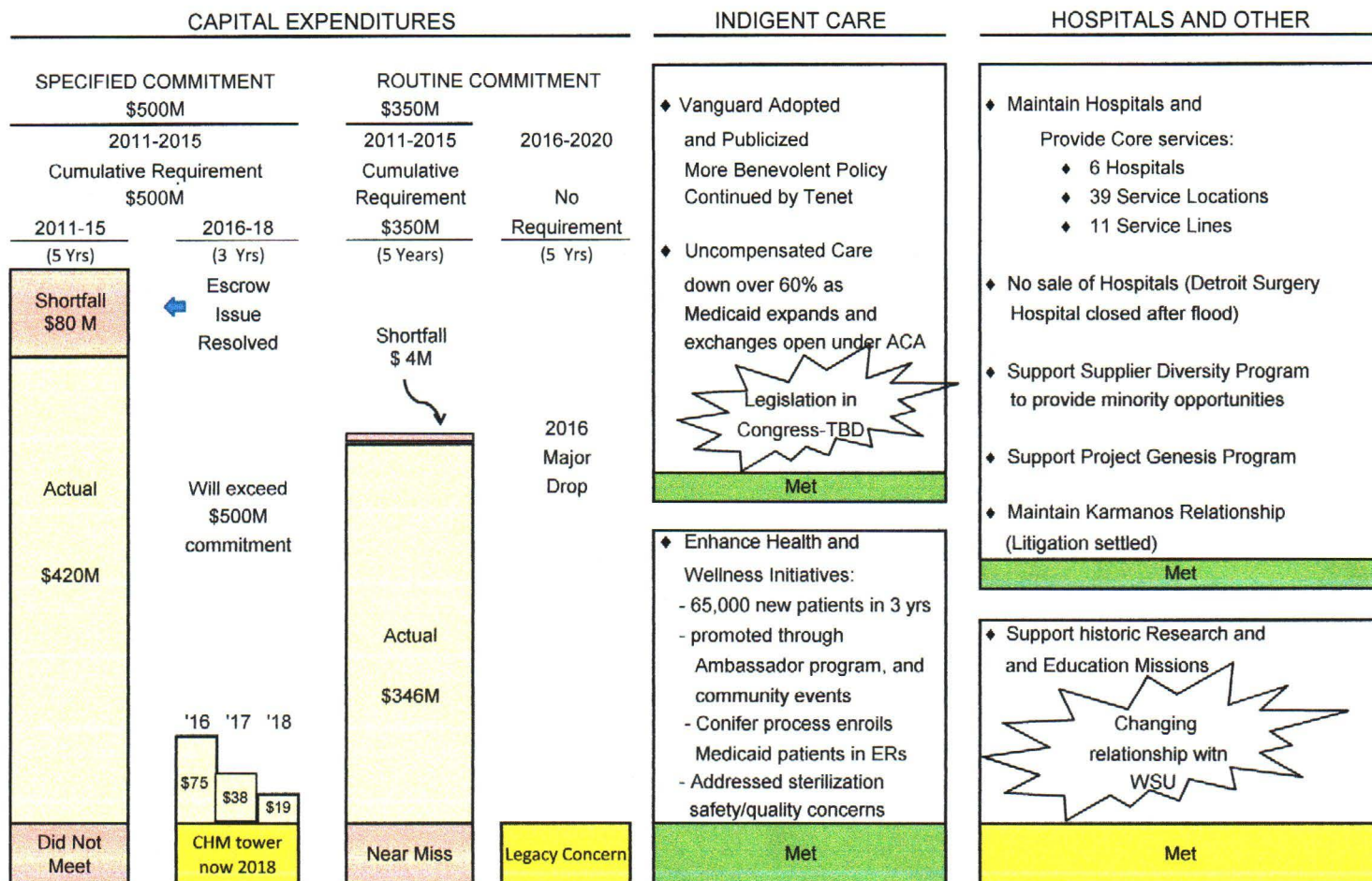


Legacy DMC

TENET COVENANTS as of 2017



YEAR SEVEN OF TEN STATUS

- Capital Expenditure commitments met on extended time frame
 - Specified Capital Projects
 - CHM Tower functioning - completion in 2018
 - Routine Capital
 - Commitment expired in 2015
 - DMC invested \$2.5M in equipment to settle \$80M escrow shortfall matter
- Indigent Care costs significantly reduced through Medicaid expansion and ACA health care insurance exchanges
 - Legacy review shows no decline in care for the indigent
- Tenet Annual Report received on schedule
 - February 28; DMC presentation to Legacy March 21
- Legacy DMC Annual Report filed with extension
 - Reviewed allegation re indigent care and monitored WSU negotiations

FORWARD YEAR RISKS

- Research and Education commitments
 - WSU/DMC negotiating changes
- Declines in Routine Capital Expenditures have materialized; limited CapEx information is being provided.
 - DMC acknowledges decline
- Patient Safety and Quality issues
 - Monitoring Leapfrog ratings
- Federal and State Health Care subsidy changes
 - Potential legislation in Congress