



**PERSONAL AND CONFIDENTIAL**

September 12, 2014

Andrew Turnbull, Managing Director  
Houlihan Lokey  
123 North Wacker Drive, 4<sup>th</sup> Floor  
Chicago, IL 60636

Scott Jackson, Director  
Houlihan Lokey  
123 North Wacker Drive, 4<sup>th</sup> Floor  
Chicago, IL 60636

**RE: Daughters of Charity Health System ("DCHS" or the "System")**

Dear Gentlemen:

On behalf of Prime Healthcare Services, Inc. (PHSI) and Prime Healthcare Services Foundation, Inc. (PHSF), we are pleased to present our final proposal, including the Definitive Agreement, which includes schedules and the financial packet for the acquisition for DCHS. Prime Healthcare is very excited to have the opportunity to acquire this great system and work towards integrating to our Prime Healthcare family.

We thank everyone at Houlihan Lokey and Daughters of Charity Health System in working with us to finalize this proposal.

Should you have any questions, please do not hesitate to contact me at 909-235-4410.

Sincerely,

Mike Sarian  
President of Operations

c: Troy Schell, General Counsel, Prime Healthcare Services, Inc.  
Gary Gertler, Attorney, McDermott, Will & Emery, LLP  
John Chesley, Attorney, Ropes & Gray

Enclosures

**"Saving Hospitals, Saving Jobs, Saving Lives."**

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