



April 5, 2018

Jonny Hipp
Administrator
Nueces County Hospital District
555 North Carancahua Street, Suite 950
Corpus Christi, Texas 78401

jonny.hipp@nchdcc.org

Re: Notice of Milestone Achievement and Escrow Disbursement Request

Dear Mr. Hipp:

We are writing to confirm that, pursuant to Schedule 1, Section 3.9.7(c) of the CHRISTUS Spohn Health System Corporation ("Spohn") Amended and Restated Membership Agreement, as amended effective October 17, 2017 and January 1, 2018 ("Membership Agreement"), Spohn completed its second milestone for its Shoreline campus to achieve Level II Trauma Designation. Attached is a copy of Spohn Shoreline's confirmed Level II Trauma Designation as denoted by the Texas Department of State Health Services.

In accordance with Schedule 1, Section 3.9.7(c) of the Membership Agreement, and Section 3.2 of the Escrow Agreement between Nueces County Hospital District (the "District"), Bank of America (the "Escrow Agent"), and Spohn, Spohn is entitled to withdraw twenty-five percent (25%) of the funds in escrow upon completing this milestone.

Pursuant to Section 3.1 of the Escrow Agreement, Spohn intends to submit the attached Disbursement Request to the Escrow Agent in order to withdraw twenty-five percent (25%) of the funds in the account, which amounts to \$3,008,195.14. In order for the Escrow Agent to disburse the funds, a Nueces County Hospital District authorized representative must sign the Disbursement Request. Accordingly, please sign the attached Disbursement Request, and return it to us via email in PDF format.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Justin Doss", written over a horizontal line.

Justin Doss
President
CHRISTUS Spohn Health System Corporation

Enclosures

cc: Dena Bruni
Gary Eiland
Lance Ramsey
Rachel Gilbert
Becky Rios

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