

Fill in this information to identify the case:Debtor 1 Fayette Memorial Hospital Association, Inc.Debtor 2
(Spouse, if filing) _____

United States Bankruptcy Court for the: Southern District of Indiana

Case number 18-07762-JJG-11

RECEIVED

JUN 25 2019

BMC GROUP

Official Form 410**Proof of Claim**

04/19

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) that you received.

Part 1: Identify the Claim**1. Who is the current creditor?**Leasing Associates of Barrington, Inc.

Name of the current creditor (the person or entity to be paid for this claim)

Other names the creditor used with the debtor _____

2. Has this claim been acquired from someone else?☒ No☐ Yes. From whom? _____**3. Where should notices and payments to the creditor be sent?**

Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)

Where should notices to the creditor be sent?Eric L. Grenzebach - Brown, Hay & Stephens

Name

205 S. Fifth Street, Suite 1000

Number Street

Springfield

IL

62701

City

State

ZIP Code

Contact phone (217) 241-6838Contact email elg@bhslaw.com**Where should payments to the creditor be sent? (if different)**Leasing Associates of Barrington, Inc.

Name

220 North River Street

Number Street

East Dundee

IL

60118

City

State

ZIP Code

Contact phone (847) 428-8550Contact email sptintera@labarrington.comUniform claim identifier for electronic payments in chapter 13 (if you use one):
_____**4. Does this claim amend one already filed?**☐ No☒ Yes. Claim number on court claims registry (if known) _____Filed on 05/01/2019

MM / DD / YYYY

5. Do you know if anyone else has filed a proof of claim for this claim?☒ No☐ Yes. Who made the earlier filing? _____

Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? ☐ No
☐ Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ 979,329.00 Does this amount include interest or other charges?
☒ No
☐ Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
Limit disclosing information that is entitled to privacy, such as health care information.

Rejection of Lease No. 12679000 for medical equipment

9. Is all or part of the claim secured? ☒ No
☐ Yes. The claim is secured by a lien on property.
- Nature of property:**
☐ Real estate. If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
☐ Motor vehicle
☐ Other. Describe: _____
- Basis for perfection:** _____
Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)
- Value of property:** \$ _____
Amount of the claim that is secured: \$ _____
Amount of the claim that is unsecured: \$ 0.00 (The sum of the secured and unsecured amounts should match the amount in line 7.)
- Amount necessary to cure any default as of the date of the petition:** \$ 0.00
- Annual Interest Rate (when case was filed)** _____ %
☐ Fixed
☐ Variable

10. Is this claim based on a lease? ☐ No
☒ Yes. Amount necessary to cure any default as of the date of the petition. \$ 979,329.00

11. Is this claim subject to a right of setoff? ☒ No
☐ Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

☒ No

☐ Yes. Check one:

Amount entitled to priority

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

☐ Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).

\$ _____

☐ Up to \$3,025* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).

\$ _____

☐ Wages, salaries, or commissions (up to \$13,650*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).

\$ _____

☐ Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).

\$ _____

☐ Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).

\$ _____

☐ Other. Specify subsection of 11 U.S.C. § 507(a)() that applies.

\$ _____

* Amounts are subject to adjustment on 4/01/22 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

☐ I am the creditor.

☒ I am the creditor's attorney or authorized agent.

☐ I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

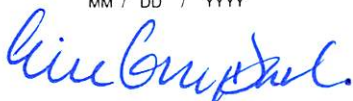
☐ I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 06/25/2019
MM / DD / YYYY



Signature

Print the name of the person who is completing and signing this claim:

Name	Eric	L.	Grenzebach
	First name	Middle name	Last name
Title	Attorney		
Company	Leasing Associates of Barrington, Inc.		
	Identify the corporate servicer as the company if the authorized agent is a servicer.		
Address	205 S. Fifth Street, Suite 1000		
	Number	Street	
	Springfield	IL	62701
	City	State	ZIP Code
Contact phone	(217) 241-6838		Email elg@bhslaw.com

Lease Agreement

This LEASE AGREEMENT ("Lease") is dated March 24, 2016, and is between LEASING ASSOCIATES OF BARRINGTON, INC., an Illinois corporation ("Lessor"), and FAYETTE MEMORIAL HOSPITAL ASSOCIATION INC ("Lessee").

EQUIPMENT DESCRIPTION: One (1) Hologic Selenia Dimension 3D 6000 Mammography Package, One (1) Monitor, One (1) Double Articulating Arm Kit, One (1) Affirm Breast Biopsy System, One (1) FMI Kit, One (1) Adapter, One (1) Diagnostic Paddles Kit, One (1) Needle Localization Kit, One (1) Dimensions Paddle Racks, One (1) Cenova Server, One (1) Trident RC Specimen Radiography System, One (1) UPS, One (1) Horizon W Bone Densitometer System, One (1) Iris Enterprise and One (1) DXA Biomed Training...including all attachments and accessories as provided by Alpha Imaging, I.I.C, as more fully described in Quotation AI-019741.05 dated Saturday, March 04, 2017.

EQUIPMENT COST: \$577,041.00

(Any applicable state and local sales /use taxes or shipping/installation charges will be billed separately.)

EQUIPMENT DEFINITION: The term "Equipment" as set forth in this Lease and all related documents hereto shall include all, but not less than all, the equipment provided under this Lease.

EQUIPMENT LOCATION: 1941 Virginia Avenue, Connersville, IN 47331

TERMS:

<u>Lease Type</u>	<u>Initial Term</u>	<u>Monthly Rental Amount</u>
Operating Lease	60 Months	\$10,579.00

END OF LEASE OPTIONS: At the conclusion of the initial term, Lessee may (a) return the Equipment in accord with Paragraph 9 of this Lease, (b) renew this Lease at a rental amount based upon the then fair market value of the Equipment, or (c) purchase the Equipment for its then Fair Market Value, plus any applicable taxes.

CREDIT APPROVAL AND COMMITMENT FEE: This Lease shall become effective upon Lessee execution and Lessor credit approval and execution. To obtain credit approval, Lessee shall execute and return this Lease with the requested financial information and a commitment fee in the amount of one month's rental. The commitment fee is totally applicable to the last month's rental obligation and is refundable to Lessee only if Lessor does not provide credit approval within 10 days of receipt of all requested information.

COMMENCEMENT: The initial term and Lessee's rental obligation begin on the date the Equipment is installed by the vendor and accepted by Lessee ("Commencement Date"). Such acceptance shall not be unreasonably withheld.

LESSEE

FAYETTE MEMORIAL HOSPITAL ASSOCIATION INC
1941 Virginia Avenue
Connersville, IN 47331

Samantha Bell-Jent
Name of Authorized Signer

Samantha Bell-Jent
Signature (Additionally, please initial page 2)

CFO
Title

LESSOR

LEASING ASSOCIATES OF BARRINGTON, INC.
220 North River Street
East Dundee, IL 60118

Steve Tintera
Name of Authorized Signer

Steve Tintera
Signature

Vice President Finance
Title

TERMS AND CONDITIONS

1. TERM. This Lease shall be effective on the date of Lessor's execution and shall remain so until the Equipment is purchased or returned to Lessor in accord with Paragraph 9 below ("expiration"). If the initial term of this Lease is extended for any reason, all provisions of this Lease shall apply during any such extension, unless the parties specifically provide otherwise.

2. RENT. Lessee shall pay Lessor rent for the Equipment as provided herein. Rental payments for the initial term and any renewal term ("rent") shall be due and payable in advance, for the monthly period covered by each such payment, on the first day thereof via electronic debit. Any payment of rent or other obligation not paid when due, at Lessor's option, shall bear interest from the date due until the date paid at the rate of 5% per month or, if less, the highest rate permitted by applicable law. Lessee's obligation to pay rent and all other amounts payable by Lessee hereunder is absolute, unconditional and irrevocable, and shall be paid without any abatement, reduction, setoff or defense of any kind.

The monthly rental is premised upon a Five Year Treasury Yield Index of 1.94%. Should the index have increased on the Commencement Date, Lessor reserves the right to raise the monthly rent to reflect such increase. Any adjustment shall be one-time only and the revised monthly rent shall remain fixed throughout the initial term. All terms and conditions of this Lease assume a Commencement Date not later than June 24, 2016. Should the Commencement not be effected by such date, Lessor reserves the right of modification of these terms and conditions.

3. TAXES. Lessee is responsible for all taxes or fees levied against the purchase, use, lease, rent, operation or ownership of the Equipment, including any interest or penalty, except those taxes on or measured by the net income of Lessor. This obligation shall survive the expiration of this Lease.

4. DISCLAIMER OF WARRANTY. Lessee agrees that (a) it has selected the Equipment and vendor, (b) Lessor neither manufactured nor provides service for the Equipment and (c) the Equipment is leased on an "as is" basis. LESSOR MAKES NO EXPRESS OR IMPLIED WARRANTY WHATSOEVER OF MERCHANTABILITY, FITNESS FOR ANY PURPOSE, OR OTHERWISE, REGARDING THE EQUIPMENT. IN NO EVENT SHALL LESSOR BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES. Lessor transfers to Lessee all of its interest in any express or implied warranties of the manufacturer or vendor of the Equipment.

5. USE. The Equipment shall be kept by Lessee (a) complete, in use, in good operating condition and repair and performing according to manufacturer's published specifications, (b) supplied with all necessary parts and service, (c) at a location as indicated herein, (d) subject to inspection by Lessor, (e) free of all security interests and claims except those of Lessor and its assigns and (f) at Lessor's option, conspicuously labeled to disclose Lessor's ownership.

6. ADDITIONS. All parts, improvements, additions, replacements and substitutions to the Equipment shall immediately become the property of Lessor.

7. RISK AND CANCELABILITY. Lessee shall bear the entire risk of all loss, theft, damage, destruction, condemnation, requisition, taking by eminent domain or other interruption or termination of use of the Equipment from any cause whatsoever ("occurrences"). No (a) occurrences, (b) delay, deficiency or absence of insurance proceeds, (c) unavailability, delay or failure of supplies, reagents, consumables, parts, mechanisms, devices or service for the Equipment or (d) failure of the Equipment to function for any cause shall relieve Lessee of the obligation to pay rent or of any other obligation hereunder. Lessee shall promptly notify Lessor in writing of any of the above events. **THIS IS A NON-CANCELABLE LEASE AGREEMENT.**

8. INSURANCE. Lessee agrees, at its own expense, to maintain physical damage and liability insurance on the Equipment, equal to its full replacement cost, with Lessor and its assigns named as an additional insured and loss payee, effective from the date of delivery of the Equipment until the expiration of this Lease. The insurance shall be with an insurance company, in an amount, and with endorsements and coverage satisfactory to Lessor. Lessee shall provide Lessor and its assigns with a certificate of insurance, with a 30 day cancellation clause. Lessee hereby irrevocably appoints Lessor as Lessee's attorney-in-fact to make claim for, receive payment of and execute and endorse all documents, checks or drafts received in payment for loss, theft, destruction or damage or other claim under such insurance policies. The proceeds of the insurance shall be applied, at Lessor's sole election, toward the replacement or repair of the Equipment or, if the Equipment cannot be replaced or repaired, toward payment of Lessee's obligations. If Lessee fails to procure or maintain the required insurance, Lessor may obtain such insurance at Lessee's expense.

9. RETURN. At the expiration of the initial term, any renewal term or termination for any cause, Lessee shall at its own cost and expense promptly assemble, crate and return the Equipment to Lessor in the complete and same condition as when received, performing according to manufacturer's published specifications, ordinary wear and tear excepted, including all items accompanying original shipment. Lessee shall provide 30 days prior written notice of intent to return. The Equipment shall be shipped with insurance and freight prepaid by Lessee to a point designated by Lessor. Should Lessee fail to return, within 10 days of such expiration, all items of Equipment in full accord with the provisions of this Paragraph 9, or to effect any renewal or purchase terms that may be provided by Lessor, then this Lease shall be deemed extended on a month-to-month basis with rent payable in the amount applicable at expiration until such return, renewal or purchase arrangements are consummated and in effect. If, for any reason, the Equipment is not available or cannot be repaired to its required condition, Lessee shall remit to Lessor within 10 days of expiration Lessor's booked residual value of the Equipment.

10. DISCLAIMER AND INDEMNITY. Lessor shall not be liable for and Lessee's obligations shall not be diminished because of any claim, cost, damage, demand expense, liability or loss of any kind incurred by Lessee or any other person or entity (collectively "Claims") caused, or alleged to be caused, directly or indirectly by the Equipment or any (a) inadequacy, delay or interruption of Equipment purpose, use, service or repair, (b) loss of business or revenue or (c) claims of consequential or other damages of any nature. In this regard, Lessee agrees to indemnify and hold Lessor harmless against any such Claims, including reasonable attorney's fees and expenses, asserted or brought against Lessor.

11. DEFAULT. An event of default shall have occurred if Lessee (a) fails to pay rent or any other payment within 10 days of its due date, (b) fails to perform any other obligation under this Lease within 10 days of notification, (c) is declared in default of any obligation under any other agreement with Lessor, (d) ceases doing business as a going concern, becomes insolvent or dissolved, assigns assets for the benefit of creditors or enters into any bankruptcy or reorganization proceeding or (e) suffers an adverse material change in its financial condition.

12. REMEDIES. Upon any event of default, Lessor shall be entitled to (a) declare the balance of rent and all other amounts due, or to become due, immediately payable, (b) terminate this Lease and take immediate possession of the Equipment, entering upon any premises without liability for doing so, (c) sell, lease or finance all or any part of the Equipment to a third party upon such terms as Lessor may from time to time elect, without any duty to account to Lessee, and Lessee shall remain liable for all rents and other amounts due plus any and all other costs, expenses and damages, including reasonable attorney's fees and legal expenses or (d) avail itself of any other remedy or remedies provided for by any statute or otherwise available at law, in equity, or in bankruptcy or insolvency proceedings. These remedies shall be cumulative.

13. ASSIGNMENT. Lessee shall not assign, sell, transfer or sublease the Equipment or its interest in this Lease. Lessor and its assigns, without notification, may sell, transfer, assign or grant a security interest in this Lease to a third party ("assignee"). In such event, assignee will have all rights and benefits, but not the obligations of Lessor. Lessee's obligations will in no way be reduced or abated by such an assignment. Assignee's rights will not be subject to any claims, defenses or setoff that Lessee may have against Lessor.

14. GENERAL PROVISIONS.

(a) If Lessee fails to pay or to perform any obligation under this Lease, Lessor may, but shall not be obligated to take any action or pay any amounts that are necessary to protect Lessor's interests. Lessee agrees to reimburse Lessor immediately upon notice for any such payment or incurred expense.

(b) All notices relating to this Lease shall be mailed to Lessor and Lessee at the addresses shown herein, and shall be deemed served when deposited in the U.S. Mail.

(c) Lessee agrees to execute, acknowledge and deliver such instruments, and to take such other action as may be reasonably necessary in the opinion of Lessor, or its counsel, to protect Lessor's interests. Lessee authorizes Lessor to file Uniform Commercial Code financing statements with respect to the Equipment. If this Lease is deemed at any time to be intended as security, then Lessee grants Lessor a security interest in the Equipment and all proceeds from its sale, lease or disposition.

(d) Lessee agrees to provide to Lessor any financial information as Lessor from time to time may reasonably request.

(e) If Uniform Commercial Code Article 2A - Leases is deemed to apply to this Lease, it shall be considered a "Finance Lease" as so defined.

(f) This Lease together with notice of Equipment acceptance and any guarantee constitutes the entire agreement between Lessor and Lessee and any change or modification must be in writing and signed by the parties. Lessee agrees that neither the vendor of the Equipment nor any salesperson, employee or agent of vendor is Lessor's agent and shall have no authority to represent or bind Lessor in any manner.

(g) An originally or electronically executed copy of this Lease, transmitted by facsimile, e-mail, or other means of electronic transmission, shall be deemed to have the same legal effect as delivery of an original executed copy of this Lease for all purposes. Notwithstanding the above, Lessor reserves the right to require an originally executed, hard copy of this Lease to be forwarded to Lessor by US Mail or comparable carrier.

(h) If this Lease or any provision hereof shall be deemed in any way invalid, illegal, or unenforceable, its validity, legality and enforceability in all other respects shall not be in any way impaired. Each of the parties hereto acknowledges that the other party shall not by act, delay, omission, or otherwise be deemed to have waived any of its rights or remedies under this Lease unless such waiver is given in writing. A waiver on any one occasion shall not be construed as a waiver on any future occasion. Without limiting the foregoing, Lessor's rights and Lessee's duties shall in no way be affected by Lessor's failure to inform Lessee of any noncompliance with any of Lessee's obligations under this Lease. Lessee hereby waives any right to assert that Lessor cannot enforce this Lease because of any failure of Lessor to qualify to do business in any jurisdiction. This Lease has been delivered for acceptance by Lessor in Springfield, Illinois, and the laws of the State of Illinois shall govern the construction, validity, interpretation, performance and enforcement of this Lease. Any action at law or equity arising from or in connection with this Lease, including the enforcement of any term or condition hereof, shall be instituted and litigated in the United States District Court, Central Division, in Springfield, Illinois or in the Sangamon County, Illinois Circuit Court. Lessee and Lessor agree to waive any rights to a trial by jury. This Lease shall be binding on Lessor and Lessee and their respective successors, heirs and assigns and shall inure to the benefit of Lessor and Lessee and their successors, heirs and assigns. Lessee warrants that its Signatory to this Lease is authorized to obligate Lessee to its terms.

Addendum No. 12669001
Addendum Date: April 4, 2017

ADDENDUM

This Addendum is pursuant to Lease Agreement No. 12669000 dated March 24, 2016 ("Lease"), between LEASING ASSOCIATES OF BARRINGTON, INC. as Lessor, and FAYETTE MEMORIAL HOSPITAL ASSOCIATION INC, as Lessee, and is a part thereof.

EFFECTIVE DATE: March 24, 2017

LEASE DATE (Page 1 and 2):

Change From: March 24, 2016

Change To: March 24, 2017

RENT (Paragraph 2):

Change From: June 24, 2016

Change To: June 24, 2017

Except as otherwise stated above, all other terms and conditions in the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Addendum to be executed as of the day and year first above written.

LESSEE

FAYETTE MEMORIAL HOSPITAL ASSOCIATION INC
1941 Virginia Avenue
Connersville, IN 47331

Samantha Bell
Name of Authorized Signer

Samantha Bell
Signature

Controller 4/19/17
Title Date

LESSOR

LEASING ASSOCIATES OF BARRINGTON, INC.
220 North River Street
East Dundee, IL 60118

Steve Tintera
Name of Authorized Signer

Steve Tintera
Signature

Vice President Finance
Title



Addendum No. 12669002
Addendum Date: August 30, 2017

ADDENDUM

This Addendum is pursuant to Lease Agreement No. 12669000 dated March 24, 2016 ("Lease"), between LEASING ASSOCIATES OF BARRINGTON, INC. as Lessor, and FAYETTE MEMORIAL HOSPITAL ASSOCIATION INC, as Lessee, and is a part thereof.

EFFECTIVE DATE: September 17, 2017 (for the remaining 56 months of the initial 60 month term)

EQUIPMENT DESCRIPTION:

Add: Two (2) Konica AeroDR LT 14x17 Radiology Detectors, One (1) Konica AeroDR HQ 17x17 Radiology Detector, Two (2) CS-7 Desktop Controllers, One (1) Convertible Port Control SSD, One (1) AeroDR AeroSync Connection, Two (2) AeroDR SSRM Connection, One (1) AeroDR Wired Comm Pkg 20m Length and One (1) Protect A Grid DRP Encasement for Konica Aero Panel...including all attachments and accessories as provided by RPS Imaging, Inc., as more fully described in Quote: Q22623-R1 dated July 7, 2017.

EQUIPMENT COST:

Add: \$175,156.00

MONTHLY RENTAL AMOUNT:

Change From: \$10,579.00

Change To: \$14,020.00

Except as otherwise stated above, all other terms and conditions in the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Addendum to be executed as of the day and year first above written.

LESSEE

FAYETTE MEMORIAL HOSPITAL ASSOCIATION INC
1941 Virginia Avenue
Connersville, IN 47331

Samantha Bell
Name of Authorized Signer

Samantha Bell
Signature

CFO
Title

8/31/17
Date

LESSOR

LEASING ASSOCIATES OF BARRINGTON, INC.
220 North River Street
East Dundee, IL 60118

Name of Authorized Signer

Signature

Title



LETTER OF ACCEPTANCE

Pursuant to equipment Lease Agreement No. 12669000 dated March 24, 2017 between the undersigned, as Lessee, and LEASING ASSOCIATES OF BARRINGTON, INC., as Lessor, the undersigned agrees that the equipment leased under such agreement,

One (1) Hologic Selenia Dimension 3D 6000 Mammography Package, One (1) Monitor, One (1) Double Articulating Arm Kit, One (1) Affirm Breast Biopsy System, One (1) FMI Kit, One (1) Adapter, One (1) Diagnostic Paddles Kit, One (1) Needle Localization Kit, One (1) Dimensions Paddle Racks, One (1) Cenova Server, One (1) Trident RC Specimen Radiography System, One (1) UPS, One (1) Horizon W Bone Densitometer System, One (1) Iris Enterprise and One (1) DXA Biomed Training...including all attachments and accessories

has been installed by the equipment vendor, ALPHA IMAGING, LLC and is hereby accepted by the undersigned as of the 17 day of May, 2017.

FAYETTE MEMORIAL HOSPITAL ASSOCIATION INC

Lessee

Samantha Bell-Jent
Name of Authorized Signer

Samantha Bell-Jent
Signature

CFO

Title

Lease Agreement

This LEASE AGREEMENT ("Lease") is dated April 6, 2017, and is between LEASING ASSOCIATES OF BARRINGTON, INC., an Illinois corporation ("Lessor"), and FAYETTE MEMORIAL HOSPITAL ASSOCIATION INC ("Lessee").

EQUIPMENT DESCRIPTION: VitalBeam Package including One (1) VitalBeam Radiotherapy System, One (1) Aria Oncology Information System and One (1) Eclipse Treatment Planning System/RapidArc/Acuros...including all attachments and accessories as provided by Varian Medical Systems, Inc., as more fully described in Quotation Number - 2016-71955 dated December 28, 2016.

Equipment Cost: \$1,869,624.00
Less Lessee Down Payment: ~~(\$500,000.00)~~
TOTAL LEASE AMOUNT: \$1,369,624.00

(Any applicable state and local sales /use taxes or shipping/installation charges will be billed separately.)

EQUIPMENT DEFINITION: The term "Equipment" as set forth in this Lease and all related documents hereto shall include all, but not less than all, the equipment provided under this Lease.

EQUIPMENT LOCATION: 1941 Virginia Avenue, Connersville, IN 47331

TERMS:

<u>Lease Type</u>	<u>Initial Term</u>	<u>Monthly Rental Amount</u>
Operating Lease	60 Months	\$25,111.00

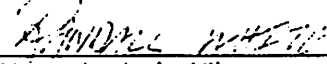
END OF LEASE OPTIONS: At the conclusion of the initial term, Lessee may (a) return the Equipment in accord with Paragraph 9 of this Lease, (b) renew this Lease at a rental amount based upon the then fair market value of the Equipment, or (c) purchase the Equipment for its then Fair Market Value, plus any applicable taxes.

CREDIT APPROVAL AND COMMITMENT FEE: This Lease shall become effective upon Lessee execution and Lessor credit approval and execution. To obtain credit approval, Lessee shall execute and return this Lease with the requested financial information and a commitment fee in the amount of one month's rental. The commitment fee is totally applicable to the last month's rental obligation and is refundable to Lessee only if Lessor does not provide credit approval within 10 days of receipt of all requested information.

COMMENCEMENT: The initial term and Lessee's rental obligation begin on the date the Equipment is installed by the vendor and accepted by Lessee ("Commencement Date"). Such acceptance shall not be unreasonably withheld.

LESSEE

FAYETTE MEMORIAL HOSPITAL ASSOCIATION INC
1941 Virginia Avenue
Connersville, IN 47331


Name of Authorized Signer

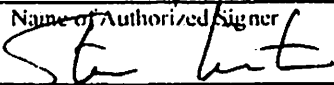

Signature (Additionally, please initial page 2)


Title

LESSOR

LEASING ASSOCIATES OF BARRINGTON, INC.
220 North River Street
East Dundee, IL 60118

Steve Tintera
Name of Authorized Signer


Signature

Vice President Finance
Title

TERMS AND CONDITIONS

1. TERM. This Lease shall be effective on the date of Lessor's execution and shall remain so until the Equipment is purchased or returned to Lessor in accord with Paragraph 9 below ("expiration"). If the initial term of this Lease is extended for any reason, all provisions of this Lease shall apply during any such extension, unless the parties specifically provide otherwise.

2. RENT. Lessee shall pay Lessor rent for the Equipment as provided herein. Rental payments for the initial term and any renewal term ("rent") shall be due and payable in advance, for the monthly period covered by each such payment, on the first day thereof via electronic debit. Any payment of rent or other obligation not paid when due, at Lessor's option, shall bear interest from the date due until the date paid at the rate of 3% per month or, if less, the highest rate permitted by applicable law. Lessee's obligation to pay rent and all other amounts payable by Lessee hereunder is absolute, unconditional and irrevocable, and shall be paid without any abatement, reduction, setoff or defense of any kind.

The monthly rental is premised upon a Five Year Treasury Yield Index of 1.85%. Should the index have increased on the Commencement Date, Lessor reserves the right to raise the monthly rent to reflect such increase. Any adjustment shall be one-time only and the revised monthly rent shall remain fixed throughout the initial term. All terms and conditions of this Lease assume a Commencement Date not later than July 6, 2017. Should the Commencement not be effected by such date, Lessor reserves the right of modification of these terms and conditions.

3. TAXES. Lessee is responsible for all taxes or fees levied against the purchase, use, lease, rent, operation or ownership of the Equipment, including any interest or penalty, except those taxes on or measured by the net income of Lessor. This obligation shall survive the expiration of this Lease.

4. DISCLAIMER OF WARRANTY. Lessee agrees that (a) it has selected the Equipment and vendor, (b) Lessor neither manufactured nor provides service for the Equipment and (c) the Equipment is leased on an "as is" basis. LESSOR MAKES NO EXPRESS OR IMPLIED WARRANTY, WHATSOEVER OF MERCHANTABILITY, FITNESS FOR ANY PURPOSE, OR OTHERWISE, REGARDING THE EQUIPMENT. IN NO EVENT SHALL LESSOR BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES. Lessor transfers to Lessee all of its interest in any express or implied warranties of the manufacturer or vendor of the Equipment.

5. USE. The Equipment shall be kept by Lessee (a) complete, in use, in good operating condition and repair and performing according to manufacturer's published specifications, (b) supplied with all necessary parts and service, (c) at a location as indicated herein, (d) subject to inspection by Lessor, (e) free of all security interests and claims except those of Lessor and its assigns and (f) at Lessor's option, conspicuously labeled to disclose Lessor's ownership.

6. ADDITIONS. All parts, improvements, additions, replacements and substitutions to the Equipment shall immediately become the property of Lessor.

7. RISK AND CANCELABILITY. Lessee shall bear the entire risk of all loss, theft, damage, destruction, condemnation, requisition, taking by eminent domain or other interruption or termination of use of the Equipment from any cause whatsoever ("occurrences"). No (a) occurrences, (b) delay, deficiency or absence of insurance proceeds, (c) unavailability, delay or failure of supplies, reagents, consumables, parts, mechanisms, devices or service for the Equipment or (d) failure of the Equipment to function for any cause shall relieve Lessee of the obligation to pay rent or of any other obligation hereunder. Lessee shall promptly notify Lessor in writing of any of the above events. **THIS IS A NON-CANCELABLE LEASE AGREEMENT.**

8. INSURANCE. Lessee agrees, at its own expense, to maintain physical damage and liability insurance on the Equipment, equal to its full replacement cost, with Lessor and its assigns named as an additional insured and loss payee, effective from the date of delivery of the Equipment until the expiration of this Lease. The insurance shall be with an insurance company, in an amount, and with endorsements and coverage satisfactory to Lessor. Lessee shall provide Lessor and its assigns with a certificate of insurance, with a 30 day cancellation clause. Lessee hereby irrevocably appoints Lessor as Lessee's attorney-in-fact to make claim for, receive payment of and execute and endorse all documents, checks or drafts received in payment for loss, theft, destruction or damage or other claim under such insurance policies. The proceeds of the insurance shall be applied, at Lessor's sole election, toward the replacement or repair of the Equipment or, if the Equipment cannot be replaced or repaired, toward payment of Lessee's obligations. If Lessee fails to procure or maintain the required insurance, Lessor may obtain such insurance at Lessee's expense.

9. RETURN. At the expiration of the initial term, any renewal term or termination for any cause, Lessee shall at its own cost and expense promptly assemble, crate and return the Equipment to Lessor in the complete and same condition as when received, performing according to manufacturer's published specifications, ordinary wear and tear excepted, including all items accompanying original shipment. Lessee shall provide 30 days prior written notice of intent to return. The Equipment shall be shipped with insurance and freight prepaid by Lessee to a point designated by Lessor. Should Lessee fail to return, within 10 days of such expiration, all items of Equipment in full accord with the provisions of this Paragraph 9, or to effect any renewal or purchase terms that may be provided by Lessor, then this Lease shall be deemed extended on a month-to-month basis with rent payable in the amount applicable at expiration until such return, renewal or purchase arrangements are consummated and in effect. If, for any reason, the Equipment is not available or cannot be repaired to its required condition, Lessee shall remit to Lessor within 10 days of expiration Lessor's booked residual value of the Equipment.

10. DISCLAIMER AND INDEMNITY. Lessor shall not be liable for and Lessee's obligations shall not be diminished because of any claim, cost, damage, demand, expense, liability or loss of any kind incurred by Lessee or any other person or entity (collectively "Claims") caused, or alleged to be caused, directly or indirectly by the Equipment or any (a) inadequacy, delay or interruption of Equipment purpose, use, service or repair, (b) loss of business or revenue or (c) claims of consequential or other damages of any nature. In this regard, Lessee agrees to indemnify and hold Lessor harmless against any such Claims including reasonable attorney's fees and expenses, asserted or brought against Lessor.

11. DEFAULT. An event of default shall have occurred if Lessee: (a) fails to pay rent or any other payment within 10 days of its due date, (b) fails to perform any other obligation under this Lease within 10 days of notification, (c) is declared in default of any obligation under any other agreement with Lessor, (d) ceases doing business as a going concern, becomes insolvent or dissolved, assigns assets for the benefit of creditors or enters into any bankruptcy or reorganization proceeding or (e) suffers an adverse material change in its financial condition.

12. REMEDIES. Upon any event of default, Lessor shall be entitled to (a) declare the balance of rent and all other amounts due, or to become due, immediately payable, (b) terminate this Lease and take immediate possession of the Equipment, entering upon any premises without liability for doing so, (c) sell, lease or finance all or any part of the Equipment to a third party upon such terms as Lessor may from time to time elect, without any duty to account to Lessee, and Lessee shall remain liable for all rents and other amounts due plus any and all other costs, expenses and damages, including reasonable attorney's fees and legal expenses or (d) avail itself of any other remedy or remedies provided for by any statute or otherwise available at law, in equity, or in bankruptcy or insolvency proceedings. These remedies shall be cumulative.

13. ASSIGNMENT. Lessee shall not assign, sell, transfer or sublease the Equipment or its interest in this Lease. Lessor and its assigns, without notification, may sell, transfer, assign or grant a security interest in this Lease to a third party ("assignee"). In such event, assignee will have all rights and benefits, but not the obligations, of Lessor. Lessee's obligations will in no way be reduced or abated by such an assignment. Assignee's rights will not be subject to any claims, defenses or setoff that Lessee may have against Lessor.

14. GENERAL PROVISIONS.

- (a) If Lessee fails to pay or to perform any obligation under this Lease, Lessor may, but shall not be obligated to, take any action or pay any amounts that are necessary to protect Lessor's interests. Lessee agrees to reimburse Lessor immediately upon notice for any such payment or incurred expense.
- (b) All notices relating to this Lease shall be mailed to Lessor and Lessee at the addresses shown herein, and shall be deemed served when deposited in the U.S. Mail.
- (c) Lessee agrees to execute, acknowledge and deliver such instruments, and to take such other action as may be reasonably necessary in the opinion of Lessor, or its counsel, to protect Lessor's interests. Lessee authorizes Lessor to file Uniform Commercial Code financing statements with respect to the Equipment. If this Lease is deemed at any time to be intended as security, then Lessee grants Lessor a security interest in the Equipment and all proceeds from its sale, lease or disposition.
- (d) Lessee agrees to provide to Lessor any financial information as Lessor from time to time may reasonably request.
- (e) If Uniform Commercial Code Article 2A - Leases is deemed to apply to this Lease, it shall be considered a "Finance Lease" as so defined.
- (f) This Lease together with notice of Equipment acceptance and any guarantee constitutes the entire agreement between Lessor and Lessee and any change or modification must be in writing and signed by the parties. Lessee agrees that neither the vendor of the Equipment nor any salesperson, employee or agent of vendor is Lessor's agent and shall have no authority to represent or bind Lessor in any manner.
- (g) An originally or electronically executed copy of this Lease, transmitted by facsimile, e-mail, or other means of electronic transmission, shall be deemed to have the same legal effect as delivery of an original executed copy of this Lease for all purposes. Notwithstanding the above, Lessor reserves the right to require an originally executed hard copy of this Lease to be forwarded to Lessor by US Mail or comparable carrier.
- (h) If this Lease or any provision hereof shall be deemed in any way invalid, illegal, or unenforceable, its validity, legality and enforceability in all other respects shall not be in any way impaired. Each of the parties hereto acknowledges that the other party shall not be, by act, delay, omission, or otherwise be deemed to have waived any of its rights or remedies under this Lease unless such waiver is given in writing. A waiver on any one occasion shall not be construed as a waiver on any future occasion. Without limiting the foregoing, Lessor's rights and Lessee's duties shall in no way be affected by Lessor's failure to inform Lessee of any noncompliance with any of Lessee's obligations under this Lease. Lessee hereby waives any right to assert that Lessor cannot enforce this Lease because of any failure of Lessor to qualify to do business in any jurisdiction. This Lease has been delivered for acceptance by Lessor in Springfield, Illinois, and the laws of the State of Illinois shall govern the construction, validity, interpretation, performance and enforcement of this Lease. Any action at law or equity arising from or in connection with this Lease, including the enforcement of any term or condition hereof, shall be instituted and litigated in the United States District Court, Central Division, in Springfield, Illinois or in the Sangamon County, Illinois Circuit Court. Lessee and Lessor agree to waive any rights to a trial by jury. This Lease shall be binding on Lessor and Lessee and their respective successors, heirs and assigns and shall inure to the benefit of Lessor and Lessee and their successors, heirs and assigns. Lessee warrants that its Signatory to this Lease is authorized to obligate Lessee to its terms.



LETTER OF ACCEPTANCE

Pursuant to equipment Lease Agreement No. 12679000 dated April 6, 2017 between the undersigned, as Lessee, and LEASING ASSOCIATES OF BARRINGTON, INC., as Lessor, the undersigned agrees that the equipment leased under such agreement,

VitalBeam Package including One (1) VitalBeam Radiotherapy System, One (1) Aria Oncology Information System and One (1) Eclipse Treatment Planning System/RapidArc/Acuros...including all attachments and accessories

has been installed by the equipment vendor, VARIAN MEDICAL SYSTEMS, INC. and is hereby accepted by the undersigned as of the 16 day of October, 2017.

FAYETTE MEMORIAL HOSPITAL ASSOCIATION
INC

Lessee

Samantha Bell

Name of Authorized Signer

Samantha Bell

Signature

CFO

Title



BROWN HAY + STEPHENS

ESTABLISHED 1828

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June 25, 2019

VIA FEDEX

BMC Group
Attention: FMHA Claims Processing
3732 West 120th Street
Hawthorne, CA 90250

**Re: Fayette Memorial Hospital Association, Inc., d/b/a
Fayette Regional Health System
U.S. Bankruptcy Court Case No. 18-07762-JJG-11
(Southern District of Indiana)**

Dear Sir or Madam:

Enclosed please find the original and a copy of an amended Proof of Claim submitted on behalf Leasing Associates of Barrington, Inc. Please file the original and, if possible, return a file-stamped copy to me in the envelope provided.

Thank you for your assistance.

Very truly yours,

Eric L. Grenzebach

ELG:dlw
Enclosures