

HUD-92466-OHF
Hospital Regulatory Agreement - Borrower

LOCATION	CURRENT TEXT	REVISED TEXT
<p>p. 2, Section I.1. Definitions; and</p> <p>p. 32, Section VII.49 Definitions</p>	<p><i>See redline document to compare text.</i></p>	<p><i>See redline document to compare text.</i></p> <p>Revised to include definitions found in 24 CFR 242.1 and Handbook 4615.1 to provide clarity. Definitions section from Appendix D was moved to Section 49. Definition of Patient Accounts Receivables was added for Distribution of Assets in Section 18 and Additional Indebtedness in Section 20.</p>
<p>p. 6, Section III.11(g). Property And Operation; Encumbrances</p>	<p><i>See redline document to compare text.</i></p>	<p><i>See redline document to compare text.</i></p> <p>Added new item (g) regarding Borrower notification to HUD.</p>
<p>p. 10, Section III.17 Transactions With Affiliates</p>	<p><i>See redline document to compare text.</i></p>	<p><i>See redline document to compare text.</i></p> <p>Clarified transactions with Affiliates regarding lower of fully allocated cost or market value.</p>
<p>p. 11, Section III.18 Distribution of Assets</p>	<p><i>See redline document to compare text.</i></p>	<p><i>See redline document to compare text.</i></p> <p>Changed Section 18(b)(v) to reflect financial requirements per 24 CFR 242.1 for the Surplus Cash definition. Included definitions and ratios in Section 49.</p>
<p>p. 11, Section III.19 Board Review/Business Plan/Consultants' Report</p>	<p><i>See redline document to compare text.</i></p>	<p><i>See redline document to compare text.</i></p> <p>Added "BOARD REVIEW" to title for clarity. In Section 19(c)(iv), removed "pro forma balance sheet" as a deliverable and clarified Business Plan deliverables to HUD for income statement and cash flow analysis. Combined the roles of "Review Consultant" and "Independent Consultant" into one consultant to allow for more timely review and cost savings for Borrower.</p>
<p>p. 16, Section III.20 Additional Indebtedness And Leasing</p>	<p><i>See redline document to compare text.</i></p>	<p><i>See redline document to compare text.</i></p> <p>Under Long Term Debt, clarified when HUD consent is needed versus notification and timing; added CEO to parties eligible to submit documentation for notification; and added new section 20(a)(vi) to specify Borrower agreement to assets becoming part of the Mortgaged Property at HUD's discretion upon release of a lien. Under Unsecured Short-Term Debt, clarified when HUD consent is needed versus notification and timing and added CEO to parties eligible to submit documentation for notification. Added Section 20(c) for Lines of Credit to</p>

		apply to short-term and long-term lines of credits secured by accounts receivable.
p. 20, Section III.21 Successor Clause	<i>See redline document to compare text.</i>	<i>See redline document to compare text.</i> Removed Section 21(a). Clarified successor clauses and definitions to emphasize HUD's option for approval.
p. 22, Section IV.21 Permits and Approvals	<i>See redline document to compare text.</i>	<i>See redline document to compare text.</i> Added new Section 29(e) regarding Borrower's responsibility to report accrediting organization or entity findings to HUD upon occurrence, along with action plan requirements
p. 25, Section IV.36 Actions Requiring Prior Written Approval of HUD	<i>See redline document to compare text.</i>	<i>See redline document to compare text.</i> Revised 36(g) to clarify when HUD approval is required for actions impacting collateral under the FHA-insured mortgage. Added new item 36(q) for establishing, developing, or organizing a joint venture