

ORIGINAL

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Exemption # E-002-12

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**ILLINOIS HEALTH FACILITIES PLANNING BOARD
APPLICATION FOR EXEMPTION FOR THE
CHANGE OF OWNERSHIP FOR AN EXISTING HEALTH CARE FACILITY**

MAR 20 2012

**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

1. INFORMATION FOR EXISTING FACILITY

Current Facility Name Hoopeston Community Memorial Hospital
Address 701 E. Orange Street
City Hoopeston Zip Code 60942 County Vermilion
Name of current licensed entity for the facility Hoopeston Community Memorial Hospital
Does the current licensee: own this facility OR lease this facility _____ (if leased, check if sublease)
Type of ownership of the current licensed entity (check one of the following): _____ Sole Proprietorship
 Not-for-Profit Corporation _____ For Profit Corporation _____ Partnership _____ Governmental
_____ Limited Liability Company _____ Other, specify _____
Illinois State Senator for the district where the facility is located: Sen. Shane Cultra
State Senate District Number 53rd Mailing address of the State Senator 104 W. Lincoln Avenue
Onarga, IL 60955
Illinois State Representative for the district where the facility is located: Rep. Jason Barickman
State Representative District Number 105 Mailing address of the State Representative 224 N. Main
Pontiac, IL 61764

2. **OUTSTANDING PERMITS.** Does the facility have any projects for which the State Board issued a permit that will not be completed (refer to 1130.140 "Completion or Project Completion" for a definition of project completion) by the time of the proposed ownership change? Yes No . If yes, refer to Section 1130.520(f), and indicate the projects by Project #

3. **FACILITY'S BED OR DIALYSIS STATION CAPACITY BY CATEGORY OF SERVICE** (Complete "APPENDIX A" attached to this application)

4. **FACILITY'S OTHER CATEGORIES OF SERVICE AS DEFINED IN 77 IAC 1100** (Complete "APPENDIX A" attached to this application)

5. **NAME OF APPLICANT** (complete this information for each co-applicant and insert after this page).

Exact Legal Name of Applicant Carle Foundation
Address 611 W. Park St.
City, State & Zip Code Urbana, IL 61801
Type of ownership of the current licensed entity (check one of the following): _____ Sole Proprietorship
 Not-for-Profit Corporation _____ For Profit Corporation _____ Partnership _____ Governmental
_____ Limited Liability Company _____ Other, specify _____

6. **NAME OF LEGAL ENTITY THAT WILL BE THE LICENSEE/OPERATING ENTITY OF THE FACILITY NAMED IN THE APPLICATION AS A RESULT OF THIS TRANSACTION.**

Exact Legal Name of Entity to be Licensed Hoopeston Community Memorial Hospital
Address 701 E. Orange Street
City, State & Zip Code Hoopeston, IL 60942
Type of ownership of the current licensed entity (check one of the following): _____ Sole Proprietorship
 Not-for-Profit Corporation _____ For Profit Corporation _____ Partnership _____ Governmental
_____ Limited Liability Company _____ Other, specify _____

7. **BUILDING/SITE OWNERSHIP. NAME OF LEGAL ENTITY THAT WILL OWN THE "BRICKS AND MORTAR" (BUILDING) OF THE FACILITY NAMED IN THIS APPLICATION IF DIFFERENT FROM THE OPERATING/LICENSED ENTITY**

Exact Legal Name of Entity That Will Own the Site Hoopeston Community Memorial Hospital
Address 701 E. Orange Street
City, State & Zip Code Hoopeston, IL 60942
Type of ownership of the current licensed entity (check one of the following): _____ Sole Proprietorship
 Not-for-Profit Corporation _____ For Profit Corporation _____ Partnership _____ Governmental
_____ Limited Liability Company _____ Other, specify _____

8. TRANSACTION TYPE. CHECK THE FOLLOWING THAT APPLY TO THE TRANSACTION:

- Purchase resulting in the issuance of a license to an entity different from current licensee;
- Lease resulting in the issuance of a license to an entity different from current licensee;
- Stock transfer resulting in the issuance of a license to a different entity from current licensee;
- Stock transfer resulting in no change from current licensee;
- Assignment or transfer of assets resulting in the issuance of a license to an entity different from the current licensee;
- Assignment or transfer of assets not resulting in the issuance of a license to an entity different from the current licensee;
- Change in membership or sponsorship of a not-for-profit corporation that is the licensed entity;
- Change of 50% or more of the voting members of a not-for-profit corporation's board of directors that controls a health care facility's operations, license, certification or physical plant and assets;
- Change in the sponsorship or control of the person who is licensed, certified or owns the physical plant and assets of a governmental health care facility;
- Sale or transfer of the physical plant and related assets of a health care facility not resulting in a change of current licensee;
- Any other transaction that results in a person obtaining control of a health care facility's operation or physical plant and assets, and explain in "Attachment 3 Narrative Description"

9. APPLICATION FEE. Submit the application fee in the form of a check or money order for \$2,500 payable to the Illinois Department of Public Health and append as ATTACHMENT #1.

10. FUNDING. Indicate the type and source of funds which will be used to acquire the facility (e.g., mortgage through Health Facilities Authority; cash gift from parent company, etc.) and append as ATTACHMENT #2.

11. ANTICIPATED ACQUISITION PRICE: \$ 2,700,000 _____

12. FAIR MARKET VALUE OF THE FACILITY: \$ 2,700,000 _____
(to determine fair market value, refer to 77 IAC 1130.140)

13. DATE OF PROPOSED TRANSACTION: October 1, 2012

14. NARRATIVE DESCRIPTION. Provide a narrative description explaining the transaction, and append it to the application as ATTACHMENT #3.

15. BACKGROUND OF APPLICANT (co-applicants must also provide this information). Corporations and Limited Liability Companies must provide a current Certificate of Good Standing from the Illinois Secretary of State. Partnerships must provide the name and address of each partner and specify whether each is a general or limited partner. Append this information to the application as ATTACHMENT #4.

16. TRANSACTION DOCUMENTS. Provide a copy of the document(s) which detail the terms and conditions of the proposed transaction (purchase, lease, stock transfer, etc). Applicants should note that the document(s) submitted should reflect the applicant's (and co-applicant's, if applicable) involvement in the transaction. The document must be signed by both parties and contain language stating that the transaction is contingent upon approval of the Illinois Health Facilities Planning Board. Append this document(s) to the application as ATTACHMENT #5.

17. FINANCIAL INFORMATION (co-applicants must also provide this information). Per 77 IAC 1130.520(b)(3), an applicant must demonstrate it has sufficient funds to finance the acquisition and to operate the facility for 36 months by providing evidence of a bond rating of "A" or better (that must be less than two years old) from Fitch, Moody or Standard and Poor's rating agencies or evidence of compliance with the financial viability review criteria (as applicable) to the type of facility being acquired (as specified at 77 IAC 1120). Append as ATTACHMENT #6.

18. PRIMARY CONTACT PERSON. Individual representing the applicant to whom all correspondence and inquiries pertaining to this application are to be directed. (Note: other persons representing the applicant not named below will need written authorization from the applicant stating that such persons are also authorized to represent the applicant in relationship to this application).

Name: Fred Segovich
 Address: 611 W. Park Street
 City, State & Zip Code: Urbana, IL 61801
 Telephone (217) 383-7541 Ext. _____

19. **ADDITIONAL CONTACT PERSON.** Consultant, attorney, other individual who is also authorized to discuss this application and act on behalf of the applicant.

Name: Kara Friedman, Polsinelli Shughart

Address: 161 N. Clark Street, Suite 4200

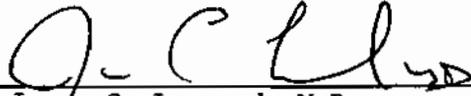
City, State & Zip Code: Chicago, IL 60601-3316

Telephone (312) 873-3639 Ext. _____

20. **CERTIFICATION**

I certify that the above information and all attached information are true and correct to the best of my knowledge and belief. I certify that the categories of service, number of beds and/or dialysis stations within the facility will not change as part of this transaction. I certify that no adverse action has been taken against the applicant(s) by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois. I certify that I am fully aware that a change in ownership will void any permits for projects that have not been completed unless such projects will be completed or altered pursuant to the requirements in 77 IAC 1130.520(f) prior to the effective date of the proposed ownership change. I also certify that the applicant has not already acquired the facility named in this application or entered into an agreement to acquire the facility named in the application unless the contract contains a clause that the transaction is contingent upon approval by the State Board.

Signature of Authorized Officer _____



Typed or Printed Name of Authorized Officer James C. Leonard, M.D.

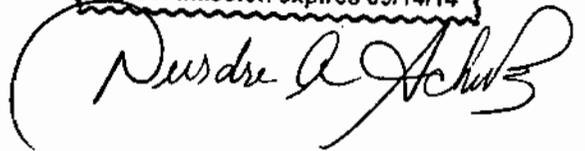
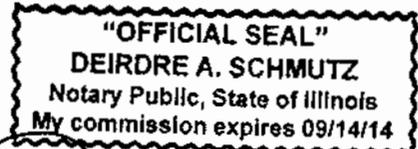
Title of Authorized Officer: President & Chief Executive Officer

Address: 611 W. Park

City, State & Zip Code: Urbana, IL 61801

Telephone (217) 383-3220 Date: 3-16-2012

NOTE: complete a separate signature page for each co-applicant and insert following this page.



**APPENDIX A
FACILITY BED AND DIALYSIS STATION CAPACITY AND CATEGORIES OF SERVICE**

Complete the following for the facility for which the change of ownership is requested. The facility's bed and dialysis station capacity must be consistent with the State Board's Inventory of Health Care Facilities.

FACILITY NAME Hoopeston Community Memorial Hospital CITY: Hoopeston

1. Indicate (by placing an "X") the type of facility for which the change of ownership is requested:

Hospital; Long-term Care Facility; Dialysis Facility; Ambulatory Surgical Treatment Center.

2. Provide the bed capacity by category of service:

SERVICE	# of Beds	SERVICE	# of Beds
Medical/Surgical	<u>24</u>	Nursing Care	<u>0</u>
Obstetrics	<u>0</u>	Shelter Care	<u>0</u>
Pediatrics	<u>0</u>	DD Adults*	<u>0</u>
Intensive Care	<u>0</u>	DD Children**	<u>0</u>
Acute Mental Illness	<u>0</u>	Chronic Mental Illness	<u>0</u>
Rehabilitation	<u>0</u>	Children's Medical Care	<u>0</u>
Neonatal Intensive Care	<u>0</u>	Children's Respite Care	<u>0</u>

*Includes ICF/DD 16 and fewer bed facilities; **Includes skilled pediatric 22 years and under

3. Chronic Renal Dialysis: Enter the number of ESRD stations: N/A

4. Indicate (by placing an "X") those categories of service for which the facility is approved. N/A

- | | |
|---|--|
| <input type="checkbox"/> Cardiac Catheterization | <input type="checkbox"/> Open Heart Surgery |
| <input type="checkbox"/> Subacute Care Hospital Model | <input type="checkbox"/> Kidney Transplantation |
| <input type="checkbox"/> Selected Organ Transplantation | <input type="checkbox"/> Postsurgical Recovery Care Center Model |

5. Non-Hospital Based Ambulatory Surgery and Ambulatory Surgical Treatment Centers N/A

Indicate (by placing an "X") if the facility is a limited or multi-specialty facility and indicate the surgical specialties provided.

- | | |
|---|---|
| <input type="checkbox"/> Cardiovascular | <input type="checkbox"/> Ophthalmology |
| <input type="checkbox"/> Dermatology | <input type="checkbox"/> Oral/Maxillofacial |
| <input type="checkbox"/> Gastroenterology | <input type="checkbox"/> Orthopedic |
| <input type="checkbox"/> General/Other (includes any procedure that is not included in the other specialties) | <input type="checkbox"/> Otolaryngology |
| <input type="checkbox"/> Neurological | <input type="checkbox"/> Plastic Surgery |
| <input type="checkbox"/> Obstetrics/Gynecology | <input type="checkbox"/> Podiatry |
| | <input type="checkbox"/> Thoracic |
| | <input type="checkbox"/> Urology |

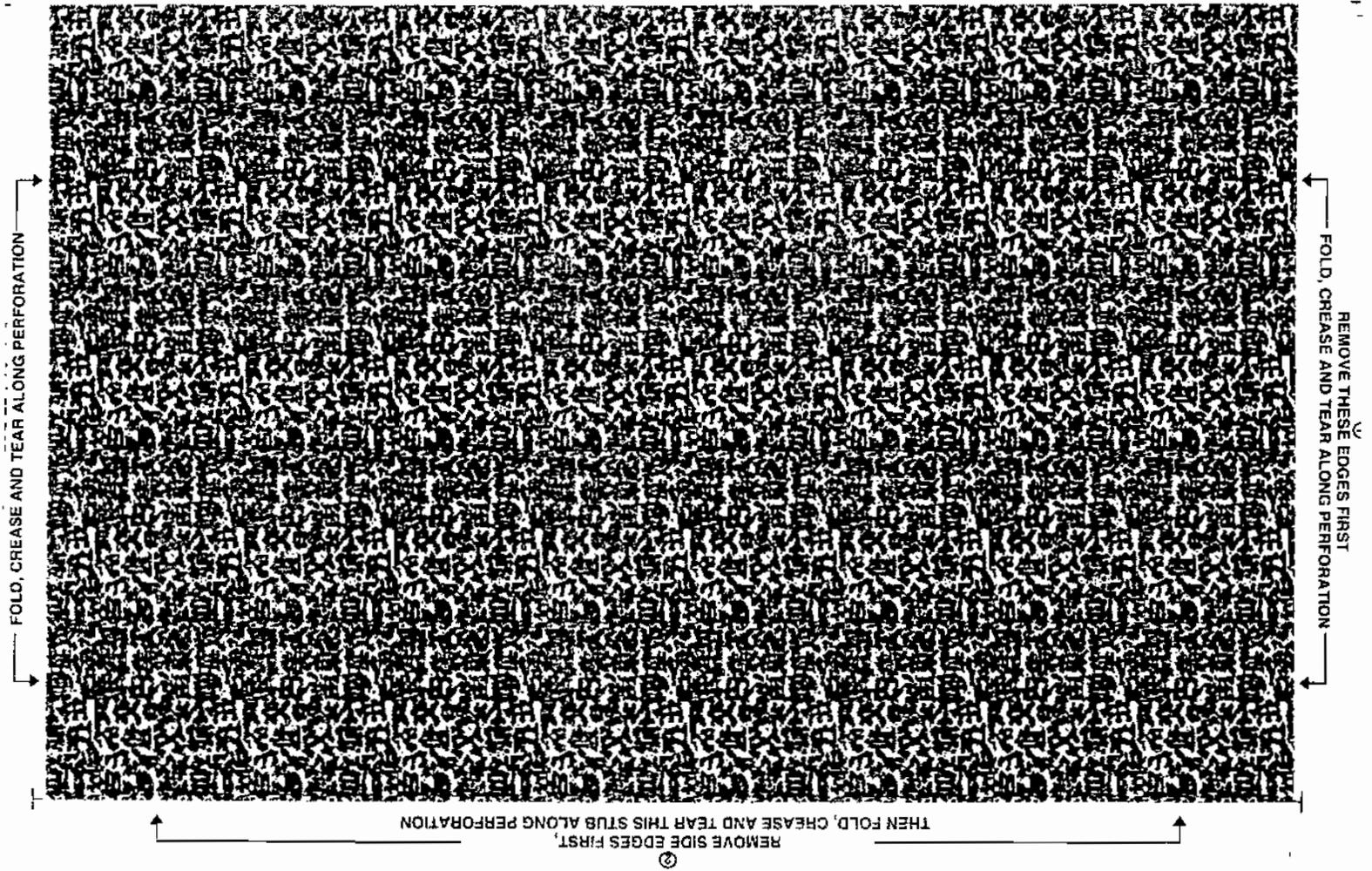
Carle Foundation
Attn: Accounts Payable
611 W. Park
Urbana, IL 61801

19-21429 • 1427-30

ILLINOIS DEPARTMENT OF PUBLIC HEALTH
525 JEFFERSON STREET
SPRINGFIELD IL 62761-0001

5

Attachment 1



Funding

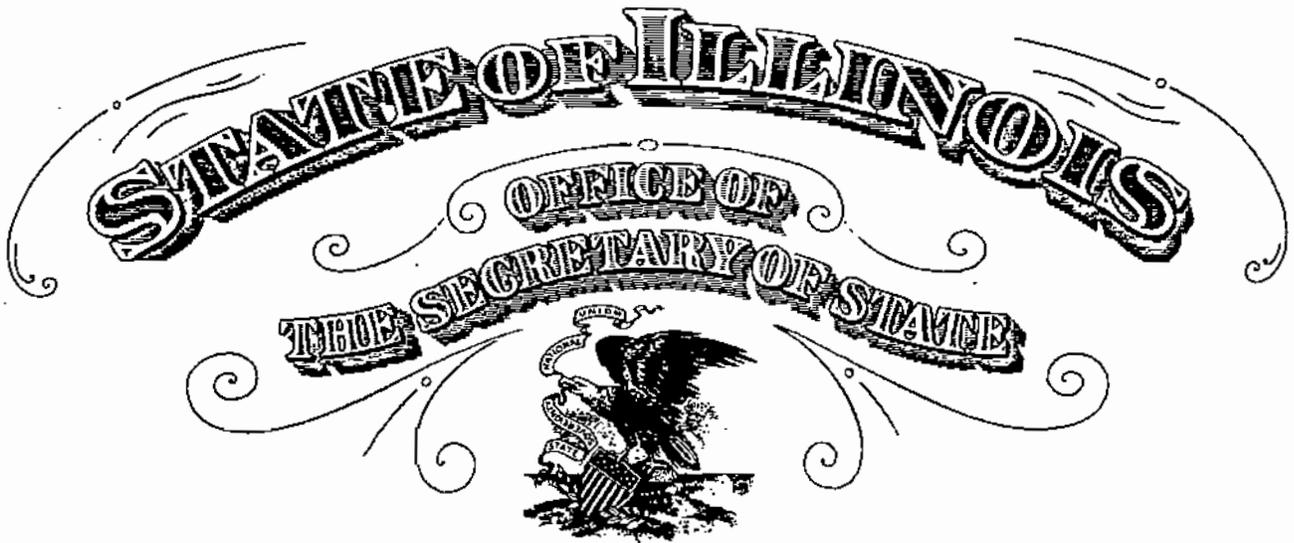
As part of the proposed affiliation between The Carle Foundation ("Carle") and Hoopeston Community Memorial Hospital ("Hoopeston"), Carle will contribute \$2.7 million in cash to the Hoopeston Community Retirement Foundation.

Narrative Description

Hoopeston is a 24-bed critical access hospital located in Vermilion County. The proposed transaction involves a change in the membership of Hoopeston through an expanded affiliation agreement with The Carle Foundation ("Carle"). The purpose of the affiliation is to integrate Hoopeston within Carle system to further enhance the quality of health care services provided to the residents of Hoopeston and Vermilion County. Moreover, the proposed transaction will help promote a sustainable model of health care in the Hoopeston community through better cost control, increased efficiency, shared technology, shared purchasing, consolidation of services, and integrated clinical protocols of care. The proposed transaction will also allow more tertiary services to be provided in Hoopeston. Finally, the proposed transaction will ensure residents of Hoopeston continue to have access to critical services through Carle's capital loan commitments to Hoopeston; specifically, Hoopeston's Emergency and Surgery Department project.

Background of Applicant

Attached at Attachment 4 is the certificate of good standing for The Carle Foundation.



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that

THE CARLE FOUNDATION, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON NOVEMBER 06, 1946, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



Authentication #: 1203202232

Authenticate at: <http://www.cyberdriveillinois.com>

In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 1ST day of FEBRUARY A.D. 2012*

Jesse White

SECRETARY OF STATE

Transaction Documents

Attached at Attachment 5 is a copy of the term sheet between Carle and Hoopston.

**RESTATED TERM SHEET
FOR THE INTEGRATION OF
HOOPESTON COMMUNITY
MEMORIAL HOSPITAL
WITH
THE CARLE FOUNDATION**

March 2012

Section 1 INTRODUCTION

This Restated Term Sheet ("**Term Sheet**") is entered into as of the — day of March, 2012 and has been prepared by The Carle Foundation ("**Carle**") and Hoopeston Community Memorial Hospital ("**Hoopeston**") to summarize the terms which the Parties (as defined below) have discussed with regard to the integration of certain of the operations of Hoopeston with Carle (the "**Proposed Transaction**").

The Parties involved in the Proposed Transaction are as follows:

- **The Carle Foundation** – Carle is an Illinois not-for-profit corporation and is recognized as exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code").
- **Hoopeston Community Memorial Hospital** – Hoopeston is an Illinois not-for-profit corporation and is recognized as exempt from federal income tax under Section 501(c)(3) of the Code. Hoopeston owns and operates, among other things, a Medicare certified critical access hospital which serves Hoopeston, Illinois and all or some of Vermilion, Ford and Iroquois Counties, Illinois and parts of Indiana ("**Hoopeston Community**"). Hoopeston is controlled by the Hoopeston Regional Medical Center Board of Trustees.

Section 2 SUMMARY OF PROPOSED TRANSACTION

- 2.1 **Purpose.** Carle and Hoopeston desire to enter into the Proposed Transaction to integrate certain of the operations of Hoopeston within the Carle system. The Parties believe that the Proposed Transaction will achieve the following purposes:
- 2.1.1 **Maintain and Expand Local and Tertiary Care Access for Patients of Hoopeston.** Carle and Hoopeston believe that the Proposed Transaction will allow greater access to care for residents of the Hoopeston Community through integration with the Carle network.
 - 2.1.2 **Control Costs and Increase Efficiency.** Carle and Hoopeston believe that the Proposed Transaction will provide a sustainable model for the delivery health care services in the Hoopeston Community through better control of costs, increased efficiency, shared technology, shared purchasing and consolidation of services where practical.
 - 2.1.3 **Enhance Quality of Care.** Carle and Hoopeston believe that integration of the clinical care between the facilities will enhance patient outcomes and otherwise improve the quality of care.

- 2.1.4 **Expansion of Carle and Hoopeston Missions.** The Proposed Transaction would allow Carle and Hoopeston to strengthen the vital health care services provided by Carle and Hoopeston east central Illinois and support Hoopeston in continuing to meet its mission of delivering quality healthcare services to the Hoopeston Community.

Hoopeston Mission: Hoopeston Community Memorial Hospital is committed to improving the quality of life in our community by providing the highest quality care in the most cost-efficient manner, respecting the dignity of the individual, enhancing the well being of the communities we serve, and striving to meet the healthcare needs of all people within those communities.

Carle Mission: We serve people through high quality care, medical research and education.

- 2.2 **Terms of Proposed Transaction.** Pursuant to the Proposed Transaction, Carle, directly or through an affiliate, will become the sole member of Hoopeston, such that Carle, through certain powers reserved to it, will control the hospital and related health care assets and operations of Hoopeston (the “**Hospital Assets**”). In addition, pursuant to the Proposed Transaction, Hoopeston will transfer its existing nursing home and independent living facilities to a newly-formed Illinois not-for-profit corporation referred to herein as “**Hoopeston Retirement Village Foundation.**”

- 2.2.1 **Integration of Hoopeston.** Carle, directly or through an affiliate, would become the sole member of Hoopeston and, as such, would control Hoopeston’s Hospital Assets, including its hospital and clinic properties, physical plants, equipment and operations.
- 2.2.2 **Formation of Hoopeston Retirement Village Foundation.** Hoopeston would transfer its existing nursing home and independent living assets and operations, as well as its adjacent 25 acre parcel of land, to Hoopeston Retirement Village Foundation, to be used by Hoopeston Retirement Village Foundation to own and operate a replacement nursing home and independent living facility.
- 2.2.3 **Financial Terms.** Hoopeston will transfer its cash reserves on hand at the time of the closing to Hoopeston Retirement Village Foundation. Carle would contribute an additional \$2.7 Million to the Hoopeston Retirement Village Foundation, which amount shall be subject to independent outside review of near term financial performance, analysis of proposed changes to Medicaid reimbursement for outpatient hospital services and other applicable due diligence. On a going-forward basis, the parties contemplate that Hoopeston Retirement Village Foundation would be the beneficiary of distributions from the Charlotte Ann Russell Trust. All such contributions made pursuant to the Proposed Transaction would be restricted for use by the Hoopeston Retirement Village Foundation for the operation of its nursing home and independent living facility. The Hoopeston

Retirement Village Foundation would obtain independent financing to construct a new nursing home and independent living facility.

2.2.4 **Provider Number.** Hoopeston would retain its critical access hospital designation and Medicare provider number. The parties agree and understand that successful transfer and continuation of Hoopeston's critical access hospital status is an essential condition of the Proposed Transaction.

2.2.5 **Indemnification.** Hoopeston Retirement Village Foundation would be liable for, and indemnify Carle against, any liabilities related to the operation of Hoopeston and/or the Hospital Assets prior to the closing of the Proposed Transaction, up to a maximum amount and for a time period as agreed to by the parties and set forth in closing documents. Carle shall be liable for, and indemnify Hoopeston Retirement Village Foundation against, any liabilities related to the operation of Hoopeston or the Hospital Assets which arise after closing of the Proposed Transaction, provided the claim relates to post-closing operations.

Section 3 GOVERNANCE / MANAGEMENT

- 3.1 **Board Members.** Post-closing, Hoopeston would be governed by a Board of Trustees comprised of representatives of the existing Hoopeston Board of Trustees as well as Carle representatives. The exact number of Hoopeston Board members, as well as the allocation of representatives appointed by Hoopeston and Carle, shall be determined by the parties and set forth in the closing documents.
- 3.2 **Hoopeston Board Powers.** Post-closing, the Hoopeston Board would continue to be accountable for the effective and fiscally responsible governance of the Hospital Assets in accordance with the Hoopeston's and Carle's missions and visions.
- 3.3 **Carle Reserve Powers.** It is anticipated that Carle would have certain reserved powers, as determined by the parties and set forth in the closing documents.
- 3.4 **Articles/Bylaws.** Hoopeston would adopt bylaws that are consistent with the terms of the Proposed Transaction and with the governance structure set forth herein.
- 3.5 **Hoopeston Retirement Village Foundation.** Prior to closing the Proposed Transaction, Hoopeston would establish the Hoopeston Retirement Village Foundation and the governing documents therefor, including Articles, Bylaws, and other necessary governance documents. The parties shall consider a Carle representative on the Hoopeston Retirement Village Foundation board.
- 3.6 **Additional Material Terms.**
- 3.6.1 **Continued Operation of Hoopeston.** Carle will continue to operate Hoopeston's critical access hospital for not less than a mutually agreed upon period of time, assuming its designation as a critical access hospital remains in place. In addition, Carle will continue to maintain emergency medical services ("EMS") at

appropriate levels in the Hoopeston Community, based upon periodic assessments of the need and financial performance of the EMS.

- 3.6.2 **Physicians and Staff.** Hoopeston's employed physicians would continue their employment with Hoopeston. Carle would offer employment to Hoopeston's clinical and operational staff in good standing, subject to certain employees moving to work for Hoopeston Retirement Village Foundation.
- 3.6.3 **Strategic Planning / Operations Analysis.** The parties will review other strategic planning matters that may be appropriate for the Proposed Transaction. Further, it is intended that the parties will review optimal operations analysis for the Proposed Transaction.
- 3.6.4 **Due Diligence / Regulatory Approvals.** The parties will work cooperatively in good faith to conduct due diligence and obtain all necessary government approvals, including but not limited to the Illinois Health Facilities and Services Review Board and conditions related to Hoopeston's USDA loan.

The parties have executed a Letter of Intent outlining certain non-binding and binding commitments and desire to set forth non-binding terms and conditions for the Proposed Transaction. Except as otherwise provided in this Term Sheet, nothing in this Term Sheet is to be construed as a binding agreement between the Parties but is instead meant to identify certain general substantive terms and conditions related to the Proposed Transaction for the Parties to review, discuss and revise in order to form the basis of more formal, specific agreements to be executed at the closing of the Proposed Transaction. This Term Sheet is subject to formal approval of the Parties.

In Witness Whereof, the parties have executed this Term Sheet as of the date and year first written above.

The Carle Foundation

By: 
James C. Leonard, M.D.

Hoopeston Community Memorial Hospital

By: 
Russ Leigh, Chair

1217069v2

CH01/ 25923274.2

Financial Information

Attached at Attachment 6 is the Notice of Rating Action from Fitch Ratings evidencing The Carle Foundation has a bond rating of "A" or better.

FitchRatings

One State Street Plaza
New York, NY 10004

T 212 908 0500 / 800 75 FITCH
www.fitchratings.com

April 5, 2011

Mr. Scott L. Hendrie
Vice President, Director of Treasury Services
Carle Foundation
611 West Park Street
Urbana, IL 61801

Dear Mr. Hendrie:

Fitch Ratings has assigned one or more ratings and/or otherwise taken rating action(s), as detailed on the attached Notice of Rating Action.

In issuing and maintaining its ratings, Fitch relies on factual information it receives from issuers and underwriters and from other sources Fitch believes to be credible. Fitch conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction.

The manner of Fitch's factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of Fitch's ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information Fitch relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to Fitch and to the market in offering documents and other reports. In issuing its ratings Fitch must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

Fitch seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given rating.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. Fitch is not your advisor, nor is Fitch providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services.

The assignment of a rating by Fitch does not constitute consent by Fitch to the use of its name as an expert in connection with any registration statement or other filings under US, UK or any other relevant securities laws.

Attachment 6

It is important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason Fitch deems sufficient.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between Fitch and you or between us and any user of the ratings. Nothing in this letter shall limit our right to publish, disseminate or license others to publish or otherwise to disseminate the ratings or the rationale for the ratings.

In this letter, "Fitch" means Fitch, Inc. and Fitch Ratings Ltd and any subsidiary of either of them together with any successor in interest to any such person.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please feel free to contact us at any time.

Sincerely,



Christopher Jumper
Senior Director
U.S. Public Finance

CJ/ka

Enc: Notice of Rating Action
(Doc ID: 158371)

Notice of Rating Action

<u>Bond Description</u>	<u>Rating Type</u>	<u>Action</u>	<u>Rating</u>	<u>Outlook/ Watch</u>	<u>Eff Date</u>	<u>Notes</u>
Illinois Finance Authority (IL) (Carle Foundation) rev bonds ser 2009B (LOC: Northern Trust Company (The))	Long Term	New Rating	AA-	RO:Sta	31-Mar-2011	
Illinois Finance Authority (IL) (Carle Foundation) rev bonds ser 2009C (LOC: Northern Trust Company (The))	Long Term	New Rating	AA-	RO:Sta	31-Mar-2011	
Illinois Finance Authority (IL) (Carle Foundation) rev bonds ser 2009D (LOC: JPMorgan Chase Bank, N.A.)	Long Term	New Rating	AA-	RO:Sta	31-Mar-2011	
Illinois Finance Authority (IL) (Carle Foundation) rev bonds ser 2009E (LOC: JPMorgan Chase Bank, N.A.)	Long Term	New Rating	AA-	RO:Sta	31-Mar-2011	
Illinois Finance Authority (IL) (Carle Foundation) rev bonds ser 2011A	Long Term	New Rating	AA-	RO:Sta	31-Mar-2011	
Illinois Finance Authority (IL) (Carle Foundation) rev bonds ser 2009A	Long Term	Affirmed	AA-	RO:Sta	31-Mar-2011	
Illinois Finance Authority (IL) (Carle Foundation) rev bonds ser 2009A (Insured: Assured Guaranty Corp.)	Long Term	Affirmed	AA-	RO:Sta	31-Mar-2011	

Key: RO: Rating Outlook, RW: Rating Watch; Pos: Positive, Neg: Negative, Sta: Stable, Evo: Evolving