



North Carolina Department of Health and Human Services
Division of Health Service Regulation

Pat McCrory
Governor

Richard O. Brajer
Secretary DHHS

Drexdal Pratt
Division Director

September 3, 2015

Thomas L. Weinberg
U.S. Renal Care
2400 Dallas Parkway, Suite 350
Plano, Texas 75093

No Review

Record #: 1709
Facility Name: DSI Charlotte Latrobe Dialysis
FID #: 944671
Business Name: Dialysis Holdco, LLC
Business #: 2272
Project Description: Acquisition of all equity by U.S. Renal Care, Inc.
County: Mecklenburg

Dear Mr. Weinberg:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) received your letter of August 24, 2015 regarding the above referenced proposal. Based on the CON law **in effect on the date of this response to your request**, the proposal described in your correspondence is not governed by, and therefore, does not currently require a certificate of need. However, please note that if the CON law is subsequently amended such that the above referenced proposal would require a certificate of need, this determination does not authorize you to proceed to develop the above referenced proposal when the new law becomes effective.

However, you need to contact the Agency's Acute and Home Care Licensure and Certification Section to determine if they have any requirements for development of the proposed project.

It should be noted that this determination is binding only for the facts represented in your correspondence. Consequently, if changes are made in the project or in the facts provided in your correspondence referenced above, a new determination as to whether a certificate of need is required would need to be made by this office. Changes in a project include, but are not limited to: (1) increases in the capital cost; (2) acquisition of medical equipment not included in the original cost estimate; (3) modifications in the design of the project; (4) change in location; and



Healthcare Planning and Certificate of Need Section

<http://www.ncdhhs.gov>

Phone: 919-855-3873 / Fax: 919-715-4413

Location: 809 Ruggles Drive, Dorothea Dix Hospital Campus, Raleigh, N.C. 27603

Mailing Address: 2704 Mail Service Center • Raleigh, North Carolina 27699-2704

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(5) any increase in the number of square feet to be constructed.

Please contact this office if you have any questions. Also, in all future correspondence you should reference the Facility ID # (FID) if the facility is licensed.

Sincerely,



Gloria C. Hale
Project Analyst



Martha J. Frisone
Assistant Chief, Certificate of Need

cc: Acute and Home Care Licensure and Certification Section, DHSR
Assistant Chief, Healthcare Planning

August 31, 2015

Via Overnight Delivery

Greg Yakabowski
Project Analyst
North Carolina Division of Health Service Regulation
Certificate of Need
2704 Mail Service Center
Raleigh, NC 27699-2704

Re: No-Review /Exemption Request Letter
Dialysis Newco, Inc. d/b/a DSI Glenwater Dialysis
Dialysis Newco, Inc. d/b/a DSI Charlotte Latrobe Dialysis

Dear Sir or Madam:

Please accept this letter as notification that U.S. Renal Care, Inc. ("USRC") will acquire all of the equity of Dialysis Holdco, LLC ("Holdco") through a Contribution Agreement in which the owner of that equity, Dialysis Parent, LLC, will contribute the equity to the ultimate parent of USRC, Rangers Renal Holdings, LP ("Rangers"), in exchange for equity interests in Rangers. Following the transaction, Holdco will be a wholly-owned subsidiary of USRC. Holdco is the sole owner of Dialysis Newco, Inc. In other words, USRC is acquiring Holdco for stock. We hope to have this transaction finalized by the end of the year, if not sooner.

Holdco is the grandparent company of the above-referenced facilities. Upon request, we will provide to you a before and after organizational chart for your review. Neither the day to day operations nor the tax identification numbers of these facilities will change by reason of the transaction. The only change will be in the assumed name for the two facilities. The Glenwater location will be known as U.S. Renal Care Glenwater Dialysis and the Charlotte location will be known as U.S. Renal Care Charlotte Latrobe Dialysis.

Please accept our No Review/Exemption letter as meeting the requirements under N.C. Gen. Stat. The corporate address for USRC is 2400 Dallas Parkway, Ste 350, Plano, Texas 75093.

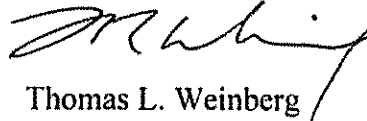


Greg Yakabowski
August 31, 2015
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If you have any questions, please contact Lisa Stewart, our corporate paralegal who handles licensing and certification at (214) 7362.2732 or me at (214) 736-2730.

As always, it is a pleasure working with you.

Sincerely,

A handwritten signature in black ink, appearing to read 'T. Weinberg', written in a cursive style.

Thomas L. Weinberg
Executive Vice President & General Counsel