

P.O. Box 668 San Andreas, CA 95249 (209) 754-4468 Telephone (209) 754-2537 Fax

June 8, 2016

Dr. William Griffin, Chairman Mark Twain Medical Center, Inc.

Re: Notice: Payment of Utilities

Dear Dr. Griffin,

Mark Twain Medical Center, Inc. ("MTMC") is the lessee of the Mark Twain Medical Center hospital owned by the Mark Twain Health Care District ("District") pursuant to a lease agreement between the District and MTMC's predecessor in interest, Mark Twain St. Joseph's HealthCare Corporation dated January 1, 1990, as amended ("the Lease"). Pursuant to section 3.6 of the Lease, the District has the obligation to pay for certain utilities used at the Leased Premises (as defined in the Lease). That same section provides the District the option to cease payment of all or some of those utilities upon ninety (90) days' notice.

Pursuant to section 3.6(c), the District hereby provides ninety (90) days' notice to MTMC that the District will cease payment of all utilities, all of which will become "Tenant Utilities" at that time, except as to any electric utility invoices which are received from the Calaveras Public Power Authority ("CPPA"). As to electric utility invoices received from CPPA, the District will continue to pay for services provided to the Leased Premises.

The District wishes to thank MTMC for its stewardship of the hospital over the past decades and looks forward to continuing to work with MTMC during the duration of the term of the Lease.

If there are any questions regarding this notice, please do not hesitate to call me.

Very Truly Yours.

President

Executive Director

cc. President and Members of the Board of Trustees General Counsel

Mark Twain Health Care District Mission Statement

"Through community collaboration, we serve as the stewards of a community health system that ensures our residents have the dignity of access to care that provides high quality, professional and compassionate health care".