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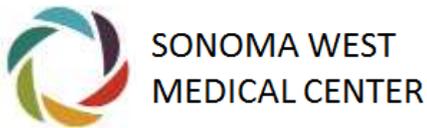
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Sonoma West Medical Center and Pipeline Health, LLC Announce New Management Services Agreement and Strategic Partnership

Sebastopol, CA...July 8, 2016...Sonoma West Medical Center and Pipeline Health, LLC announced today that a Management Services Agreement [MSA] has been executed between the two organizations. Beginning immediately, Pipeline Health, LLC ["Pipeline"] will manage the operations of the hospital as well as direct the strategic plan moving forward.

Pipeline's COO, Luke Tharasri will serve as the hospital's Interim CEO. Tharasri stated, "I am impressed with the accomplishments that have taken place at SWMC over the past eight months. This is a beautiful hospital that has already proven its benefit to the community. The team at Pipeline has experience with the extreme degree of difficulty in managing hospitals in our healthcare environment today. At SWMC our work will be focused on maximizing the performance of the hospital, and we look forward to applying our expertise to accomplish this."

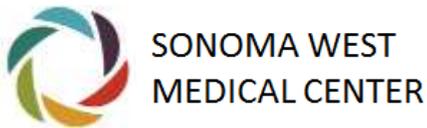
Alanna Brogan, Executive Director for Palm Drive Health Care District stated, "The healthcare district is in total support and has confidence that Pipeline has the depth of expertise to assist the organization to be successful."



Dr. Barbara Borbeck, COO/CNO for Sonoma West Medical Center, said she is “excited to be working closely with Luke Tharasri and the Pipeline team,” and welcomes their executive and financial management expertise. “Pipeline is bringing the administrative guidance and support we need in order to continue the work we have begun toward achieving ‘Pathways to Excellence’ for our nurses, clinical staff and administrators.”

Pipeline is a management company built from over 25 years of hands-on clinical and operational experience, with particular expertise in the challenging California healthcare market. Pipeline’s mission is to transform healthcare through improving the clinical, operational and financial performance of hospitals so they remain viable and accessible, enabling the continued delivery of high-quality care to the communities they serve. Through their experience owning systems of hospitals, managing turnaround situations and running hospital-based physician practices, they have created the tools and strategies to address a wide range of healthcare challenges.

Chairman of the Sonoma West Medical Center Board of Directors, and lead benefactor of the hospital, Dan Smith, commented, “Pipeline’s years of experience managing hospitals makes them a uniquely qualified partner for SWMC. It is with great pleasure that we make this announcement which allows us to continue our mission of bringing high-quality, acute-care medical treatment to West Sonoma County.”



With an additional commitment of \$3M from Dan Smith and his wife, Joan Marler, Pipeline’s hospital management expertise and a lineup of world class physicians and specialists, Sonoma West Medical Center is well positioned to execute on its business strategy to be the best small hospital in the region.

Dr. James Gude, SWMC’s Chief Medical Officer said he believed, "These initiatives, and the recent addition of Barbara Borbeck as COO/CNO, add significant clinical strength to the organization."

Partnering with Pipeline is SRC Management, LLC (“SRC”), an affiliate of Los Angeles-based investment management and advisory Stanton Road Capital, LLC. SRC provides healthcare advisory services, particularly in regards to financial operations, revenue cycle, supply chain and capital strategy. SRC and Pipeline have worked closely on prior hospital engagements, providing complementary services.

Sonoma West Medical Center, located in Sebastopol, CA, is an acute-care, non-profit, DNV-accredited hospital with 37 beds, a 24/7 hospitalist, 24/7 Emergency Department with low wait times and an active helipad, ICU, OR, out-patient phlebotomy and radiology with 3D Mammography. The community hospital is also a practicing and teaching hub for Telemedicine, which allows physicians to consult with specialists from all over the world day and night. Sonoma West Medical Center is owned by Palm Drive Health Care District.

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