

**Headquarters**

4933 Bailey Loop  
McClellan, CA 95652  
916.921.4000  
Toll-Free Membership  
Line: 888.207.LIFE

**CALSTAR 1**

177 John Glenn Dr.  
Concord, CA 94520  
925.798.7670

**CALSTAR 2**

540 Cohansey Ave.  
Gilroy, CA 95020  
408.848.2075

**CALSTAR 3**

13750 Lincoln Way  
Auburn, CA 95603  
530.887.0569

**CALSTAR 4**

1351 S. State St.  
Ukiah, CA 95482  
707.462.5972



**CALSTAR 5**

37 Mortensen Ave.  
Salinas, CA 93905  
408.848.2075

**CALSTAR 6**

1901 Airport Blvd.  
S. Lake Tahoe, CA  
96150  
530.544.2338

**CALSTAR 7**

3996 Mitchell Rd.  
Santa Maria, CA 93455  
805.938.9038

**UCSF Benioff  
Children's Hospital**

9351 Earhart Road, Suite 200  
Oakland, CA 94621  
510.383.9257

**CALSTAR 70**

5835 Price Ave.  
McClellan, CA 95652  
916.925.0359

June 29, 2016

John Eaglesham  
EMS Agency Director  
County of Santa Barbara  
300 North San Antonio Road, Bldg 1  
Santa Barbara, CA 93110-1316

Re: Agreement for Services, dated 12/4/2012, by and between California Shock Trauma Air Rescue and County of Santa Barbara.

Dear John Eaglesham:

California Shock Trauma Air Rescue (“**CALSTAR**”) would like to share some exciting news about an upcoming transaction which will occur on or about July 31, 2016 (the “**Closing Date**”). CALSTAR will be joining REACH Air Medical Services, LLC (“**REACH**”) under the corporate umbrella of REACH Medical Holdings, LLC (a wholly-owned subsidiary of Air Medical Group Holdings, Inc.). CALSTAR and REACH are two of the preeminent air medical ambulance providers in California and the west coast states, having operated with excellence for three decades. Through this transaction, we believe we will be even better positioned to serve the needs of our patients, healthcare customers and communities and we are expecting no disruption in our services during the transition. We view this opportunity as an exciting announcement for not only our organization, but for all of the communities we serve. We value the professional relationship that we have maintained with County of Santa Barbara, and look forward to a bright future together.

Timing is critical for this transaction, so we need to make sure that we are coordinated with your organization, and that you have everything you need prior to our Closing Date. We appreciate your assistance with ensuring uninterrupted service to our patients.

Our transaction will involve the following actions:

1. CALSTAR will transfer its operations to a newly formed company named CALSTAR Air Medical Services LLC (“**CALSTAR Air**”). CALSTAR Air will be formed in Delaware and qualified to do business in your state. It will have its own separate federal tax identification number.
2. On the Closing Date, CALSTAR Air will take over all operations of CALSTAR, using CALSTAR’s current management, medical direction, employees and certain assets. To ensure continuity, as part of this transition:





- CALSTAR will transfer all of its employees and operating assets, including aircraft and medical equipment and supplies, to CALSTAR Air;
  - CALSTAR Air will adopt all of CALSTAR's policies, procedures and protocols, and will engage the same medical directors as currently used by CALSTAR; and
  - CALSTAR Air will continue all certifications currently held by CALSTAR.
3. Also on the Closing Date, CALSTAR will transfer all ownership of CALSTAR Air to REACH Medical Holdings, LLC, and the current operational management team of CALSTAR will continue to be the management team for CALSTAR Air. However, as part of the agreement, after assisting with the transition over the coming months, Tad Henderson (our COO), Mark Vincenzini (our CFO), and I will step-down from our respective positions. No other changes are contemplated.

Again, we need to coordinate all of these actions with your organization, with State and County EMS agencies, and with various other third parties to make this happen on the same day without interruption of service to our patients, so this requires substantial pre-planning, communication and coordination.

We are reaching out to you because of the importance of our relationship with you and because, pursuant to the terms of the Contract, CALSTAR may need your consent to assign the Contract to CALSTAR Air in furtherance of the transaction. To indicate your consent to the assignment, kindly countersign and date this letter where indicated below, and email or fax a copy to my attention, [consent@calstar.org](mailto:consent@calstar.org) or fax (916) 646-7110 at your earliest convenience, and **by July 15th**, if possible. We acknowledge that the consent does not in any way amend or alter the terms of the Contract, and you and we agree that the Contract remains in full force and effect.

If you would like to discuss the transaction with me, please contact me at 916-921-4072, or [lmalmstrom@calstar.org](mailto:lmalmstrom@calstar.org). Thank you in advance for your cooperation. We appreciate your assistance.

Sincerely,

California Shock Trauma Air Rescue

A handwritten signature in blue ink, appearing to read "Lynn D. Malmstrom", written over a white rectangular area.

Lynn D. Malmstrom  
President and CEO

[Remainder of Page Intentionally Blank – Acknowledgement on Next Page]



Re: Agreement for Services, dated 12/4/2012, by and between California Shock Trauma Air Rescue and County of Santa Barbara.

**Acknowledged and Agreed**

this \_\_\_ day of \_\_\_\_\_, 2016

By: \_\_\_\_\_  
Signature

Name: \_\_\_\_\_  
Printed Name

Title: \_\_\_\_\_