

Instruction for Disclosure of Ownership/Control and Criminal Offenses Statements

- I. (a) Direct ownership/control interest is defined as the possession of stock, equity in capital or any interest in the profits in the profits of the disclosing entity.

Indirect ownership is defined as ownership interest in an entity that had direct or indirect ownership interest in the disclosing entity. The amount of indirect ownership in the disclosing entity that is held by any other entity is determined by multiplying the percentage of ownership interest at each level. An indirect ownership interest must be reported if it equates to an ownership interest of 5 percent or more in the disclosing entity. Example: If A owns 10 percent of the stock in a corporation that owns 80 percent of the stock of the disclosing entity. A's interest equates to an 8 percent indirect ownership and must be reported.

Controlling interest is defined as the operation direction or management of disclosing entity which may be maintained by any or all of the following devices: the ability or authority, expressed or reserved, to amend or change the corporate identity (i.e., joint venture agreement, unincorporated business status) of the disclosing entity; the ability or authority to nominate or name members of the Board of Director or Trustees of the disclosing entity; the ability or authority, expressed or reserved, to amend or change the bylaws, constitution, or other operating or management direction of the disclosing entity; the right to control any or all of the assets or other property of the disclosing entity upon the sale or dissolution of that entity; the ability or authority, expressed or reserved, to control the sale of any or all or the assets, to encumber such assets by way of mortgage or other indebtedness, to dissolve the entity or to arrange for the sale or transfer of the disclosing entity to new ownership or control.

II. (b) Subcontractor

Subcontractor means an individual, agency or organization to which a disclosing entity has contracted or delegated some of its management functions or responsibilities of providing medical care to its patients.

III. (a) Criminal Offenses

Agent means a person who has been delegated the authority to obligate or act on behalf of the entity.

Managing employee means a general manager, business manager, administrator, director or other individual who exercises operational or managerial control over, or who directly or indirectly conducts the day to day operation of the disclosing entity.