

Exempt Organization Business Income Tax Return (and proxy tax under section 6033(e))

For calendar year 2019 or other tax year beginning 10/01, 2019, and ending 09/30, 2020

2019

Department of the Treasury Internal Revenue Service

Go to www.irs.gov/Form990T for instructions and the latest information.

Do not enter SSN numbers on this form as it may be made public if your organization is a 501(c)(3).

Open to Public Inspection for 501(c)(3) Organizations Only

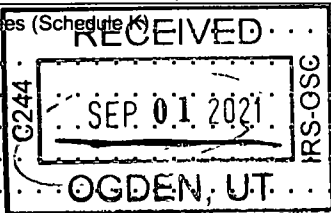
Form header section including: A Check box if address changed; B Exempt under section (501(c)(3)); C Book value of all assets; D Employer identification number (22-2592333); E Unrelated business activity code (520000); F Group exemption number; G Check organization type (501(c) corporation).

Section H: Enter the number of the organization's unrelated trades or businesses (3) and describe the only (or first) unrelated trade or business here (PARTNERSHIP INVESTMENTS).

Section I: During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? (Yes) and Section J: The books are in care of (WADE BROUGHMAN).

Table for Part I: Unrelated Trade or Business Income. Columns: (A) Income, (B) Expenses, (C) Net. Rows include Gross receipts or sales, Cost of goods sold, and Total income of 508,395.

Table for Part II: Deductions Not Taken Elsewhere. Rows include Compensation of officers, Salaries and wages, Repairs and maintenance, Taxes and licenses, and Total deductions of 20,132. Unrelated business taxable income is 454,638.



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Part III Total Unrelated Business Taxable Income

Table with 3 columns: Line number, Description, and Amount. Includes lines 32-39 for unrelated business taxable income calculations.

Part IV Tax Computation

Table with 3 columns: Line number, Description, and Amount. Includes lines 40-45 for tax computation.

Part V Tax and Payments

Table with 3 columns: Line number, Description, and Amount. Includes lines 46-56 for tax and payments.

Part VI Statements Regarding Certain Activities and Other Information (see instructions)

Table with 3 columns: Question number, Question text, Yes, and No. Includes questions 57-59 regarding foreign activities and tax-exempt interest.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge

Signature and Preparer information section including fields for Signature of officer, Date, Title, Preparer's signature, Date, Firm's name, Firm's address, Firm's EIN, and Phone no.

May the IRS discuss this return with the preparer shown below (see instructions)? X Yes [] No

Schedule A - Cost of Goods Sold. Enter method of inventory valuation ▶

| | | | | | |
|---|-----------|--|--|------------|-----------|
| 1 Inventory at beginning of year | 1 | | 6 Inventory at end of year | 6 | |
| 2 Purchases | 2 | | 7 Cost of goods sold. Subtract line | | |
| 3 Cost of labor | 3 | | 6 from line 5. Enter here and in Part | | |
| 4a Additional section 263A costs | | | 1, line 2 | 7 | |
| (attach schedule) | 4a | | | | |
| b Other costs (attach schedule) | 4b | | 8 Do the rules of section 263A (with respect to | Yes | No |
| 5 Total. Add lines 1 through 4b | 5 | | property produced or acquired for resale) apply | | |
| | | | to the organization? | | |

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)

(see instructions)

| | | |
|--|--|--|
| 1. Description of property | | |
| (1) | | |
| (2) | | |
| (3) | | |
| (4) | | |
| 2 Rent received or accrued | | |
| (a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%) | (b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income) | 3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule) |
| (1) | | |
| (2) | | |
| (3) | | |
| (4) | | |
| Total | Total | |
| (c) Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) ▶ | | (b) Total deductions. Enter here and on page 1, Part I, line 6, column (B) ▶ |

Schedule E - Unrelated Debt-Financed Income (see instructions)

| | | | | |
|---|--|---|---|--|
| 1. Description of debt-financed property | | 2 Gross income from or allocable to debt-financed property | 3. Deductions directly connected with or allocable to debt-financed property | |
| | | | (a) Straight line depreciation (attach schedule) | (b) Other deductions (attach schedule) |
| (1) | | | | |
| (2) | | | | |
| (3) | | | | |
| (4) | | | | |
| 4 Amount of average acquisition debt on or allocable to debt-financed property (attach schedule) | 5. Average adjusted basis of or allocable to debt-financed property (attach schedule) | 6 Column 4 divided by column 5 | 7 Gross income reportable (column 2 x column 6) | 8. Allocable deductions (column 6 x total of columns 3(a) and 3(b)) |
| (1) | | % | | |
| (2) | | % | | |
| (3) | | % | | |
| (4) | | % | | |
| Totals ▶ | | | Enter here and on page 1, Part I, line 7, column (A) | Enter here and on page 1, Part I, line 7, column (B) |
| Total dividends-received deductions included in column 8 ▶ | | | | |

Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations (see instructions)

Table with 6 columns: 1. Name of controlled organization, 2. Employer identification number, 3. Net unrelated income (loss), 4. Total of specified payments made, 5. Part of column 4 that is included in the controlling organization's gross income, 6. Deductions directly connected with income in column 5.

Nonexempt Controlled Organizations

Table with 5 columns: 7. Taxable income, 8. Net unrelated income (loss), 9. Total of specified payments made, 10. Part of column 9 that is included in the controlling organization's gross income, 11. Deductions directly connected with income in column 10.

Totals row for Schedule F with instructions for adding columns 5 and 10, and 6 and 11.

Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization (see instructions)

Table with 5 columns: 1. Description of income, 2. Amount of income, 3. Deductions directly connected (attach schedule), 4. Set-asides (attach schedule), 5. Total deductions and set-asides (col 3 plus col 4).

Totals row for Schedule G with instructions for entering data on page 1.

Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income (see instructions)

Table with 7 columns: 1. Description of exploited activity, 2. Gross unrelated business income from trade or business, 3. Expenses directly connected with production of unrelated business income, 4. Net income (loss) from unrelated trade or business, 5. Gross income from activity that is not unrelated business income, 6. Expenses attributable to column 5, 7. Excess exempt expenses (column 6 minus column 5, but not more than column 4).

Totals row for Schedule I with instructions for entering data on page 1.

Schedule J - Advertising Income (see instructions)

Part I Income From Periodicals Reported on a Consolidated Basis

Table with 7 columns: 1. Name of periodical, 2. Gross advertising income, 3. Direct advertising costs, 4. Advertising gain or (loss) (col 2 minus col 3) If a gain, compute cols 5 through 7, 5. Circulation income, 6. Readership costs, 7. Excess readership costs (column 6 minus column 5, but not more than column 4).

Totals row for Schedule J with instruction to carry to Part II, line (5).

Part II Income From Periodicals Reported on a Separate Basis (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

| 1 Name of periodical | 2 Gross advertising income | 3 Direct advertising costs | 4. Advertising gain or (loss) (col 2 minus col 3) If a gain, compute cols 5 through 7 | 5 Circulation income | 6. Readership costs | 7. Excess readership costs (column 6 minus column 5, but not more than column 4) |
|--|--|--|---|----------------------|---------------------|--|
| (1) | | | | | | |
| (2) | | | | | | |
| (3) | | | | | | |
| (4) | | | | | | |
| Totals from Part I. ▶ | | | | | | |
| Totals, Part II (lines 1-5) ▶ | Enter here and on page 1, Part I, line 11, col (A) | Enter here and on page 1, Part I, line 11, col (B) | | | | Enter here and on page 1, Part II, line 26 |

Schedule K - Compensation of Officers, Directors, and Trustees (see instructions)

| 1. Name | 2. Title | 3 Percent of time devoted to business | 4 Compensation attributable to unrelated business |
|---|----------|---------------------------------------|---|
| (1) | | % | |
| (2) | | % | |
| (3) | | % | |
| (4) | | % | |
| Total. Enter here and on page 1, Part II, line 14. ▶ | | | |

SCHEDULE M (Form 990-T)

Unrelated Business Taxable Income from an Unrelated Trade or Business

OMB No 1545-0047

2019

For calendar year 2019 or other tax year beginning 10/01, 2019, and ending 09/30, 2020

Department of the Treasury Internal Revenue Service

Go to www.irs.gov/Form990T for instructions and the latest information.

Do not enter SSN numbers on this form as it may be made public if your organization is a 501(c)(3).

Open to Public Inspection for 501(c)(3) Organizations Only

Name of the organization

SOUTHCOAST HOSPITALS GROUP, INC.

Employer identification number

22-2592333

Unrelated Business Activity Code (see instructions) 440000

Describe the unrelated trade or business PHARMACY SALES TO NON-SYSTEM PATIENTS

Part I Unrelated Trade or Business Income

Table with 4 columns: Line number, Description, (A) Income, (B) Expenses, (C) Net. Rows include Gross receipts or sales, Less returns and allowances, Cost of goods sold, Gross profit, Capital gain net income, Net gain (loss), Capital loss deduction, Income (loss) from a partnership, Rent income, Unrelated debt-financed income, Interest, annuities, royalties, and rents, Investment income, Exploited exempt activity income, Advertising income, Other income, and Total.

Part II Deductions Not Taken Elsewhere (See instructions for limitations on deductions) (Deductions must be directly connected with the unrelated business income.)

Table with 4 columns: Line number, Description, (A) Income, (B) Expenses, (C) Net. Rows include Compensation of officers, directors, and trustees, Salaries and wages, Repairs and maintenance, Bad debts, Interest, Taxes and licenses, Depreciation, Less depreciation claimed on Schedule A, Depletion, Contributions to deferred compensation plans, Employee benefit programs, Excess exempt expenses, Excess readership costs, Other deductions, Total deductions, Unrelated business taxable income before net operating loss deduction, Deduction for net operating loss, and Unrelated business taxable income.

For Paperwork Reduction Act Notice, see instructions

Schedule M (Form 990-T) 2019

Depreciation and Amortization (Including Information on Listed Property)

Department of the Treasury Internal Revenue Service (99)

Attach to your tax return.

Go to www.irs.gov/Form4562 for instructions and the latest information.

Name(s) shown on return: SOUTHCOAST HOSPITALS GROUP, INC. Business or activity to which this form relates: PHARMACY SALES TO NON-SYSTEM PATIENTS Identifying number: 22-2592333

Part I Election To Expense Certain Property Under Section 179 Note: If you have any listed property, complete Part V before you complete Part I.

Table with 13 rows for Part I. Columns include: 1 Maximum amount, 2 Total cost of section 179 property, 3 Threshold cost, 4 Reduction in limitation, 5 Dollar limitation, 6-13 Detailed cost and deduction calculations.

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property. See instructions.)

Table with 3 rows for Part II. Columns include: 14 Special depreciation allowance, 15 Property subject to section 168(f)(1) election, 16 Other depreciation (including ACRS).

Part III MACRS Depreciation (Don't include listed property. See instructions.)

Section A

Table with 2 rows for Section A. Columns include: 17 MACRS deductions for assets placed in service in tax years beginning before 2019, 18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here.

Section B—Assets Placed in Service During 2019 Tax Year Using the General Depreciation System

Table with 7 columns: (a) Classification of property, (b) Month and year placed in service, (c) Basis for depreciation, (d) Recovery period, (e) Convention, (f) Method, (g) Depreciation deduction. Rows include 19a-19i for various property types.

Section C—Assets Placed in Service During 2019 Tax Year Using the Alternative Depreciation System

Table with 6 columns: 20a Class life, 20b 12-year, 20c 30-year, 20d 40-year, (d) Recovery period, (f) Method.

Part IV Summary (See instructions.)

Table with 3 rows for Part IV. Columns include: 21 Listed property, 22 Total, 23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs.

Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A—Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? 24b If "Yes," is the evidence written? 25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use. See instructions. 26 Property used more than 50% in a qualified business use: 27 Property used 50% or less in a qualified business use: 28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1. 29 Add amounts in column (i), line 26. Enter here and on line 7, page 1.

Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

30 Total business/investment miles driven during the year (don't include commuting miles) 31 Total commuting miles driven during the year 32 Total other personal (noncommuting) miles driven 33 Total miles driven during the year. Add lines 30 through 32 34 Was the vehicle available for personal use during off-duty hours? 35 Was the vehicle used primarily by a more than 5% owner or related person? 36 Is another vehicle available for personal use?

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who aren't more than 5% owners or related persons. See instructions

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? 38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners 39 Do you treat all use of vehicles by employees as personal use? 40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? 41 Do you meet the requirements concerning qualified automobile demonstration use? See instructions. Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," don't complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs (b) Date amortization begins (c) Amortizable amount (d) Code section (e) Amortization period or percentage (f) Amortization for this year 42 Amortization of costs that begins during your 2019 tax year (see instructions): 43 Amortization of costs that began before your 2019 tax year 44 Total. Add amounts in column (f). See the instructions for where to report

**SCHEDULE M
(Form 990-T)**

**Unrelated Business Taxable Income from an
Unrelated Trade or Business**

OMB No 1545-0047

2019

For calendar year 2019 or other tax year beginning 10/01, 2019, and ending 09/30, 20 20

Department of the Treasury
Internal Revenue Service

▶ Go to www.irs.gov/Form990T for instructions and the latest information.

▶ Do not enter SSN numbers on this form as it may be made public if your organization is a 501(c)(3)

Open to Public Inspection for
501(c)(3) Organizations Only

Name of the organization

SOUTHCOAST HOSPITALS GROUP, INC.

Employer identification number

22-2592333

Unrelated Business Activity Code (see instructions) ▶ 620000

Describe the unrelated trade or business ▶ NON-PATIENT LAB TESTING

| Part I Unrelated Trade or Business Income | | (A) Income | (B) Expenses | (C) Net |
|--|---|------------|--------------|---------|
| 1a | Gross receipts or sales <u>100,005.</u> | | | |
| b | Less returns and allowances <u>94.</u> c Balance ▶ | 1c | | |
| 2 | Cost of goods sold (Schedule A, line 7) | 2 | | |
| 3 | Gross profit Subtract line 2 from line 1c | 3 | | 99,911. |
| 4a | Capital gain net income (attach Schedule D) | 4a | | |
| b | Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797) . . | 4b | | |
| c | Capital loss deduction for trusts | 4c | | |
| 5 | Income (loss) from a partnership or an S corporation (attach statement) | 5 | | |
| 6 | Rent income (Schedule C) | 6 | | |
| 7 | Unrelated debt-financed income (Schedule E) | 7 | | |
| 8 | Interest, annuities, royalties, and rents from a controlled organization (Schedule F) | 8 | | |
| 9 | Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G) | 9 | | |
| 10 | Exploited exempt activity income (Schedule I) | 10 | | |
| 11 | Advertising income (Schedule J) | 11 | | |
| 12 | Other income (See instructions; attach schedule) | 12 | | |
| 13 | Total. Combine lines 3 through 12 | 13 | 99,911. | 99,911. |

Part II Deductions Not Taken Elsewhere (See instructions for limitations on deductions) (Deductions must be directly connected with the unrelated business income.)

| | | | | |
|-----------|--|------------|------|---------|
| 14 | Compensation of officers, directors, and trustees (Schedule K) | 14 | | |
| 15 | Salaries and wages | 15 | | 12,903. |
| 16 | Repairs and maintenance | 16 | | 401. |
| 17 | Bad debts | 17 | | |
| 18 | Interest (attach schedule) (see instructions) | 18 | | |
| 19 | Taxes and licenses | 19 | | 6,259. |
| 20 | Depreciation (attach Form 4562) | 20 | 228. | |
| 21 | Less depreciation claimed on Schedule A and elsewhere on return | 21a | | |
| 22 | Depletion | 22 | | 228. |
| 23 | Contributions to deferred compensation plans | 23 | | 501. |
| 24 | Employee benefit programs | 24 | | 2,198. |
| 25 | Excess exempt expenses (Schedule I) | 25 | | |
| 26 | Excess readership costs (Schedule J) | 26 | | |
| 27 | Other deductions (attach schedule) <u>ATTCH. 7</u> | 27 | | 20,833. |
| 28 | Total deductions. Add lines 14 through 27 | 28 | | 43,323. |
| 29 | Unrelated business taxable income before net operating loss deduction Subtract line 28 from line 13 | 29 | | 56,588. |
| 30 | Deduction for net operating loss arising in tax years beginning on or after January 1, 2018 (see instructions) | 30 | | |
| 31 | Unrelated business taxable income Subtract line 30 from line 29 | 31 | | 56,588. |

For Paperwork Reduction Act Notice, see Instructions.

Schedule M (Form 990-T) 2019

Depreciation and Amortization (Including Information on Listed Property)

Department of the Treasury Internal Revenue Service (99)

Attach to your tax return.

Go to www.irs.gov/Form4562 for instructions and the latest information.

Name(s) shown on return: SOUTHCOAST HOSPITALS GROUP, INC. Business or activity to which this form relates: NON-PATIENT LAB TESTING Identifying number: 22-2592333

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

Table with 13 rows for Part I. Columns include description of property, cost, and elected cost. Rows 1-5 are summary rows, 6-13 are detailed rows.

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property. See instructions.)

Table with 3 rows for Part II. Columns include description of property and amount.

Part III MACRS Depreciation (Don't include listed property. See instructions.)

Section A

Table with 2 rows for Section A. Columns include description of MACRS deductions and amount.

Section B—Assets Placed in Service During 2019 Tax Year Using the General Depreciation System

Table with 7 columns: (a) Classification of property, (b) Month and year placed in service, (c) Basis for depreciation, (d) Recovery period, (e) Convention, (f) Method, (g) Depreciation deduction. Rows 19a-i.

Section C—Assets Placed in Service During 2019 Tax Year Using the Alternative Depreciation System

Table with 4 columns: (a) Class life, (b) Recovery period, (c) Convention, (d) Method. Rows 20a-d.

Part IV Summary (See instructions.)

Table with 3 rows for Part IV. Columns include description of summary items and amount.

Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A—Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? 24b If "Yes," is the evidence written? 25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use. 26 Property used more than 50% in a qualified business use: 27 Property used 50% or less in a qualified business use: 28 Add amounts in column (h), lines 25 through 27. 29 Add amounts in column (i), line 26.

Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

30 Total business/investment miles driven during the year (don't include commuting miles) 31 Total commuting miles driven during the year 32 Total other personal (noncommuting) miles driven 33 Total miles driven during the year. Add lines 30 through 32 34 Was the vehicle available for personal use during off-duty hours? 35 Was the vehicle used primarily by a more than 5% owner or related person? 36 Is another vehicle available for personal use?

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who aren't more than 5% owners or related persons. See instructions.

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? 38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? 39 Do you treat all use of vehicles by employees as personal use? 40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? 41 Do you meet the requirements concerning qualified automobile demonstration use? See instructions.

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," don't complete Section B for the covered vehicles

Part VI Amortization

(a) Description of costs (b) Date amortization begins (c) Amortizable amount (d) Code section (e) Amortization period or percentage (f) Amortization for this year 42 Amortization of costs that begins during your 2019 tax year (see instructions): 43 Amortization of costs that began before your 2019 tax year 44 Total. Add amounts in column (f). See the instructions for where to report

ATTACHMENT 2

PARTNERSHIP INTERESTS

FORM 990T - LINE 5 -INCOME (LOSS) FROM PARTNERSHIPS OR S CORPORATIONS

INCOME (LOSS) FROM PARTNERSHIPS 508,395.

INCOME (LOSS) FROM PARTNERSHIPS 508,395.

PARTNERSHIP INTERESTS

FORM 990T - PART II - LINE 27 - TOTAL OTHER DEDUCTIONS

TAX PREPARATION FEES

20,132.

PART II - LINE 27 - OTHER DEDUCTIONS

20,132.

FORM 990T - PART III LINE 34 - CHARITABLE CONTRIBUTIONS

| | |
|---|----------------|
| UNRELATED TRADE OR BUSINESS INCOME | 508,395. |
| UNRELATED TRADE OR BUSINESS INCOME (SCHEDULES M) | 102,511. |
| ADD: DOMESTIC PRODUCTION ACTIVITIES DEDUCTION | 0. |
| LESS: DEDUCTIONS W/O CHARITABLE CONTRIBUTIONS & DPAD | 53,757. |
| DED W/O CHARITABLE CONTRIBUTIONS & DPAD (SCH M) | 42,958. |
| | * 10% |
| CHARITABLE CONTRIBUTION LIMITATION (10%) | 51,323. |
| CHARITABLE CONTRIBUTION | 1,243,098. |
| <u>CHARITABLE CONTRIBUTION DEDUCTION (SMALLER OF THE ABOVE TWO)</u> | <u>51,323.</u> |

PHARMACY SALES TO NON-SYSTEM PATIENTS

SCHEDULE M LINE 2: SCHEDULE A - COST OF GOODS SOLD

| | | | |
|----|--|--------|---------------|
| 1 | INVENTORY AT BEGINNING OF YEAR ... | | |
| 2 | PURCHASES | 2,047. | |
| 3 | COST OF LABOR | | |
| 4A | ADDITIONAL SECTION 263A COSTS | | |
| B | OTHER COSTS | | |
| 5 | TOTAL. ADD LINES 1 THROUGH 4B | 2,047. | |
| 6 | INVENTORY AT END OF YEAR | | |
| 7 | COST OF GOODS SOLD. (SUBTRACT LINE 6 FROM LINE 5) | | <u>2,047.</u> |
| 8 | DO THE RULES OF SECTION 263A (WITH RESPECT TO PROPERTY PRODUCED OR ACQUIRED FOR RESALE) APPLY TO THE ORGANIZATION? | | YES NO X |

PHARMACY SALES TO NON-SYSTEM PATIENTS

FORM 990T - PART II LINE 27 TOTAL OTHER DEDUCTIONS

| | |
|----------------------|------|
| TAX PREPARATION FEES | 55. |
| OTHER EXPENSES | 229. |

| | |
|--------------------------------------|-------------|
| PART II - LINE 27 - OTHER DEDUCTIONS | <u>284.</u> |
|--------------------------------------|-------------|

PHARMACY SALES TO NON-SYSTEM PATIENTS

SCHEDULE M LINE 30: DEDUCTION FOR NOL TAX YEARS ON OR AFTER JANUARY 1, 2018

| YEAR ENDING | ORIGINAL NOL | AMOUNT AVAILABLE | AMOUNT USED | CONVERTED CONTRIBUTIONS | CARRYOVER TO NEXT YEAR |
|-------------|--------------|------------------|-------------|-------------------------|------------------------|
| 09/30/2019 | 7,806. | 7,806. | 2,000. | 0. | 5,806. |
| TOTAL | 7,806. | 7,806. | 2,000. | 0. | 5,806. |

NON-PATIENT LAB TESTING

FORM 990T - PART II LINE 27 TOTAL OTHER DEDUCTIONS

| | |
|----------------------|--------|
| TAX PREPARATION FEES | 3,553. |
| SUPPLIES | 8,265. |
| OUTSOURCED SERVICES | 7,063. |
| OTHER EXPENSES | 1,952. |

| | |
|--------------------------------------|----------------|
| PART II - LINE 27 - OTHER DEDUCTIONS | <u>20,833.</u> |
|--------------------------------------|----------------|

NAME AND FEIN OF PARENT CORPORATION

SOUTHCOAST HEALTH SYSTEM, INC.
04-2794625