

## CHS/Community Health Systems Completes Refinancing

11.21.19



Simpson Thacher represented CHS/Community Health Systems, Inc. (the “Issuer”), a wholly owned subsidiary of Community Health Systems, Inc. (NYSE: CYH), in refinancing transactions that included (1) an exchange offer in which \$2.4 billion of new notes, comprised of \$700 million of 8% Senior Secured Notes due 2027 and \$1.7 billion of 6.875% Senior Unsecured Notes due 2028, were issued in exchange for \$2.4 billion of outstanding 6.875% Senior Unsecured Notes due 2022 and (2) a Rule 144A/Regulation S offering of \$500 million aggregate principal amount of additional 8% Senior Secured Notes due 2026 (the “Tack-On Notes”). The Tack-On Notes were issued under the same indenture as the approximately \$1.6 billion of the Issuer’s 8% Senior Secured Notes due 2026 issued on March 6, 2019 and constitute part of the same series as such existing notes.

The net proceeds of the offering of the Tack-On Notes were used to (1) redeem all \$121 million aggregate principal amount of the Issuer’s outstanding 7.125% Senior Notes due 2020, (2) repay amounts outstanding and terminate the Issuer’s revolving credit facility and (3) repay borrowings outstanding under the Issuer’s ABL facility.

Community Health Systems, Inc. is one of the largest publicly traded hospital companies in the United States and a leading operator of general acute care hospitals and outpatient facilities in communities across the country.

The Simpson Thacher team included Richard Fenyes, Lia Toback, Brian Mathes and Hyo Min Kim (Capital Markets); James Cross, Michael Vernace, Leah Nudelman and Kalyan Venkatraj (Credit); Jonathan Pall and Janet Nadile (Collateral); Tim Gallagher (Real Estate); Nancy Mehlman, Jon Cantor and Gal Shemer (Tax); Larry Moss and Jason Fixelle (Executive Compensation and Employee Benefits); and Alysha Sekhon (Intellectual Property).

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