

NOVAMED INC  
Form 8-K  
October 06, 2006

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(D) OF  
THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): October 3, 2006

NovaMed, Inc.  
(Exact Name of Registrant as Specified in Charter)

Delaware  
(State or Other Jurisdiction of  
Incorporation)

0-26625  
(Commission File Number)

36-4116193  
(IRS Employer Identification No.)

980 North Michigan Avenue, Suite 1620, Chicago, Illinois  
(Address of Principal Executive Offices)

60611  
(Zip Code)

Registrant's telephone number, including area code (312) 664-4100

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## Section 2 - Financial Information

### Item 2.01 Completion of Acquisition or Disposition of Assets

On October 3, 2006, one of our wholly owned subsidiaries, NovaMed Acquisition Company, Inc., acquired a sixty-five percent (65%) equity interest in an ambulatory surgery center (“ASC”) located in Cleveland, Tennessee. Immediately prior to this acquisition, the selling entity, Surgery Center of Cleveland, L.L.C., contributed substantially all of the assets and certain mutually agreed upon liabilities of the ASC into a newly formed Delaware limited liability company, NovaMed Surgery Center of Cleveland, LLC. The assets contributed by the seller into the new limited liability company included equipment, furniture, real estate, accounts receivable, inventory and goodwill. NovaMed Acquisition Company, Inc. then purchased from the seller a sixty-five percent (65%) interest in the limited liability company in exchange for \$9,862,866, payable in cash at closing. The individual physician-members of the seller collectively retained a thirty-five percent (35%) interest in the entity. The purchase price was negotiated and agreed upon through arm’s length negotiations between the parties. NovaMed, Inc. funded the purchase price through its existing cash as well as funds borrowed under its credit facility with National City Bank of The Midwest, as agent for the various lenders thereunder.

The assets acquired were historically used to operate, and we intend to continue to use them to operate, an outpatient surgical facility.

The foregoing summary does not purport to be complete and is qualified in its entirety by reference to the full text of the Asset Contribution and Exchange Agreement which is filed herewith as Exhibit 10.48 and is incorporated herein by reference.

## Section 9 - Financial Statements and Exhibits

### Item 9.01 Financial Statements and Exhibits

(d) Exhibits

Exhibit Number

Title

10.48 Asset Contribution and Exchange Agreement dated as of October 3, 2006, by and among NovaMed Acquisition Company, Inc., Surgery Center of Cleveland, LLC, and the members of Surgery Center of Cleveland, LLC

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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NovaMed, Inc.

Dated: October 6, 2006

By: /s/ Scott T. Macomber

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Scott T. Macomber  
Executive Vice President and Chief Financial Officer

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**EXHIBIT INDEX**

Exhibit No.

Exhibit

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