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UNITED STATES BANKRUPTCY COURT

IN AND FOR THE EASTERN DISTRICT OF WASHINGTON

In Re: ASTRIA HEALTH, *et al.*, Debtors.[1]	Ch 11 Case No:19-01189-11
IN RE: Chapter 11 ASTRIA HEALTH, *et al.*, Debtors.[2]	ADVERSARY PROC. NO. Lead Case No. 19-01189-11

1The Debtors, along with their case numbers, are as follows: Astria Health (19-01189-11), Glacier Canyon, LLC (19-01193-11), Kitchen and Bath Furnishings, LLC (19-01194-11), Oxbow Summit, LLC (19-01195-11), SHS Holdco, LLC (19-01196-11), SHC Medical Center - Toppenish (19-01190-11), SHC Medical Center - Yakima (19-01192-11), Sunnyside Community Hospital Association (19-01191-11), Sunnyside Community Hospital Home Medical Supply, LLC (19-01197-11), Sunnyside Home Health (19-01198-11), Sunnyside Professional Services, LLC (19-01199-11), Yakima Home Care Holdings, LLC (19-01201-11), and Yakima HMA Home Health, LLC (19-01200-11).

YAKIMA HMA, LLC, and YAKIMA HMA PHYSICIAN MANAGEMENT, LLC, Plaintiffs, v. SHC MEDICAL CENTER – YAKIMA and SHC MEDICAL CENTER – TOPPENISH, Defendants.	(Jointly Administered) DEBTORS' COMPLAINT FOR INJUNCTION

ADVERSARY PROCEEDING COMPLAINT

Come now the Plaintiffs, Yakima HMA, LLC and Yakima HMA Physican Management, LLC, and for their causes of action in this adversary proceeding against Defendants, SHC Medical Center – Yakima and SHC Medical Center – Toppenish, state as follows:

JURISDICTION AND VENUE

1. This is an adversary proceeding under Rule 7001, Federal Rules of Bankruptcy Procedure.

2. This Court has jurisdiction over this adversary proceeding pursuant to 28 U.S.C. § 157 and 1334 and the District Court's local rule referring proceedings relating to cases under

2The Debtors, along with their case numbers, are as follows: Astria Health (19-01189-11), Glacier Canyon, LLC (19-01193-11), Kitchen and Bath Furnishings, LLC (19-01194-11), Oxbow Summit, LLC (19-01195-11), SHS Holdco, LLC (19-01196-11), SHC Medical Center - Toppenish (19-01190-11), SHC Medical Center - Yakima (19-01192-11), Sunnyside Community Hospital Association (19-01191-11), Sunnyside Community Hospital Home Medical Supply, LLC (19-01197-11), Sunnyside Home Health (19-01198-11), Sunnyside Professional Services, LLC (19-01199-11), Yakima Home Care Holdings, LLC (19-01201-11), and Yakima HMA Home Health, LLC (19-01200-11).

Title 11 to the bankruptcy judges of this district (Rule 83.5(a), Local Rules of the United States District Court, Eastern District of Washington).

3. Venue in this judicial district is proper pursuant to 28 U.S.C. § 1391.

PARTIES

4. Plaintiff Yakima HMA, LLC ("YHMA"), is a Washington limited liability company.

5. Plaintiff, Yakima HMA Physician Management, LLC ("YHMAPM"), is a Washington limited liability company.

6. Defendant, SHC Medical Center – Yakima ("SH Yakima Sub"), is a Washington not-for-profit corporation and is a debtor in these jointly administered cases.

7. Defendant, SHC Medical Center – Toppenish ("SH Toppenish Sub"), is a Washington not-for-profit corporation and is a debtor in these jointly administered cases.

FACTUAL ALLEGATIONS

8. YHMA, YHMAPM, SH Yakima Sub and SH Toppenish Sub are among the parties to that certain Asset Purchase Agreement (the "Asset Purchase Agreement"), dated as of December 13, 2016, relating to the Yakima Regional Medical and Cardiac Center in Yakima, Washington, the Toppenish Community Hospital in Toppenish, Washington, and related businesses including physician clinic operations, home health operations and ancillary services. A true and correct copy of the Asset Purchase Agreement is attached as an exhibit hereto.

9. Prior to the effective date of the Asset Purchase Agreement, YHMA and YHMAPM (collectively, "Sellers") operated the general acute care hospitals known as "Yakima Regional Medical and Cardiac Center" in Yakima, Washington, "Toppenish Community

Hospital" in Toppenish, Washington, and related businesses including physician clinic operations, home health operations and ancillary services.

10. Pursuant to the Asset Purchase Agreement, Sellers sold certain assets to SH Yakima Sub and SH Toppenish Sub (collectively, "Buyers").

11. Certain other assets (the "Excluded Assets") were retained by the Sellers and not conveyed to the Buyers.

12. Among these Excluded Assets were amounts payable from retrospective settlements based on cost reports for periods before the Asset Purchase Agreement became effective.

13. The Asset Purchase Agreement, at ¶ 1.2(b), defines the Excluded Assets to include:

> all amounts payable to Sellers in respect of third party payors pursuant to retrospective settlements (including, without limitation, pursuant to Medicare, Medicaid and TriCare/CHAMPUS cost reports filed or to be filed by Sellers for periods prior to the Effective Time (hereinafter defined) and retrospective payment of claims that are the subject of CMS Recovery Audit Contractor appeals) and all appeals and appeal rights of Sellers relating to such settlements, including cost report settlements, for periods prior to the Effective Time[.]

14. The Buyers agreed to remit to Sellers all receipts of funds relating to cost reports for periods before the Asset Purchase Agreement became effective.

15. The Buyers agreed that the Sellers retained all rights to the cost reports for periods before the Asset Purchase Agreement became effective, including any amounts receivable or payable in respect of such reports or reserves relating to such reports.

16. The Asset Purchase Agreement, at ¶ 10.8, provides for the Buyers' agreement to remit to Sellers such funds and Sellers' rights to such funds:

> Sellers, at their expense, shall prepare and timely file all terminating and other cost reports required or permitted by law to be filed under the Medicare and Medicaid or other third party payor programs for periods ending on or prior to the Effective Time, or as a result of the consummation of the transactions described herein ("Seller Cost Reports"). Buyers shall forward to Sellers any and all correspondence relating to the Seller Cost Reports within five (5) business days after receipt by Buyers. Buyers shall remit any receipts of funds relating to the Seller Cost Reports promptly after receipt by Buyers and shall forward to Sellers any demand for payments within three (3) business days after receipt by Buyers. Sellers shall retain all rights to the Seller Cost Reports including any amounts receivable or payable in respect of such reports or reserves relating to such reports. Such rights shall include the right to appeal any Medicare or Medicaid determinations relating to the Seller Cost Reports. Sellers shall retain the originals of the Seller Cost Reports, correspondence, work papers and other documents relating to the Seller Cost

> Reports. Sellers will furnish copies of such cost reports to Buyers upon request.

17. Buyers received funds totaling at least $287,167 based on a cost report for the 2006 fiscal year, a cost report for a period before the Asset Purchase Agreement became effective.

18. As provided in the Asset Purchase Agreement, the funds received by the Buyer belong to Sellers and must be remitted to Sellers.

19. The Asset Purchase Agreement, at ¶ 12.5, provides for the prevailing party to recover its attorney's fees and costs, as follows:

> In the event a party elects to incur legal expenses to enforce or interpret any provision of this Agreement by judicial proceedings, the prevailing party will be entitled to recover such legal expenses, including, without limitation, reasonable attorneys' fees, costs, and necessary disbursements at all court levels, in addition to any other relief to which such party shall be entitled.

COUNT I – RECOVERY OF MONEY OR PROPERTY

20. Plaintiffs reallege and incorporate by reference the allegations set forth in paragraphs 1 through 19 of this Complaint as if fully restated here.

21. Defendants received funds totaling at least $287,167 resulting from cost reports for periods before the Asset Purchase Agreement became effective.

22. As evidenced by the Asset Purchase Agreement, the Plaintiffs and Defendants expressly agreed that any funds resulting from cost reports for periods before the Asset

Purchase Agreement became effective remained the property of the Plaintiffs, even if such funds were in the possession of Defendants.

23. As evidenced by the Asset Purchase Agreement, the Plaintiffs and Defendants expressly agreed that when Defendants received funds belonging to Plaintiffs based on cost reports for periods before the Asset Purchase Agreement became effective, Defendants would remit those funds to the Plaintiffs.

24. The Defendants do not own the funds they received resulting from cost reports for periods before the Asset Purchase Agreement became effective.

25. The funds – totaling at least $287,167 – the Defendants received resulting from cost reports for periods before the Asset Purchase Agreement became effective belong to the Plaintiffs and must be turned over to the Plaintiffs.

REQUEST FOR RELIEF

WHEREFORE, the Plaintiffs, Yakima HMA, LLC and Yakima HMA Physican Management, LLC, respectfully request that the Court enter judgment in favor of the Plaintiffs and against the Defendants, SHC Medical Center – Yakima and SHC Medical Center – Toppenish, requiring the Defendants to turnover to the Plaintiffs all funds the Defendants received resulting from cost reports for periods before the Asset Purchase Agreement became effective, requiring Defendants to reimburse Plaintiffs' legal expenses, including, without limitation, reasonable attorney's fees, costs and necessary disbursements and granting Plaintiffs such other and further relief as is just and appropriate.

/s/ Toni Meacham

Toni Meacham, #35068

Attorney at Law

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ASSET PURCHASE AGREEMENT

BY AND AMONG

YAKIMA HMA, LLC

AND

YAKIMA HMA PHYSICIAN MANAGEMENT, LLC

AND

HOSPITAL MANAGEMENT ASSOCIATES, LLC

AND

CHS/COMMUNITY HEALTH SYSTEMS, INC.

AND

SHC MEDICAL CENTER - YAKIMA

AND

SHC MEDICAL CENTER - TOPPENISH

AND

SUNNYSIDE HEALTHCARE

December 13, 2016

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ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (the "Agreement") is made and entered into as of December 13, 2016, by and among **YAKIMA HMA, LLC**, a Washington limited liability company ("YHMA"), **YAKIMA HMA PHYSICIAN MANAGEMENT, LLC,** a Washington limited liability company ("YHMAPM") (YHMA and YHMAPM may be referred to individually as a "Seller" and collectively as "Sellers"), **HOSPITAL MANAGEMENT ASSOCIATES, LLC,** a Florida limited liability company ("HMA"), **CHS/COMMUNITY HEALTH SYSTEMS, INC.**, a Delaware corporation ("CHS"), **SHC MEDICAL CENTER – YAKIMA,** a Washington not-for-profit corporation ("SH Yakima Sub"), **SHC MEDICAL CENTER - TOPPENISH** a Washington not-for-profit corporation ("SH Toppenish Sub"), (SH Yakima Sub and SH Toppenish Sub may be referred to individually as a "Buyer" and collectively as "Buyers"), and **SUNNYSIDE HEALTHCARE,** a Washington not-for-profit corporation ("SH").

RECITALS:

A. Sellers operate the general acute care hospitals known as "Yakima Regional Medical and Cardiac Center" in Yakima, Washington, and "Toppenish Community Hospital" in Toppenish, Washington, together with certain related businesses including physician clinic operations, home health operations and ancillary services (individually, a "Hospital" and collectively, the "Hospitals").

B. Sellers desire to sell to Buyers and Buyers desire to purchase from Sellers all of the assets of Sellers which are directly or indirectly related to, necessary for, or used in connection with, the operation of the Hospitals, except for the Excluded Assets, on the terms and conditions set forth in this Agreement.

C. HMA is a party to this Agreement for purposes of selling all of the membership interests in Yakima Home Care Holdings, LLC, a Delaware limited liability company ("YHCH"), to SH or an affiliate of SH.

D. CHS is a party to this Agreement for purposes of guaranteeing the obligations of its subsidiaries or affiliates as set forth herein.

E. SH is a party to this Agreement for purposes of guaranteeing the obligations of its subsidiaries or affiliates as set forth herein.

AGREEMENT:

NOW, THEREFORE, for and in consideration of the premises and the agreements, covenants, representations, and warranties hereinafter set forth and other good and valuable consideration, the receipt and adequacy of which are forever acknowledged and confessed, the parties hereto agree as follows:

1. PURCHASE OF ASSETS.

1.1 Assets. Subject to the terms and conditions of this Agreement, as of the Closing (as defined in Section 2.1 hereof), Sellers agree to sell, convey, transfer and deliver to Buyers, or the entities directed by Buyers, and Buyers agrees to purchase, all right, title and interest of Sellers in and to all of the assets owned or used by Sellers in connection with the operation of the Hospitals, other than the Excluded Assets (hereinafter defined), which assets shall include, without limitation, the following (the "Assets"):

(a) fee simple to the real property described on Schedule 1.1(a)(i) hereto, together with all improvements, any construction in progress, any other buildings and fixtures thereon, and all rights, privileges and easements appurtenant thereto (collectively, the "Owned Real Property"), and leasehold title to the real property that is leased by Sellers pursuant to the leases described on Schedule 1.1(a)(ii) hereto (collectively, the "Leased Real Property"; the Owned Real Property and the Leased Real Property being referred to herein as the "Real Property");

(b) all tangible personal property, including, without limitation, all major, minor or other equipment, vehicles, furniture and furnishings;

(c) all supplies and inventory located at the Hospitals;

(d) assumable deposits, prepaid expenses and claims for refunds;

(e) all accounts receivable (other than receivables from governmental third-party payors which by law may not be assigned) arising from the rendering of services to patients of the Hospitals, billed and unbilled, recorded or unrecorded, with collection agencies or otherwise, accrued and existing in respect of services rendered prior to the Effective Time;

(f) all rights to receive funds attributable to patient receivables related to Medicare, Medicaid and other third-party patient claims due from beneficiaries or governmental third-party payors arising from the rendering of services to patients at the Hospitals, billed and unbilled, recorded or unrecorded, accrued and existing in respect to services rendered prior to the Effective Time which by law may not be assigned (excluding settlement accounts relating to Sections 1.2(b) and 1.4(e);

(g) all claims, causes of action, and judgments in favor of Sellers relating to the condition of the Assets and, to the extent assignable by Sellers, all warranties (express or implied) and rights and claims assertable by (but not against) Sellers related to the Assets;

(h) all financial, patient, medical staff and personnel records relating to the Hospitals (including, without limitation, all equipment records, medical administrative libraries, Medical Staff bylaws, rules and regulations, medical records, documents, catalogs, books, records, files, operating manuals and current personnel records);

(i) all rights and interests of Sellers in the contracts, commitments, leases and agreements listed on Schedule 1.1(i) hereto and all Immaterial Contracts (hereinafter defined) (collectively, the "Contracts");

(j) Sellers' Medicare and Medicaid provider numbers and all rights under the corresponding Medicare and Medicaid provider agreements, to the extent transferable;

(k) all licenses, certificates, registrations, accreditations and permits, to the extent assignable, held by Sellers relating to the ownership, development, and operation of the Hospitals (including, without limitation, any pending or approved governmental approvals);

(l) all names, trade names, trademarks and service marks (or variations thereof) associated with the Hospitals, all goodwill associated therewith, and all applications and registrations associated therewith;

(m) all goodwill associated with the Hospitals and the Assets;

(n) all domain names, websites, phone numbers and fax numbers associated with the Hospitals as specified on Schedule 1.1(n);

(o) the assets owned by Affiliates of Sellers which are primarily used in connection with the operations of the Hospital;

(p) the electronic funds transfer accounts of the Hospitals (the "EFT Accounts") and all information necessary to access the EFT Accounts; and

(q) the interest of Sellers in all property of the foregoing types, arising or acquired in the ordinary course of the business of Sellers in respect of the Hospitals between the date hereof and the Closing.

1.2 Excluded Assets. Those assets of Sellers described below, together with any assets described on Schedule 1.2 hereto, shall be retained by Sellers (collectively, the "Excluded Assets") and shall not be conveyed to Buyers:

(a) cash and cash equivalents;

(b) all amounts payable to Sellers in respect of third party payors pursuant to retrospective settlements (including, without limitation, pursuant to Medicare, Medicaid and TriCare/CHAMPUS cost reports filed or to be filed by Sellers for periods prior to the Effective Time (hereinafter defined) and retrospective payment of claims that are the subject of CMS Recovery Audit Contractor appeals) and all appeals and appeal rights of Sellers relating to such settlements, including cost report settlements, for periods prior to the Effective Time;

(c) all records to the extent relating to the Excluded Assets and Excluded Liabilities (as defined below) to the extent that Buyers does not need the same in connection with the ongoing activities of the Hospitals, the Assets, or the Assumed Liabilities (as defined below), as well as all records which by law Sellers or their Affiliates are required to maintain in their possession;

(d) any reserves or prepaid expenses to the extent related to Excluded Assets and Excluded Liabilities (such as prepaid legal expenses or insurance premiums);

(e) any and all names, symbols, trademarks, logos or other symbols used in connection with the Hospitals and the Assets to the extent they include the names "HMA," "Health Management Associates" or any variants thereof;

(f) receivables from or obligations with CHS or its Affiliates;

(g) all insurance proceeds arising in connection with the operation of the Hospitals or the Assets prior to the Effective Time and all insurance proceeds arising in connection with the Excluded Assets and the Excluded Liabilities;

(h) any computer software and programs which are proprietary to CHS or its Affiliates;

(i) any contracts, commitments or agreements that are available only to Sellers by reason of their being Affiliates of CHS, as set forth on Schedule 1.2(i);

(j) all rights in connection with and the assets of Sellers' employee benefit plans;

(k) all documents, records, operating manuals and film (in format) pertaining to the Hospitals which are proprietary to Sellers or their Affiliates or which by law Sellers or their Affiliates are required to retain; and

(l) all rights of Sellers under this Agreement and its related documents.

*1.3 **Assumed Liabilities.*** In connection with the conveyance of the Assets to Buyers, Buyers agrees to assume, as of the Effective Time, the future payment and performance of the following liabilities (the "Assumed Liabilities") of Sellers:

(a) all obligations first accruing after the Effective Time with respect to the Contracts;

(b) accounts payable, accrued expenses and other current liabilities to the extent included in the determination of Net Working Capital (hereinafter defined);

(c) the capital lease obligations set forth on Schedule 1.3(c) hereto as of the Effective Time; and

(d) obligations and liabilities as of the Effective Time in respect of accrued paid time off benefits of Sellers' employees at the Hospital who are hired by Buyers as of the Effective Time, and related taxes.

*1.4 **Excluded Liabilities.*** Except for the Assumed Liabilities, Buyers shall not assume and under no circumstances shall Buyers be obligated to pay or assume, and none of the assets of Buyers shall be or become liable for or subject to any liability, indebtedness, commitment, or obligation of Sellers, whether known or unknown, fixed or contingent, recorded or unrecorded, currently existing or hereafter arising or otherwise (collectively, the "Excluded Liabilities"), including, without limitation, the following Excluded Liabilities:

(a) any debt, obligation, expense or liability of Sellers that is not an Assumed Liability;

(b) claims or potential claims for medical malpractice or general liability arising from events that occurred prior to the Effective Time;

(c) those claims and obligations (if any) specified in Schedule 1.4 hereto;

(d) any liabilities associated with or arising out of any of the Excluded Assets;

(e) liabilities or obligations of Sellers in respect of periods prior to the Effective Time arising under the terms of the Medicare, Medicaid, CHAMPUS/TRICARE, Blue Cross, or other third party payor programs, and any liability arising pursuant to the Medicare, Medicaid, CHAMPUS/TRICARE, Blue Cross, or any other third party payor programs as a result of the consummation of any of the transactions contemplated under this Agreement;

(f) federal, state or local tax liabilities or obligations of Sellers in respect of periods prior to the Effective Time including, without limitation, any income tax, any franchise tax, any tax recapture, any sales and/or use tax, and any FICA, FUTA, workers' compensation, and any and all other taxes or amounts due and payable as a result of the exercise by the employees at the Hospital of such employee's right to vacation, sick leave, and holiday benefits accrued while in the employ of Sellers (provided, however, that this clause (f) shall not apply to any and all taxes payable with respect to any employee benefits constituting Assumed Liabilities);

(g) liability for any and all claims by or on behalf of Sellers' employees relating to periods prior to the Effective Time including, without limitation, liability for any pension, profit sharing, deferred compensation, or any other employee health and welfare benefit plans, liability for any EEOC claim, ADA claim, FMLA claim, wage and hour claim, unemployment compensation claim, or workers' compensation claim, and any liabilities or obligations to former employees of any Seller (provided, however, that this clause (g) shall not apply to any and all employee benefits constituting Assumed Liabilities);

(h) any obligation or liability accruing, arising out of, or relating to any federal, state or local investigations of, or claims or actions against, Sellers or any of their Affiliates or any of their employees, medical staff, agents, vendors or representatives with respect to acts or omissions prior to the Effective Time;

(i) any civil or criminal obligation or liability accruing, arising out of, or relating to any acts or omissions of Sellers, their Affiliates or their directors, officers, employees and agents claimed to violate any constitutional provision, statute, ordinance or other law, rule, regulation, interpretation or order of any governmental entity;

(j) liabilities or obligations arising as a result of any breach by Sellers at any time of any contract or commitment that is not assumed by Buyers;

(k) all liabilities, including all damages, obligations, overpayments, false claims, penalties, fines, assessments, repayments, recoupments, offsets, recoveries, adjustments

or similar liabilities of Sellers arising under the terms of the Government Programs or any commercial or private payer accruing prior to the Effective Time, whether alleged or claimed prior to or after the Closing;

(l) liabilities or obligations arising out of any breach by Sellers prior to the Effective Time of any Contract; and

(m) any debt, obligation, expense, or liability of Sellers arising out of or incurred solely as a result of any transaction of Sellers occurring after the Effective Time or for any violation by Sellers of any law, regulation, or ordinance at any time.

1.5 Purchase Price. The purchase price (the "Purchase Price") for the Assets shall be $37,000,000, plus the amount of the Net Working Capital (as defined in Section 1.7(a)) as of the Effective Time, minus $900,000 in respect of repairs to be made by Buyers to the St. Elizabeth's School of Nursing building, and minus the amount of any capitalized leases in respect of Sellers that are assumed by Buyers. Buyers have previously paid Sellers $3,000,000 in immediately available funds (the "Good Faith Deposit"). The Good Faith Deposit shall be applied against the Purchase Price at the Closing. The Purchase Price shall be calculated as of the Closing based upon the estimated Net Working Capital (as determined in accordance with Section 1.7(b)). The Purchase Price shall be adjusted after the Closing in accordance with Section 1.7 to reflect the Net Working Capital as of the Effective Time (as determined in accordance with Section 1.7(b)).

1.6 Payment of Purchase Price. Subject to the terms and conditions of this Agreement, Buyers shall pay the Purchase Price to Sellers at the Closing as follows:

(a) A promissory note made by the Buyers in favor of Sellers in an original principal amount equal to the amount of the estimated Net Working Capital (determined pursuant to Section 1.7(b)), bearing interest at the rate of 5% per annum (the "Promissory Note"). The Promissory Note shall specifically provide that the original principal amount shall be increased or decreased, as the case may be, by the Working Capital Adjustment (as defined below) to be effective upon: (i) if no Objection Statement (as defined below) is timely delivered to Sellers, the day that the Post-Closing Statement (as defined below) is delivered to Buyers; or (ii) if an Objection Statement is timely delivered to Sellers, the date all disputes concerning the Working Capital Adjustment are finally resolved in accordance with Section 1.7(b) and/or Section 1.7(c) hereof. The Promissory Note shall have a term of five (5) years. The Promissory Note shall be substantially in the form attached hereto as Exhibit A and incorporated herein by reference.

(b) The balance of the Purchase Price less the Good Faith Deposit shall be paid by Buyers to Sellers by wire transfer of immediately available funds to an account designated by Sellers.

1.7 Net Working Capital, Estimates and Audits.

(a) Net Working Capital. As used herein, the term "Net Working Capital" shall mean the aggregate current assets of Sellers conveyed to Buyers pursuant to Section 1.1 hereof (excluding those Excluded Assets which would otherwise be included in current assets),

minus the aggregate current liabilities of Sellers assumed by Buyers pursuant to Section 1.3 hereof (excluding those Excluded Liabilities which would otherwise be included in current liabilities), all as determined in accordance with generally accepted accounting principles ("GAAP") consistently applied. In any case with respect to the computation of Net Working Capital (i) the following shall be included in current assets: patient accounts receivable, other receivables, prepaid expenses, and supplies and inventory, and (ii) the following shall be included in current liabilities: accounts payable, accrued expenses, accrued salary and accrued liabilities for paid time off benefits for employees of Sellers who are hired by Buyers.

(b) ***Estimates and Adjustments.*** At least ten (10) business days prior to Closing, Sellers shall deliver to Buyers a reasonable estimate of Net Working Capital as of the end of the most recently ended calendar month prior to the Closing Date for which financial statements are available and containing reasonable detail and supporting documents showing the derivation of such estimate (the "Pre-Closing Statement"). Subject to the mutual agreement of Buyers and Sellers, the estimated Net Working Capital, together with the principles, specifications and methodologies for determining the estimated Net Working Capital, shall be specified in Schedule 1.7, and shall be used for purposes of calculating the Purchase Price as of the Closing. Within ninety (90) days after the Closing, Sellers shall deliver to Buyers their determination of the actual Net Working Capital as of the Closing (following the same principles, specifications and methodologies used to determine the estimated Net Working Capital as set forth on Schedule 1.7 and the estimated Net Working Capital as of the Closing) (the "Post-Closing Statement"). The difference between the Net Working Capital set forth in the Pre-Closing Statement and the Post-Closing Statement is referred to herein as the "Working Capital Adjustment." Each party shall have full access to the financial books and records pertaining to the Hospitals to confirm or audit Net Working Capital computations. In the event that Buyers disagree with the Working Capital Adjustment set forth in the Post-Closing Statement, Buyers shall deliver to Sellers a notice setting forth the basis for Buyers' disagreement (the "Objection Notice") within sixty (60) days after delivery of the Post-Closing Statement (the "Review Period"). If Buyers fail to deliver the Objection Statement within the Review Period, the Working Capital Adjustment shall be the amount set forth in the Post-Closing Statement. If Buyers deliver the Objection Statement within the Review Period, Buyers and Sellers shall negotiate in good faith to resolve such objections within thirty (30) days after the delivery of the Objection Statement (the "Resolution Period"). If such objections are so resolved within the Resolution Period, the Working Capital Adjustment shall be as agreed upon in writing by Buyers and Sellers. If Sellers and Buyers fail to agree within the Resolution Period on the amount of Working Capital Adjustment, such disagreement shall be resolved in accordance with the procedure set forth in Section 1.7(c) which shall be the sole and exclusive remedy for resolving accounting disputes relative to the determination of the Working Capital Adjustment.

(c) ***Dispute of Adjustments.*** In the event that Sellers and Buyers are not able to agree on the Working Capital Adjustment within the Resolution Period, Sellers and Buyers shall each have the right to require that such disputed determination be submitted to an independent certified public accounting firm as Sellers and Buyers may then mutually agree upon in writing (the "Accounting Firm") for computation or verification in accordance with the provisions of this Agreement. The Accounting Firm shall review the matters in dispute and, acting as arbitrators, shall promptly decide the proper amounts of such disputed entries (which

decision shall also include a final calculation of Net Working Capital and the Working Capital Adjustment). The submission of the disputed matter to the Accounting Firm shall be the exclusive remedy for resolving accounting disputes relative to the determination of Net Working Capital. The Accounting Firm's determination shall be binding upon Sellers and Buyers absent fraud or manifest error. The Accounting Firm's fees and expenses shall be borne equally by Sellers and Buyers.

*1.8 **Meaningful Use Funds.***

*(a) **Matters Relating to Pre-Effective Time Meaningful Use Funds.*** Sellers or CHS (or an affiliate of CHS) shall be responsible for preparing, certifying and attesting for meaningful use payments ("MU Payments") under the Health Information Technology for Economic and Clinical Health ("HITECH") Act in respect of the Hospitals relating to periods ending on or prior to the Effective Time ("Pre-Effective Time Periods"). Buyers shall pay to Sellers any amount received by it or any of its Affiliates in respect of MU Payments relating to Pre-Effective Time Periods within ten (10) days of receipt thereof by Buyers or any of its Affiliates.

*(b) **Matters Relating to Post-Effective Time Meaningful Use Funds.*** Buyers shall be responsible for preparing, certifying and attesting for MU Payments in respect of the Hospitals relating to periods ending after the Effective Time ("Post-Effective Time Periods"), and shall be entitled to any MU Payments relating to Post-Effective Time Periods. Sellers shall pay to Buyers any amount received by it or any of its Affiliates in respect of MU Payments relating to Post-Effective Time Periods within ten (10) days of receipt thereof by Sellers or any of its Affiliates.

*(c) **Straddle Periods.*** For purposes of paragraphs (a) and (b) above, if the measurement period for a MU Payment that includes the Closing Date does not terminate on the Closing Date (a "Straddle Period"), then the MU Payment for the Straddle Period shall be allocated between Sellers and Buyers in the following manner: (i) Sellers shall be entitled to receive the portion of the MU Payment attributable to the period prior to the Closing Date which shall equal the MU Payment for the entire Straddle Period, multiplied by a fraction the numerator of which is the total number of days in the Straddle Period through the Closing Date and the denominator of which is the total number of days in the Straddle Period; and (ii) Buyers shall be entitled to receive the portion of the MU Payment attributable to the period following the Closing Date which shall equal the MU Payment for the entire Straddle Period, multiplied by a fraction the numerator of which is the total number of days in the Straddle Period from the Closing Date to the end of the Straddle Period and the denominator of which is the total number of days in the Straddle Period.

*(d) **MU Payment Reconciliation.*** The parties agree that, in the event of a determination by any governmental payor that MU Payments previously received by the parties are adjusted or otherwise revised, the repayment (in case of a reduction of MU Payments previously made) or receipt (in case of an increase of MU Payments previously made) of funds relating to prior MU Payments shall, notwithstanding the prior settlement of the MU Payments in accordance with this Section 1.8, be reconciled and remitted, with reasonable promptness, to the

appropriate party based on the application of this Section 1.8 to such adjustment to the MU Payments.

(e) ***Late Payments.*** In the event that any payment required to be made hereunder is not made within the time period required by this Section 1.8, the party obligated to make such payment shall also be obligated to pay interest on such payment from the date such payment should have been made to the date of payment at the rate of interest equal to 200 basis points over the prime rate as quoted in the Money Rates section of The Wall Street Journal from time to time.

1.9 ***Prorations.*** Except as otherwise provided herein (for example, with respect to the determination of Net Working Capital) or as settled at the Closing, within ninety (90) days after the Closing Date (hereinafter defined), Sellers and Buyers shall prorate as of the Effective Time any amounts which become due and payable on or after the Closing Date with respect to (i) the Contracts, (ii) ad valorem taxes, if any, on the Assets (which shall be prorated as of the Closing), (iii) personal property taxes on the Assets (which shall be prorated as of the Closing) and (iv) all utilities servicing any of the Assets, including water, sewer, telephone, electricity and gas service. Any such amounts which are not available within ninety (90) days after the Closing Date shall be similarly prorated as soon as practicable thereafter.

1.10 ***Home Health Subsidiaries.***

(a) Subject to the terms and conditions of this Agreement, at the Closing, HMA shall sell, convey, transfer and deliver to SH or to an Affiliate designated by SH, free and clear of all encumbrances, 100% of the membership interests of YHCH (the "Interests"), and SH or an Affiliate designated by SH, shall purchase from HMA, the Interests. YHCH owns 100% of the membership interests in Yakima HMA Home Health, LLC, a Washington limited liability company ("YHMAHH"), which owns and operates a Medicare-certified home health agency (YHCH and YHMAHH may be referred to individually as an "Acquired Company" and collectively as the "Acquired Companies"). Prior to the Closing, HMA shall cause (i) the Acquired Companies to transfer or assign the Excluded Assets to HMA or one or more of its designated Affiliates, and (ii) HMA or one or more of its designated Affiliates to assume the Excluded Liabilities from the Acquired Companies.

(b) Each Acquired Company (i) is a limited liability company, duly organized and validly existing in good standing under the laws of the state of its formation, and (ii) has the limited liability company power and authority to own or lease and to operate its assets and to conduct its business as currently conducted.

(c) The Interests (i) have been duly authorized and are validly issued, (ii) were issued in compliance with all applicable state and federal securities laws, (iii) were not issued in breach of any commitments or preemptive rights, and (iv) are held of record by HMA. Except as set forth on Schedule 1.10(c), (i) HMA has good and marketable title to, and owns, the Interests, beneficially and of record; (ii) the Interests are free of all encumbrances; (iii) HMA has full voting power over the Interests, subject to no proxy, shareholders' agreement, voting trust or other agreement relating to the voting of any of the Interests; and (iv) other than as set forth in

this Agreement, there is no agreement between HMA and any other person with respect to the disposition of the Interests.

(d) The provisions of this Agreement (including, without limitation, the representations and warranties, covenants, conditions precedent and indemnification provisions) shall apply, *mutatis mutandis*, in respect of the Acquired Companies.

2. CLOSING.

2.1 ***Closing.*** Subject to the satisfaction or waiver by the appropriate party of all of the conditions precedent to Closing specified in Sections 7 and 8 hereof, the consummation of the transactions contemplated by and described in this Agreement (the "Closing") shall take place at the offices of Bradley Arant Boult Cummings LLP, 1600 Division Street, Suite 700, Nashville, Tennessee, at 10:00 a.m. local time, on or before April 30, 2017, or on such other date or at such other location as the parties may mutually designate in writing (the date of consummation is referred to herein as the "Closing Date"). The Closing shall be effective as of 12:00:01 a.m., local time, on May 1, 2017, or such other time as the parties may mutually designate in writing (such time, the "Effective Time").

2.2 ***Actions of Sellers at Closing.*** At the Closing and unless otherwise waived in writing by Buyers, Sellers shall deliver to Buyers the following:

(a) Deeds containing special warranty of title, fully executed by the appropriate Seller in recordable form, conveying to the appropriate Buyer fee simple title to the Owned Real Property, and Assignments of Leases, fully executed by the appropriate Seller, assigning to the appropriate Buyer leasehold title to the Leased Real Property (the "Assignments of Leases"), subject only to the Permitted Encumbrances (hereinafter defined), and use commercially reasonable efforts to obtain estoppel certificates from third party landlords, or obtain estoppel certificates where required by applicable leases, with respect to the Leased Real Property, in form and substance satisfactory to Buyers, executed by the landlords of the Leased Real Property;

(b) A General Assignment, Conveyance and Bill of Sale, fully executed by the appropriate Seller, conveying to the appropriate Buyer title to all tangible and intangible assets which are a part of the Assets, free and clear of all liabilities, claims, liens, security interests and restrictions other than the Assumed Liabilities;

(c) An Assignment and Assumption Agreement (the "Assignment and Assumption Agreement"), fully executed by the appropriate Seller, conveying to the appropriate Buyer such Seller's interest in the Contracts;

(d) A standard form owner's affidavit (modified as necessary to make such affidavit factually accurate) as required by the Title Company (as defined in Section 6.3 hereof) to issue the Title Policy (as defined in Section 6.3 hereof) as described in and provided by Section 7.3 hereof;

(e) Copies of resolutions duly adopted by the Board of Directors of each of the Sellers and CHS, authorizing and approving the performance of the transactions

contemplated hereby and the execution and delivery of this Agreement and the documents described herein, certified as true and of full force as of the Closing, by the appropriate officers each Seller and CHS, respectively;

(f) Certificates of the President or a Vice President of each Seller, certifying that each covenant and agreement of such Seller to be performed prior to or as of the Closing pursuant to this Agreement has been performed and each representation and warranty of such Seller is true and correct on the Closing Date, as if made on and as of the Closing;

(g) Certificates of incumbency for the respective officers of each Seller and CHS executing this Agreement or making certifications for the Closing dated as of the Closing Date;

(h) Certificates of existence and good standing of each Seller and CHS from the state in which it is formed or incorporated, dated the most recent practical date prior to the Closing;

(i) All Certificates of Title and other documents evidencing an ownership interest conveyed as part of the Assets;

(j) All forms required for the termination or assignment of any trade names used by any Seller in the operation of the Hospitals and registered with the Washington Secretary of State, fully executed by such Seller;

(k) Counterpart signature pages to the Transition Services Agreement, Information Technology Transition Services Agreement and each DEA Limited Power of Attorney;

(l) UCC Termination Statements as appropriate with respect to the Assets;

(m) An updated final version of the Schedules hereto edited only as permitted by the provisions of Section 12.1 of this Agreement;

(n) A list of the EFT Accounts, all information necessary to access the EFT Accounts as well as evidence of Sellers' provision of instructions to the bank(s) at which such accounts are maintained to transfer Sellers' rights to the EFT Accounts to Buyers;

(o) An Assignment of Membership Interest, fully executed by HMA, conveying to SH or a designated Affiliate of SH, the Interests; and

(p) Such other instruments and documents as Buyers reasonably deems necessary to effect the transactions contemplated hereby.

*2.3 **Actions of Buyers at Closing.*** At the Closing and unless otherwise waived in writing by Sellers, Buyers shall deliver to Sellers the following:

(a) An amount equal to the Purchase Price less the Good Faith Deposit amount in immediately available funds to an account designated by Sellers prior to Closing;

(b) The Assignments of Leases, fully executed by the appropriate Buyer;

(c) The Assignment and Assumption Agreement, fully executed by the appropriate Buyer, pursuant to which such Buyer shall assume the future performance of the Contracts as herein provided;

(d) Copies of resolutions duly adopted by the Board of Directors of each Buyer and the Board of Directors of SH authorizing and approving their performance of the transactions contemplated hereby and the execution and delivery of this Agreement and the documents described herein, certified as true and in full force as of the Closing, by the appropriate officers of each Buyer and SH, respectively;

(e) Certificates of the President or a Vice President of each Buyer, certifying that each covenant and agreement of such Buyer to be performed prior to or as of the Closing pursuant to this Agreement has been performed and each representation and warranty of such Buyer is true and correct on the Closing Date, as if made on and as of the Closing;

(f) Certificates of incumbency for the respective officers of each Buyer and SH executing this Agreement or making certifications for the Closing dated as of the Closing Date;

(g) Certificates of existence and good standing of each Buyer and SH from the state in which each is formed or incorporated, dated the most recent practical date prior to Closing;

(h) Counterpart signature pages to the Transition Services Agreement, Information Technology Transition Services Agreement and each DEA Limited Power of Attorney; and

(i) Such other instruments and documents as Sellers reasonably deem necessary to effect the transactions contemplated hereby.

3. REPRESENTATIONS AND WARRANTIES OF SELLERS. As of the date hereof, and, when read in light of any schedules which have been updated in accordance with the provisions of Section 12.1 hereof, as of the Closing Date, Sellers represent and warrant to Buyers the following:

3.1 Existence and Capacity. Each Seller is a limited liability company, duly organized and validly existing in good standing under the laws of the state of its formation. Each Seller has the requisite power and authority to enter into this Agreement, to perform its obligations hereunder and to conduct its business as now being conducted. CHS is a corporation, duly organized and validly existing in good standing under the laws of the State of Delaware. CHS has the requisite power and authority to enter into this Agreement, to perform its obligations hereunder and to conduct its business as now being conducted.

3.2 Powers; Consents; Absence of Conflicts With Other Agreements, Etc. The execution, delivery, and performance of this Agreement by each Seller and CHS and all other

agreements referenced herein, or ancillary hereto, to which such Seller or CHS is a party, and the consummation of the transactions contemplated herein by each Seller and CHS:

(a) are within its limited liability company or corporate powers, are not in contravention of law or of the terms of its organizational documents, and have been duly authorized by all appropriate limited liability company or corporate action;

(b) except as provided in Sections 5.4 and 5.5 below, do not require any approval or consent of, or filing with, any governmental agency or authority bearing on the validity of this Agreement which is required by law or the regulations of any such agency or authority;

(c) except as set forth on Schedule 1.1(i), will neither conflict with, nor result in any breach or contravention of, or the creation of any lien, charge, or encumbrance under, nor result in acceleration of the timing of payment or performance of such Seller's obligations under, any indenture, agreement, lease, instrument or understanding to which it is a party or by which it is bound;

(d) will not violate any statute, law, rule, or regulation of any governmental authority to which it or the Assets may be subject; and

(e) will not violate any judgment, decree, writ or injunction of any court or governmental authority to which it or the Assets may be subject.

3.3 ***Binding Agreement.*** This Agreement and all agreements to which Sellers or CHS will become a party pursuant hereto are and will constitute the valid and legally binding obligations of each Seller or CHS, respectively, and are and will be enforceable against each Seller or CHS, respectively, in accordance with the respective terms hereof or thereof.

3.4 ***Financial Statements.*** Sellers have delivered to Buyers copies of the following financial statements of or pertaining to the Hospitals and their operations ("Financial Statements"), which Financial Statements are maintained on an accrual basis:

(a) Unaudited Balance Sheet dated as of September 30, 2016 (the "Balance Sheet Date");

(b) Unaudited Income Statement for the nine month period ended on the Balance Sheet Date; and

(c) Unaudited Balance Sheets and Income Statements for the fiscal years ended December 31, 2015 and 2014.

Such Financial Statements conform to generally accepted accounting principles ("GAAP") consistently applied, except as set forth in Schedule 3.4. Such Balance Sheets present fairly, in all material respects, the financial condition of the Hospitals as of the dates indicated thereon, and such Income Statements present fairly, in all material respects, the results of operations of the Hospitals for the periods indicated thereon.

*3.5 **Certain Post-Balance Sheet Results.*** Except as set forth in Schedule 3.5 hereto, since the Balance Sheet Date there has not been any:

(a) damage, destruction, or loss (whether or not covered by insurance) affecting the Hospitals or the Assets having a monetary value in excess of Ten Thousand Dollars ($10,000);

(b) threatened employee strike, work stoppage, or labor dispute pertaining to the Hospitals;

(c) sale, assignment, transfer, or disposition of any item of property, plant or equipment included in the Assets having a value in excess of Ten Thousand Dollars ($10,000) (other than supplies), except in the ordinary course of business consistent with past practices;

(d) changes in the accounting methods or practices employed by Sellers or changes in depreciation or amortization policies; or

(e) transaction pertaining to the Hospitals by Sellers outside the ordinary course of business.

*3.6 **Licenses.*** The Hospitals are duly licensed as general, acute care hospitals in accordance with the applicable laws of the State of Washington. Sellers have all other licenses, certificates, registrations, permits, and approvals which are needed or required by law to operate the Hospitals and all businesses related to or affecting the Hospitals or any ancillary services related thereto, including, without limitation, the home health services and physician practices. Sellers have delivered to Buyers an accurate list and summary description (Schedule 3.6) of all such licenses, certificates, registrations, permits and approvals owned or held by Sellers relating to the ownership, development, or operation of the Hospitals or the Assets, all of which are now, and as of the Closing shall be, in good standing. There are no provisions in, or agreements relating to, any of the Hospitals' licenses, certificates, permits, approvals, or registrations that, to Sellers' knowledge, would preclude or limit the operation of the Hospitals or the assets used in connection with the operation of the Hospitals as they are currently used or operated after giving effect to the consummation of the transactions contemplated hereby. The Hospitals have not received any written notice or communication from any Government Entity regarding any violation of any of the licenses, certificates, registrations, permits or approvals (other than any survey or deficiency reports of which Sellers have provided copies to Buyers for which the Hospitals have submitted plans of correction that have been accepted or approved by the applicable Government Entity). The Hospitals have timely filed all applications for the renewal of their respective licenses, certificates, permits, authorizations and approvals and all reports, data and other filings required to be made in connection with such licenses, certificates, permits, authorizations and approvals and have received no indications that any such applications will not be accepted. There are no material existing fire or life safety code violations at the Hospitals.

*3.7 **Medicare Participation/Compliance.*** The Hospitals participate in the Medicare, Medicaid and TriCare/CHAMPUS programs, have current and valid provider contracts with such programs, are in compliance in all material respects with the conditions of participation in such programs, and have received all approvals or qualifications necessary for capital reimbursement

for the Hospitals. Sellers have not been convicted of a felony or any other crime or any offense relating to applicable healthcare laws or the Government Programs or committed any act, and are not currently engaging in any act, that could, with the passage of time and/or otherwise, result in debarment, suspension, sanction or exclusion from, or ineligibility to participate in, the Government Programs. Schedule 3.7 contains a list of all National Provider Identifiers of the Hospitals and all provider numbers of the Hospitals under the Government Programs. To the knowledge of Sellers, all billing practices of the Hospitals with respect to all third party payors, including the Government Programs and private insurance companies, have been conducted in compliance in all material respects with all applicable laws, rules, and regulations and the billing guidelines of such third party payors. To the knowledge of Sellers, all claims, returns, invoices and other forms made by the Hospitals to third party payors, including the Government Programs and private insurance companies, are true, complete, correct and accurate in all material respects. No deficiency in any such claims, returns or other filings, has been asserted in writing or, to the knowledge of Sellers, threatened by any Government Entity or any other third party payor and, to the knowledge of Sellers, there is no basis for any such claims or deficiencies. The Hospitals have not knowingly or willfully billed or received any payment or reimbursement in excess of amounts allowed by the applicable laws, rules, and regulations, agreements, or the billing guidelines of any third party payors, including the Government Programs or any private insurance companies. "Government Programs" means each of the Medicare, Medicaid and/or TRICARE programs and any other federal or state health benefits program. No Seller has been excluded from participation in the Medicare, Medicaid or TriCare/CHAMPUS programs, nor, to Sellers' knowledge, is any such exclusion threatened. Except as set forth in a writing delivered by Sellers to Buyers which specifically makes reference to this Section 3.7 or as set forth on Schedule 3.7, Sellers have not received any notice from any of the Medicare, Medicaid or TriCare/CHAMPUS programs, or any other third party payor programs of any pending or threatened investigations or surveys. No Seller (i) is a party to a Corporate Integrity Agreement with the Office of Inspector General of the United Sates Department of Health and Human Services, (ii) has any reporting obligations pursuant to any settlement agreement entered into with any governmental entity, (iii) has been, within the past six (6) years the subject of any governmental payer program investigation conducted by any federal or state enforcement agency, (iv) is or has been, to Sellers' knowledge, within the past six (6) years a defendant in any qui tam/False Claims Act litigation, (v) during the past six (6) years has been served with or received any search warrant, subpoena, civil investigative demand, or, to Sellers' knowledge, contact letter or telephone or personal contact by or from any federal or state enforcement agency, (vi) has to Sellers' knowledge, during the past six (6) years received any written complaints from any employee, independent contractor, vendor, physician or other person or organization that would indicate that such Seller has violated any law applicable to the Hospitals or the Assets, or (vii) has made, is in the process of making, is currently considering, or, to Sellers' knowledge, has an obligation to make, a self-disclosure under the Medicare self-disclosure protocol established by the Secretary of the U.S. Department of Health and Human Services pursuant to the requirements of the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010.

3.8 Accreditations. Schedule 3.8 sets forth a list of all accreditations and certifications held by the Hospitals. There is no pending or, to the knowledge of Sellers, threatened proceeding by any accrediting body to revoke, cancel, rescind, suspend, restrict, modify, or not renew any such accreditations and certifications. All such accreditations and

certifications are and shall be effective, unrestricted and in good standing as of the date hereof and as of the Closing Date. To the knowledge of Sellers, no event has occurred or other fact exists with respect to such accreditations and certifications that allows, or after notice or the lapse of time or both, would allow, revocation or termination of any such accreditations and certifications, or would result in any other impairment in the rights of any holder thereof.

3.9 Regulatory Compliance.

(a) Except as set forth on Schedule 3.9(a), Sellers are in compliance in all material respects with all statutes, rules, regulations, and requirements of the Government Entities having jurisdiction over the Hospitals and the operations of the Hospitals or their related ancillary services, including but not limited to the false claims, false representations, anti-kickback and all other provisions of the Medicare/Medicaid fraud and abuse laws (42 U.S.C. § 1320a-7 et seq.), the Deficit Reduction Act of 2005, Public Law 109-171, Public Law 109171 - 42 U.S.C. § 1396a(a)(68) ("DEFRA"), and are in compliance with the Stark Law (42 U.S.C. § 1395nn). None of the Sellers, the Hospitals, nor to the knowledge of Sellers, any of their owners, officers, directors, employees, or agents, have engaged in or, to the knowledge of Sellers, been the subject of an investigation for any activities that are prohibited under 42 U.S.C. § 1320a-7 et seq. or the regulations promulgated thereunder, including but not limited to the following:

(i) knowingly making a payment, directly or indirectly, to a physician as an inducement to reduce or limit necessary services to individuals who are under the direct care of the physician and who are entitled to benefits under Medicare, Medicaid or other state healthcare program;

(ii) providing to any person information that is known or should be known to be false or misleading that could reasonably be expected to influence the decision when to discharge a patient;

(iii) offered, paid, solicited, or received any remuneration (including any kickback, bribe, or rebate), in cash or in kind, to, or made any financial arrangements with, any past, present, or potential customers, suppliers, patients, government officials, medical staff members, contractors, or third party payors of the Hospitals or any other person or entity in exchange for any business or payments from such persons; or

(iv) knowingly or willfully making or causing to be made or inducing the making of any false statement or representation (or omitting to state a material fact) required to be stated therein (or necessary to make the statement contained therein not misleading) of a material fact with respect to (a) the conditions or operations of the Hospitals in order that the Hospitals may qualify for Medicare, Medicaid, or other state healthcare program certification or (b) information required to be provided under Section 1124A of the Social Security Act (42 U.S.C. Section 1320a-3a).

As used herein, "Government Entity" means any government or any agency, bureau, board, directorate, commission, court, department, official, political subdivision, tribunal or other instrumentality of any government, whether federal, state or local. The Hospitals have timely filed all reports, data, and other information required to be filed with the Government Entities.

(b) Except as set forth on Schedule 3.9(b), all of the Hospitals' contracts with physicians or other healthcare providers or any of their Affiliates or entities in which physicians or other healthcare providers or any of their Affiliates are equity owners (collectively, "Healthcare Providers") involving services, supplies, payments or any other type of remuneration, whether such services or supplies are provided by a Healthcare Provider to the Hospital or by the Hospital to a Healthcare Provider and all of the Hospitals' leases of personal or real property with Healthcare Providers, whether such personal or real property is provided by a Healthcare Provider to the Hospital or by the Hospital to a Healthcare Provider, are in writing, signed, if required to be signed by law, and provide for a commercially reasonable fair market value compensation in exchange for such services, space or goods without regard to the volume or value of any referrals or other business generated by the parties.

Sellers have developed a compliance program for the Hospitals (the "Compliance Program"). Sellers and the Hospitals have conducted their operations in accordance with such Compliance Program in all material respects.

3.10 Equipment. Sellers have delivered to Buyers an accurate depreciation schedule as of the Balance Sheet Date (Schedule 3.10) which takes into consideration all the equipment associated with, or constituting any part of, the Hospitals and the Assets.

3.11 Real Property. Sellers have not created any mortgages, liens, restrictions, agreements, claims or other encumbrances which will materially interfere with Buyers' use of the Real Property in a manner consistent with the current use by Sellers or materially adversely impact the value of the Real Property. Sellers own and will convey fee simple title as to the Owned Real Property and a leasehold interest in the Leased Real Property to Buyers subject to (i) any lien for taxes not yet due and payable, (ii) liens securing any indebtedness assumed by Buyers, (iii) any lease obligations assumed by Buyers, (iv) easements, restrictions and other matters of record, so long as such matters do not, collectively or individually, materially interfere with the operations of the Hospitals in a manner consistent with the current use by Sellers or materially adversely impact the value of the Real Property, (v) zoning regulations and other governmental laws, rules, regulations, codes, orders and directives affecting the Real Property, (vi) unrecorded easements, discrepancies, boundary line disputes, overlaps, encroachments and other matters that would be revealed by an accurate survey or inspection of the Real Property, so long as such matters do not, collectively or individually, materially interfere with the operations of the Hospitals in a manner consistent with the current use by Sellers or materially adversely impact the value of the Real Property, (vii) any encumbrances or defects that do not materially interfere with the operations of the Hospitals in a manner consistent with the current use by Sellers, or materially adversely impact the value of the Real Property, and (viii) with respect to the Leased Real Property, any encumbrances which encumber the fee interest in such property (collectively, the "Permitted Encumbrances"). To Sellers' knowledge, the Owned Real Property is in compliance in all material respects with all applicable zoning ordinances and regulations permitting the operation of the property for a hospital, professional offices and related purposes. Sellers have not received during the past three (3) years written notice from any Government Entity of a violation of any applicable ordinance or other law, order or regulation with respect to the Real Property, including but not limited to the Americans with Disabilities Act and Section 504 of the Rehabilitation Act of 1973, and have not received written notice of any lien, assessment or the like relating to any part of the Real Property or the operation thereof. Sellers

have not received during the past three (3) years written notice from any Government Entity of any existing, proposed or contemplated plans to modify or realign any street or highway, or any existing, proposed or contemplated eminent domain proceeding that would result in the taking of any part of the Real Property. Schedule 1.1(a)(i) accurately reflects all of the Owned Real Property, there is no real property owned by Sellers that is associated with or employed in the operation of the Hospitals that is not reflected on Schedule 1.1(a)(i), and Sellers will convey fee simple title to all of the real property identified on Schedule 1.1(a)(i). Schedule 1.1(a)(ii) accurately reflects all of the Leased Real Property, there is no real property in which Sellers hold only a leasehold interest that is associated with or employed in the operation of the Hospitals that is not reflected on Schedule 1.1(a)(ii), and Sellers will convey a leasehold interest to all of the real property identified on Schedule 1.1(a)(ii).

*3.12 **Personal Property.*** Sellers presently own and will hold on the Closing Date good and valid title to all tangible personal property assets and valid title to all intangible assets included in the Assets, free and clear of all mortgages, liens, restrictions, claims or other encumbrances, except the Permitted Encumbrances and the Assumed Liabilities.

*3.13 **Employee Benefit Plans.*** All employee pension benefit plans and employee health or welfare benefits plans relating to employees of the Hospitals (collectively "Benefit Plans") have been administered in compliance in all material respects with all applicable laws including, without limitation, the applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). There are no "accumulated funding deficiencies" within the meaning of the Code. No reportable events (within the meaning of ERISA) or prohibited transactions (within the meaning of the Code) have occurred. There is and have been no material pending or, to the best knowledge of Sellers, threatened investigations, suits, or other proceedings relating to any Benefit Plan. To the best knowledge of Sellers, no condition exists that will or could give rise to any liability to Buyers with respect to any Benefit Plan. Consummation of this Agreement and the transactions contemplated herein will not give rise to any liability to Buyers with respect to any Benefit Plan. Except as set forth on Schedule 3.13 hereto, all returns, reports, disclosure statements, and premium payments required to be made under the Code or ERISA with respect to the Benefit Plans have been timely filed or delivered.

*3.14 **Litigation or Proceedings.*** Sellers have delivered to Buyers an accurate list and summary description (Schedule 3.14) of all litigation or proceedings with respect to the Hospitals and the Assets. Sellers are not in default under any order of any court or federal, state, municipal, or other governmental department, commission, board, bureau, agency or instrumentality wherever located. Except as set forth in a writing delivered by Sellers to Buyers which specifically makes reference to this Section 3.14 or as set forth on Schedule 3.14, there are no claims, actions, suits, proceedings, or investigations pending, or to the best knowledge of Sellers, threatened against or related to Sellers, the Hospitals or the Assets, at law or in equity, or before or by any federal, state, municipal, or other governmental department, commission, board, bureau, agency, or instrumentality wherever located.

*3.15 **Environmental Laws.*** Except as set forth on Schedule 3.15 hereto, (i) to the knowledge of Sellers, the Owned Real Property is not subject to any material environmental hazards, risks, or liabilities, (ii) to the knowledge of Sellers, the Owned Real Property is not in

violation of any federal, state or local statutes, regulations, laws or orders pertaining to the protection of human health and safety or the environment (collectively, "Environmental Laws"), including, without limitation, the Comprehensive Environmental Response Compensation and Liability Act, as amended ("CERCLA"), and the Resource Conservation and Recovery Act, as amended ("RCRA"), (iii) Sellers have not received any notice alleging or asserting either a violation of any Environmental Law or an obligation to investigate, assess, remove, or remediate any property, including but not limited to the Owned Real Property, under or pursuant to any Environmental Law, (iv) no underground storage tanks are present at the Owned Real Property, and (v) no asbestos containing material (as defined under Environmental Law) is contained in or forming part of any building, building component, or structure on the Owned Real Property. No Hazardous Substances (which for purposes of this Section 3.15 shall mean and include polychlorinated biphenyls, asbestos, and any substances, materials, constituents, wastes, or other elements which are included under or regulated by any Environmental Law, including, without limitation, CERCLA and RCRA) have been disposed of on or released or discharged from or onto, or threatened to be released from or onto, the Owned Real Property (including groundwater) by Sellers, or to Sellers' knowledge, any third party, in violation of any applicable Environmental Law. Neither Sellers, nor to Sellers' knowledge, any prior owners, operators or occupants of the Owned Real Property, have allowed any Hazardous Substances to be discharged, possessed, managed, processed, released, or otherwise handled on the Owned Real Property in a manner which is in violation of any Environmental Law, and Sellers have complied with all Environmental Laws applicable to any part of the Real Property.

*3.16 **Taxes.*** Except as set forth on Schedule 3.16, Sellers have filed all federal, state and local tax returns required to be filed by it (all of which are true and correct in all material respects) and have duly paid or made provision for the payment of all taxes (including any interest or penalties and amounts due state unemployment authorities) which are due and payable to the appropriate tax authorities. Except as set forth on Schedule 3.16, no deficiencies for any of such taxes have been asserted or to the knowledge of Sellers threatened, and no audit on any such returns is currently under way or to the knowledge of Sellers threatened. Except as set forth on Schedule 3.16, there are no outstanding agreements by Sellers for the extension of time for the assessment of any such taxes. There are no tax liens on any of the Assets and, to the knowledge of Sellers, no basis exists for the imposition of any such liens. As used herein, the term "tax" or "taxes" means the following, as applicable: all federal, state, local, foreign and other income, gross receipts, sales, use, production, ad valorem, transfer, documentary, franchise, registration, profits, license, lease, service, service use, withholding, payroll, employment, unemployment, estimated, excise, severance, environmental, stamp, occupation, premium, property (real or personal), real property gains, windfall profits, customs, duties or other taxes, fees, assessments or charges of any kind whatsoever, together with any interest, additions or penalties with respect thereto and any interest in respect of such additions or penalties.

*3.17 **Employee Relations.*** Schedule 3.17 contains a list of the employees who provide services to the Hospitals, including their compensation, benefit arrangements, accrued paid time off benefits, period of service, title, and whether such employee is full-time, part-time or on a leave of absence and the type of leave. Except as set forth on Schedule 3.17, all employees of the Hospitals are employees of one of the Sellers. To Sellers' knowledge, there is no threatened employee strike, work stoppage, or labor dispute pertaining to the Hospitals. Except as set forth on Schedule 3.17, no union representation question exists respecting any employees of any

Seller. Except as set forth on Schedule 3.17, no collective bargaining agreement exists or is currently being negotiated by any Seller, no demand has been made for recognition by a labor organization by or with respect to any employees of any Seller, no union organizing activities by or with respect to any employees of any Seller are, to the best knowledge of Sellers, taking place, and none of the employees of any Seller is represented by any labor union or organization. There is no unfair practice claim against any Seller before the National Labor Relations Board, nor any strike, dispute, slowdown, or stoppage pending or threatened against or involving the Hospital, and none has occurred within the last five (5) years. Sellers are in compliance in all material respects with all federal and state laws respecting employment and employment practices, terms and conditions of employment, and wages and hours. Sellers are not engaged in any unfair labor practices. Sellers have complied in all material respects with all requirements of the Immigration and Reform and Control Act of 1986. Except as set forth on Schedule 3.17, there are no pending or, to the best knowledge of Sellers, threatened EEOC claims, OSHA complaints, union grievances, wage and hour claims, unemployment compensation claims, workers' compensation claims or the like. Sellers have properly classified individuals providing services to the Hospitals as independent contractors or employees, as the case may be.

3.18 The Contracts. Sellers have made available to Buyers true and correct copies of the Contracts (including the Immaterial Contracts), and have given, and will give, the agents, employees and representatives of Buyers access to the originals of the Contracts to the extent originals are available. Schedule 1.1(i) lists all of the Contracts which are not Immaterial Contracts. "Immaterial Contracts" are commitments, contracts, leases and agreements which individually involve future payments, performance of services or delivery of goods or material, to or by Sellers of any aggregate amount or value less than Twenty-Five Thousand Dollars ($25,000) per vendor per year, and that: (i) are not with third party payors, physicians, physician groups or other referral sources, (ii) are not employment or severance agreements, (iii) are not guarantees in respect of any indebtedness or obligation of any person, (iv) do not limit the ability of the Hospitals to engage freely in any line of business in any geographic area or to compete with any person, (v) do not relate to any joint venture, partnership or other similar joint ownership entity or arrangement, and (vi) are not between any Seller and any of their respective officers, directors or members. Sellers represent and warrant with respect to the Contracts that:

(a) The Contracts constitute valid and legally binding obligations of the appropriate Seller and are enforceable against the appropriate Seller in accordance with their terms;

(b) Each Contract constitutes the entire agreement by and between the respective parties thereto with respect to the subject matter thereof;

(c) In all material respects, all obligations required to be performed by the appropriate Seller under the terms of the Contracts have been performed to the extent such obligations to perform have accrued, and no act or omission by the appropriate Seller has occurred or failed to occur which, with the giving of notice, the lapse of time or both would constitute a default under the Contracts; and

(d) Except as expressly set forth on Schedule 1.1(i), the Contract does not require consent to the assignment and assumption of such Contract by the appropriate Buyer.

*3.19 **Supplies.*** All the inventory and supplies constituting any part of the Assets are substantially of a quality and quantity usable and salable in the ordinary course of business of the Hospitals. The inventory levels are based on past practices of Sellers at the Hospitals.

*3.20 **Insurance.*** Sellers have delivered to Buyers an accurate schedule (Schedule 3.20) disclosing the insurance policies covering the ownership and operations of the Hospitals and the Assets, which Schedule reflects the policies' numbers, terms, identity of insurers, amounts, and coverage. All of such policies are in full force and effect with no premium arrearage. Sellers have given in a timely manner to its insurers all notices required to be given under their insurance policies with respect to all of the claims and actions covered by insurance, and no insurer has denied coverage of any such claims or actions. Sellers have not (a) received any notice or other communication from any such insurance company canceling or materially amending any of such insurance policies, and no such cancellation or amendment is threatened or (b) failed to give any required notice or present any claim which is still outstanding under any of such policies with respect to the Hospitals or any of the Assets.

*3.21 **Third Party Payor Cost Reports.*** Sellers have duly filed all required cost reports for all the fiscal years set forth on Schedule 3.21. All of such cost reports accurately reflect in all material respects the information required to be included thereon and such cost reports do not claim, and neither the Hospitals nor Sellers have received reimbursement in any amount in excess of, the amounts provided by law or any applicable agreement. Schedule 3.21 indicates which of such cost reports have not been audited and finally settled and a brief description of any and all notices of program reimbursement, proposed or pending audit adjustments, disallowances, appeals of disallowances, and any and all other unresolved claims or disputes in respect of such cost reports. Sellers have established adequate reserves to cover any potential reimbursement obligations that Sellers may have in respect of any such third party cost reports, and such reserves are set forth in the Financial Statements.

*3.22 **Medical Staff Matters.*** Sellers have provided to Buyers true, correct, and complete copies of the bylaws and rules and regulations of the medical staff of each of the Hospitals (the "Medical Staff"), as well as a list of all current members of the Medical Staff. Except as set forth on Schedule 3.22 hereto, there are no adverse actions with respect to any Medical Staff members of the Hospital or any applicant thereto for which a Medical Staff member or applicant has requested a judicial review hearing which has not been scheduled or has been scheduled but has not been completed, and there are no pending or, to the best knowledge of Sellers, threatened disputes, peer review investigations or corrective action proceedings with applicants, Medical Staff members, or health professional affiliates, and Sellers know of no basis therefore, and all appeal periods in respect of any Medical Staff member or applicant against whom an adverse action has been taken have expired.

*3.23 **Condition of Assets.*** Other than with respect to the representations and warranties herein provided, Sellers shall transfer the Assets to Buyers and Buyers shall accept the Assets from Sellers AS IS WITH NO WARRANTY OF HABITABILITY OR FITNESS FOR HABITATION, WITH RESPECT TO THE LAND, BUILDINGS AND IMPROVEMENTS, AND WITH NO WARRANTIES, INCLUDING, WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE EQUIPMENT, INVENTORY, AND

SUPPLIES, AND ANY AND ALL OF WHICH WARRANTIES SELLERS HEREBY DISCLAIM. All of the Assets shall be further subject to normal wear and tear on the land, buildings, improvements and equipment and normal and customary use and disposal of inventory and supplies in the ordinary course of business up to the Closing Date. Except as set forth on Schedule 3.23, to the knowledge of Sellers, the improvements and all major equipment and systems servicing the improvements are in good operating condition and working order, ordinary wear and tear excepted, and are located on the Real Property.

3.24 Accounts Receivable. All accounts receivable constituting a part of the Assets represent and constitute bona fide indebtedness owing to a Seller for services actually performed or for goods or supplies actually provided with no known set-offs, deductions, compromises, or reductions (other than reasonable allowances for bad debts and contractual allowances in an amount consistent with historical policies and procedures of Sellers). This representation does not constitute a guaranty that such accounts receivable will be collected.

3.25 Experimental Procedures. During the past three (3) years, Sellers have not performed or permitted the performance of any experimental or research procedures or studies involving patients in the Hospitals not authorized and conducted in accordance with the procedures of the Institutional Review Board of the Hospitals.

3.26 Certificates of Need. Except as set forth on Schedule 3.26 hereto, no application for any Certificate of Need, Exemption Certificate (each as defined below) or declaratory ruling has been made by any Seller with the Washington State Department of Health (the "State Health Agency") or other applicable agency which is currently pending or open before such agency, and no such application (collectively, the "Applications") filed by any Seller within the past three (3) years has been ultimately denied by any commission, board or agency or withdrawn by such Seller. Sellers have not prepared, filed, supported or presented opposition to any Applications filed by another hospital or health agency within the past three (3) years. Except as set forth on Schedule 3.26 hereto, Sellers have neither any Applications pending nor any approved Applications which relate to projects not yet completed. As used herein, "Certificate of Need" means a written statement issued by the State Health Agency evidencing community need for a new, converted, expanded or otherwise significantly modified health care facility, health service or hospice, and "Exemption Certificate" means a written statement from the State Health Agency stating that a health care project is not subject to the Certificate of Need requirements under applicable state law

3.27 Certain Representations with Respect to the Hospitals.

(a) There is not publicly pending nor, to the knowledge of Sellers, threatened, any proceeding, investigation or survey under the Medicare or Medicaid programs involving Sellers or the Hospitals, nor, to the knowledge of Sellers, have any allegations been made against Sellers or the Hospitals within the past three (3) years by any Government Entity relating to the federal Emergency Medical Treatment and Active Labor Act.

(b) Schedule 3.27(b) contains a complete list of all attestations, certifications, and payments made or received by the Sellers in connection with the Medicare or Medicaid EHR Incentive programs. Except as described on Schedule 3.27(b), no Seller has been the subject of

an audit regarding a Medicare or Medicaid EHR Incentive program, and no Seller has had funds recouped in connection with a Medicare or Medicaid EHR Incentive program. All attestations and other documents filed by Sellers in connection with such programs are and were complete and accurate in all material respects. As of the Closing Date, the Hospitals and their electronic health records systems shall have met and successfully attested to the applicable attestation requirements for the meaningful use period from April 1, 2015 through June 29, 2015.

3.28 HIPAA.

(a) Sellers and the Hospitals are in compliance in all material respects with the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations as amended by the Health Information Technology for Economic and Clinical Health Act (collectively, "HIPAA"), and applicable state laws having similar subject matter to HIPAA ("State HIPAA"), and Sellers and the Hospitals have conducted and continue to conduct their business and activities, including, billing and collection activities, medical records management activities, and general practice management activities, in a manner that complies with HIPAA and State HIPAA.

(b) All of the workforces (as such term is defined in 45 C.F.R. §160.103) of Sellers and the Hospitals have received training with respect to compliance with HIPAA and State HIPAA.

(c) To the knowledge of Sellers, the Hospitals have entered into business associate agreements with all third parties acting as a business associate as defined in 45 C.F.R. § 160.103.

(d) To the knowledge of Sellers, no Seller is under investigation by any governmental entity for a violation of HIPAA or State HIPAA, including the receipt of any notices from the United States Department of Health and Human Services Office of Civil Rights or Department of Justice relating to any such violations.

4. REPRESENTATIONS AND WARRANTIES OF BUYERS. As of the date hereof, and, when read in light of any Schedules which have been updated in accordance with the provisions of Section 12.1 hereof, as of the Closing Date, Buyers represent and warrant to Sellers the following:

4.1 Existence and Capacity. Each Buyer is either a not-for-profit corporation or a limited liability company, duly organized and validly existing in good standing under the laws of the state of its formation. Each Buyer has the requisite power and authority to enter into this Agreement, to perform its obligations hereunder, and to conduct its business as now being conducted. SH is a not-for-profit corporation, duly organized and validly existing in good standing under the laws of the State of Washington. SH has the requisite power and authority to enter into this Agreement, to perform its obligations hereunder and to conduct its business as now being conducted.

4.2 Powers; Consents; Absence of Conflicts With Other Agreements, Etc. The execution, delivery, and performance of this Agreement by each Buyer and SH and all other

agreements referenced herein, or ancillary hereto, to which such Buyer or SH is a party, and the consummation of the transactions contemplated herein by each Buyer and SH:

(a) are within its corporate powers, are not in contravention of law or of the terms of its organizational documents, and have been duly authorized by all appropriate corporate action;

(b) except as provided in Sections 6.1 and 6.2 below, do not require any approval or consent of, or filing with, any governmental agency or authority bearing on the validity of this Agreement which is required by law or the regulations of any such agency or authority;

(c) will neither conflict with, nor result in any breach or contravention of, or the creation of any lien, charge or encumbrance under, any indenture, agreement, lease, instrument or understanding to which it is a party or by which it is bound;

(d) will not violate any statute, law, rule, or regulation of any governmental authority to which it may be subject; and

(e) will not violate any judgment, decree, writ, or injunction of any court or governmental authority to which it may be subject.

4.3 Binding Agreement. This Agreement and all agreements to which Buyers or SH will become a party pursuant hereto are and will constitute the valid and legally binding obligations of each Buyer or SH, respectively, and are and will be enforceable against each Buyer or SH, respectively, in accordance with the respective terms hereof and thereof.

4.4 Availability of Funds. Buyers have the ability to obtain funds in cash in amounts equal to the Purchase Price by means of credit facilities or otherwise and will at the Closing have immediately available funds in cash which are sufficient to pay the Purchase Price and to pay any other amounts payable pursuant to this Agreement and to consummate the transactions contemplated by this Agreement.

5. COVENANTS OF SELLERS PRIOR TO CLOSING. Between the date of this Agreement and the Closing:

5.1 Information. Sellers shall afford to the officers and authorized representatives and agents (which shall include accountants, attorneys, bankers, and other consultants) of Buyers reasonable access to and the right to inspect the plants, properties, books, and records of the Hospitals, and will furnish Buyers with such additional financial and operating data and other information as to the business and properties of Sellers pertaining to the Hospitals as Buyers may from time to time reasonably request without regard to where such information may be located. Buyers' right of access and inspection shall be exercised in such a manner as not to interfere unreasonably with the operations of the Hospitals. Buyers agree that no inspections shall take place and no employees or other personnel of the Hospitals shall be contacted by Buyers without Buyers first providing reasonable notice to Sellers and coordinating such inspection or contact with Sellers.

5.2 Operations. Sellers will:

(a) carry on their business pertaining to the Hospitals in substantially the same manner as presently conducted and not make any material change in personnel, operations, finance, accounting policies, or real or personal property pertaining to the Hospitals;

(b) use commercially reasonable efforts to maintain the Hospitals and all parts thereof in good operating condition, ordinary wear and tear excepted;

(c) use commercially reasonable efforts to perform all of their obligations under agreements relating to or affecting the Hospitals or the Assets;

(d) use commercially reasonable efforts to keep in full force and effect present insurance policies or other comparable insurance pertaining to the Hospitals; and

(e) use commercially reasonable efforts to maintain and preserve their business organizations intact, retain their present employees at the Hospitals and maintain their relationships with physicians, suppliers, customers, and others having business relations with the Hospitals.

5.3 Negative Covenants. Sellers will not, without the prior written consent of Buyers:

(a) amend or terminate any of the Contracts, enter into any contract or commitment, or incur or agree to incur any liability, except as provided herein or in the ordinary course of business;

(b) increase compensation payable or to become payable or make any bonus payment to, or otherwise enter into one or more bonus agreements with, any employee at the Hospitals, except in the ordinary course of business in accordance with existing personnel policies;

(c) acquire (whether by purchase or lease) or sell, assign, lease, or otherwise transfer or dispose of any property, plant, or equipment with a value in excess of Twenty-Five Thousand Dollars ($25,000), except in the ordinary course of business with comparable replacement thereof;

(d) incur costs in respect of construction-in-progress in excess of Twenty-Five Thousand Dollars ($25,000); or

(e) take any action outside the ordinary course of business of the Hospitals or their related ancillary services.

5.4 Governmental Approvals. Sellers shall use commercially reasonable efforts to (i) obtain all governmental approvals (or exemptions therefrom) necessary or required to allow Sellers to perform their obligations under this Agreement; and (ii) assist and cooperate with Buyers and their representatives and counsel in obtaining all governmental consents, approvals, and licenses which Buyers deem necessary or appropriate and in the preparation of any

document or other material which may be required by any governmental agency as a predicate to or as a result of the transactions contemplated herein, including, without limitation, certificates of need to consummate the transaction as described herein. Sellers shall, prior to the Closing, obtain the waiver referenced in item 1 of Schedule 3.7 such that Sellers' Corporate Integrity Agreement shall not apply to any of the assets of the Hospitals or the Buyers after the Closing.

*5.5 **HSR Act Notification.*** Sellers shall, if and to the extent required by law, file all reports or other documents required under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act"), and all regulations promulgated thereunder and provide all other non-privileged information requested by the Federal Trade Commission (the "FTC") and/or the Antitrust Division of the Department of Justice (the "Justice Department") in connection with any investigation undertaken thereby of the transactions contemplated by this Agreement in an effort to allow the waiting period specified in the HSR Act to expire as soon as reasonably possible after the execution and delivery of this Agreement. Sellers shall furnish to Buyers such information concerning Sellers as Buyers need to perform their obligations under Section 6.2 of this Agreement. In connection with the foregoing obligations, Sellers will cooperate with Buyers using commercially reasonable efforts to: (i) promptly and fully inform Buyers of any written or oral communications from any governmental authorities regarding compliance or filing under the HSR Act; (ii) promptly provide Buyers a copy of any written communication or filing received from or provided to any governmental authority regarding compliance or filing under the HSR Act (subject to applicable laws regarding privilege), provided that no privileged information or information that is deemed to be competitively sensitive is required to be shared; and (iii) allow Buyers to review in advance and to the extent practicable, consult with one another on and consider in good faith the views of the other with respect to any written communication or submission to any governmental authority regarding compliance or filing under the HSR Act.

*5.6 **Additional Financial Information.*** Within thirty (30) days following the end of each calendar month prior to Closing, Sellers shall deliver to Buyers true and complete copies of the unaudited balance sheets and the related unaudited statements of income (collectively, the "Interim Statements") of, or relating to, the Hospitals for each month then ended, together with a year-to-date compilation and the notes, if any, related thereto, which shall have been prepared from and in accordance with the books and records of Sellers, and shall fairly present in all material respects the financial position and results of operations of the Hospitals as of the date and for the period indicated.

*5.7 **No-Shop Clause.*** Sellers shall not, and shall direct and use their collective best efforts to cause their respective officers, directors, employees, agents and representatives (including any investment banker, attorney or accountant retained by Sellers) not to: directly or indirectly (i) offer for sale or lease the Assets (or any material portion thereof) or any ownership interest in any entity owning any of the Assets, (ii) solicit, accept, respond to or consider any offers to buy all or any material portion of the Assets or any ownership interest in any entity owning any of the Assets, (iii) discuss or negotiate with any person (other than Buyers) regarding any inquires, proposals or offers relating to any disposition of all or any material portion of the Assets or a merger or consolidation of any entity owning any of the Assets, or (iv) enter into any agreement or discussions or negotiations with any party (other than Buyers) with respect to the sale, assignment, or other disposition of the Assets (or any material portion thereof) or any

ownership interest in any entity owning any of the Assets or with respect to a merger or consolidation of any entity owning any of the Assets or with respect to any merger, consolidation, or similar transaction involving any entity owning any of the Assets. Sellers will promptly reject any inquiry, proposal or offer and will notify Buyers of the same.

*5.8 **Efforts to Close.*** Sellers shall use their commercially reasonable efforts to satisfy all of the conditions precedent set forth in Section 7 to the extent that Sellers' action or inaction can control or influence the satisfaction of such conditions, so that the Closing will occur on or before April 30, 2017.

6. COVENANTS OF BUYERS PRIOR TO CLOSING. Between the date of this Agreement and the Closing:

*6.1 **Governmental Approvals.*** Buyers shall use commercially reasonable efforts to (i) obtain all governmental approvals (or exemptions therefrom) necessary or required to allow Buyers to perform their obligations under this Agreement; and (ii) assist and cooperate with Sellers and their representatives and counsel in obtaining all governmental consents, approvals, and licenses which Sellers deem necessary or appropriate and in the preparation of any document or other material which may be required by any governmental agency as a predicate to or as a result of the transactions contemplated herein, including, without limitation, certificates of need to consummate the transactions described herein.

*6.2 **HSR Act Notification.*** Buyers shall, if and to the extent required by law, file all reports or other documents required under the HSR Act, and all regulations promulgated thereunder, concerning the transactions contemplated hereby, and use their best efforts to respond to any requests by the FTC or Justice Department for additional information concerning such transactions, so that the waiting period specified in the HSR Act will expire as soon as reasonably possible after the execution and delivery of this Agreement. Notwithstanding the foregoing, nothing in this Agreement shall require Buyers to respond to a Second Request or to litigate with any governmental authority in seeking any required consents or approvals or to contest any attempt by any governmental authority to prevent the consummation of the transactions contemplated in this Agreement. In connection with the foregoing obligations, Buyers will cooperate with Sellers using commercially reasonable efforts to: (i) promptly and fully inform Sellers of any written or oral communications from any governmental authorities regarding compliance or filing under the HSR Act; (ii) promptly provide Sellers a copy of any written communication or filing received from or provided to any governmental authority regarding compliance or filing under the HSR Act (subject to applicable laws regarding privilege), provided that no privileged information or information that is deemed to be competitively sensitive is required to be shared; and (iii) allow Sellers to review in advance and to the extent practicable, consult with one another on and consider in good faith the views of the other with respect to any written communication or submission to any governmental authority regarding compliance or filing under the HSR Act. Buyers agree to furnish to Sellers such information concerning Buyers as Sellers need to perform their obligations under Section 5.5 of this Agreement.

6.3 Title Commitment and Survey.

(a) Title Commitment. Sellers have ordered a current title commitment with respect to the Owned Real Property (the "Title Commitment"), issued by Land Services USA, Inc., as agent for First American Title Insurance Company (the "Title Company"), together with legible copies of all exceptions to title referenced therein, sufficient for the issuance of an owner's policy of title insurance for the Owned Real Property (the "Title Policy"). Sellers shall promptly upon their receipt and, in any event, within ten (10) days of the date of this Agreement, provide a copy of the Title Commitment and exception documents to Buyers.

(b) Survey. Sellers have ordered an ALTA/ACSM Land Title Surveys of the Owned Real Property (the "Surveys"). Sellers shall promptly upon their receipt and, in any event, within ten (10) days of the date of this Agreement, furnish a copy of the Surveys to Buyers.

(c) Title Defects and Cure. The Title Commitment and the Surveys are collectively referred to herein as the "Title Evidence." If the Title Evidence discloses any liens, claims, encroachments, exceptions, defects or other matters which do not constitute Permitted Encumbrances, Buyers may object to the same by giving written notice of such objections to Sellers within fifteen (15) days after Buyers' receipt of the last of the Title Evidence (any such objections being referred to herein as the "Objections"). Sellers may elect to either cure the Objections on or before the Closing or not cure the Objections, which election shall be made by written notice to Buyers within ten (10) days after Sellers' receipt of Buyers' written notice of the Objections. If Sellers fail to timely give such written notice, Sellers shall be deemed to have elected not to cure the Objections. If Sellers elect not to cure the Objections, Buyers may elect to either waive such Objections and close or terminate this Agreement, which election shall be made by written notice to Sellers within twenty (20) days after Sellers' receipt of Buyers' written notice of the Objections. If Buyers fail to timely give such written notice, Buyers shall be deemed to have elected to waive such Objections and close. Upon termination of this Agreement under the terms of this Section 6.3(c), no party to this Agreement shall have any further claims under this Agreement against any other party. Any matters shown by the Title Evidence to which Buyers do not timely object, in accordance with the terms of this Section 6.3(c), or which are waived (or deemed waived) by Buyers as herein provided, shall be deemed to be Permitted Encumbrances. Notwithstanding anything contained in this Section 6.3(c) to the contrary, at the Closing, Sellers shall cause all mortgages, deeds of trust, financing statements and other similar liens encumbering Sellers' fee interest in the Owned Real Property or Sellers' interest in the Leased Real Property and arising by, through or under Sellers or any of their Affiliates to be released (other than liens for taxes not yet due and payable and any mechanic's or materialmen's liens relating to Assumed Liabilities).

(d) Costs. Section 12.9 shall govern which party or parties hereto shall bear the costs and expenses of the Title Commitment, the Title Policy and the Surveys.

6.4 Efforts to Close. Buyers shall use their commercially reasonable efforts to satisfy all of the conditions precedent set forth in Section 8 to the extent that Buyers' action or inaction can control or influence the satisfaction of such conditions, so that the Closing will occur on or before April 30, 2017.

7. **CONDITIONS PRECEDENT TO OBLIGATIONS OF BUYERS.** Notwithstanding anything herein to the contrary, the obligations of Buyers to consummate the transactions described herein are subject to the fulfillment, on or prior to the Closing Date, of the following conditions precedent unless (but only to the extent) waived in writing by Buyers at the Closing:

*7.1 **Representations/Warranties.*** The representations and warranties of Sellers contained in this Agreement that are qualified as to materiality shall be true and correct in all respects, and the representations and warranties contained in this Agreement that are not so qualified shall be true in all material respects, when made and, when read in light of any Schedules which have been updated in accordance with the provisions of Section 12.1 hereof, as of the Closing Date as though such representations and warranties had been made on and as of such Closing Date, and (a) the failure of any such representation or warranty to be true and correct or (b) any event, occurrence or condition first disclosed in an update to any Schedule, shall not, or shall not be reasonably likely to, taken individually or in the aggregate, have a material adverse effect on the results of operations, financial condition or business of the Hospitals. Each and all of the terms, covenants, and conditions of this Agreement to be complied with or performed by Sellers on or before the Closing Date pursuant to the terms hereof shall have been duly complied with and performed in all material respects.

*7.2 **Governmental Approvals.*** All material consents, authorizations, orders and approvals of (or filings or registrations with) any Government Entity or other party required in connection with the execution, delivery and performance of this Agreement shall have been obtained or made by Buyers when so required, including, without limitation, certificates of need, and the waiver from the OIG referenced in item 1 of Schedule 3.7, except as for any documents required to be filed, or consents, authorizations, orders or approvals required to be issued, after the Closing Date.

*7.3 **Title Policy.*** At the Closing, the Title Company shall be ready, willing and able to issue a pro forma of the Title Policy (or marked Title Commitment) containing no exceptions to title, other than Permitted Encumbrances, to the Owned Real Property to Buyers. The Title Policy shall be issued, at Buyers' expense, on an ALTA Form 2006 Owner's Title Policy in an amount equal to the portion of the Purchase Price being allocated to the Owned Real Property and shall inure to Buyers good and marketable title to the Owned Real Property subject only to the Permitted Encumbrances.

*7.4 **Actions/Proceedings.*** No action or proceeding before a court or any other governmental agency or body shall have been instituted or threatened to restrain or prohibit the transactions herein contemplated, and no governmental agency or body shall have taken any other action or made any request of any party hereto as a result of which Buyers reasonably and in good faith deem it inadvisable to proceed with the transactions hereunder.

*7.5 **Insolvency.*** Sellers collectively shall not (i) be in receivership or dissolution, (ii) have made any assignment for the benefit of creditors, (iii) have admitted in writing its inability to pay its debts as they mature, (iv) have been adjudicated a bankrupt, or (v) have filed a petition in voluntary bankruptcy, a petition or answer seeking reorganization, or an arrangement with creditors under the federal bankruptcy law or any other similar law or statute of the United States or any state, nor shall any such petition have been filed against Sellers.

7.6 Material Consents. Sellers shall have obtained all consents, waivers and estoppels of third parties that are material to the consummation of the transactions contemplated in this Agreement as specified in Schedule 7.6 (collectively, the "Material Consents"). The Material Consents shall be in form and substance reasonably satisfactory to Buyers. Buyers shall cooperate in the assumption of Sellers' Contracts.

7.7 Vesting/Recordation. Sellers shall have furnished to Buyers, in form and substance satisfactory to Buyers, assignments or other instruments of transfer and consents and waivers by others, necessary or appropriate to transfer to and effectively vest in Buyers all right, title, and interest in and to the Assets, in proper statutory form for recording if such recording is necessary or appropriate.

7.8 Closing Deliveries. Sellers shall have delivered to Buyers, in accordance with the terms of this Agreement, all contracts, agreements, instruments, and documents required to be delivered by Sellers to Buyers pursuant to Section 2.2.

8. CONDITIONS PRECEDENT TO OBLIGATIONS OF SELLERS. Notwithstanding anything herein to the contrary, the obligations of Sellers to consummate the transactions described herein are subject to the fulfillment, on or prior to the Closing Date, of the following conditions precedent unless (but only to the extent) waived in writing by Sellers at the Closing:

8.1 Representations/Warranties. The representations and warranties of Buyers contained in this Agreement shall be true when made and, when read in light of any Schedules which have been updated in accordance with the provisions of Section 12.1 hereof, as of the Closing Date as though such representations and warranties had been made on and as of such Closing Date. Each and all of the terms, covenants, and conditions of this Agreement to be complied with or performed by Buyers on or before the Closing Date pursuant to the terms hereof shall have been duly complied with and performed in all material respects.

8.2 Governmental Approvals. All material consents, authorizations, orders and approvals of (or filings or registrations with) any Government Entity or other party required in connection with the execution, delivery and performance of this Agreement shall have been obtained or made by Sellers when so required, including, without limitation, the certificates of need to consummate the transactions described herein, except for any documents required to be filed, or consents, authorizations, orders or approvals required to be issued, after the Closing Date.

8.3 Actions/Proceedings. No action or proceeding before a court or any other governmental agency or body shall have been instituted or threatened to restrain or prohibit the transactions herein contemplated, and no governmental agency or body shall have taken any other action or made any request of any party hereto as a result of which Sellers reasonably and in good faith deem it inadvisable to proceed with the transactions hereunder.

8.4 Insolvency. Buyers collectively shall not (i) be in receivership or dissolution, (ii) have made any assignment for the benefit of creditors, (iii) have admitted in writing their inability to pay their debts as they mature, (iv) have been adjudicated a bankrupt, or (v) have filed a petition in voluntary bankruptcy, a petition or answer seeking reorganization, or an

arrangement with creditors under the federal bankruptcy law or any other similar law or statute of the United States or any state, nor shall any such petition have been filed against Buyers.

8.5 Closing Deliveries. Buyers shall have delivered to Sellers, in accordance with the terms of this Agreement, all contracts, agreements, instruments and documents required to be delivered by Buyers to Sellers pursuant to Section 2.3.

9. SELLERS' COVENANT NOT TO COMPETE. Sellers hereby covenant that at all times from the Closing Date until the fifth (5th) anniversary of the Closing Date, neither Sellers nor their Affiliates shall, directly or indirectly, except as a consultant or contractor to or of Buyers (or any Affiliate of Buyers), own, lease, manage, operate, control, or participate in any manner with the ownership, leasing, management, operation or control of any acute care hospital, home health agency, physician practice or ambulatory surgery center within Yakima County, Washington, without Buyers' prior written consent (which Buyers may withhold in their sole and absolute discretion). In the event of a breach of this Section 9, Sellers recognize that monetary damages shall be inadequate to compensate Buyers and Buyers shall be entitled, without the posting of a bond or similar security, to an injunction restraining such breach, with the reasonable costs (including reasonable attorneys' fees) of securing such injunction to be borne by the breaching Seller or Affiliate. Nothing contained herein shall be construed as prohibiting Buyers from pursuing any other remedy available to them for such breach or threatened breach. All parties hereto hereby acknowledge the necessity of protection against the competition of Sellers and their Affiliates and that the nature and scope of such protection has been carefully considered by the parties. Sellers further acknowledge and agree that the covenants and provisions of this Section 9 form part of the consideration under this Agreement and are among the inducements for Buyers entering into and consummating the transactions contemplated herein. The period provided and the area covered are expressly represented and agreed to be fair, reasonable and necessary. The consideration provided for herein is deemed to be sufficient and adequate to compensate for agreeing to the restrictions contained in this Section 9. If, however, any court determines that the foregoing restrictions are not reasonable, such restrictions shall be modified, rewritten or interpreted to include as much of their nature and scope as will render them enforceable.

10. ADDITIONAL AGREEMENTS.

10.1 Allocation of Purchase Price. The Purchase Price shall be allocated among the various classes of Assets in accordance with and as provided by Section 1060 of the Code. Within ninety (90) days of the Closing, Sellers shall provide Buyers with a preliminary allocation of the Purchase Price for Buyers' review and approval (the "Allocation Schedule"). If Buyers notify Sellers in writing that Buyers object to one or more items reflected in the Allocation Schedule, Sellers and Buyers shall negotiate in good faith to resolve such dispute; provided, however, if Sellers and Buyers are unable to resolve any dispute with respect to the Allocation Schedule within ninety (90) days of the Closing, then the matter shall be submitted to the Accounting Firm for final resolution of all allocation matters. The parties agree that any tax returns or other tax information they may file or cause to be filed with any governmental agency shall be prepared and filed consistently with such agreed upon allocation. In this regard, the parties agree that, to the extent required, they will each properly prepare and timely file Form

8594 in accordance with Section 1060 of the Code. For reimbursement purposes, the parties shall allocate the Purchase Price in accordance with then current applicable rules and regulations.

10.2 Termination Prior to Closing. Notwithstanding anything herein to the contrary, this Agreement may be terminated at any time: (i) on or prior to the Closing Date by mutual consent of Sellers and Buyers; (ii) on or prior to the Closing Date by Buyers, if any of the conditions specified in Section 7 of this Agreement will not be satisfied on the Closing Date (unless the failure results primarily from Buyers breaching any representation, warranty, or covenant herein) and shall not have been waived by Buyers; (iii) on or prior to the Closing Date by Sellers if any of the conditions specified in Section 8 of this Agreement will not be satisfied on the Closing Date (unless the failure results primarily from Sellers breaching any representation, warranty, or covenant herein) and shall not have been waived by Sellers; (iv) by Buyers or Sellers if the Closing Date shall not have taken place on or before May 31, 2017 (which date may be extended by mutual agreement of Buyers and Sellers), provided that the right to terminate pursuant to this subsection (iv) shall not be available to any party whose failure to fulfill any obligation under this Agreement has been the cause of, or resulted in, the failure of the Closing to occur by such date; or (v) by either Sellers or Buyers pursuant to Section 12.1 hereof. In the event this Agreement is terminated by either party or by both parties on or prior to the Closing Date pursuant to the terms of this Agreement, Sellers shall refund the Good Faith Deposit to Buyers promptly without further notice or demand.

10.3 Post-Closing Access to Information. Sellers and Buyers acknowledge that subsequent to Closing each party may need access to information or documents in the control or possession of the other party(ies) for the purposes of, without limitation, concluding the transactions herein contemplated, audits, compliance with governmental requirements and regulations, and the prosecution or defense of third party claims. Accordingly, Sellers and Buyers agree that for a period of six (6) years after Closing each will make reasonably available to the other's agents, independent auditors, counsel, and/or governmental agencies upon written request and at the expense of the requesting party such documents and information as may be available relating to the Assets for periods prior and subsequent to Closing to the extent necessary to facilitate, without limitation, concluding the transactions herein contemplated, audits, compliance with governmental requirements and regulations, and the prosecution or defense of claims.

10.4 Preservation and Access to Records After the Closing. After the Closing, Buyers shall, in the ordinary course of business and as required by law, keep and preserve in their original form all medical and other records of the Hospitals existing as of the Closing, and which constitute a part of the Assets delivered to Buyers at the Closing. For purposes of this Agreement, the term "records" includes all documents, electronic data and other compilations of information in any form. Buyers acknowledge that as a result of entering into this Agreement and operating the Hospitals they will gain access to patient and other information which is subject to rules and regulations regarding confidentiality. Buyers agree to abide by any such rules and regulations relating to the confidential information they acquire. Buyers agree to maintain the patient records delivered to Buyers at the Closing at the Hospitals after Closing in accordance with applicable law (including, if applicable, Section 1861(v)(1)(I) of the Social Security Act (42 U.S.C. §1395(v)(1)(I)), and requirements of relevant insurance carriers, all in a manner consistent with the maintenance of patient records generated at the Hospitals after

Closing. Upon reasonable notice, during normal business hours, at the sole cost and expense of Sellers and upon Buyers' receipt of appropriate consents and authorizations, Buyers will afford to the representatives of Sellers, including their counsel and accountants, full and complete access to, and copies of, the records transferred to Buyers at the Closing (including, without limitation, access to patient records in respect of patients treated by Sellers at the Hospitals). Upon reasonable notice, during normal business hours and at the sole cost and expense of Sellers, Buyers shall also make their officers and employees available to Sellers at reasonable times and places after the Closing. In addition, Sellers shall be entitled, at Sellers' sole risk, to remove from the Hospitals copies of any such patient records, but only for purposes of pending litigation involving a patient to whom such records refer, as certified in writing prior to removal by counsel retained by Sellers in connection with such litigation and only upon Buyers' receipt of appropriate consents and authorizations. Any patient record so removed from the Hospitals shall be promptly returned to Buyers following its use by Sellers. Any access to the Hospitals, their records or Buyers' personnel granted to Sellers in this Agreement shall be upon the condition that any such access not materially interfere with the business operations of Buyers.

10.5 Tax and Medicare Effect. None of the parties (nor such parties' counsel or accountants) has made or is making any representations to any other party (nor such party's counsel or accountants) concerning any of the tax or Medicare effects of the transactions provided for in this Agreement as each party hereto represents that each has obtained, or may obtain, independent tax and Medicare advice with respect thereto and upon which it, if so obtained, has solely relied.

10.6 Reproduction of Documents. This Agreement and all documents relating hereto, including, without limitation, (i) consents, waivers and modifications which may hereafter be executed, (ii) the documents delivered at the Closing, and (iii) financial statements, certificates and other information previously or hereafter furnished to Sellers or to Buyers, may, subject to the provisions of Section 12.10 hereof, be reproduced by Sellers and by Buyers by any photographic, photostatic, microfilm, micro-card, miniature photographic or other similar process and Sellers and Buyers may destroy any original documents so reproduced. Sellers and Buyers agree and stipulate that any such reproduction shall be admissible in evidence as the original itself in any judicial, arbitral or administrative proceeding (whether or not the original is in existence and whether or not such reproduction was made by the Sellers or Buyers in the regular course of business) and that any enlargement, facsimile or further reproduction of such reproduction shall likewise be admissible in evidence.

10.7 Cooperation on Tax Matters. Following the Closing, the parties shall cooperate fully with each other and shall make available to the other, as reasonably requested and at the expense of the requesting party, and to any taxing authority, all information, records or documents relating to tax liabilities or potential tax liabilities of Sellers for all periods on or prior to the Closing and any information which may be relevant to determining the amount payable under this Agreement, and shall preserve all such information, records and documents (to the extent a part of the Assets delivered to Buyers at Closing) at least until the expiration of any applicable statute of limitations or extensions thereof.

10.8 Cost Reports. Sellers, at their expense, shall prepare and timely file all terminating and other cost reports required or permitted by law to be filed under the Medicare

and Medicaid or other third party payor programs for periods ending on or prior to the Effective Time, or as a result of the consummation of the transactions described herein ("Seller Cost Reports"). Buyers shall forward to Sellers any and all correspondence relating to the Seller Cost Reports within five (5) business days after receipt by Buyers. Buyers shall remit any receipts of funds relating to the Seller Cost Reports promptly after receipt by Buyers and shall forward to Sellers any demand for payments within three (3) business days after receipt by Buyers. Sellers shall retain all rights to the Seller Cost Reports including any amounts receivable or payable in respect of such reports or reserves relating to such reports. Such rights shall include the right to appeal any Medicare or Medicaid determinations relating to the Seller Cost Reports. Sellers shall retain the originals of the Seller Cost Reports, correspondence, work papers and other documents relating to the Seller Cost Reports. Sellers will furnish copies of such cost reports to Buyers upon request.

10.9 Misdirected Payments, Etc. Sellers and Buyers covenant and agree to remit to the other, with reasonable promptness, any payments received, which payments are on or in respect of accounts or notes receivable owned by (or are otherwise payable to) the other. In addition, and without limitation, in the event of a determination by any governmental or third-party payor that payments to the Sellers or the Hospitals resulted in an overpayment or other determination that funds previously paid by any program or plan to the Sellers or the Hospitals must be repaid, Sellers shall be responsible for repayment of said monies (or defense of such actions) if such overpayment or other repayment determination was for services rendered prior to the Effective Time and Buyers shall be responsible for repayment of said monies (or defense of such actions) if such overpayment or other repayment determination was for services rendered after the Effective Time. In the event that, following Closing, Buyers suffer any offsets against reimbursement under any third-party payor or reimbursement programs due to Buyers, relating to amounts owing under any such programs by Sellers or any of its Affiliates, Sellers shall promptly upon demand from Buyers pay to Buyers the amounts so billed or offset.

10.10 Employee Matters. As of the Closing Date, Sellers shall terminate all of the employees of the Hospitals, and Buyers, subject to Buyers' standard hiring practices and policies (including but not limited to background checks and drug screens), shall offer employment to all active employees (including any employees who are on statutory family or medical leave, military leave, short term disability or other short term leave of up to 90 days) in good standing commencing as of the Closing Date in positions and at compensation levels generally consistent with those then being provided by Sellers. Nothing herein shall be deemed to affect or limit in any way normal management prerogatives of Buyers with respect to employees or to create or grant to any such employees third party beneficiary rights or claims of any kind or nature. In respect of the employees employed by Buyers, Buyers shall provide such employees with employee benefits consistent with the benefits generally offered to employees of Buyers and their Affiliates and, to the extent Sellers have qualified retirement programs for such employees, Buyers shall recognize the existing seniority of all such employees for benefits purposes and shall provide credit under such plans for purposes of determining eligibility and vesting and the rate of benefit accrual (but not actual benefit accrual); provided, however, that no such credit need be given in respect of any new plan commenced or participated in by Buyers in which no prior service credit is given or recognized to or for other plan beneficiaries. In extending such benefits, Buyers shall waive pre-existing conditions limitations in Buyers' welfare benefit plans which might otherwise apply to such employees except to the extent employees have not

satisfied such limitations under the current welfare benefit plans of Sellers. Buyers shall give credit to all hired employees for their actual accumulated and unused paid time off. Notwithstanding any other provision in this Agreement, nothing herein shall be construed as evidence of an agreement by Buyers to be successor employers in connection with any collective bargaining agreement of Sellers in effect at one or more of the Hospitals.

10.11 WARN Act Compliance. Up to and including the Closing Date, Sellers shall be responsible for any notifications required under the WARN Act. With respect to terminations of employees hired by Buyers, Buyers shall be responsible for any notification required under the WARN Act.

10.12 Indigent Care Policies. Buyers shall adopt and maintain a reasonable policy for the treatment of indigent patients of the Hospitals. Buyers shall cause the Hospitals to treat any patient presented to the emergency room who has a medical emergency or who, in the judgment of a staff physician, has an immediate emergency need, in compliance with applicable federal and state laws. No such patient will be turned away because of age, race, gender or inability to pay. Buyers shall cause the Hospitals to continue to provide services to patients covered by the Medicare and Medicaid programs and those unable to pay for emergent and medically necessary care as required by applicable law. This covenant shall be subject in all respects to changes in governmental policy.

10.13 Use of Controlled Substance Permits. To the extent permitted by applicable law, Buyers shall have the right, for a period not to exceed one hundred eighty (180) days following the Closing Date, to operate under the licenses and registrations of Sellers relating to controlled substances and the operations of pharmacies, until Buyers are able to obtain such licenses and registrations for themselves. In furtherance thereof, each Seller holding such licenses or registrations shall execute and deliver to the appropriate Buyer at or prior to the Closing one or more limited powers of attorney substantially in the form of Exhibit B hereto.

10.14 Information Services Agreement. At the Closing, an Affiliate of Sellers and the appropriate Buyer shall enter into an Information Technology Transition Services Agreement substantially in the form of Exhibit C.

10.15 Transition Services Agreement. At the Closing, an Affiliate of Sellers and the appropriate Buyer shall enter into a Transition Services Agreement substantially in the form attached hereto as Exhibit D.

10.16 Access to Records Including as to Recovery and Audit Information. If any entity, governmental agency or person makes a claim, inquiry or request to Buyers or Sellers relating to Sellers' operation of the Hospitals prior to the Effective Time (including but not limited to a notice to Buyers or Sellers from a person responsible for retroactive payment denials, including recovery audit contractors) of their intent to review Sellers' claims with respect to the operation of the Hospitals prior to the Effective Time, or otherwise seeks information pertaining to Sellers, Buyers shall: (i) comply with all requests from such entity or person in a timely manner; (ii) comply with all other applicable laws and regulations; (iii) forward to Sellers all communications and/or documents sent to such person or entity or received from such person or entity within five (5) business days of Buyers' delivery or receipt of such communications and/or

documents as permitted by applicable law and (iv) provide Sellers and their agents and attorneys upon reasonable request with reasonable access to records, information and personnel necessary for any appeal or challenge regarding any such retroactive payment denials (with the understanding that Sellers shall be solely responsible for handling any appeals) as may be permissible under applicable law.

10.17 License Agreement. At the Closing, CHS and SH shall enter into a License Agreement for Policy and Procedure Manuals substantially in the form attached hereto as Exhibit E.

10.18 Continuation of Insurance. For a period of at least ten (10) years following the Closing, Sellers shall maintain in effect insurance on all claims-made professional and general liability insurance policies of the Hospitals for claims related to the period of Sellers' ownership and operation of the Hospitals. The insurance shall have coverage levels equal to the coverage maintained by Sellers for other comparable healthcare facilities operated by Sellers, but not less than $1,000,000 per occurrence/$5,000,000 aggregate with a $10,000,000 excess liability limit.

11. INDEMNIFICATION.

11.1 Indemnification by Buyers. Subject to the limitations set forth in Section 11.3 hereof, Buyers shall defend, indemnify and hold harmless Sellers and their Affiliates, and their respective officers, employees, agents, representatives, or independent contractors (collectively, "Seller Indemnified Parties"), from and against any and all losses, liabilities, damages, costs (including, without limitation, court costs and costs of appeal) and expenses (including, without limitation, reasonable attorneys' fees and fees of expert consultants and witnesses) that such Seller Indemnified Party incurs as a result of, or with respect to (i) any misrepresentation or breach of warranty by Buyers under this Agreement, (ii) any breach by Buyers of, or any failure by Buyers to perform, any covenant or agreement of, or required to be performed by, Buyers under this Agreement, (iii) any of the Assumed Liabilities, or (iv) any claim made by a third party with respect to the operation of the Hospitals by Buyers following the Effective Time.

11.2 Indemnification by Sellers. Subject to the limitations set forth in Section 11.3 hereof, Sellers shall defend, indemnify and hold harmless Buyers and their Affiliates, and their respective officers, employees, agents, representatives, or independent contractors (collectively, "Buyer Indemnified Parties"), from and against any and all losses, liabilities, damages, costs (including, without limitation, court costs and costs of appeal) and expenses (including, without limitation, reasonable attorneys' fees and fees of expert consultants and witnesses) that such Buyer Indemnified Party incurs as a result of, or with respect to (i) any misrepresentation or breach of warranty by Sellers under this Agreement, (ii) any breach by Sellers of, or any failure by Sellers to perform, any covenant or agreement of, or required to be performed by, Sellers under this Agreement, (iii) any of the Excluded Liabilities, (iv) any of the Excluded Assets, or (v) any claim made by a third party with respect to the operation of the Hospitals by Sellers prior to the Effective Time.

11.3 Limitations. Buyers and Sellers shall be liable under Section 11.1(i) or Section 11.2(i) (i.e., for misrepresentations and breaches of warranties), as applicable, only when total indemnification claims exceed Five Hundred Thousand Dollars ($500,000) (the "Basket

Amount"), after which Buyers or Sellers, as applicable, shall be liable only for the amount in excess of the Basket Amount. No party shall be liable for any indemnification pursuant to Section 11.1(i) or Section 11.2(i), as applicable, for any claims for misrepresentations and breaches of warranty which are the basis upon which any other party shall have failed to consummate the transactions described herein pursuant to Section 7.1 or Section 8.1, as applicable, or which are based upon misrepresentations and breaches of warranty which have been waived pursuant to the initial paragraph of Section 7 or Section 8, as applicable. The liability of Buyers and Sellers for indemnification under Section 11.1(i) or Section 11.2(i), respectively, shall be limited to an amount equal to the Purchase Price. Notwithstanding anything to the contrary, the limitations contained in this Section 11.3 shall not apply to any indemnification claims arising under Section 11.1(i) or Section 11.2(i) as a result of the intentional misrepresentation or fraud of Buyers or Sellers, respectively.

11.4 Notice and Control of Litigation. If any claim or liability is asserted in writing by a third party against a party entitled to indemnification under this Section 11 (the "Indemnified Party") which would give rise to a claim under this Section 11, the Indemnified Party shall notify the person giving the indemnity (the "Indemnifying Party") in writing of the same within fifteen (15) days of receipt of such written assertion of a claim or liability. The Indemnifying Party shall have the right to defend a claim and control the defense, settlement, and prosecution of any litigation. If the Indemnifying Party, within ten (10) days after notice of such claim, fails to defend such claim, the Indemnified Party shall (upon further notice to the Indemnifying Party) have the right to undertake the defense, compromise, or settlement of such claim on behalf of and for the account and at the risk of the Indemnifying Party, subject to the right of the Indemnifying Party to assume the defense of such claim at any time prior to settlement, compromise, or final determination thereof. Anything in this Section 11.4 notwithstanding, (i) if there is a reasonable probability that a claim may materially and adversely affect the Indemnified Party other than as a result of money damages or other money payments, the Indemnified Party shall have the right, at its own cost and expense, to defend, compromise, and settle such claim, and (ii) the Indemnifying Party shall not, without the written consent of the Indemnified Party, settle or compromise any claim or consent to the entry of any judgment which does not include as an unconditional term thereof the giving by the claimant to the Indemnified Party of a release from all liability in respect of such claim. The foregoing rights and agreements shall be limited to the extent of any requirement of any third-party insurer or indemnitor. All parties agree to cooperate fully as necessary in the defense of such matters. Should the Indemnified Party fail to notify the Indemnifying Party in the time required above, the indemnity with respect to the subject matter of the required notice shall be limited to the damages that would have resulted absent the Indemnified Party's failure to notify the Indemnifying Party in the time required above after taking into account such actions as could have been taken by the Indemnifying Party had it received timely notice from the Indemnified Party.

11.5 Notice of Claim. If an Indemnified Party becomes aware of any breach of the representations or warranties of the Indemnifying Party hereunder or any other basis for indemnification under this Section 11, the Indemnified Party shall notify the Indemnifying Party in writing of the same within thirty (30) days after becoming aware of such breach or claim, specifying in detail the circumstances and facts which give rise to a claim under this Section 11. Should the Indemnified Party fail to notify the Indemnifying Party within the time frame required above, the indemnity with respect to the subject matter of the required notice shall be

limited to the damages that would have nonetheless resulted absent the Indemnified Party's failure to notify the Indemnifying Party in the time required above after taking into account such actions as could have been taken by the Indemnifying Party had it received timely notice from the Indemnified Party.

*11.6 **Mitigation.*** The Indemnified Party shall take all reasonable steps to mitigate all liabilities and claims, including availing itself as reasonably directed by the Indemnifying Party of any defenses, limitations, rights of contribution, claims against third parties and other rights at law, and shall provide such evidence and documentation of the nature and extent of any liability as may be reasonably requested by the Indemnifying Party. Each party shall act in a commercially reasonable manner in addressing any liabilities that may provide the basis for an indemnifiable claim (that is, each party shall respond to such liability in the same manner that it would respond to such liability in the absence of the indemnification provided for in this Agreement). Any request for indemnification of specific costs shall include invoices and supporting documents containing reasonably detailed information about the costs or damages for which indemnification is being sought.

*11.7 **Exclusive Remedy.*** The representations and warranties contained in or made pursuant to this Agreement shall be terminated and extinguished upon the earlier of the end of the Survival Period (hereinafter defined) or any termination of this Agreement. Thereafter, none of Sellers, Buyers or any shareholder, member, partner, officer, director, principal or Affiliate of any of the preceding shall be subject to any liability of any nature whatsoever with respect to any such representation or warranty. Moreover, the sole and exclusive remedy for any breach or inaccuracy, or alleged breach or inaccuracy, of any representation and warranty made by Sellers or Buyers shall be the remedies provided by this Section 11.

*11.8 **Tax Treatment of Indemnification Payments.*** All indemnification payments made under this Agreement shall be treated by the parties as an adjustment to the Purchase Price for tax purposes, unless otherwise required by law.

12. MISCELLANEOUS.

*12.1 **Schedules and Other Instruments.*** Each Schedule and Exhibit to this Agreement shall be considered a part hereof as if set forth herein in full. From the date hereof until the Closing Date, Sellers or Buyers may update their Schedules, subject to the other party's approval rights described below. Any other provision herein to the contrary notwithstanding, all Schedules, Exhibits, or other instruments provided for herein and not delivered at the time of execution of this Agreement or which are incomplete at the time of execution of this Agreement shall be delivered or completed within ten (10) days after the date hereof or prior to the Closing, whichever is sooner. It shall be deemed a condition precedent to the obligations of the parties hereto that each of the Schedules, Exhibits and related documents shall meet with the reasonable approval of such parties. Each of the parties hereto shall have ten (10) business days following the date of receipt of each Schedule, Exhibit or related document within which to approve or disapprove such item. If within the ten (10) business day period either party gives written notice to the other of disapproval of any such item, the other party shall have five (5) business days within which to correct the item disapproved. If the party to whom notice of disapproval is delivered is either unwilling or unable to correct the disapproved item, then the disapproving

party shall have five (5) business days within which to terminate this Agreement by giving written notice of such termination to the other party.

12.2 Additional Assurances. The provisions of this Agreement shall be self-operative and shall not require further agreement by the parties except as may be herein specifically provided to the contrary; provided, however, at the request of a party, the other party or parties shall execute such additional instruments and take such additional actions as the requesting party may deem necessary to effectuate this agreement. In addition and from time to time after Closing, Sellers shall execute and deliver such other instruments of conveyance and transfer, and take such other actions as Buyers reasonably may request, more effectively to convey and transfer full right, title, and interest to, vest in, and place Buyers in legal and actual possession of, any and all of the Hospitals and the Assets. Sellers shall also furnish Buyers with such information and documents in its possession or under its control, or which Sellers can execute or cause to be executed, as will enable Buyers to prosecute any and all petitions, applications, claims, and demands relating to or constituting a part of the Hospitals or the Assets. Additionally, Sellers shall cooperate and use their best efforts to have its present directors, officers, and employees cooperate with Buyers on and after Closing in furnishing information, evidence, testimony, and other assistance in connection with any action, proceeding, arrangement, or dispute of any nature with respect to matters pertaining to all periods prior to Closing in respect of the items subject to this Agreement.

12.3 Third Party Consents. Anything contained herein to the contrary notwithstanding, this Agreement shall not constitute an agreement to assign any claim, right, contract, license, lease, commitment, sales order, or purchase order if an attempted assignment thereof without the consent of the other party thereto would constitute a breach thereof or in any material way affect the rights of any Seller thereunder, unless such consent is obtained.

12.4 Consents, Approvals and Discretion. Except as herein expressly provided to the contrary, whenever this Agreement requires any consent or approval to be given by a party, or whenever a party must or may exercise discretion, the parties agree that such consent or approval shall not be unreasonably withheld or delayed and such discretion shall be reasonably exercised.

12.5 Legal Fees and Costs. In the event a party elects to incur legal expenses to enforce or interpret any provision of this Agreement by judicial proceedings, the prevailing party will be entitled to recover such legal expenses, including, without limitation, reasonable attorneys' fees, costs, and necessary disbursements at all court levels, in addition to any other relief to which such party shall be entitled.

12.6 Choice of Law. The parties agree that this Agreement shall be governed by and construed in accordance with the laws of the State of Washington, without regard to conflict of laws principles. The parties agree that jurisdiction and venue in any action brought by any party pursuant to this Agreement shall be exclusively in any state or federal court located in the State of Washington.

12.7 Benefit/Assignment. Subject to provisions herein to the contrary, this Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective legal representatives, successors, and assigns. No party may assign this Agreement without the prior

written consent of the other parties, which consent shall not be unreasonably withheld; provided, however, that any party may, without the prior written consent of the other parties, assign its rights and delegate its duties hereunder to one or more Affiliates (as defined in Section 12.18).

12.8 No Brokerage. Except as set forth on Schedule 12.8, Buyers and Sellers each represent and warrant to the other that it has not engaged a broker in connection with the transactions described herein. Each party agrees to be solely liable for and obligated to satisfy and discharge all loss, cost, damage, or expense arising out of claims for fees or commissions of brokers employed or alleged to have been employed by such party.

12.9 Cost of Transaction. Whether or not the transactions contemplated hereby shall be consummated, the parties agree as follows: (i) Sellers shall pay the fees, expenses, and disbursements of Sellers and their agents, representatives, accountants, and legal counsel incurred in connection with the subject matter hereof and any amendments hereto; and (ii) Buyers shall pay the fees, expenses, and disbursements of Buyers and their agents, representatives, accountants and legal counsel incurred in connection with the subject matter hereof and any amendments hereto. Buyers shall pay the cost of the Title Commitment, the Title Policy and the Surveys, and any environmental engineering reports, licensure application fees, and mechanical, structural, electrical and roofing engineering costs related to or arising out of the transactions contemplated by this Agreement. Sellers and Buyers shall each pay one-half of any state or local deed, stamp, sales, use, transfer, real estate excise, business and occupation and/or other tax levied, incurred or otherwise imposed in connection with the conveyance of the Assets (excluding income and franchise taxes imposed on each of the parties). Sellers and Buyers shall allocate state and local recording fees and similar costs with respect to the transactions contemplated by this Agreement in accordance with local customs.

12.10 Confidentiality. It is understood by the parties hereto that the information, documents, and instruments delivered to Buyers by Sellers and their agents and the information, documents, and instruments delivered to Sellers by Buyers and their agents are of a confidential and proprietary nature. Each of the parties hereto agrees that both prior and subsequent to the Closing it will maintain the confidentiality of all such confidential information, documents, or instruments delivered to it by each of the other parties hereto or their agents in connection with the negotiation of this Agreement or in compliance with the terms, conditions, and covenants hereof and will only disclose such information, documents, and instruments to its duly authorized officers, members, directors, representatives, and agents (including consultants, attorneys, and accountants of each party) and applicable governmental authorities in connection with any required notification or application for approval or exemption therefrom. Each party may use the other's confidential information only to the extent required to consummate the transactions contemplated by this Agreement and no other rights to such information are granted or implied under this Agreement. As of the Closing Date, all of the confidential information disclosed by Sellers to Buyers relating to the Hospitals and the Assets shall become the confidential information of the Buyers, and the Sellers shall treat it as if disclosed to Sellers by Buyers hereunder, and as of the Closing Date, such information shall be deemed Confidential Information of the Buyers for purposes of its treatment pursuant to the Agreement for Use and Non-Disclosure of Confidential Information entered into by the parties on September 21, 2016. Each of the parties hereto further agrees that if the transactions contemplated hereby are not consummated, it will return all such documents and instruments and all copies thereof in its

possession to the other parties to this Agreement, except that (A) a copy of the documents and instruments may be retained by the receiving party or its representatives in the event that receiving party or its representatives are required to retain a copy of all or party of the documents or instruments in order to comply with any legal, contractual, professional or fiduciary obligation, (B) the receiving party's representatives shall have the right to regain any documents or instruments prepared by it evidencing their services for the receiving party for archival purposes, and (C) backup tapes or other media made pursuant to automated archival processes in the ordinary course of business would not be required to be destroyed, deleted or modified. All such retained copies shall be placed in secured files and shall remain subject to the confidentiality obligations set forth in this Agreement. Each of the parties hereto recognizes that any breach of this Section 12.10 would result in irreparable harm to the other party to this Agreement and its Affiliates (as defined in Section 12.18 below) and that therefore either Sellers or Buyers shall be entitled to seek an injunction to prohibit any such breach or anticipated breach, without the necessity of posting a bond, cash, or otherwise, in addition to all of its other legal and equitable remedies. Nothing in this Section 12.10, however, shall prohibit the use of such confidential information, documents, or information for such governmental filings as in the opinion of Sellers' counsel or Buyers' counsel are required by law or governmental regulations or are otherwise required to be disclosed pursuant to applicable state law.

*12.11 **Public Announcements.*** Sellers and Buyers mutually agree that no party hereto shall release, publish, or otherwise make available to the public in any manner whatsoever any information or announcement regarding the transactions herein contemplated without the prior written consent of Sellers and Buyers, except for information and filings reasonably necessary to be directed to governmental agencies to fully and lawfully effect the transactions herein contemplated or required in connection with securities and other laws.

*12.12 **Waiver of Breach.*** The waiver by any party of a breach or violation of any provision of this Agreement shall not operate as, or be construed to constitute, a waiver of any subsequent breach of the same or any other provision hereof.

*12.13 **Notice.*** Any notice, demand, or communication required, permitted, or desired to be given hereunder shall be deemed effectively given when personally delivered, when received by receipted overnight delivery, or five (5) days after being deposited in the United States mail, with postage prepaid thereon, certified or registered mail, return receipt requested, addressed as follows:

Sellers or HMA:	Yakima HMA, LLC c/o CHSPSC, LLC 4000 Meridian Boulevard Franklin, TN 37067 Attention: Senior Vice President - Development
With a simultaneous copy to:	CHSPSC, LLC 4000 Meridian Boulevard Franklin, TN 37067 Attention: General Counsel

Buyers: Sunnyside Healthcare
1016 Tacoma Ave.
Sunnyside, WA 98944
Attention: John Gallagher, CEO

With a simultaneous copy to: Butler Snow LLP
6075 Poplar Ave., Suite 500
Memphis, TN 38119
Attention: Scott Shanker

or to such other address, and to the attention of such other person or officer as any party may designate, with copies thereof to the respective counsel thereof as notified by such party.

12.14 Severability. In the event any provision of this Agreement is held to be invalid, illegal or unenforceable for any reason and in any respect, such invalidity, illegality, or unenforceability shall in no event affect, prejudice, or disturb the validity of the remainder of this Agreement, which shall be and remain in full force and effect, enforceable in accordance with its terms.

12.15 Gender and Number. Whenever the context of this Agreement requires, the gender of all words herein shall include the masculine, feminine, and neuter, and the number of all words herein shall include the singular and plural.

12.16 Divisions and Headings. The divisions of this Agreement into sections and subsections and the use of captions and headings in connection therewith are solely for convenience and shall have no legal effect in construing the provisions of this Agreement.

12.17 Survival. All of the representations, warranties, covenants, and agreements made by the parties in this Agreement or pursuant hereto in any certificate, instrument, or document shall survive the consummation of the transactions described herein, and may be fully and completely relied upon by Sellers and Buyers, as the case may be, notwithstanding any investigation heretofore or hereafter made by any of them or on behalf of any of them, and shall not be deemed merged into any instruments or agreements delivered at the Closing or thereafter. The representations and warranties contained in or made pursuant to this Agreement shall survive the Closing for a period of two (2) years following the Closing Date; provided, however, each of the representations and warranties set forth in Section 3.7 (Medicare Participation), Section 3.9 (Regulatory Compliance), Section 3.15 (Environmental Laws) and Section 3.16 (Taxes) shall survive the Closing for a period of four (4) years. The period from the date hereof until the last date on which a representation, warranty, covenant or other obligation survives pursuant to this Section 12.17 shall be known as the "Survival Period." Notwithstanding anything herein to the contrary, the Survival Period shall not apply in the event of fraud.

12.18 Affiliates. As used in this Agreement, the term "Affiliate" means, as to the entity in question, any person or entity that directly or indirectly controls, is controlled by or is under

common control with, the entity in question and the term "control" means possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity whether through ownership of voting securities, by contract or otherwise.

12.19 Waiver of Jury Trial. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHTS IT MAY HAVE TO DEMAND THAT ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR IN ANY WAY RELATED TO THIS AGREEMENT OR THE RELATIONSHIPS OF THE PARTIES HERETO BE TRIED BY JURY. THIS WAIVER EXTENDS TO ANY AND ALL RIGHTS TO DEMAND A TRIAL BY JURY ARISING FROM ANY SOURCE INCLUDING, BUT NOT LIMITED TO, THE CONSTITUTION OF THE UNITED STATES OR ANY STATE THEREIN, COMMON LAW OR ANY APPLICABLE STATUTE OR REGULATIONS. EACH PARTY HERETO ACKNOWLEDGES THAT IT IS KNOWINGLY AND VOLUNTARILY WAIVING ITS RIGHT TO DEMAND TRIAL BY JURY.

12.20 Accounting Date. The transactions contemplated hereby shall be effective for accounting purposes as of 12:01 a.m. on February 1, 2017, unless otherwise agreed in writing by Sellers and Buyers. The parties will use commercially reasonable efforts to cause the Closing to be effective as of a month end, with equitable adjustments made to the Purchase Price necessary to give effect to the foregoing.

12.21 No Inferences. Inasmuch as this Agreement is the result of negotiations between sophisticated parties of equal bargaining power represented by counsel, no inference in favor of, or against, either party shall be drawn from the fact that any portion of this Agreement has been drafted by or on behalf of such party.

12.22 No Third Party Beneficiaries. The terms and provisions of this Agreement are intended solely for the benefit of Buyers and Sellers and their respective permitted successors or assigns, and it is not the intention of the parties to confer, and this Agreement shall not confer, third-party beneficiary rights upon any other person.

12.23 Entire Agreement/Amendment. With the exception of the Agreement for Use and Non-Disclosure of Confidential Information dated as of September 21, 2016, between CHSPSC, LLC and SH, this Agreement supersedes all previous contracts or understandings, including any offers, letters of intent, proposals or letters of understanding, and constitutes the entire agreement of whatsoever kind or nature existing between or among the parties respecting the within subject matter, and no part shall be entitled to benefits other than those specified herein. As between or among the parties, no oral statements or prior written material not specifically incorporated herein shall be of any force and effect. The parties specifically acknowledge that in entering into and executing this Agreement, the parties rely solely upon the representations and agreements contained in this Agreement and no others. All prior representations or agreements, whether written or verbal, not expressly incorporated herein are superseded, and no changes in or additions to this Agreement shall be recognized unless and until made in writing and signed by all parties hereto. This Agreement may be executed in two or more counterparts, each and all of which shall be deemed an original and all of which together shall constitute but one and the same instrument.

12.24 CHS Guaranty. CHS hereby unconditionally and absolutely guarantees the prompt performance and observance by Sellers of each and every obligation, covenant and agreement of Sellers arising out of, connected with, or related to, this Agreement or any ancillary documents hereto and any extension, renewal and/or modification thereof. The obligation of CHS under this Section 12.24 is a continuing guaranty and shall remain in effect, and the obligations of CHS shall not be affected, modified or impaired upon the happening from time to time of any of the following events, whether or not with notice or consent of CHS:

(a) The compromise, settlement, release, change, modification, amendment (except to the extent of such compromise, settlement release, change, modification or amendment) of any or all of the obligations, duties, covenants, or agreements or any party under this Agreement or any ancillary documents hereto; or

(b) The extension of the time for performance of payment of money pursuant to this Agreement, or of the time for performance of any other obligations, covenants or agreements under or arising out of this Agreement or any ancillary documents hereto or the extension or the renewal thereof.

12.25 SH Guaranty. SH hereby unconditionally and absolutely guarantees the prompt performance and observance by Buyers of each and every obligation, covenant and agreement of Buyers arising out of, connected with, or related to, this Agreement or any ancillary documents hereto and any extension, renewal and/or modification thereof. The obligation of SH under this Section 12.25 is a continuing guaranty and shall remain in effect, and the obligations of SH shall not be affected, modified or impaired upon the happening from time to time of any of the following events, whether or not with notice or consent of SH:

(a) The compromise, settlement, release, change, modification, amendment (except to the extent of such compromise, settlement release, change, modification or amendment) of any or all of the obligations, duties, covenants, or agreements or any party under this Agreement or any ancillary documents hereto; or

(b) The extension of the time for performance of payment of money pursuant to this Agreement, or of the time for performance of any other obligations, covenants or agreements under or arising out of this Agreement or any ancillary documents hereto or the extension or the renewal thereof.

12.26 Risk of Loss. Notwithstanding any other provision hereof to the contrary, the risk of loss in respect of casualty to the Assets shall be borne by Sellers prior to the Effective Time and by Buyers thereafter.

[*signatures follow on the next page*]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in multiple originals by their authorized officers, all as of the date first above written.

YAKIMA HMA, LLC

By: Kenneth D. Hawkins
Senior Vice President

YAKIMA HMA PHYSICIAN MANAGEMENT, LLC

By: Kenneth D. Hawkins
Senior Vice President

HOSPITAL MANAGEMENT ASSOCIATES, LLC

By: Kenneth D. Hawkins
Senior Vice President

CHS/COMMUNITY HEALTH SYSTEMS, INC.

By: Kenneth D. Hawkins
Senior Vice President

SHC MEDICAL CENTER - YAKIMA

By: John Gallagher, CEO

SHC MEDICAL CENTER - TOPPENISH

By: John Gallagher, CEO

SUNNYSIDE HEALTHCARE

By: John Gallagher, CEO

EXHIBIT A

Promissory Note

EXHIBIT A

PROMISSORY NOTE

$_____

Franklin, Tennessee
_____, 2017

FOR VALUE RECEIVED, the undersigned, SHC MEDICAL CENTER – YAKIMA ("SH Yakima Sub") and SHC MEDICAL CENTER – TOPPENISH ("SH Toppenish Sub"), each a Washington not-for-profit corporation (each a "Maker" and collectively, the "Makers"), jointly and severally, promise to pay to the order of YAKIMA HMA, LLC, a Washington limited liability company ("YHMA"), YAKIMA HMA PHYSICIAN MANAGEMENT, LLC, a Washington limited liability company ("YHMAPM"), and HOSPITAL MANAGEMENT ASSOCIATES, LLC, a Florida limited liability company ("HMA") (collectively, the "Payee"), the sum of _____ DOLLARS ($_____), subject to determination of the actual adjusted original principal amount as set forth in Section 3 below, together with interest from the date hereof on the unpaid principal amount, in accordance with this promissory note (the "Note").

This Note is delivered in accordance with that certain Asset Purchase Agreement dated as of December ___, 2016 (the "Purchase Agreement") by and among YHMA, YHMAPM, HMA, CHS/Community Health Systems, Inc., SH Yakima Sub, SH Toppenish Sub and Sunnyside Healthcare, as partial payment of the Purchase Price. Any capitalized terms used but not otherwise defined herein shall have the meanings specified in the Purchase Agreement.

1. INTEREST. The outstanding principal balance of this Note, as the same shall exist from time to time, shall bear interest at a rate per annum equal to five percent (5%). Interest on the principal of this Note shall accrue from and including the date hereof to but excluding the date of any repayment thereof. All interest on this Note shall be computed on the basis of the actual number of days elapsed over a 360 day year.

2. PAYMENTS. The original principal amount of this Note shall be stated in Schedule 1 to this Note. Accrued interest on this Note shall be due and payable annually in arrears beginning _____, 2018. If not sooner paid, the entire outstanding principal balance, together with all unpaid interest and expenses hereunder, shall be due and payable in full on _____, 2022. This Note may be prepaid in whole or in part at any time, without premium or penalty. Any partial prepayment shall be applied first to accrued interest, with the balance being applied to principal. Any payment on this Note, in whole or in part, shall be due and payable in immediately available funds in lawful money of the United States of America, in Franklin, Tennessee, at the office of Payee, 4000 Meridian Boulevard, Franklin, Tennessee 37067, or such other place as may be designated in writing by Payee. The Payee shall allocate the distribution of the payments among YHMA, YHMAPM and HMA. Whenever any payment to be made under this Note shall be stated to be due on a day that is not a Business Day, the due date thereof shall be extended to the next succeeding Business Day, and, with respect to payments of principal, interest thereon shall be payable during such extension.

3. WORKING CAPITAL ADJUSTMENT. Pursuant to the Purchase Agreement, the principal amount of this Note set forth on Schedule 1 may be increased or decreased, as the case may be, by the Working Capital Adjustment. The Working Capital Adjustment to this Note shall be effective as of: (i) if no Objection Statement is timely delivered by Buyers pursuant Section 1.7(b) of the Purchase Agreement, the date the Post-Closing Statement is delivered to Buyers; or (b) if an Objection Statement is timely delivered in accordance with Section 1.7(b) of the Purchase Agreement, the date that all disputes concerning the Working Capital Adjustment are finally resolved. Interest on the principal amount of this Note, as adjusted by the final Working Capital Adjustment, shall accrue from the original issuance date hereof.

4. DEFAULT RATE. In the event a Default (as hereinafter defined) shall occur, all past due principal of, and, to the extent permitted by applicable law, past due interest on, this Note shall bear interest from the date of such Default until paid at the rate per annum equal to the lesser of (i) 12% and (ii) the maximum interest rate allowed by applicable law. Any change in the interest rate to be charged hereunder shall become effective without notice to Maker on the effective date of such change.

5. EVENTS OF DEFAULT. If not otherwise then due and payable, the entire unpaid principal balance of, and all accrued but unpaid interest on, this Note shall immediately become due and payable, upon written notice or demand from Payee to Makers, upon the occurrence of any of the following events (each a "Default"):

5.1 Failure to Pay Note. Any of the indebtedness evidenced hereby is not paid when due, and such nonpayment continues for five (5) days after written notice from Payee to Maker of such nonpayment; or

5.2 Nonperformance of Covenants. Any covenant, agreement or condition herein is not fully and timely performed, observed or kept, and such failure is not cured within thirty (30) days after written notice from Payee to Maker of such failure; or

5.3 Representations. Any statement, representation or warranty made or given by any Maker in any of the Loan Documents, is false, misleading or erroneous in any material respect on the date thereof, and such statement, representation or warranty is not made true and correct (as of the time such corrective action is taken) within the applicable cure period (if any) provided for in such Loan Document; or

5.4 Default Under Other Loan Documents. The occurrence of any event or condition deemed to be a default by any Maker under or as defined in any other Loan Document, and, if subject to a cure right, such default shall not be cured within the applicable cure period. As used herein, the term "Loan Document" means any other document or instrument now or hereafter evidencing, governing, guaranteeing or securing the indebtedness evidenced by this Note, or any part thereof, or otherwise executed in connection with this Note; or

5.5 Bankruptcy or Insolvency. Any Maker (i) shall generally not pay or shall be unable to pay its debts as such debts become due; or (ii) shall make an assignment for the benefit of creditors or petition or apply to any tribunal for the appointment of a custodian, receiver or trustee for it or a substantial part of its assets; or (iii) shall commence any proceeding

under any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction, whether now or hereafter in effect; or (iv) shall have had any such petition or application filed or any such proceeding commenced against it, where such petition, application or proceeding is consented to by it or has not been dismissed within 60 days; or (v) the appointment of a trustee, receiver or other officer of the court for it or a substantial part of its assets, where no discharge is effected within 60 days; or

*5.6 **Liquidation.*** Any Maker shall be liquidated, dissolved, partitioned or terminated.

6. REMEDIES. In the event a Default shall have occurred, Payee may proceed to protect and enforce its rights either by suit in equity and/or by action at law, or by other appropriate proceedings, whether for the specific performance of any covenant or agreement contained in this Note or in any other Loan Document, or in aid of the exercise of any power or right granted by this Note or any other Loan Document, or to enforce any other legal or equitable right of Payee.

7. SUBORDINATION. Payee covenants and agrees by the acceptance hereof that, to the extent and in the manner hereinafter set forth in this paragraph, the indebtedness represented by this Note and the payment of the principal outstanding under this Note is hereby expressly made subordinate and subject in right of payment to the prior payment in full, in cash or cash equivalents, of all Senior Debt (as defined below). Senior Debt shall continue to be Senior Debt and entitled to the benefits of the subordination provisions set forth herein irrespective of any amendment, modification, or waiver of any term of the Senior Debt or increase, extension, or renewal of the Senior Debt. No exercise of remedies to collect this Note shall be made, if any default or event of default with respect to any Senior Debt which permits or with the giving of notice or passage of time or both would permit the holders thereof (or a trustee on their behalf) to accelerate the maturity thereof, shall have occurred and be continuing and Maker or Payee shall have received written notice thereof. Further, notwithstanding any other provision of this Note, any other document, any law, or any order of any court or tribunal, and notwithstanding the order, time, method of perfection, non-perfection, validity or enforceability of any security interest, lien, or encumbrance securing any Senior Debt, all security interests, liens, or encumbrances securing the Senior Debt shall be prior and superior to any security interest, lien, or encumbrance in favor of Payee with respect to the indebtedness evidenced by this Note. At the request of Maker, Payee will execute such further instruments and agreements as may be reasonably requested by any holder of Senior Debt (or proposed lender to Maker) to better assure the effectiveness of such subordination. As used herein, "Senior Debt" shall mean any indebtedness for borrowed money or other indebtedness of any nature provided by or through any bank, insurance company, other institutional lender, or other lender providing bona fide debt to Maker, and interest, fees and other amounts payable in respect thereof (whether accruing or payable before or after any bankruptcy or other insolvency event affecting Maker), the payment of which Maker is at the time of determination responsible or liable as obligor, guarantor or otherwise, other than indebtedness of Maker in respect of this Note.

8. GUARANTY. Sunnyside Healthcare, a Washington not-for-profit corporation ("SH"), unconditionally guarantees to Payee the due and punctual payment of all sums due or to become due under this Note. Such guaranty shall be a guaranty of payment and not collection,

and SH hereby waives all guaranty and suretyship defenses generally. Such guaranty is evidenced by the Guaranty attached hereto and incorporated herein as Exhibit A.

9. MISCELLANEOUS.

9.1 Waiver. To the extent permitted by applicable law, Maker waives demand, diligence, grace, presentment, protest, notice of nonpayment, notice of intention to accelerate, notice of protest, notice of acceleration and any and all other notices normally required by law, and agrees that its liability on this Note shall not be affected by any renewal or extension in the time of payment hereof, by any indulgences, or by any release or change in any security for the payment of this Note.

9.2 Remedies Not Exclusive. No remedy herein conferred upon or reserved to Payee is intended to be exclusive of any other remedy or remedies available to Payee under this Note, at law, in equity or by statute, and each and every such remedy shall be cumulative and in addition to every other remedy given hereunder or now or hereafter existing at law, in equity or by statute.

9.3 Attorneys' Fees and Costs. In the event a Default shall occur, and in the event that thereafter this Note is placed in the hands of an attorney for collection, or in the event this Note is collected in whole or in part through legal proceedings of any nature, then and in any such case, Maker promises to pay all reasonable costs of collection, including but not limited to reasonable attorneys' fees incurred by the holder hereof on account of such collection, whether or not suit is filed.

9.4 Notices. Any notice or demand given hereunder by the holder hereof shall be deemed to have been given and received (a) when actually delivered to the address of the party to be notified if delivered in person, or (b) if mailed, on the Business Day after it is sent overnight via nationally recognized courier service, or on the second Business Day after it is enclosed in an envelope, addressed to the party to be notified, properly stamped, sealed and deposited in the United States Mail, certified, return receipt requested. For purposes hereof, the address of Maker is c/o Sunnyside Healthcare, 1016 Tacoma Avenue, Sunnyside, Washington 98944, Attention: Chief Executive Officer. As used herein, "Business Day" means each day of the week other than Saturdays, Sundays and other days on which commercial banks located in Franklin, Tennessee are authorized or required by law to close.

9.5 Governing Law. This Note is intended to be paid and performed in the State of Tennessee, and the laws of such state shall govern the construction, validity, enforcement and interpretation hereof, except to the extent federal laws otherwise govern the validity, construction, enforcement and interpretation hereof.

9.6 Headings and Construction. The headings of the sections of this Note are inserted for convenience only and shall not be deemed to constitute a part thereof. Words used herein of any gender shall be construed to include any other gender where appropriate, and words used herein which are either singular or plural shall be construed to include the other where appropriate.

9.7 Successors and Assigns. All of the covenants, stipulations, promises

and agreements in this Note contained by or on behalf of Maker shall bind its successors and assigns, whether so expressed or not; provided, however, that Maker may not, without the prior consent of Payee, assign any rights, duties or obligations under this Note.

9.8 Payments; Business Day. Each payment or prepayment hereon must be paid at the office of Payee specified above in lawful money as therein specified and in funds which are or will be available for immediate use by Payee at such office on or before 2:00 p.m., Franklin, Tennessee time, on the day such payment or prepayment is due. In any case where a payment of principal or interest hereon is due on a day which is not a Business Day, Maker shall be entitled to delay such payment until the next succeeding Business Day, but interest, if any, shall continue to accrue until the payment is, in fact, made.

9.9 Time is of the Essence. Time shall be of the essence in the performance of all obligations of Maker hereunder.

IN WITNESS WHEREOF, the undersigned has executed this Note as of the date first above written.

SHC MEDICAL CENTER – YAKIMA

By: _____

SHC MEDICAL CENTER – TOPPENISH

By: _____

EXHIBIT A
TO
PROMISSORY NOTE

Guaranty

See attached.

GUARANTY

THIS GUARANTY (this "Guaranty"), dated ____, 2017, is by SUNNYSIDE HEALTHCARE, a Washington not-for-profit corporation ("Guarantor"), in favor of YAKIMA HMA, LLC, a Washington limited liability company, YAKIMA HMA PHYSICIAN MANAGEMENT, LLC, a Washington limited liability company, and HOSPITAL MANAGEMENT ASSOCIATES, LLC, a Florida limited liability company (each a "Lender" and collectively, the "Lenders").

Now, **THEREFORE,** Guarantor agrees as follows:

Guarantor absolutely and unconditionally guarantees the prompt payment when due of any and all existing and future indebtedness or liability of every kind, nature or character (including, without limitation, principal, interest, all costs of collection and attorneys' fees) owing to the Lenders by SHC MEDICAL CENTER – YAKIMA, a Washington not-for-profit corporation, and SHC MEDICAL CENTER – TOPPENISH, a Washington not-for-profit corporation (each a "Debtor" and collectively, the "Debtors"), whether direct or indirect, absolute or contingent, or incurred in connection with advances of funds made by Lenders to the Debtors, including the advances made by Lenders to Debtors pursuant to that Promissory Note dated as of the date hereof, made by Debtors payable to Lenders (all such indebtedness and liability is collectively referred to herein as the "Indebtedness"). Guarantor undertakes this guaranty of the payment and performance by Debtor, notwithstanding that any portion of the Indebtedness shall be void, voidable or unenforceable as between the Debtors and the Lenders.

This absolute, continuing and unconditional Guaranty is a guaranty of payment and not a guaranty of collection. Upon any Debtor's failure to pay any portion of the Indebtedness promptly when due, the Lenders, at their sole option, may proceed against Guarantor to collect the Indebtedness, with or without proceeding against the Debtors, any co-maker or co-surety or co-guarantor, any endorser or any collateral held as security for the Indebtedness. Guarantor agrees to reimburse the Lenders for all expenses of any nature whatsoever including, without limitation, reasonable attorneys' fees incurred or paid by the Lenders in exercising any right, power or remedy conferred by this Guaranty.

The obligations of Guarantor set forth in this Guaranty shall extend to all amendments, supplements, modifications, renewals, replacements or extensions of the Indebtedness at any rate of interest. The liability of Guarantor under this Guaranty shall not be impaired or affected in any manner by, and Guarantor consents in advance to and waives any requirement of notice for, any (1) disposition, impairment, release, surrender, substitution or modification of any collateral securing the Indebtedness or the obligations created by this Guaranty or any failure to perfect a security interest in any collateral, (2) release (including adjudication or discharge in bankruptcy) or settlement with any person primarily or secondarily liable for the Indebtedness (including, without limitation, any maker, endorser, guarantor or surety), (3) delay in enforcement of payment of the Indebtedness or delay in enforcement of this Guaranty, (4) delay, omission,

waiver or forbearance in exercising any right or power with respect to the Indebtedness or this Guaranty, (5) defense arising from the enforceability or validity of the Indebtedness or any part thereof or the genuineness, enforceability or validity of any agreement relating thereto, (6) defenses or counterclaims that Debtor may assert on the Indebtedness including, but not limited to, failure of consideration, breach of warranty, fraud, payment, statute of frauds, bankruptcy, infancy, statute of limitations, Lender liability, accord and satisfaction and usury, (7) extensions or modifications of any Indebtedness or (8) other act or omission which might constitute a legal or equitable discharge of Guarantor.

Guarantor waives all defenses based on suretyship or impairment of collateral, presentment, protest, demand for payment, any right of set-off, notice of dishonor or default, notice of acceptance of this Guaranty, notice of the incurring of any of the Indebtedness and notice of any other kind in connection with the Indebtedness or this Guaranty. Guarantor also waives any right to require a commercially reasonable disposition of any collateral securing the Indebtedness.

This Guaranty shall continue to be effective or be reinstated, as the case may be, if at any time payment, or any part thereof, of principal, interest or any other amount with respect to the Indebtedness is avoided, rescinded or must otherwise be restored by the Lenders upon the bankruptcy or reorganization of any Debtor.

This Guaranty shall inure to the benefit of and shall be binding on the parties hereto, their successors and assigns, and their legal representatives or heirs. This Guaranty shall be deemed to be a contract entered into and made pursuant to the laws of the State of Tennessee and shall in all respects be governed, construed, applied and enforced in accordance with the laws of said state.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, Guarantor has signed and delivered this Guaranty on the date first written above.

GUARANTOR:

SUNNYSIDE HEALTHCARE

By: _____

EXHIBIT B

Limited Power of Attorney

EXHIBIT B

LIMITED POWER OF ATTORNEY FOR USE OF PHARMACY LICENSE, DEA AND OTHER REGISTRATION NUMBERS, AND DEA ORDER FORMS

Yakima HMA, LLC, a Washington limited liability company ("Seller"), which operates the healthcare facility known as "Yakima Regional Medical and Cardiac Center" ("Registrant"), located at 110 S. 9th Ave., Yakima, Washington 98902, is authorized to sign the current applications for registration and licensure as the Registrant under the Controlled Substances Act of the United States, and is licensed to operate a pharmacy under the laws of the State of Washington. Seller and Registrant have made, constituted and appointed, and by these representations do make, constitute, and appoint SHC Medical Center – Yakima, a Washington not-for-profit corporation ("Buyer"), as successor in interest to Seller, as Seller's and Registrant's agent and attorney-in-fact for the limited purpose of utilizing Seller's and Registrant's pharmacy licenses, U.S. Drug Enforcement Administration ("DEA") registrations and any other registrations required under the laws of the State of Washington to continue pharmacy operations at the pharmacy facilities located at Registrant (the "Pharmacies") held by Seller and Registrant and listed on Rider A. Buyer may act in this capacity until such time as Buyer obtains new pharmacy licenses, DEA registrations and such other registrations for the Pharmacies, but in no event shall this limited power of attorney continue for more than one hundred eighty (180) days after the Closing Date as defined in that certain Asset Purchase Agreement (the "Agreement") dated as of December __, 2016, by and among Seller, Yakima HMA Physician Management, LLC, Hospital Management Associates, LLC, CHS/Community Health Systems, Inc., Buyer, SHC Medical Center – Toppenish and Sunnyside Healthcare, unless otherwise agreed in writing by Seller. Notwithstanding the foregoing, the parties acknowledge and agree that Buyer's ability to act in the capacity described herein with respect to any DEA registration(s) referred to in Rider A is subject to the authorization of appropriate DEA personnel.

Seller and Registrant further grant this limited power of attorney to Buyer to act as the true and lawful agent and attorney-in-fact of Seller and Registrant, and to act in the name, place, and stead of Seller and Registrant, to execute applications for books of official order forms and to sign such order forms in requisition for Schedules I, II, III, IV and V controlled substances, in accordance with Section 308 of the Controlled Substances Act (21 U.S.C. Sec 828) and part 1305 of Title 21 of the Code of Federal Regulations, as is necessary for the treatment of the Pharmacies' patients.

Seller and Registrant recognize that they are legally responsible for the pharmacy licenses and DEA and other registrations until such time as Buyer has obtained its own pharmacy licenses and DEA and other registrations. Therefore, Seller and Registrant grant this limited power of attorney based upon the following covenants and warranties of Buyer: (a) Buyer shall follow and abide by all federal and state laws governing the regulation of controlled substances and pharmacy practice at all times while utilizing this limited power of attorney; (b) Buyer shall make timely application for, diligently pursue and use its best efforts to obtain its own pharmacy licenses and DEA and other registrations which are required for the distribution of pharmaceuticals, including, but not limited to, controlled substances at the Pharmacies, as soon

as practicable after the Closing Date; and (c) Buyer shall defend, indemnify and hold Seller harmless from and against any liability, loss, damage or expense (including, without limitation, reasonable counsel fees and expenses) arising out of or in connection with Buyer's use or misuse of this limited power of attorney.

Capitalized terms not otherwise defined herein (including all Riders hereto) shall have the meanings ascribed to them in the Agreement.

IN WITNESS WHEREOF, Seller and Registrant, on the one hand, and Buyer, on the other hand, have executed this Limited Power of Attorney For Use of Pharmacy License, DEA and other Registration Numbers and DEA Order Forms effective as of _____, 2017.

YAKIMA HMA, LLC
("Seller")

By: _____
Terry H. Hendon, Vice President

WITNESSES TO SIGNATURE OF SELLER

1. _____

2. _____

SHC MEDICAL CENTER –YAKIMA
("Buyer")

By: _____

WITNESSES TO SIGNATURE OF BUYER

1. _____

2. _____

RIDER A
TO
LIMITED POWER OF ATTORNEY

Licenses and Registrations at Yakima Regional Medical and Cardiac Center Covered by Limited Power of Attorney

EXHIBIT C

Information Technology Transition Services Agreement

EXHIBIT C

INFORMATION TECHNOLOGY TRANSITION SERVICES AGREEMENT

THIS INFORMATION TECHNOLOGY TRANSITION SERVICES AGREEMENT (this "Agreement") is made and entered into effective as of _____, 2017 (the "Effective Date"), by and between **CHSPSC, LLC**, a Delaware limited liability company ("Vendor"), and **SUNNYSIDE HEALTHCARE**, a Washington not-for-profit corporation ("Authorized User").

RECITALS:

A. Affiliates of Vendor and Authorized User are parties to an Asset Purchase Agreement dated _____, 2016 (the "Purchase Agreement"), pursuant to which, among other things, affiliates of Authorized User are purchasing substantially all of the assets of certain affiliates of Vendor which are used in the operation of Yakima Regional Medical and Cardiac Center in Yakima, Washington, and Toppenish Community Hospital in Toppenish, Washington, together with certain related businesses, including physician clinics, home health operations and ancillary services (collectively referred to as the "Hospitals").

B. Vendor provides a variety of information services used by the Hospitals.

C. To assist in the orderly transition of the management and operation of the Hospitals following the Effective Date, Vendor will continue existing information services to the Hospitals within Vendor's control, limited by existing legal agreements with the Software Application Vendors (as defined herein), in accordance with the terms and conditions of this Agreement.

AGREEMENT:

NOW, THEREFORE in consideration of the foregoing premises and the mutual promises and covenants contained in this Agreement, and for their mutual reliance, the parties hereby agree as follows:

1. INFORMATION SERVICES

1.1 Information Services. Vendor hereby grants and Authorized User hereby accepts the right to use and obtain the Information Services (defined herein) in connection with Authorized User's operation of the Hospitals during the term of this Agreement. For purposes of this Agreement, "Information Services" shall mean those certain information services described on Schedule 1 attached hereto and incorporated herein by this reference. From time to time, Vendor may offer to perform and Authorized User may request Vendor to perform certain new activities for Authorized User (similar to, but not included in the Information Services provided hereunder), which Authorized User may purchase at its discretion (the "Additional Services"). These Additional Services may require Authorized User to pay additional fees, purchase additional equipment or communications lines or license additional software, all of which shall be disclosed in writing when it proposes or responds to Authorized User's request for Additional Services.

Vendor shall respond to Authorized User's request for Additional Services within ten (10) days after Authorized User's written request. Authorized User shall not be obligated to accept any Additional Services except to the extent that Authorized User authorizes Vendor in writing to perform the Additional Services. Additional Services may include a patient portal, CPOE patient education and others to ensure compliance with Meaningful Use regulations and ICD-10 regulations. Vendor's centralized computer processors and systems are referred to herein as the "Data Center System." Vendor shall use its "best efforts" to provide the Information Services with the same scope, quality and timeliness as Vendor historically provided such services to the Hospitals prior to the Effective Date and in a manner that is substantially similar in quality and timeliness to any comparable services provided for Vendor's own facilities.

1.2 ***Scope of Services***. Authorized User may receive and use the Information Services solely for its own account. Authorized User may access and use the Data Center System only from the computer equipment at the Hospitals' various current locations under Authorized User's control and only utilizing the Supported Software Applications (as defined herein). Authorized User's receipt and use of the Information Services shall conform in all material respects to the reasonable procedures, requirements and limitations contained in the documentation and other written instructions provided from time-to-time by Vendor, but in no event shall such documentation and written instructions be substantially different from those provided by Vendor for its own facilities.

1.3 ***Supported Software Applications***. Schedule 1 (Section 1 thereof) sets forth a list of the software applications used in connection with the operation of the Hospitals for which Vendor will use its "best efforts" to support in the same manner as Vendor has historically provided such support to the Hospitals prior to the Effective Date and in a manner that is substantially similar to support provided for Vendor's own facilities, as limited by Software Application Vendors (as defined herein) and their support services (the "Supported Software Applications"). Vendor is not responsible and accepts no liability or accountability for the actions, results or performance of any third party licensor or vendor of the Supported Software Applications (such third party licensors or vendors are referred to herein as "Software Application Vendors").

1.4 ***Data Integrity Measures***. In connection with the Information Services provided under this Agreement, Vendor and Authorized User shall mutually agree to implement reasonable firewalls and other security methods and procedures, including, without limitation, utilizing appropriate hardware and software necessary to maintain and ensure the integrity of Authorized User's and Vendor's data. Virus-detection and protection software is a core service provided by Vendor pursuant to this Agreement. If Authorized User determines that: (a) a virus has been introduced into the Supported Software Applications, or (b) the integrity of the data has been compromised or (c) unauthorized access to the data has occurred, it will promptly notify Vendor and Vendor shall use commercially reasonable efforts to eradicate the virus or otherwise resolve the applicable issue as promptly as reasonably practicable. Vendor agrees to reasonably work with Authorized User's outsourced infrastructure vendor to meet security requirements or set up a secure environment between the two networks.

*1.5 **Protected Health Information**.* Vendor shall use its best efforts to protect the confidentiality of all patient records in accordance with the standards of all applicable local, state and federal laws and regulations relating to the patient records, specifically including the privacy requirements of the Administrative Simplification subtitle of the Health Insurance Portability and Accountability Act of 1996 and state requirements. Vendor shall comply with the Business Associate Agreement provisions attached and incorporated herein as Schedule 2.

2. TERM.

*2.1 **Term**.* This Agreement shall remain in effect for a period of twelve (12) months after the Effective Date, unless sooner terminated in accordance with the provisions hereof. This Agreement may be extended beyond the initial term only upon mutual agreement of Authorized User and Vendor. The fees and services to be provided during any such extended period may be different than those specified in this Agreement. Authorized User and Vendor shall agree in writing to the terms of any such extension to this Agreement no later than the date which is thirty (30) days prior to the expiration of the initial term.

*2.2 **Termination for Cause**.* Either party may terminate this Agreement upon written notice to the other party if the other party commits a breach of this Agreement and fails to cure the breach within thirty (30) days after written notice of the breach is provided by the nonbreaching party to the breaching party.

*2.3 **Termination Without Cause**.* Authorized User may terminate this Agreement without cause at any time during the term of this Agreement upon thirty (30) days prior written notice to Vendor. Vendor will consider requests by Authorized User to transition from any of the Supported Software Applications at any time during the term of the Agreement upon thirty (30) days' prior written notice to Vendor. In making its determination whether to permit Authorized User to transition from a Supported Software Application, Vendor shall review the impact and determine the cost associated with termination of a specific application. Vendor may elect to not permit termination of an application if the impact to the overall application set would increase the risk of failure or materially increase support costs related to other remaining Supported Software Applications. Authorized User shall be responsible for the costs associated with termination of any application, including any early termination fee relating to the Supported Software Application.

*2.4 **Information Transfer Rights**.* Prior to or upon termination of this Agreement, Vendor shall reasonably cooperate with Authorized User in transferring any information or data from Vendor's systems to Authorized User's successor systems. Following termination of this Agreement, Vendor shall reasonably cooperate with Authorized User in transferring any information or data from Vendor's systems to Authorized User's successor systems; provided, however, Vendor shall have no obligation to retain any such data following termination of this Agreement. All costs and expenses incurred by Vendor pursuant to this Section 2.4 shall be reimbursed by Authorized User at Vendor's costs depending upon when and how fast such assistance is required (giving consideration to the availability of internal versus external

resources). Vendor shall give a good faith written estimate of such expenses before commencing work.

3. INFORMATION SERVICE FEES, EXPENSES, TAXES

3.1 ***Information Service Fees.*** Authorized User shall pay to Vendor information service fees in the amounts and on the payment terms provided in Schedule 3 (Section 1 thereof), attached hereto and incorporated herein by this reference (the "Information Service Fee"). Vendor will invoice Authorized User by the fifteenth (15th) day of each month for the upcoming month's services. Authorized User shall have thirty (30) days to review and object to any incorrect invoices. Authorized User shall remit payment in full to Vendor no later than the date which is thirty (30) days after the receipt of each undisputed invoice. In the event of any dispute regarding an Information Service Fee, Authorized User shall notify Vendor within thirty (30) days after the date of receipt of the invoice of its disagreement with the invoice. In that event, the parties shall consult, and the payment shall be due within thirty (30) days of the resolution of the dispute. If the Effective Date is other than the first day of any calendar month, Authorized User shall pay Vendor a prorated Information Service Fee for the first and last partial calendar month of the Agreement (such proration shall not apply to the Vendor Expenses as such term is defined in Schedule 3 (Section 2 thereof)). The service fees for the first month shall be due upon acceptance of this Agreement.

3.2 ***Expenses.*** Authorized User shall reimburse to Vendor all pre-approved reasonable and necessary out of pocket expenses incurred by Vendor on behalf of Authorized User in connection with this Agreement as more particularly described in Schedule 3 (Section 2 thereof). Each such invoice relating to Vendor's out of pocket expenses shall include reasonable detail of the expenses incurred in accordance with Vendor's employee expense reimbursement policy. Authorized User shall reimburse Vendor for all freight charges incurred by Vendor on behalf of Authorized User in connection with this Agreement at Vendor's costs. Authorized User and Vendor shall each pay one-half (1/2) of any amounts required in order to obtain the approvals, consents, sublicenses and/or other rights of third parties in order to permit Vendor to provide the Information Services as contemplated herein; provided, however, that such amounts payable by Authorized User in no event shall exceed twenty-five thousand dollars ($25,000).As of the date of this Agreement, Vendor is not aware of any required licenses or consent fees.

3.3 ***Taxes.*** Authorized User shall pay all sales, use and personal taxes, or payments in lieu of taxes, however levied or assessed, arising from this Agreement; provided, however, that Vendor shall pay all taxes assessed in connection with taxes or payments in lieu of taxes based upon the net income of Vendor or related to the compensation of Vendor's employees.

4. USE OF THE DATA CENTER SYSTEM AND SUPPORTED SOFTWARE APPLICATIONS.

4.1 ***Rights in Data Center System and Supported Software Applications.*** Authorized User shall obtain no rights in the Data Center System or the Supported Software Applications other

than the rights to use them as specifically granted in this Agreement. Authorized User shall receive no title to or proprietary right or interest in the Data Center System or the Supported Software Applications as a result of this Agreement, including, without limitation, all systems, programs, operating instructions and other documentation relating to the Data Center System or the Supported Software Applications and any derivatives thereof.

4.2 Supported Software Applications Access. Authorized User shall not have the right to access support services directly from the providers of the Supported Software Applications. Instead, any maintenance or support shall be through Vendor's helpdesk with normal change control processes currently in place. Vendor hereby certifies that Vendor has a license to operate the Supported Software Applications installed at Authorized User's site. Vendor agrees to use its "best efforts" to support and maintain the Supported Software Applications in the same manner as Vendor has historically provided to the Hospitals prior to the Effective Date and in a manner that is substantially similar to support provided for Vendor's own facilities for the term of this Agreement. Both parties recognize that Software Application Vendors are responsible for service and support for their respective applications and, therefore, Vendor is not liable, responsible or accountable for the Software Application Vendors' services and support. Authorized User hereby waives any claims against Vendor resulting solely from the acts or omissions of the Software Application Vendors. Vendor shall work with Software Application Vendors in the same manner that it supports its other facilities to resolve any issues reported by Authorized User. Authorized User shall not copy, decompile or otherwise reverse engineer the Supported Software Applications. Upon termination or expiration of this Agreement, Authorized User's access to the Supported Software Applications and use of the Data Center System shall be discontinued and Authorized User shall return all related documentation to Vendor and shall certify to Vendor in writing that Authorized User has divested itself of all ability to implement and access the Supported Software Applications. Without Authorized User's prior written consent, during the term of this Agreement, Vendor shall not terminate any licenses, sub-licenses or agreements (collectively, the "Vendor Agreements") with any Software Application Vendors to the extent such Vendor Agreements relate to the provision of the Information Services. Notwithstanding the foregoing, Vendor shall have the right to terminate any Vendor Agreement in the event a Software Application Vendor is in breach of or default under a Vendor Agreement and Vendor reasonably determines that its best interests would be served by terminating such Vendor Agreement; provided, however, Vendor shall give Authorized User written notice of such termination a reasonable period of time prior to any such termination. Further, Vendor reserves the right to discontinue access to a Supported Software Application upon providing 60 days' advance written notice to Authorized User in the event it becomes necessary to decommission such application system-wide. Notwithstanding the foregoing, Vendor shall provide Authorized User with similar notice to that provided to Vendor's owned facilities.

4.3 Updates. From time to time, Vendor may, but is not obligated to, update the Supported Software Applications or provide updates received by the Vendor for Supported Software Applications. Vendor specifically reserves the right to exclude Authorized User from any regularly scheduled upgrades or other improvements to hardware or Supported Software

Applications; provided, however, that Vendor shall generally provide updates consistent with what it provides to its own facilities and in no event shall Vendor refuse to provide any update that facilitates Authorized User's compliance with applicable law, regulation or mandated improvement such as introduction of ICD-10 or achievement of "meaningful use" standards as that concept is set forth in 42 C.F.R. § 412, *et seq*. Vendor shall provide Authorized User with thirty (30) days prior written notice for Authorized User to determine whether Authorized User wants to accept an upgrade or other improvement. There may be costs associated with said upgrades, which will be the responsibility of Authorized User.

4.4 Interfaces with Authorized User's Other Systems. Authorized User may, upon prior written notice to and approval by Vendor (not to be unreasonably withheld), utilize other vendors of computer systems requiring interface with the Data Center System and Supported Software Applications, provided such other vendors agree to follow Vendor's acceptable use policies. Nothing herein shall require Vendor to provide programming support in respect to such interfaces; however, in the event Authorized User requests, and Vendor agrees to provide, such programming support, Vendor shall be reimbursed by Authorized User at Vendor's costs depending upon when and how fast such assistance is required (giving consideration to the availability of internal versus external resources). Except as provided in this paragraph, Vendor shall have no obligation to provide Information Services for systems provided by a person other than Vendor or a vendor preferred by Vendor. All such services shall be Authorized User's responsibility and cost. In the event that Authorized User requests, and Vendor agrees to provide, such services, the parties shall execute a Statement of Work or similar document that will specify the scope of the services, any deliverables to be provided, the time for delivery and the costs associated with such services.

5. BOOKS AND RECORDS.

5.1 Availability to Secretary and Others. Upon the written request of the Secretary of the Department of Health and Human Services or the Comptroller General or any of their duly authorized representatives, Vendor will make available those contracts, books, documents and records necessary to verify the nature and extent of the costs of providing services under this Agreement. Such inspection shall be available up to four (4) years after the rendering of such services. If Vendor carries out any of the duties of this Agreement through a subcontract with a value of $10,000 or more over a twelve (12) month period with a related individual or organization, Vendor agrees to include this requirement in any such subcontract. Nothing in the foregoing sentence shall be construed to permit Vendor to enter into any such subcontract unless permitted pursuant to Section 1 hereof. This Section is included pursuant to and is governed by the requirements of Public Law 96-499, Sec. 952 (Sec. 1861(v)(1)(I) of the Social Security Act) and the regulations promulgated thereunder. No attorney-client, accountant-client or other legal privilege will be deemed to have been waived by Authorized User or Vendor by virtue of this Agreement.

5.2 Right to Inspect. Authorized User shall have the right, at its expense, during normal business hours and with reasonable advance notice, to review and photocopy Vendor's

books and records that pertain directly to the accounts of Authorized User, the fees payable to Vendor under this Agreement or the goods and services provided by Vendor hereunder. Authorized User specifically agrees that all such information shall be "Confidential Information" (as defined in Section 8.1) and shall be treated as provided in Section 8.

6. LIMITATION OF LIABILITY.

(a) Neither party shall be liable to the other for any failure or delay in the performance of its obligations under this Agreement if such failure or delay arises out of a cause beyond the reasonable control of such party. Such causes beyond the reasonable control of a party may include, without limitation, acts of God, a public enemy, civil or military authority, fires or other catastrophes, delays in transportation, or riots or war.

Should the Supported Software Applications and/or the Information Services hereunder be made the subject of any claim alleging misappropriation or infringement of any patent, copyright, trade secret, trademark or other intellectual property rights of any third person, Vendor's sole liability shall be, at is option, to procure the right to use the Support Software Application and provide the Information Services free of such liability or to replace or modify the Support Software Application and the Information Services to make them non-infringing or functionality and to not charge Authorized User for the cost of any necessary training and interfaces necessary for transition to such non-infringing Supported Software Application and/or Information Services.

IN THE EVENT OF DELAYS, ERRORS OR OMISSIONS IN PROCESSING OR IN PROVIDING OR FAILING TO PROVIDE ANY OTHER SERVICES PROVIDED BY VENDOR HEREUNDER, VENDOR SHALL USE ITS BEST EFFORTS TO CORRECT SUCH ERRORS OR OMISSIONS, TO MAKE SUCH SERVICES AVAILABLE AND/OR RESUME PERFORMING SUCH SERVICES AS PROMPTLY AS REASONABLY PRACTICABLE AND AT NO ADDITIONAL CHARGE. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR INDIRECT, SPECIAL, PUNITIVE, EXEMPLARY, INCIDENTAL, OR CONSEQUENTIAL DAMAGES OF ANY KIND (COLLECTIVELY, "INDIRECT DAMAGES") ARISING OUT OF THE PERFORMANCE OR BREACH OF THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, LOST PROFITS, OR ANY INDIRECT DAMAGES ARISING WITH RESPECT TO A LOSS OF DATA OR BUSINESS INTERRUPTION. THE FOREGOING SHALL NOT AFFECT ANY LIABILITY FOR DIRECT DAMAGES ARISING OUT OF OR IN CONNECTION WITH A LOSS OF DATA OR BUSINESS INTERRUPTION.

EXCEPT AS PROVIDED BELOW, EACH PARTY'S LIABILITY TO THE OTHER FOR ANY OTHER DAMAGES CAUSED BY OR RESULTING FROM THE PERFORMANCE OR BREACH OF THIS AGREEMENT, WHETHER IN TORT, CONTRACT OR OTHERWISE, SHALL BE LIMITED IN EACH CASE TO AN AMOUNT EQUAL TO THE FEES PAID HEREUNDER DURING THE PRECEDING TWELVE (12) MONTHS.

(b) Notwithstanding the foregoing, the limitations of liability shall not apply to (i) the indemnification obligations set forth in this Section 6, (ii) breach of the confidentiality provisions set forth in Section 8 hereof, (iii) any disclosure of Protected Health Information, Patient Identification Information, or other breach of the Business Associate Agreement attached hereto; (iv) breach of the warranties contained in Section 7, or (v) any act or omission that constitutes fraud, willful or wanton misconduct, gross negligence or other egregious conduct.

(c) Authorized User shall indemnify and hold harmless from and against any loss, damage or liabilities (including, without limitations, attorneys' fees) resulting from claims, actions or lawsuits ("Losses") asserted by or on behalf of third parties or which result from governmental action or are otherwise asserted against Vendor only to the extent that such Losses are determined by a judgment of a court that is binding, final and not subject to review on appeal to have resulted primarily from Authorized User's fraud, willful misconduct, negligence or breach of the confidentiality provisions set forth in Section 8 hereof. Vendor shall indemnify and hold harmless Authorized User from and against any Losses asserted by or on behalf of third parties or which result from governmental action or are otherwise asserted against Authorized User only to the extent that such Losses are determined by a judgment of a court that is binding, final and not subject to review on appeal to have resulted primarily from Vendor's fraud, willful misconduct, negligence or breach of the confidentiality provisions set forth in Section 8 hereof or any breach of the Business Associate Agreement.

7. WARRANTIES AND DISCLAIMERS.

*7.1 **Vendor's Efforts**.* Vendor, in the provision of the Information Services, shall perform and provide such Information Services in a professional, timely and workmanlike manner. Vendor warrants that neither it nor its directors, officers, and employees have been: (i) debarred, excluded or otherwise declared ineligible to participate in the Federal health care programs as defined in 42 USC § 1320a-7b(f); (ii) convicted of a criminal offense related to the provision of healthcare items or services, and (iii) to the best of its knowledge, under investigation or otherwise aware or any circumstances which may result in exclusion from participation in such programs. This shall be an ongoing representation and warranty during the term of this Agreement. No computer software provided by Vendor hereunder shall include any virus, worm, back door, time bomb, Trojan Horse, turn off instructions, or other rouge code, however described.

*7.2 **Disclaimer**.* EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN, VENDOR DOES NOT MAKE AND EXPRESSLY DISCLAIMS ALL WARRANTIES WITH RESPECT TO THE INFORMATION SERVICES, THE SUPPORTED SOFTWARE APPLICATIONS AND THE DATA CENTER SYSTEM, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. VENDOR DOES NOT WARRANT ANY EQUIPMENT OR THIRD PARTY SOFTWARE EXCEPT TO THE EXTENT SET FORTH IN THE PURCHASE AGREEMENT. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN, AUTHORIZED USER ASSUMES ALL RESPONSIBILITY FOR CONVERSION OF THE SUPPORTED SOFTWARE

APPLICATIONS FROM VENDOR'S SYSTEM TO AUTHORIZED USER'S SUCCESSOR SYSTEMS. THIS INCLUDES BUT IS NOT LIMITED TO THE DESIGN OF THE CONVERSIONS, DEVELOPMENT OF THE PROCESSES TO SUPPORT THE CONVERSION, TESTING OF THOSE PROCESSES, IMPLEMENTATION OF THE CONVERSION AND AUDIT ABILITY OF THE RESULTS NECESSARY TO DETERMINE THE SUCCESS OF THE CONVERSION.

8. CONFIDENTIALITY.

8.1 Definition. "Confidential Information" is defined as all data and materials furnished by one party to the other party in connection with this Agreement, including, without limitation, the identity of patients, the content of any medical records, financial and tax information, information regarding Medicare and Medicaid claims submission and reimbursements, the object and source codes for the Supported Software Applications, the documentation, and such other information constituting the Data Center System and the Supported Software Applications.

8.2 Obligation to Observe Confidentiality. The party receiving the Confidential Information (the "Receiving Party") from the party who owns or holds in confidence such Confidential Information (the "Owning Party") may use the Confidential Information solely for the purpose of performing its obligations or enforcing its rights under this Agreement.

8.3 Protection. The Receiving Party shall not disclose any of the Confidential Information except to those persons having a need to know for the purpose of performing its obligations or enforcing its rights under this Agreement. Each party shall take appropriate action, by instruction to or agreement with its affiliates, employees, agents and subcontractors, to maintain the confidentiality of the Confidential Information. The Receiving Party shall promptly notify the Owning Party in the event that the Receiving Party learns of an unauthorized release of Confidential Information.

8.4 Exceptions. The Receiving Party shall have no obligation with respect to:

(a) Confidential Information made available to the general public without restriction by the Owning Party or by an authorized third party;

(b) Confidential Information known to the Receiving Party independently of disclosures by the Owning Party under this Agreement, excluding Confidential Information that becomes the Confidential Information of Authorized User or its affiliates as a result of the Purchase Agreement, which Vendor shall continue to maintain as confidential;

(c) Confidential Information independently developed by the Receiving Party; or

(d) Confidential Information that the Receiving Party may be required to disclose pursuant to subpoena or other lawful process; provided, however, that the Receiving Party

notifies the Owning Party in a timely manner to allow the Owning Party to appear and protect its interests.

*8.5 **Return of Confidential Information**.* Upon the termination or expiration of this Agreement, each party shall (a) immediately cease to use the other party's Confidential Information, (b) return to the other party such Confidential Information and all copies thereof within ten (10) business days of the termination, unless otherwise provided in this Agreement, and (c) upon request, certify in writing to the other party that it has complied with its obligations set forth in this Section 8, unless otherwise provided in this Agreement.

*8.6 **Availability of Equitable Remedies**.* The parties acknowledge that monetary remedies may be inadequate to protect rights in Confidential Information and that, in addition to legal remedies otherwise available, injunctive relief is an appropriate judicial remedy to protect such rights.

*8.7 **Reasonable Assistance**.* Each party agrees to provide reasonable assistance and cooperation upon the reasonable request of the other party in connection with any litigation against third parties to protect the requesting party's Confidential Information, provided that the party seeking such assistance and cooperation shall reimburse the other party for its reasonable out-of-pocket expenses.

9. MISCELLANEOUS.

*9.1 **Independent Contractor**.* Vendor, in performance of this Agreement, is acting as an independent contractor and shall have the exclusive control of the manner and means of performing the work contracted for hereunder. Personnel supplied by Vendor hereunder, whether or not located on Authorized User's premises, are not Authorized User's employees or agents and shall not hold themselves out as such, and Vendor assumes full responsibility for their acts and for compliance with any applicable employment, worker's compensation and tax laws with respect to such employees. Nothing contained in this Agreement shall be construed to create a joint venture or partnership between the parties.

*9.2 **Survival**.* Termination of this Agreement shall not affect the rights and obligations of the parties hereunder for any of their respective acts or omissions prior to or on the date of such termination. After the effective date of such termination, only Sections 5, 6, 8, 9.2, 9.3 and 9.4 shall continue to be in full force and effect.

*9.3 **Entirety of Agreement.*** This Agreement (including the Schedules hereto), the Purchase Agreement (including the Schedules and the Exhibits thereto), and the other documents and instruments specifically provided for herein and therein contain the entire understanding between the parties concerning the subject matter of this Agreement and such other documents and instruments and, except as expressly provided for herein or therein, supersede all prior understandings and agreements, whether oral or written, between them with respect to the subject matter hereof and thereof. There are no representations, warranties, agreements, arrangements or understandings, oral or written, between the parties hereto relating to the subject matter of this

Agreement and such other documents and instruments which are not fully expressed herein or therein.

9.4 Incorporation of Provisions of Purchase Agreement. The following provisions of the Purchase Agreement are incorporated herein by this reference: Sections 12.5 (Legal Fees and Costs), 12.6 (Choice of Law), 12.7 (Benefit/Assignment), 12.13 (Notice), 12.14 (Severability), 12.15 (Gender and Number), 12.16 (Divisions and Headings), 12.19 (Waiver of Jury Trial), 12.22 (No Third Party Beneficiaries), and 12.23 (Entire Agreement/Amendment).

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the Effective Date.

CHSPSC, LLC

By:_____

SUNNYSIDE HEALTHCARE

By:_____

SCHEDULE 1
TO
INFORMATION TECHNOLOGY TRANSITION SERVICES AGREEMENT

Information Services

The Information Services shall consist of the following services:

System Cost and Invoicing Process:

Central Support Labor:
Central services such as helpdesk, network support, data center support, product support and other regular support services are charged as on a percentage basis of net revenue.
Fees for these services a based on prior year net revenue of this purchased hospital as a percent of total net revenue. The fractional part of services is charged as part of this agreement.

Corporate Bills:
Invoices are submitted to the Vendor Corporate office for multiple facilities and / or individual facilities. These combined invoices are allocated to hospitals based on actual utilization.
Combined service invoices submitted for multiple hospitals are allocated based on percent of total net revenue.
Facility maintenance invoices received at the Vendor Corporate office will be distributed to the appropriate facility AP office for processing.

Direct Bills to Hospital:
Based on facility level vendor decisions, invoices may be sent directly to the hospital, which are paid through the facility AP process. These invoices will continue to be sent to the hospital and are not duplicated in above fees. Direct hospital invoices must continue to be paid by Authorized User in order to ensure contracted service continues.

Services and products which are excluded:
a. Hospital Website
b. Taleo HR Recruiting
c. HPG contracts migrates off 90 days after acquisition
d. McKesson HPF data extract requires a Statement of Work for Authorized User approval. Vendor to assist as required
e. Athena Clinical Documentation and Athena Collector are not covered in this agreement (details below)

Special Services:

A firewall and virtual router will be implemented to mitigate risk; however, Vendor makes no representation or warranty regarding the performance of this equipment or otherwise. The firewall technology will be owned and managed by CHSPSC, LLC Information Security. This device will be installed prior to day one of the Agreement, and is to be returned to CHSPSC, LLC at the expiration of the Agreement.

The AD Controller is a virtual device installed at the facility level, available to the Authorized User throughout the term of the Agreement. Prior to the expiration of the Agreement, the Vendor will assist the Authorized User in migration of accounts from the AD Controller in order to terminate all access to Vendor accounts.

Applications Provided:

PULSE / DAR and 3rd Party Applications supported within this TSA:		Description
Patient Accounting	DAR	Financial applications
	Billing	
	Registration	
	Scanning	McKesson HPF Scanning
	Collections	
	SSI	Electronic claims filing
	Medical Necessity	Admission criteria, lab test authorization
	CCSM	Claims Mgmt - Medicare claims
	Rev Spring	Remit posting product, follow up letters
	Passport	Insurance Eligibility / Verification
	Abstracting	
Financials	General Ledger	
	AutoCA / Auto Cap	Contractual allowance programs
	CAPS	Chargemaster management program
	ICE	
	Essbase	Analytical performance db
	OBIEE	
	Fixed Assets	
	McKesson Materials Management	
	Artiva	Contract management
	C360	Billing audits
	Charge Reconciliation	
	PMR	Productivity management reporting
AP	SharePoint (Intranet)	
	Laser Checks	Check printing
	Centralized AP	DAR
Non-Financial Reporting	HIIM	Medical Records, Abstracts, coding, deficiency tracking and state reporting
	Managed Care	

	Enterprise Data warehouse	
	Legacy Data warehouse	
	Cognos	CHS Business Intelligence reporting
	BOB	CHS14 Business Objects reporting
	Meaningful Use	
	Senior Circle	
	Key Stats	
	Core Measures	
	PULSE	Public reporting
	Collaborative Care System	Case/Resource Management
	CHS Intranet	
	Patient Surveys	Quality reporting management
	Cerner P2 Sentinel	Auditing and Compliance Solution
	eArchive	
	ERS	Event Reporting Systems
Clinical Applications	**PULSE**	Clinical applications
	Yakima hosts Pulse center	*Toppenish shares Yakima DC Pulse system*
	Medhost EDIS	Emergency Dept Information System
	Medhost Patient Portal	Patient access
	GE RIS	Radiology system
	Soft Lab	Laboratory system
	McKesson Horizon Meds Manager	Pharmacy
	Meds-tracker	ePrescribe
	MAP	Physician Medical Access Portal
	Patient Keeper	CPOE
	Patient Safe Solutions	Bar code medication admin
	PatientKeeper	Medication reconciliation system
	Krames	Patient education
		Patient Order Entry
	Vincari	Physician documentation
	PatientSafe Solutions	Clinical documentation
	Zynx	Evidence Based Order Sets
	Dietary system	Pulse Dietary Order Entry
Ancillary Products	McKesson HPF/MPF	Horizon / McKesson Patient Folder
	3M 360	Coding system
	eCharms	Coding / Billing

	M*Modal Transcription	Transcription
	Carestream PACS	
	Xcelera – CPACS	Cardiology PACS
	Epiphany (EKG)	Corporate recommended - EKG
	GE Muse (EKG)	EKG
	MRS	Mammography Reporting Systems
	Quest	Contract Reference lab
	Lab Corp	Contract Reference lab
	AcuDose	Medication dispensing system
	Medispan	Drug update
	Micromedex	Drug interaction resource
	GE Centricity	OB / Nursery documentation system
	Sentri7	Clinical Surveillance
	Emprint	Downtime forms, discharge instructions
Procure-ment	Email (exchange/outlook)	
	GHX	Supply Requisition System
	Ariba	Contract workflow and approval system
Staff Mgmt	Kronos	Time & Attendance
	ADP	Payroll
	HMS Direct Deposit	Direct Deposit
	MDStaff	Physician credentialing
IT Systems	Active Directory	
	IDM	Identity Management
	ALC	Advanced Learning - Education
	Mirth	Interface engine
	Service Now	CHS - Issue & Request System
	Exchange / Outlook	Email, calendar, contacts

Email Conversion

Authorized User is responsible for any services and fees associated with converting the Hospitals to a different email system. Vendor shall provide a data extract of applicable emails in a readily-available format to Authorized User when Authorized User elects to convert.

Microsoft

Authorized User is responsible for any enterprise or other licensing, support, or services agreements with Microsoft for all Microsoft products upon termination of the Agreement. Vendor agreements are non-transferrable.

Upgrades

Vendor shall determine within reasonable discretion whether to include the Facilities in any system or software upgrades (whether scheduled or incidental), but Vendor shall consult in good faith with Authorized User regarding any upgrade decisions affecting the Facilities. Authorized User is responsible for any and all costs associated with any upgrades.

General

Application Software Support as currently provided by Vendor to the Facilities using best efforts to communicate, support and implement or oversee product upgrades.
Telecommunications connectivity as required to support the applications and other services provided under this Agreement using best efforts.

Vendor agrees to provide "best efforts" support to assist Authorized User in the conversion of system data from Vendor's systems to Authorized User's systems by providing file documentation, field definitions and machine readable copies of selected files, as required due to system upgrade.

Provision of all currently available daily and monthly system reports which relate to the Facilities, delivered in both paper and electronic format provided such reports are capable of being generated based on system data maintained by Vendor or Authorized User.

Physician Clinics: System Functionality:

- Athena Clinical Documentation and Athena Collector are not covered in this agreement.
  - Athena sells their software in a "software as a service" approach and does not license.
  - As such Athena functionality cannot be partially assigned to Authorized User.
  - Vendor has purchased centralized collection services from Athena and Vendor fees are based on collection amounts. Therefore these services will need to be contracted directly from Athena to Authorized User.
  - As part of the Information Services, view only access will be provided to historical clinical information within the Athena Clinical Documentation application.
  - Vendor will assist Authorized User in submitting an export request to Athena to receive a PDF download of all historical clinical information.
  - If Vendor is requested to assist Authorized User in a build of new table space for Authorized User, Vendor will provide an estimate of cost, Authorized User will review / approve / create PO, then Vendor will schedule work and provide an ECD.

Athena Physician Clinics

- Fees associated with Athena services need to be directly contracted between Authorized User and Athena.
- Vendor assistance provided on Athena migration efforts will be estimated and submitted to Authorized User for review and approval.
- Continued physician clinic support of core services is included in core services fee.
- Direct billed items to clinics will continue to be charged directly to each clinic.

Limited System Flexibility / Localization:

- Vendor systems are designed and configured to operate in multi-hospital mode which limits flexibility at individual hospitals.
- The Chargemaster is maintained as a centralized function and does not support localization per hospital.
- Departmental revenue posting and general ledger chart of accounts are also limited to a common structure for all locations.
- Vendor will not authorize changes to centralized configurations which if changed for purchased facility will impact configuration or operations of other retained facilities.
- Requested changes which do no impact retained facilities, will be estimated based on specifications provided by Authorized User. If the change is possible, a cost estimate will be provided. Authorized User can accept or reject estimate, if approved, work will be scheduled by Vendor as it fits into Vendor's resource needs, provide delivery date, deliver change to Authorized User for testing and sign off, and finally issue invoice for payment of services.

Vendor Access to Vendor Core Applications Post Close

- For a period of thirty (30) days beginning at the Effective Time, Vendor requires access to certain Vendor applications in order to complete normal business activities for periods prior to the Effective Time.
- Through Authorized User's firewall, Authorized User will provide commercially reasonable access to requested applications by Vendor and will do so in a timely fashion so that normal business deadlines can be met.
- Vendor will timely provide Authorized User with a list of applications to which access is requested (Vendor may request additional access during the term upon reasonable notice to Authorized User).
- Vendor may request additional access beyond the stated thirty (30) day period, which Authorized User may grant, in its discretion.

Access to Electronic Components of Medical Record:

- Vendor is required to provide electronic medical record information without limitation.
- The electronic medical record is stored across the Vendor's clinical and ancillary systems.
- The Authorized User may work directly with each outside Vendor to arrange data extracts of each system. Vendor will facilitate data extract services as needed.
- The Vendor utilizes McKesson HPF/MPF to store required documents which make up the legal health record. McKesson is able to provide an extract of stored data into a PDF format.
- Vendor will facilitate the Authorized User to contract through McKesson to get required facility data downloaded. Estimates are based on data volume, and average $80,000 for this service.
- Authorized User will have access to the appropriate facility information contained within the Vendor's clinical system during the term of this agreement.
- Vendor reserves the right to modify the method used to provide this data as application vendor provides alternative solutions to provide historical EMR data; provided, however, that any such modification of the method of provision of data must be approved in advance by Authorized User, which approval will not be unreasonably withheld, conditioned or delayed.

Application Shut-Down Process:

- After Agreement termination, Vendor reserves the right to come on-site and conduct an application and hardware maintenance shut-down procedure.
- After Authorized User has converted all applications to internal systems, Vendor will conduct an on-site audit of all applications.
  - If an application has been deemed by Authorized User to be retained and continue operations, Vendor will work with application vendor to assign licenses and establish direct maintenance agreement with application vendor. Software maintenance fees will be stopped to Vendor.
  - If an application is deemed to be discontinued, Vendor will communicate shut down process with application vendor conducting all required shut down procedures as specified in application vendor contract. These may include erasing all components of application from servers and back-up devices.
- Vendor will conduct an audit of all hardware to ensure all hardware to be returned post termination is properly decommissioned and returned to Vendor, unless such hardware is an Asset under the Purchase Agreement.
- If any hardware is included in Purchase Agreement, Vendor hardware maintenance contracts will be terminated and Authorized User will establish direct maintenance agreements with appropriate hardware vendors unless the relevant Vendor agreement has been assigned to Authorized User under the Purchase Agreement.

SCHEDULE 2

TO

INFORMATION TECHNOLOGY TRANSITION SERVICES AGREEMENT

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("**Agreement**") dated _____, 2016 (the "**Effective Date**"), is entered into by and between **Sunnyside Community Hospital Association**, a Washington not-for-profit corporation ("**Covered Entity**"), and **CHSPSC, LLC**, a Delaware limited liability company ("**Business Associate**"), each a "**Party**" and collectively, the "**Parties**."

WHEREAS, pursuant to the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996 ("**HIPAA**") and the Health Information Technology for Economic and Clinical Health Act of 2009 ("**HITECH**"), the U.S. Department of Health & Human Services ("**HHS**") promulgated the Standards for Privacy of Individually Identifiable Health Information (the "**Privacy Standards**"), security standards for the Protection of Electronic Protected Health Information (the "**Security Standards**") and standards for Breach Notification for Unsecured Protected Health Information (the "**Breach Notification Standards**") at 45 C.F.R. Parts 160 and 164 (collectively, the Privacy Standards, the Security Standards and the Breach Notification Standards are sometimes referred to herein as the "**HIPAA Requirements**");

WHEREAS, Covered Entity and Business Associate have entered into, or are entering into, or may subsequently enter into, one or more agreements (collectively, the "**Services Arrangements**") pursuant to which Business Associate may provide products and/or services for Covered Entity that require Business Associate to access, create and use health information that is protected by federal law;

WHEREAS, the HIPAA Requirements require that certain obligations be extended to Business Associate through an agreement between Covered Entity and Business Associate;

WHEREAS, Business Associate and Covered Entity desire to enter into this Agreement in order to satisfy such requirement;

NOW THEREFORE, the parties agree as follows:

1. **Business Associate Obligations**. Business Associate may use and disclose PHI only as permitted or required by this Agreement. All capitalized terms not otherwise defined in this Agreement shall have the meanings set forth in the HIPAA Requirements; provided that Protected Health Information ("**PHI**") and Electronic Protected Health Information ("**EPHI**") are limited to such information created, received, maintained or transmitted by Business Associate from or on behalf of Covered Entity in connection with the Services Arrangements. All references to PHI herein shall be construed to include EPHI. To the extent Business Associate is to carry out the obligations of Covered Entity under Part 164, Subpart D of the HIPAA Requirements pursuant to the Services Agreements (or to carry out the obligations of any covered entities the Covered Entity

may own, operate, or manage, to the extent Business Associate is obligated to provide services to such covered entities under the Services Arrangements), Business Associate shall comply with the requirements of such subpart in the performance of such obligations.

2. **Use of PHI.** Business Associate may use PHI (i) as required by law, (ii) for the purpose of performing services for Covered Entity as such services are defined in Services Arrangements to the extent such uses are permitted by applicable federal or state law; provided that Business Associate shall not so use PHI in a manner that would violate the HIPAA Requirements if the PHI were used by Covered Entity in the same manner, and (iii) as necessary for the proper management and administration of the Business Associate or to carry out its legal responsibilities. Business Associate agrees to use PHI in compliance with 45 C.F.R. §164.504(e).

3. **Disclosure of PHI**.

3.1 To the extent permitted by applicable state and federal law, Business Associate may disclose PHI to any third party persons or entities as necessary to perform its obligations under the Business Arrangement (provided that Business Associate shall not so disclose PHI in a manner that would violate the HIPAA Requirements if the PHI were disclosed by Covered Entity in the same manner).

3.2 Business Associate may disclose PHI for the proper management and administration of the Business Associate, provided that (i) such disclosures are required by law, or (ii) Business Associate: (a) obtains reasonable assurances from any third party to whom the information is disclosed that it will be held confidential and further used and disclosed only as required by law or for the purpose for which it was disclosed to the third party; (b) requires the third party to agree to promptly notify Business Associate of any instances of which it is aware that PHI is being used or disclosed for a purpose that is not otherwise provided for in this Agreement or for a purpose not expressly permitted by the HIPAA Requirements.

3.3 In accordance with §164.502(e)(1)(ii) and §164.308(b)(2) of the HIPAA Requirements, Business Associate shall ensure that its subcontractors that use, disclose, create, receive, maintain and/or transmit PHI on behalf of Business Associate agree in writing to the same restrictions and conditions that apply to Business Associate with respect to such information and in the case of EPHI, agree to comply with the applicable requirements of Part 164, Subpart C of the HIPAA Requirements.

3.4 Business Associate shall report to Covered Entity any use or disclosure of PHI not permitted by this Agreement, of which it becomes aware, such report to be made within fifteen (15) business days of the Business Associate becoming aware of such use or disclosure.

4. **Individual Rights Regarding Designated Record Sets.** If Business Associate maintains a Designated Record Set on behalf of Covered Entity, Business Associate shall (i) provide access

to, and permit inspection and copying of, PHI by Covered Entity under conditions and limitations required under 45 CFR §164.524, as it may be amended from time to time, and (ii) amend PHI maintained by Business Associate as requested by Covered Entity. Business Associate shall respond to any request from Covered Entity for access by an Individual within ten (10) days of such request and shall make any amendment requested by Covered Entity within twenty (20) days of such request. Any information requested under this **Section 4** shall be provided in the form or format requested, if it is readily producible in such form or format. Business Associate may charge a reasonable fee based upon the Business's labor costs in responding to a request for electronic information (or a cost-based fee for the production of non-electronic media copies). Covered Entity shall determine whether a denial of access and/or amendment is appropriate or an exception applies. Business Associate shall notify Covered Entity within five (5) business days of receipt of any request for access or amendment of PHI by an Individual. Covered Entity shall determine whether to grant or deny any access or amendment requested by the Individual. Business Associate shall have a process in place for requests for amendments and for appending such requests to the Designated Record Set.

5. **Accounting of Disclosures. Business Associate shall make available to Covered Entity** in response to a request from an Individual, information required for an accounting of disclosures of PHI with respect to the Individual in accordance with 45 CFR §164.528. Business Associate shall provide to Covered Entity such information necessary to provide an accounting within thirty (30) days of Covered Entity's request or such shorter time as may be required by state or federal law. Such accounting must be provided without cost to the Individual or to Covered Entity if it is the first accounting requested by an Individual within any twelve (12) month period. For subsequent accountings within a twelve (12) month period, Business Associate may charge a reasonable fee based upon the Business's labor costs in responding to a request for electronic information (or a cost-based fee for the production of non-electronic media copies) so long as Business Associate informs the Covered Entity in advance of the fee, and the Individual is afforded an opportunity to withdraw or modify the request. Such accounting obligations shall survive termination of this Agreement and shall continue as long as Business Associate maintains PHI.

6. **Data Aggregation**. In the event that Business Associate works for more than one covered entity (as such term is defined in the HIPAA Requirements), Business Associate is permitted to use and disclose PHI for data aggregation purposes, however, only in order to analyze data for permitted health care operations, and only to the extent that such use is permitted under the HIPAA Requirements.

7. **De-identified Information**. Business Associate may use and disclose de-identified health information if the de-identification is in compliance with 45 C.F.R. §164.514 and the HIPAA Requirements.

8. **Obligations of Covered Entity.** Covered Entity shall: (i) provide Business Associate with a copy of its notice of privacy practices that Covered Entity produces in accordance with 45 C.F.R. §164.520 as well as any changes to such notice, to the extent that it effects Business Associate's use or disclosure of PHI; (ii) notify Business Associate of any restriction to the use or disclosure

of PHI that Covered Entity has agreed to in accordance with 45 C.F.R. §164.522 of the Privacy Regulations, to the extent that such restriction may affect Business Associate's use or disclosure of PHI pursuant to the terms of this Agreement; (iii) notify Business Associate in conformance with **Section 14.1** of any changes in, or revocation of, permission by an Individual to use or disclose PHI, to the extent that such changes may affect Business Associate's use or disclosure of PHI; and (iv) Covered Entity shall obtain all authorizations necessary for any use or disclosure of any PHI as contemplated under the Services Arrangements.

9. **Withdrawal of Authorization.** If the use or disclosure of PHI in this Agreement is based upon an Individual's specific Authorization for the use of his or her PHI, and (i) the Individual revokes such Authorization in writing, (ii) the effective date of such Authorization has expired, or (iii) the consent or Authorization is found to be defective in any manner that renders it invalid, Covered Entity shall promptly provide Business Associate written notice of such revocation or invalidity, to permit Business Associate to cease the use and disclosure of any such Individual's PHI except to the extent it has relied on such use or disclosure, or where an exception under the HIPAA Requirements expressly applies.

10. **Records and Audit.** Business Associate shall make available to HHS or its agents, its books and records relating to the use and disclosure of PHI received from, created, or received by Business Associate on behalf of Covered Entity for the purpose of determining the Parties' compliance with the HIPAA Requirements, in a time and manner designated by HHS.

11. **Implementation of Security Standards; Notice of Security Incidents.** Business Associate will use appropriate safeguards to prevent the use or disclosure of PHI other than as expressly permitted under this Agreement, will comply with the applicable requirements of Part 164, Subpart C of the HIPAA Requirements, and will promptly report to Covered Entity any Security Incident involving EPHI of which it becomes aware; provided, however, that Covered Entity shall be deemed to have received notice from Business Associate of routine occurrences of: (i) unsuccessful attempts to penetrate computer networks or services maintained by Business Associate; and (ii) immaterial incidents such as "pinging" or "denial of services" attacks.

12. **Data Breach Notification**. Business Associate agrees to implement reasonable systems for the discovery and reporting of any "breach" of "unsecured PHI" as those terms are defined by 45 C.F.R. §164.402 provided however, that a breach shall not include (i) any unintentional acquisition, access, or use of PHI by a workforce member or person acting under the authority of Covered Entity or Business Associate, if such acquisition, access, or use was made in good faith and within the scope of authority and does not result in a further use or disclosure in a manner not permitted under the Privacy Rule; (ii) any inadvertent disclosure by a person authorized to access PHI at Covered Entity or Business Associate to another person authorized to access PHI at Covered Entity or Business Associate, or an organized health care arrangement in which Covered Entity participates, and the information received as a result of such disclosure is not further used or disclosed in a manner not permitted under the HIPAA Requirements; or (iii) a disclosure of PHI where Covered Entity or Business Associate has a good faith belief that the unauthorized person to whom the disclosure was made would not have reasonable been able to retain the disclosed

information (hereinafter, a "**HIPAA Breach**"). The parties acknowledge and agree that 45 C.F.R. §§164.404, 164.410 govern the determination of the date of a HIPAA Breach. Business Associate will, following the discovery of a HIPAA Breach, notify Covered Entity promptly and in no event later than fifteen (15) business days after Business Associate discovers such HIPAA Breach, unless Business Associate is prevented from doing so by 45 C.F.R. §164.412 concerning law enforcement investigations. No later than twenty (20) business days following a HIPAA Breach, and to the extent such information is known to Business Associate, Business Associate shall provide Covered Entity with the information required by 45 C.F.R. §§164.404(c), 164.410.

13. Term and Termination.

13.1 This Agreement shall commence on the Effective Date and shall remain in effect until terminated in accordance with the terms of this **Section 13**.

13.2 Either Party may immediately terminate this Agreement (the "**Terminating Party**") and shall have no further obligations to the other Party (the "**Terminated Party**") hereunder if the Terminated Party fails to observe or perform any material covenant or obligation contained in this Agreement for thirty (30) days after written notice thereof has been given to the Terminated Party.

13.3 Upon the termination of all Services Arrangements, either Party may terminate this Agreement by providing written notice to the other Party.

13.4 Upon termination of this Agreement for any reason, Business Associate agrees either to return to Covered Entity or to destroy all PHI received from Covered Entity or otherwise through the performance of services for Covered Entity, that is in the possession or control of Business Associate or its agents. In the case of PHI which is not feasible to "return or destroy," Business Associate shall extend the protections of this Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI.

14. Miscellaneous.

14.1 **Notice.** All notices, requests, demands and other communications required or permitted to be given or made under this Agreement shall be in writing, shall be effective upon receipt or attempted delivery, and shall be sent by (i) personal delivery; (ii) certified or registered United States mail, return receipt requested; (iii) overnight delivery service with proof of delivery; or (iv) facsimile with return facsimile acknowledging receipt. Notices shall be sent to the addresses below. Neither party shall refuse delivery of any notice hereunder.

Business Associate:	**Covered Entity:**
CHSPSC, LLC	_____
4000 Meridian Boulevard	_____
Franklin, TN 37067	_____
Attention: General Counsel	Attention: _____

14.2 Waiver. No provision of this Agreement or any breach thereof shall be deemed waived unless such waiver is in writing and signed by the Party claimed to have waived such provision or breach. No waiver of a breach shall constitute a waiver of or excuse any different or subsequent breach.

14.3 Severability. Any provision of this Agreement that is determined to be invalid or unenforceable will be ineffective to the extent of such determination without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such remaining provisions.

14.4 Entire Agreement. This Agreement constitutes the complete agreement between Business Associate and Covered Entity relating to the matters specified in this Agreement, and supersedes all prior representations or agreements, whether oral or written, with respect to such matters. In the event of any conflict between the terms of this Agreement and the terms of the Services Arrangements or any such later agreement(s), the terms of this Agreement shall control with respect to the subject matter of this Agreement unless the parties specifically otherwise agree in writing. No oral modification or waiver of any of the provisions of this Agreement shall be binding on either Party. No obligation on either Party to enter into any transaction is to be implied from the execution or delivery of this Agreement. This Agreement is for the benefit of, and shall be binding upon the parties, their affiliates and respective successors and assigns. No third party shall be considered a third-party beneficiary under this Agreement, nor shall any third party have any rights as a result of this Agreement.

14.5 Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Washington, excluding its conflicts of law provisions.

14.6 Nature of Agreement; Independent Contractor. Nothing in this Agreement shall be construed to create (i) a partnership, joint venture or other joint business relationship between the parties or any of their affiliates, or (ii) a relationship of employer and employee between the parties. Business Associate is an independent contractor, and not an agent of Covered Entity under this Agreement. This Agreement does not express or imply any commitment to purchase or sell goods or services.

14.7 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document. In making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart executed by the party against whom enforcement of this Agreement is sought.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

COVERED ENTITY:	**BUSINESS ASSOCIATE:**
SUNNYSIDE COMMUNITY HOSPITAL ASSOCIATION	CHSPSC, LLC
By:_____	By:_____
(Print or Type Name)	(Print or Type Name)
(Title)	(Title)
Date:_____	Date:_____

SCHEDULE 3
TO
INFORMATION TECHNOLOGY TRANSITION SERVICES AGREEMENT

Compensation

1. **Combined System Cost: $200,501**
   Yakima - $148,865
   Toppenish - $51,636
   These fees cover central support labor and 3rd party vendor fees charged directly to Vendor.
   A monthly invoice will be submitted to the Authorized User for these services.

2. **Direct Bill Average Monthly Cost: $19,662**
   Yakima - $10,667
   Toppenish - $8,995
   a. Estimated cost is based on average actual cost of a component over the last 18 – 24 months.
   b. There may be incremental cost based on 3rd Party Vendor contractual increases not covered in these estimates.
   c. Invoice amounts for many of these components will vary on a monthly basis based on usage.
   d. Example of variable fee is dictation usage. Fee is based on amount of dictation thus different each month.
   e. Example of fixed fee is monthly telecommunications fee.

3. **Forecasted Total Monthly Fees: $220,163**

4. **Vendor Expenses.**

   In addition to the compensation set forth in Section 1 of this Schedule 2 above, Authorized User shall reimburse Vendor for Vendor's actual expenses related to the following (the "Vendor Expenses") services provided by Vendor in Vendor's reasonable discretion:

   a. Travel, lodging, and related expenses which are reasonable and necessary for Vendor or Vendor's agents to incur in performing the Information Services;

   b. The transition in the operation of the Hospital from Vendor's systems to Authorized User's systems, including, but not limited to, expenses related to programming benefit changes and file conversions; and

   c. Preparing file extracts, enhancements, special reports and undertaking similar requests by Authorized User related to the transition of ownership or the ongoing operation of the Hospital.

Prior to Vendor incurring any Vendor Expenses, Vendor shall:
   a. Provide to Authorized User an estimate of such Vendor Expenses along with applicable work specifications; and
   b. Obtain Authorized User's prior written authorization to incur such Vendor Expenses.

EXHIBIT D

Transition Services Agreement

EXHIBIT D

TRANSITION SERVICES AGREEMENT

THIS TRANSITION SERVICES AGREEMENT (this "*Agreement*") is made and entered into as of _____, 2017 (the "*Effective Date*"), by and between CHSPSC, LLC, a Delaware limited liability company ("*CHSPSC*"), and SUNNYSIDE HEALTHCARE, a Washington not-for-profit corporation (the "*Company*").

Recitals

WHEREAS, affiliates of CHSPSC (collectively, "Sellers") and affiliates of the Company are parties to a certain Asset Purchase Agreement dated as of _____, 2016 (the "*Purchase Agreement*"), pursuant to which, among other things, affiliates of the Company are acquiring from Sellers substantially all of the assets of Sellers which are used in the operation of Yakima Regional Medical and Cardiac Center in Yakima, Washington, and Toppenish Community Hospital in Toppenish, Washington, together with certain related businesses including physician clinic operations and ancillary services (collectively the "Hospitals"); and

WHEREAS, any capitalized term used but not otherwise defined herein shall have the meaning ascribed thereto in the Purchase Agreement; and

WHEREAS, to assist in the transition of the ownership of the Hospitals to the Company pursuant to the Purchase Agreement, the Company desires that CHSPSC provide, and CHSPSC is willing to so provide, the services described below, in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, for and in consideration of the premises, and the agreements, covenants, representations and warranties hereinafter set forth, and other good and valuable consideration, the receipt and adequacy of all of which are forever acknowledged and confessed, the parties hereby agree as follows:

1. Transition Services. During the Term (defined below), CHSPSC shall provide to the Company the services described on Exhibit A attached hereto (collectively, the "*Transition Services*"). All of the Transition Services shall be provided by employees of CHSPSC, except that CHSPSC may, upon notice to the Company, subcontract to third parties the provision of all or part of such services. This Agreement does not impose upon CHSPSC (and the Transition Services do not include) any obligation to file any documents, instruments or reports with a Government Entity on behalf of the Company, nor any obligation to certify to a Government Entity the accuracy of any document, instrument or report filed by the Company. The Company retains the sole responsibility for filing with appropriate Government Entities any documents, instruments or reports pertaining to its operations, and, where required, certifying the accuracy thereof. CHSPSC shall provide the Transition Services out of its Ft. Smith, Arkansas Shared Services Center, where the Transition Services are currently being performed. During the Term, CHSPSC shall have the right to provide Transition Services from another location under the control of CHSPSC.

2. Term. Unless earlier terminated as provided herein, the term of this Agreement (the "*Term*") shall commence as of the Effective Date and shall terminate at midnight on the day immediately preceding the twelve (12) month anniversary of the Effective Date. Notwithstanding the foregoing, the Company may terminate or suspend from time to time any category of the Transition Services listed on Exhibit A, by identifying in a notice to CHSPSC which category or categories of applicable services the Company elects to terminate or suspend.

3. Default. If either the Company or CHSPSC fails to perform its obligations in accordance with this Agreement, the non-breaching party may give the party in breach written notice of such failure and the party in breach shall have thirty (30) days from the date of such notice (the "*Cure Period*") to cure such failure to the reasonable satisfaction of the non-breaching party. If the party in breach does not cure such failure within the Cure Period, then the non-breaching party, at its option, may terminate this Agreement.

4. Payment for Transition Services. As compensation for the Transition Services to be provided hereunder by CHSPSC, the Company agrees to pay CHSPSC the compensation set forth on Exhibit B. CHSPSC shall, on a monthly basis, submit to the Company for payment its billing invoice setting forth the amount of fees for the Transition Services rendered in the immediately preceding month (the "*Monthly Transition Services Invoice*"). Payments in respect of any undisputed Monthly Transition Services Invoice shall be made, without setoff or deduction, within thirty (30) days after the date of receipt thereof. In the event of any dispute regarding a Monthly Transition Services Invoice, Company shall notify CHSPSC within thirty (30) days after the date of receipt of the invoice of its disagreement with the invoice. In that event, the parties shall consult, and payment shall be due within thirty (30) days of the resolution of the dispute.

5. Books and Records.

(a) Availability to Secretary and Others. Upon the written request of the Secretary of the Department of Health and Human Services or the Comptroller General or any of their duly authorized representatives, CHSPSC will make available those contracts, books, documents and records necessary to verify the nature and extent of the costs of providing services under this Agreement. Such inspection shall be available up to four (4) years after the rendering of such services. If CHSPSC carries out any of the duties of this Agreement through a subcontract with a value of $10,000 or more over a twelve (12) month period with a related individual or organization, CHSPSC agrees to include this requirement in any such subcontract. Nothing in the foregoing sentence shall be construed to permit CHSPSC to enter into any such subcontract unless permitted pursuant to Section 1 hereof. This Section is included pursuant to and is governed by the requirements of Public Law 96-499, Sec. 952 (Sec. 1861(v)(1)(I) of the Social Security Act) and the regulations promulgated thereunder. No attorney-client, accountant-client or other legal privilege will be deemed to have been waived by Company or CHSPSC by virtue of this Agreement.

(b) Right to Inspect. The Company shall have the right, at its expense, during normal business hours and with reasonable advance notice, to review and photocopy CHSPSC's books and records that pertain directly to the fees payable to CHSPSC or the Transition Services provided hereunder.

6. Standard of Care; Limitation of Liability; Indemnity.

(a) CHSPSC will provide the Transition Services in good faith and with due care consistent with the care CHSPSC exercises in performing such Transition Services for itself. The Company acknowledges and agrees that CHSPSC does not regularly provide the Transition Services to third parties as part of its business, and CHSPSC does not otherwise warrant or assume any responsibility for its performance of the Transition Services beyond the statements made in the preceding sentences and complying with the terms of this Agreement. CHSPSC MAKES NO OTHER REPRESENTATION OR WARRANTY, AND HEREBY EXPRESSLY DISCLAIMS ANY AND ALL REPRESENTATIONS AND WARRANTIES, IMPLIED OR STATUTORY, WITH RESPECT TO THE TRANSITION SERVICES OR THE PROVISION THEREOF.

(b) Except in the event of fraud, intentional misconduct, gross negligence, or breaches of confidentiality, each party shall have no liability for consequential, exemplary, indirect, special, incidental or punitive damages, including loss of profits, revenues, data or use, incurred by the other party or its affiliates or any third party (even if any such party has been advised of the possibility of such damages), whether based on contract, tort or any other legal theory, arising out of or related to this Agreement or the Transition Services provided hereunder. Notwithstanding anything contained herein to the contrary, except in the event of fraud, intentional misconduct, gross negligence, or breaches of confidentiality, any liability of either party under this Agreement shall in no event exceed the aggregate amount of fees paid to CHSPSC by the Company hereunder.

(c) The Company shall defend, indemnify and hold harmless CHSPSC and its directors, officers, employees, agents and affiliates from and against any and all losses, liabilities, claims and costs, including, but not limited to, reasonable attorneys' fees and legal costs arising from any lawsuits, administrative agency or other actions by third parties (collectively, "*Losses*") to which CHSPSC is subjected arising out of or attributed, directly or indirectly, to the performance or non-performance of any of the Transition Services under this Agreement. Notwithstanding the foregoing, the Company shall not be required to defend, indemnify and hold harmless CHSPSC and its directors, officers, employees, agents and affiliates in respect of any such Losses that have resulted from CHSPSC's intentional misconduct or gross negligence. CHSPSC shall indemnify and hold harmless the Company and its directors, officers, employees, agents and affiliates from and against any Losses arising under this Agreement to which the Company is subjected arising out of or attributed, directly or indirectly, to CHSPSC's intentional misconduct or gross negligence.

7. Force Majeure. Neither party shall be responsible for the performance of any of its obligations to the extent that it is delayed or hindered by warfare, riot, strike, lockout, boycott, act of God, natural calamity or any other cause beyond its reasonable control that cannot be overcome by reasonable diligence.

8. Compliance with Laws. Each party shall perform its obligations hereunder in material compliance with all applicable federal, state and local laws, ordinances and regulations.

9. Confidentiality.

(a) Definition. "*Confidential Information*" means all information, data and materials furnished or made available by one party to the other party in connection with this Agreement, including, without limitation, the identity of patients, the content of any medical records, financial and tax information, and information regarding Medicare and Medicaid claims submission and reimbursements.

(b) Obligation to Observe Confidentiality. The party receiving the Confidential Information (the "*Receiving Party*") from the party who owns or holds in confidence such Confidential Information (the "*Owning Party*") may use the Confidential Information solely for the purpose of performing its obligations or enforcing its rights under this Agreement.

(c) Protection. The Receiving Party shall not disclose any of the Confidential Information, except to those persons having a need to know for the purpose of performing its obligations or enforcing its rights under this Agreement. Each party shall take appropriate action, by instruction to or agreement with its affiliates, employees, agents and subcontractors, to maintain the confidentiality of the Confidential Information. The Receiving Party shall promptly notify the Owning Party in the event that the Receiving Party learns of an unauthorized release of Confidential Information.

(d) Exceptions. The Receiving Party shall have no obligation with respect to (i) Confidential Information made available to the general public without restriction by the Owning Party or by an authorized third party; (ii) Confidential Information known to the Receiving Party independently of disclosures by the Owning Party under this Agreement, excluding Confidential Information that becomes the Confidential Information of Company or its affiliates as a result of the Purchase Agreement, which CHSPSC shall continue to maintain as confidential; (iii) Confidential Information independently developed by the Receiving Party; or (iv) Confidential Information that the Receiving Party may be required to disclose pursuant to subpoena or other lawful process; *provided, however*, that the Receiving Party notifies the Owning Party in a timely manner to allow the Owning Party to appear and protect its interests.

(e) Return of Confidential Information. Upon the termination or expiration of this Agreement, each party shall (a) immediately cease to use the other party's Confidential Information, (b) return to the other party or destroy such Confidential Information and all copies thereof within ten (10) days of the termination, unless otherwise provided in this Agreement, and (c) upon request, certify in writing to the other party that it has complied with its obligations set forth in this Section 9(e), unless otherwise provided in this Agreement.

(f) Availability of Equitable Remedies. The parties acknowledge that monetary remedies may be inadequate to protect rights in Confidential Information and that, in addition to legal remedies otherwise available, injunctive relief is an appropriate judicial remedy to protect such rights.

10. Protected Health Information. CHSPSC shall use its best efforts to protect the confidentiality of all records of the Hospital in accordance with the standards of all applicable local,

state and federal laws and regulations relating to the records of the Hospital, specifically including the privacy requirements of the Administrative Simplification subtitle of the Health Insurance Portability and Accountability Act of 1996 and state requirements. CHSPSC shall comply with the Business Associate Agreement attached and incorporated herein as Exhibit C.

11. Choice of Law. THE PARTIES AGREE THAT THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF WASHINGTON, WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES. THE PARTIES AGREE THAT JURISDICTION AND VENUE IN ANY ACTION BROUGHT BY ANY PARTY PURSUANT TO THIS AGREEMENT SHALL BE EXCLUSIVELY IN ANY STATE OR FEDERAL COURT LOCATED IN THE STATE OF WASHINGTON. TO THE FULL EXTENT PERMITTED BY APPLICABLE LAW, THE PARTIES HERETO HEREBY WAIVE ANY AND ALL RIGHT TO A TRIAL BY JURY TO ENFORCE ANY TERM OR CONDITION OF THIS AGREEMENT.

12. Assignment. No assignment of this Agreement or of any rights or obligations hereunder may be made by any party (by operation of law or otherwise) without the prior written consent of the other parties hereto and any attempted assignment without the required consents shall be void.

13. Patient Referrals. No part of this Agreement shall be construed to induce or encourage the referral of patients. The parties acknowledge that there is no requirement under this Agreement or any other agreement between the Company and CHSPSC that the Company refer any patients to CHSPSC or any of its Affiliates. Additionally, no payment made under this Agreement shall be in return for the referral of patients or in return for the purchasing, leasing, or ordering of any products or services from the Company or any of its Affiliates.

14. Notices. Any notice, demand, or communication required, permitted, or desired to be given hereunder shall be deemed effectively given when personally delivered, when received by receipted overnight delivery, or five (5) days after being deposited in the United States mail, with postage prepaid thereon, certified or registered mail, return receipt requested, addressed as follows:

The Company:

_____

_____

_____

Attention: _____

With a simultaneous copy to:

_____

_____

_____

Attention: _____

CHSPSC:

CHSPSC, LLC
4000 Meridian Boulevard
Franklin, Tennessee 37067
Attention: Chief Executive Officer

With a simultaneous copy to: CHSPSC, LLC
4000 Meridian Boulevard
Franklin, Tennessee 37067
Attention: General Counsel

or to such other address, and to the attention of such other person or officer as any party may designate, with copies thereof to the respective counsel thereof as notified by such party.

15. Severability. In the event any provision of this Agreement is held to be invalid, illegal or unenforceable for any reason and in any respect, such invalidity, illegality or unenforceability shall in no event affect, prejudice or disturb the validity of the remainder of this Agreement, which shall be and remain in full force and effect, enforceable in accordance with its terms.

16. Independent Contractor. Each party shall perform its duties and obligations hereunder for the other party in the capacity of an independent contractor and not as an employee of such party. Nothing contained in this Agreement shall be construed to create a partnership or joint venture between any of the parties hereto. Personnel supplied by CHSPSC hereunder, whether or not located on the Company's premises, are not the Company's employees or agents and shall not hold themselves out as such, and CHSPSC assumes full responsibility for their acts and for compliance with any applicable employment and tax laws with respect to such employees.

17. Waiver. Failure by any party at any time to exercise any right or remedy granted herein or established by law shall not be deemed to operate as a waiver of its right to exercise such right or remedy at any other future time.

18. Enforcement of Agreement. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement was not performed in accordance with its specific terms or was otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions (without the need to post bond or other security) to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any court of competent jurisdiction, this being in addition to any other remedy to which they are entitled at law or in equity.

19. Entire Agreement/Amendment. This Agreement supersedes all prior agreements, whether written or oral, between the parties with respect to its subject matter and constitutes a complete and exclusive statement of the terms of the agreement between the parties with respect to its subject matter. This Agreement may not be amended, supplemented, or otherwise modified except by a written agreement executed by the parties hereto.

20. Execution of this Agreement. This Agreement may be executed in multiple counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement. The exchange of copies of this Agreement and of signature pages by facsimile or other electronic transmission shall constitute effective execution and delivery of this Agreement as to the parties and may be used in lieu of the original Agreement for all purposes.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective authorized officers as of the date above written.

CHSPSC, LLC

By:_____

SUNNYSIDE HEALTHCARE

BY:_____

EXHIBIT A
THE TRANSITION SERVICES

1. CHSPSC will provide billing, insurance follow-up, cash posting/balancing; refund processing, adjustment processing, vendor placements, charity management services, denial reporting and appeal of billing related denials.
2. Rent and utilities will be allocated to the Company based on total staff time spent on the Company's billing and receivables.
3. CHSPSC will use SSI's "Remote Billing" software to do the billing for the Company. This will require a new billing package from SSI; the cost will be passed on to the Company.
4. CHSPSC will use its clearing house to transmit the Company's claims to various payers. SSI manages CHSPSC'S clearing house. CHSPSC will pass on an allocation of its direct costs related to this service.
5. CHSPSC currently uses SSI to receive electronic remittances. CHSPSC will pass on to the Company costs associated with this service.
6. A new entity will be established in PULSE/DAR and any other software application for tracking the Company's accounts receivable. Any cost associated with setting up a separate entity will be passed on to the Company.
7. The Company will not code the claims for new AR due to coders on site at the facility.
8. The Company will want to contract with RevSpring, if the Company does not have its own pay-on-line vendor and for statements, otherwise, CHSPSC will pass through its cost. If the Company stays under CHSPSC's contract, CHSPSC will need to make certain changes, such as lock box address for remitting payments to RevSpring are updated to the new owner's information.
9. CHSPSC prefers to not provide payer underpayment/overpayment identification and collection. There are outside vendors that can provide that service.
10. If the Company wants to use CHSPSC's C360 software for tracking RAC denials, CHSPSC will pass on the associated costs.
11. The Hospital's case managers currently do the MAC Probe & Educate denials. CHSPSC's Centralized Appeals Unit (CAU) currently manages all Medicare RAC IP medical necessity denials and would be willing to appeal any denials as well as automated billing related RAC denials if there are appeal opportunities. CHSPSC will tract all staff time related to these services and invoice the services monthly.
12. The Hospital has McKesson ILE for registration scanning. CHSPSC will pass on any related costs.
13. CHSPSC's early out vendor sends patient statements. CHSPSC will pass on the direct costs related to this service.
14. The Hospital uses Gaffey ClaimIQ workflow tool to prioritize accounts requiring follow-up. CHSPSC will pass through its monthly cost of this software.
15. The Hospital has used Enablecomp to work paid workers' compensation claims. CHSPSC will not place the Company's paid claims with this vendor. It will be up to the Company to contract with Enablecomp for this service.
16. The Hospital is using the vendors who do 'deceased patient management' and 'bankruptcy management'. The Company would need to contract with both vendors to continue this service
17. The Hospital uses Passport in the registration process to verify insurance coverage and benefits. The Company will need to contract with Passport to continue this service. CHSPSC also uses eScan for batch processing to look for coverage for uninsured behind Passport. CHSPSC also uses Medlytx behind both Passport and eScan because Medlytx finds coverage with commercial insurance where Medlytx and Passport search primarily for Medicaid coverage. The Company

will need contracts with all of these vendors to continue this service, or CHSPSC will pass the related fees back to the Company.

18. The Hospital uses Crowe Horwath to work credit balances to determine what can be taken to income. CHSPSC will discontinue that service. If the Company is interested, the Company would need to contract direct with this vendor.
19. See the listing below of other vendors currently servicing the Hospital:

1. IQCOR (previously known as Allied)	Primary & Secondary Agency (old inventory)
2. Paragon	Secondary Agency
3. West	Primary Agency (old inventory)
4. PASI	Primary Agency
5. Passport	Insurance eligibility and benefits
6. Escan	Checks for insurance coverage
7. Medlytx	Checks for insurance coverage
8. First Financial	Prior sold AR
9. CAPIO	Even older sold AR
10. Enablecomp	Zero balance review of WC
11. SSI	Billing software and transmission and ERA retrieval
12. Gaffey/Claim IQ	Workflow software tool
13. Revenue Cycle Pro	Claims Scrubber, Claims
14. C360	RAC denials mgmt. software
15. Triage	Underpayment recovery vendor
16. Phillips & Cohen	Bankruptcy Law Firm that reviews bankruptcy accounts
17. Medical Data Systems (MDS)	Collection Agency (old inventory)
18. MedAssist/Firstsource	Prior Self-Pay Screening Vendor (old inventory)
19. PCCM	CHS internal department for underpayment recovery
20. Alegis	Primary medical Denial Agency – clinical appeals & rebill
21. Via Novus	Third Party Liability Agency
22. MRA/Blackmaple	Agency that reviews Medicare zero & denied accounts
23. Emergency Recovery	Motor Vehicle Accident Coverage Agency
24. ReView	CHS developed Contract Management System
25. Relay Health	Registration QA software

EXHIBIT B
TO
TRANSITION SERVICES AGREEMENT

Costs of Transition Services

	Vendor	Service	Average Monthly Fee	NOTES
1)	SSI	Monthly hosting and SSI fees	$7500.00	
2)	RevSpring	Statement Print & Mail, Pay on-line	$9492.00	This will vary each month based on number of statements
3)	iSynergy	document imaging/scanning	$151.00	

4)	Enable Comp	Workers Compensation paid claims Underpayment Review	No collection to date	Quarterly files sent to Enable Comp of paid W/C claims. They determine if payment was according to state reimbursement and pursue collection of underpayments.
5)	Passport	IntelliSource, One Source, eCare Next Address Verif, credit reports, charge estimator, order checker, batch source, ins. eligible transactions	$9,716.34	This is a transaction based vendor so fees vary by month. Providing monthly average, but actual fees will be invoiced.
6)	Revenue Cycle Pro	Annual license per user	$443.00	Annual License Per User
7)	C360	RAC Denial Tracking Annual fee $6180	$515.00	This is for use of C360 software only.
8)	Medelytic	Insurance Elig & Benefit Transaction	$357.43	Fees vary by month based on finding coverage for patients. CHSPSC is providing a 3 month average for the Company's information, but actual fees will be invoiced monthly.
9)	Rent	Rent for space per month	$4,516.00	CHSPSC will be taking total headcount for the SSC and divide by total square footage of lease. Then, multiply the per FTE sq ft by the number of dedicated staff to the Company (based on hours worked)
10)	Utilities	Utilities average per month. This includes gas, electric, water and Iron Mountain	$578.00	Monthly Allocation
11)	Staffing Allocation	Collection Services	$113,305.00	Monthly Allocation
12)	Gaffey	ClaimIQ collection workflow tool	$1,555.00	Monthly Allocation
13)	IQor, West & MDS	Third Party Collection Agencies	$1,000.00	CHSPSC will pass through the actual costs.
14)	Triage	Zero Balance Underpayment Recovery	$15,000.00	Monthly Allocation, CHSPSC will pass through the actual cost each month
15)	E-scan	Insurance Elig & Benefit Transaction	$130,000.00	Monthly Allocation, CHSPSC will pass through the actual cost each month

16)	Supplies	Office supplies and postage per month	$3030.00	Monthly Allocation
17)	Janitorial	Monthly Cleaning and cleaning materials	$734.00	Monthly Allocation
18)	Networking	Phone/Internet Expense	$2306.00	Monthly Allocation
19)	Blue Jeans Video and Voice Conferencing Software	Purchased service software	$152.00	Monthly Allocation
20)	Call Center	PASI patient call center	$9500.00	Monthly Allocation
21)	First Financial	Loan Program	$1,500.00	Monthly Allocation, CHSPSC will pass through the actual cost each month
22)	Alegis	Primary Denial Agency	$14,000.00	Monthly Allocation, CHSPSC will pass through the actual cost each month
23)	MRA/Blackmaple	Medicare Reimbursement Agency	$28,000.00	Monthly Allocation, CHSPSC will pass through the actual cost each month

Estimated Costs of Transcription

Service	Discontinue	Continue
Transcription – Nuance		X –Nuance will invoice hospital directly. – Average monthly invoice: HIM = $14,747

EXHIBIT C
TO
TRANSITION SERVICES AGREEMENT

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("**Agreement**") dated _____, 20___ (the "**Effective Date**"), is entered into by and between **SUNNYSIDE COMMUNITY HOSPITAL ASSOCIATION,** a Washington not-for-profit corporation ("**Covered Entity**"), and **CHSPSC, LLC**, a Delaware limited liability company ("**Business Associate**"), each a "**Party**" and collectively, the "**Parties.**"

WHEREAS, pursuant to the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996 ("**HIPAA**") and the Health Information Technology for Economic and Clinical Health Act of 2009 ("**HITECH**"), the U.S. Department of Health & Human Services ("**HHS**") promulgated the Standards for Privacy of Individually Identifiable Health Information (the "**Privacy Standards**"), security standards for the Protection of Electronic Protected Health Information (the "**Security Standards**") and standards for Breach Notification for Unsecured Protected Health Information (the "**Breach Notification Standards**") at 45 C.F.R. Parts 160 and 164 (collectively, the Privacy Standards, the Security Standards and the Breach Notification Standards are sometimes referred to herein as the "**HIPAA Requirements**");

WHEREAS, Covered Entity and Business Associate have entered into, or are entering into, or may subsequently enter into, one or more agreements (collectively, the "**Services Arrangements**") pursuant to which Business Associate may provide products and/or services for Covered Entity that require Business Associate to access, create and use health information that is protected by federal law;

WHEREAS, the HIPAA Requirements require that certain obligations be extended to Business Associate through an agreement between Covered Entity and Business Associate;

WHEREAS, Business Associate and Covered Entity desire to enter into this Agreement in order to satisfy such requirement;

NOW THEREFORE, the parties agree as follows:

1. **Business Associate Obligations**. Business Associate may use and disclose PHI only as permitted or required by this Agreement. All capitalized terms not otherwise defined in this Agreement shall have the meanings set forth in the HIPAA Requirements; provided that Protected Health Information ("**PHI**") and Electronic Protected Health Information ("**EPHI**") are limited to such information created, received, maintained or transmitted by Business Associate from or on behalf of Covered Entity in connection with the Services Arrangements. All references to PHI herein shall be construed to include EPHI. To the extent Business Associate is to carry out the obligations of Covered Entity under Part 164, Subpart D of the HIPAA Requirements pursuant to the Services Agreements (or to carry out the obligations of any covered entities the Covered Entity may own, operate, or manage, to the extent Business Associate is obligated to provide services to such covered entities under the Services

Arrangements), Business Associate shall comply with the requirements of such subpart in the performance of such obligations.

2. **Use of PHI.** Business Associate may use PHI (i) as required by law, (ii) for the purpose of performing services for Covered Entity as such services are defined in Services Arrangements to the extent such uses are permitted by applicable federal or state law; provided that Business Associate shall not so use PHI in a manner that would violate the HIPAA Requirements if the PHI were used by Covered Entity in the same manner, and (iii) as necessary for the proper management and administration of the Business Associate or to carry out its legal responsibilities. Business Associate agrees to use PHI in compliance with 45 C.F.R. §164.504(e).

3. **Disclosure of PHI.**

3.1 To the extent permitted by applicable state and federal law, Business Associate may disclose PHI to any third party persons or entities as necessary to perform its obligations under the Business Arrangement (provided that Business Associate shall not so disclose PHI in a manner that would violate the HIPAA Requirements if the PHI were disclosed by Covered Entity in the same manner).

3.2 Business Associate may disclose PHI for the proper management and administration of the Business Associate, provided that (i) such disclosures are required by law, or (ii) Business Associate: (a) obtains reasonable assurances from any third party to whom the information is disclosed that it will be held confidential and further used and disclosed only as required by law or for the purpose for which it was disclosed to the third party; (b) requires the third party to agree to promptly notify Business Associate of any instances of which it is aware that PHI is being used or disclosed for a purpose that is not otherwise provided for in this Agreement or for a purpose not expressly permitted by the HIPAA Requirements.

3.3 In accordance with §164.502(e)(1)(ii) and §164.308(b)(2) of the HIPAA Requirements, Business Associate shall ensure that its subcontractors that use, disclose, create, receive, maintain and/or transmit PHI on behalf of Business Associate agree in writing to the same restrictions and conditions that apply to Business Associate with respect to such information and in the case of EPHI, agree to comply with the applicable requirements of Part 164, Subpart C of the HIPAA Requirements.

3.4 Business Associate shall report to Covered Entity any use or disclosure of PHI not permitted by this Agreement, of which it becomes aware, such report to be made within fifteen (15) business days of the Business Associate becoming aware of such use or disclosure.

4. **Individual Rights Regarding Designated Record Sets.** If Business Associate maintains a Designated Record Set on behalf of Covered Entity, Business Associate shall (i) provide access to, and permit inspection and copying of, PHI by Covered Entity under conditions and limitations required under 45 CFR §164.524, as it may be amended from time to time, and (ii) amend PHI maintained by Business Associate as requested by Covered Entity. Business

Associate shall respond to any request from Covered Entity for access by an Individual within ten (10) days of such request and shall make any amendment requested by Covered Entity within twenty (20) days of such request. Any information requested under this **Section 4** shall be provided in the form or format requested, if it is readily producible in such form or format. Business Associate may charge a reasonable fee based upon the Business's labor costs in responding to a request for electronic information (or a cost-based fee for the production of non-electronic media copies). Covered Entity shall determine whether a denial of access and/or amendment is appropriate or an exception applies. Business Associate shall notify Covered Entity within five (5) business days of receipt of any request for access or amendment of PHI by an Individual. Covered Entity shall determine whether to grant or deny any access or amendment requested by the Individual. Business Associate shall have a process in place for requests for amendments and for appending such requests to the Designated Record Set.

5. **Accounting of Disclosures. Business Associate shall make available to Covered Entity** in response to a request from an Individual, information required for an accounting of disclosures of PHI with respect to the Individual in accordance with 45 CFR §164.528. Business Associate shall provide to Covered Entity such information necessary to provide an accounting within thirty (30) days of Covered Entity's request or such shorter time as may be required by state or federal law. Such accounting must be provided without cost to the Individual or to Covered Entity if it is the first accounting requested by an Individual within any twelve (12) month period. For subsequent accountings within a twelve (12) month period, Business Associate may charge a reasonable fee based upon the Business's labor costs in responding to a request for electronic information (or a cost-based fee for the production of non-electronic media copies) so long as Business Associate informs the Covered Entity in advance of the fee, and the Individual is afforded an opportunity to withdraw or modify the request. Such accounting obligations shall survive termination of this Agreement and shall continue as long as Business Associate maintains PHI.

6. **Data Aggregation**. In the event that Business Associate works for more than one covered entity (as such term is defined in the HIPAA Requirements), Business Associate is permitted to use and disclose PHI for data aggregation purposes, however, only in order to analyze data for permitted health care operations, and only to the extent that such use is permitted under the HIPAA Requirements.

7. **De-identified Information**. Business Associate may use and disclose de-identified health information if the de-identification is in compliance with 45 C.F.R. §164.514 and the HIPAA Requirements.

8. **Obligations of Covered Entity.** Covered Entity shall: (i) provide Business Associate with a copy of its notice of privacy practices that Covered Entity produces in accordance with 45 C.F.R. §164.520 as well as any changes to such notice, to the extent that it effects Business Associate's use or disclosure of PHI; (ii) notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 C.F.R. §164.522 of the Privacy Regulations, to the extent that such restriction may affect Business Associate's use or disclosure of PHI pursuant to the terms of this Agreement; (iii) notify Business Associate in conformance with **Section 14.1** of any changes in, or revocation of, permission by an Individual to use or disclose PHI, to the extent that such changes may affect Business Associate's use or

disclosure of PHI; and (iv) Covered Entity shall obtain all authorizations necessary for any use or disclosure of any PHI as contemplated under the Services Arrangements.

9. **Withdrawal of Authorization.** If the use or disclosure of PHI in this Agreement is based upon an Individual's specific Authorization for the use of his or her PHI, and (i) the Individual revokes such Authorization in writing, (ii) the effective date of such Authorization has expired, or (iii) the consent or Authorization is found to be defective in any manner that renders it invalid, Covered Entity shall promptly provide Business Associate written notice of such revocation or invalidity, to permit Business Associate to cease the use and disclosure of any such Individual's PHI except to the extent it has relied on such use or disclosure, or where an exception under the HIPAA Requirements expressly applies.

10. **Records and Audit.** Business Associate shall make available to HHS or its agents, its books and records relating to the use and disclosure of PHI received from, created, or received by Business Associate on behalf of Covered Entity for the purpose of determining the Parties' compliance with the HIPAA Requirements, in a time and manner designated by HHS.

11. **Implementation of Security Standards; Notice of Security Incidents.** Business Associate will use appropriate safeguards to prevent the use or disclosure of PHI other than as expressly permitted under this Agreement, will comply with the applicable requirements of Part 164, Subpart C of the HIPAA Requirements, and will promptly report to Covered Entity any Security Incident involving EPHI of which it becomes aware; provided, however, that Covered Entity shall be deemed to have received notice from Business Associate of routine occurrences of: (i) unsuccessful attempts to penetrate computer networks or services maintained by Business Associate; and (ii) immaterial incidents such as "pinging" or "denial of services" attacks.

12. **Data Breach Notification**. Business Associate agrees to implement reasonable systems for the discovery and reporting of any "breach" of "unsecured PHI" as those terms are defined by 45 C.F.R. §164.402 provided however, that a breach shall not include (i) any unintentional acquisition, access, or use of PHI by a workforce member or person acting under the authority of Covered Entity or Business Associate, if such acquisition, access, or use was made in good faith and within the scope of authority and does not result in a further use or disclosure in a manner not permitted under the Privacy Rule; (ii) any inadvertent disclosure by a person authorized to access PHI at Covered Entity or Business Associate to another person authorized to access PHI at Covered Entity or Business Associate, or an organized health care arrangement in which Covered Entity participates, and the information received as a result of such disclosure is not further used or disclosed in a manner not permitted under the HIPAA Requirements; or (iii) a disclosure of PHI where Covered Entity or Business Associate has a good faith belief that the unauthorized person to whom the disclosure was made would not have reasonable been able to retain the disclosed information (hereinafter, a "**HIPAA Breach**"). The parties acknowledge and agree that 45 C.F.R. §§164.404, 164.410 govern the determination of the date of a HIPAA Breach. Business Associate will, following the discovery of a HIPAA Breach, notify Covered Entity promptly and in no event later than fifteen (15) business days after Business Associate discovers such HIPAA Breach, unless Business Associate is prevented from doing so by 45 C.F.R. §164.412 concerning law enforcement investigations. No later than twenty (20) business days following a HIPAA Breach, and to the extent such information is known to Business Associate, Business Associate shall provide Covered Entity with the information required by 45

C.F.R. §§164.404(c), 164.410.

13. Term and Termination.

13.1 This Agreement shall commence on the Effective Date and shall remain in effect until terminated in accordance with the terms of this **Section 13**.

13.2 Either Party may immediately terminate this Agreement (the **"Terminating Party"**) and shall have no further obligations to the other Party (the **"Terminated Party"**) hereunder if the Terminated Party fails to observe or perform any material covenant or obligation contained in this Agreement for thirty (30) days after written notice thereof has been given to the Terminated Party.

13.3 Upon the termination of all Services Arrangements, either Party may terminate this Agreement by providing written notice to the other Party.

13.4 Upon termination of this Agreement for any reason, Business Associate agrees either to return to Covered Entity or to destroy all PHI received from Covered Entity or otherwise through the performance of services for Covered Entity, that is in the possession or control of Business Associate or its agents. In the case of PHI which is not feasible to "return or destroy," Business Associate shall extend the protections of this Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI.

14. Miscellaneous.

14.1 **Notice.** All notices, requests, demands and other communications required or permitted to be given or made under this Agreement shall be in writing, shall be effective upon receipt or attempted delivery, and shall be sent by (i) personal delivery; (ii) certified or registered United States mail, return receipt requested; (iii) overnight delivery service with proof of delivery; or (iv) facsimile with return facsimile acknowledging receipt. Notices shall be sent to the addresses below. Neither party shall refuse delivery of any notice hereunder.

Business Associate:	**Covered Entity:**
_____	_____
Address: _____	Address: _____
_____	_____
Attention: _____	Attention: _____
Tel. No: _____	Tel. No: _____
Fax No: _____	Fax No: _____

With a copy to:	With a copy to:
Address: _____	_____
_____	_____
Attention: _____	_____
Tel. No: _____	Tel. No: _____
Fax No: _____	Fax No. _____

14.2 Waiver. No provision of this Agreement or any breach thereof shall be deemed waived unless such waiver is in writing and signed by the Party claimed to have waived such provision or breach. No waiver of a breach shall constitute a waiver of or excuse any different or subsequent breach.

14.3 Severability. Any provision of this Agreement that is determined to be invalid or unenforceable will be ineffective to the extent of such determination without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such remaining provisions.

14.4 Entire Agreement. This Agreement constitutes the complete agreement between Business Associate and Covered Entity relating to the matters specified in this Agreement, and supersedes all prior representations or agreements, whether oral or written, with respect to such matters. In the event of any conflict between the terms of this Agreement and the terms of the Services Arrangements or any such later agreement(s), the terms of this Agreement shall control with respect to the subject matter of this Agreement unless the parties specifically otherwise agree in writing. No oral modification or waiver of any of the provisions of this Agreement shall be binding on either Party. No obligation on either Party to enter into any transaction is to be implied from the execution or delivery of this Agreement. This Agreement is for the benefit of, and shall be binding upon the parties, their affiliates and respective successors and assigns. No third party shall be considered a third-party beneficiary under this Agreement, nor shall any third party have any rights as a result of this Agreement.

14.5 Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Washington, excluding its conflicts of law provisions.

14.6 Nature of Agreement; Independent Contractor. Nothing in this Agreement shall be construed to create (i) a partnership, joint venture or other joint business relationship between the parties or any of their affiliates, or (ii) a relationship of employer and employee between the parties. Business Associate is an independent contractor, and not an agent of Covered Entity under this Agreement. This Agreement does not express or imply any commitment to purchase or sell goods or services.

14.7 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document. In making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart executed by the party against whom enforcement of this Agreement is sought.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

COVERED ENTITY:	**BUSINESS ASSOCIATE:**
SUNNYSIDE COMMUNITY HOSPITAL ASSOCIATION	CHSPSC, LLC
By:_____	By:_____
(Print or Type Name)	(Print or Type Name)
(Title)	(Title)
Date:_____	Date:_____

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EXHIBIT E

License Agreement for Policy and Procedure Manuals

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EXHIBIT E

LICENSE AGREEMENT FOR POLICY AND PROCEDURE MANUALS

This License Agreement for Policy and Procedure Manuals (this "Agreement") is made and entered into as of the 1st day of _____, 2017 (the "Effective Date"), by and between CHS/Community Health Systems, Inc., a Delaware corporation ("Seller"), and Sunnyside Healthcare, a Washington not-for-profit corporation ("Buyer").

RECITALS:

A. Seller and Buyer are parties to an Asset Purchase Agreement dated _____, 2016 (the "Purchase Agreement"), pursuant to which affiliates of Buyer are purchasing from affiliates of Seller substantially all of the assets of such affiliates of Seller which are used in the operation of the acute care hospitals and related assets and businesses identified in the Purchase Agreement (collectively, the "Facilities").

B. As the policy and procedure manuals used by subsidiaries of Seller as of the date of this Agreement in their operation of the Facilities, including, but not limited to, those containing HIPAA policies (the "Manuals"), are among the Excluded Assets (as such term is defined in the Purchase Agreement), Seller will retain ownership of the Manuals after the Effective Date.

C. To assist in the orderly transition of the management and operation of the Facilities following the Effective Date, Seller agrees to grant to Buyer and, as applicable, Buyer's affiliates, a nonexclusive license to use the Manuals in connection with Buyer's operation of the Facilities, all in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual promises and covenants contained in this Agreement, and for their mutual reliance, the parties hereto agree as follows:

1. Grant of Nonexclusive License. Pursuant to the terms and subject to the conditions hereof, Seller hereby grants to Buyer and, as applicable, Buyer's affiliates, the nonexclusive right and license to use the Manuals solely in connection with Buyer's operation of the Facilities during the term of this Agreement without additional charge above consideration paid by Buyer to Seller pursuant to the Purchase Agreement.

2. Limitation on Obligations of Seller; Revisions to Policies and Procedures. Buyer hereby agrees that Seller shall have no obligation whatsoever to update or otherwise revise the Manuals, even if Seller or any of its affiliates are revising similar manuals at other health care facilities. Buyer shall assume full responsibility for any necessary updates or revisions to its policies and procedures regarding operation of the Facilities during the term of this Agreement.

3. Buyer Manuals. Buyer shall implement its own policy and procedure manuals for the operation of the Facilities no later than the date on which the license granted to Buyer under this Agreement expires.

4. Disclaimer of Warranties. Buyer accepts the Manuals in their present condition. Buyer acknowledges and agrees that SELLER DOES NOT MAKE ANY WARRANTY, WHETHER EXPRESS OR IMPLIED, TO BUYER RESPECTING THE MANUALS, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND SELLER PROVIDES THE MANUALS, AND BUYER ACCEPTS THE MANUALS, "AS IS, WHERE IS AND WITH ALL FAULTS AND NONCOMPLIANCE WITH LAWS." Seller hereby disclaims all of such warranties (both express and implied), including, but not limited to, any representation or warranty that the Manuals are adequate for Buyer's operation of the Facilities after the Effective Date or that the Manuals are in compliance with any laws.

5. Term and Termination.

5.1 Term. This Agreement is effective on the Effective Date and shall remain in effect for a period of eighteen (18) months after the Effective Date.

5.2 Termination by Buyer. Notwithstanding anything herein to the contrary, this Agreement may be terminated at any time by Buyer upon prior written notice to Seller.

5.3 Return of Manuals. Upon the expiration of this Agreement or the earlier termination of Buyer's use of the Manuals, Buyer shall return to Seller or destroy all originals and copies of the Manuals; provided, however, that Buyer may retain one copy of the Manuals for archival purposes, which Buyer shall continue to have the right to use in its defense in the event of litigation and to respond to any questions from any Government Entity (as such term is defined in the Purchase Agreement).

6. Confidentiality. Buyer acknowledges and agrees that the Manuals are strictly confidential and proprietary information of Seller and its affiliates, and Buyer hereby expressly covenants and agrees that it will not (nor will it allow any of its respective officers, directors, employees or agents to) directly or indirectly, reproduce, distribute or disclose all or any part of the Manuals, unless Buyer's disclosure is compelled by judicial or administrative process or except as may be required in the operation of the Hospital in the ordinary course of business (including, but not limited to, as required by any laws).

7. Release and Indemnification. As a material inducement to Seller's agreement to license the Manuals to Buyer, (a) Buyer hereby releases and forever discharges Seller and its affiliates from and against any and all claims, demands, debts, liabilities, obligations and causes of action of every kind in law, equity or otherwise, whether known or unknown, suspected or unsuspected, which Buyer or any affiliate of Buyer now or may hereafter have against Seller or any affiliate of Seller by reason of the use by Buyer or any affiliate of Buyer of the Manuals and (b) Buyer shall indemnify and hold Seller and its affiliates harmless from and against all losses, liabilities, fines, penalties, charges, costs and expenses, including reasonable attorneys' fees (including a reasonable estimate of the allocable costs of in-house counsel and staff) actually incurred, paid or required under penalty of law to be paid by Seller or its affiliates to the extent resulting from the use by Buyer or its affiliates of the Manuals. Buyer's indemnification

obligation hereunder is separate and apart from and in addition to its indemnification obligations in favor of Seller contained in the Purchase Agreement.

8. General Provisions.

8.1 Entirety of Agreement. This Agreement, the Purchase Agreement (including the Schedules and, the Exhibits thereto), and the other documents and instruments specifically provided for herein and therein contain the entire understanding between the parties with respect to the transactions contemplated herein and therein and, except as otherwise provided in the Purchase Agreement, supersede all prior or contemporaneous agreements, understandings, representations and statements, oral or written, between the parties on the subject matter hereof and thereof (the "Superseded Agreements"), which Superseded Agreements shall be of no further force or effect. There are no representations, warranties, agreements, arrangements or understandings, oral or written, between the parties hereto relating to the subject matter of this Agreement and such other documents and instruments which are not fully expressed herein or therein.

8.2 Attorneys' Fees. If any action is brought by any party to enforce any provision of this Agreement, the prevailing party shall be entitled to recover its court costs and reasonable attorneys' fees.

8.3 Incorporation of Provisions of Purchase Agreement. The following provisions of the Purchase Agreement are incorporated herein by reference: Sections 12.6 (Choice of Law), 12.7 (Benefit/Assignment), 12.12 (Waiver of Breach), 12.13 (Notice), 12.14 (Severability), 12.15 (Gender and Number), 12.16 (Divisions and Headings), 12.19 (Waiver of Jury Trial), 12.21 (No Inferences) and 12.22 (No Third Party Beneficiaries).

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first above written.

CHS/COMMUNITY HEALTH SYSTEMS, INC.
("Seller")

By: _____
Terry H. Hendon, Vice President

SUNNYSIDE HEALTHCARE
("Buyer")

By: _____