

ASSET PURCHASE AGREEMENT
BY AND AMONG
BELL MEMORIAL HOSPITAL AND
BELL MEDICAL CENTER,
AS SELLER GROUP, AND
ACQUISITION BELL HOSPITAL, LLC,
AS BUYER
June 19, 2013

TABLE OF CONTENTS

1.	SALE OF ASSETS AND CERTAIN RELATED MATTERS	1
1.1	Sale and Transfer of the Assets	1
1.2	Excluded Assets	3
1.3	Interpretation.....	5
2.	FINANCIAL ARRANGEMENTS	6
2.1	Purchase Price.....	6
2.2	Allocation of Purchase Price.....	6
2.3	Assumed Liabilities	6
2.4	Excluded Liabilities	7
2.5	Casualty	8
2.6	Proration.....	8
3.	CLOSING	9
3.1	Closing.....	9
3.2	Actions of Seller Group at Closing.....	9
3.3	Actions of Buyer at Closing.....	11
3.4	Additional Acts	12
4.	REPRESENTATIONS AND WARRANTIES OF SELLER GROUP	12
4.1	Capacity	12
4.2	Powers; Consents; Absence of Conflicts With Other Agreements	12
4.3	UPHP and UPMC	13
4.4	Binding Agreement.....	13
4.5	No Outstanding Rights.....	13
4.6	Financial Statements	13
4.7	Listed Contracts	13
4.8	Real Property	14
4.9	Title to Personal Property	15
4.10	Insurance.....	15
4.11	Litigation or Proceedings.....	15
4.12	Tax Liabilities	16
4.13	Employee Benefit Plans.....	16
4.14	Employees and Employee Relations.....	18
4.15	Post-Balance Sheet Date Results	19

4.16	Finders	19
4.17	Regulatory Compliance	19
4.18	Accreditation.....	22
4.19	Information Privacy and Security Compliance.....	22
4.20	Medical Staff Matters	22
4.21	Third Party Payor Cost Reports	23
4.22	Inventory	23
4.23	Environmental Matters	23
4.24	Condition and Sufficiency of Assets.....	24
4.25	No Undisclosed Liabilities.....	25
4.26	Statutory Funds	25
4.27	Intellectual Property.....	25
4.28	Experimental Procedures	25
4.29	Disclosure	25
5.	REPRESENTATIONS AND WARRANTIES OF BUYER	25
5.1	Capacity	25
5.2	Powers; Consents; Absence of Conflicts With Other Agreements.....	26
5.3	Binding Agreement.....	26
5.4	Litigation.....	26
5.5	Finders	26
6.	PRE-CLOSING COVENANTS	26
6.1	Information	26
6.2	Seller Group’s Operations	27
6.3	Seller Group’s Negative Covenants.....	27
6.4	Governmental and Other Approvals.....	28
6.5	No Discussions	28
6.6	Necessary Consents	29
6.7	Tail Insurance	29
6.8	Financial Information	29
6.9	Title Commitment and Survey.....	29
6.10	Entity Matters	30
6.11	Unfunded Pension Obligation.....	30
7.	CONDITIONS PRECEDENT TO OBLIGATIONS OF BUYER	31
7.1	Compliance with Representations and Covenants.....	31

7.2	Consents.....	31
7.3	Governmental Approvals.....	31
7.4	Action/Proceeding.....	31
7.5	Closing Documents.....	32
7.6	Material Adverse Changes.....	32
7.7	Insurance.....	32
7.8	Title and Survey.....	32
7.9	Pay-Off Letters; Releases.....	32
7.10	Bond Documents.....	32
7.11	Name Transfer.....	32
7.12	Disclosure of Past Practices.....	32
8.	CONDITIONS PRECEDENT TO OBLIGATIONS OF SELLER GROUP.....	32
8.1	Compliance with Covenants.....	33
8.2	Action/Proceeding.....	33
8.3	Insurance.....	33
8.4	Closing Documents.....	33
8.5	Attorney General and Other Approvals.....	33
9.	ADDITIONAL AGREEMENTS.....	33
9.1	Employees.....	33
9.2	Cost Reports.....	36
9.3	Termination Prior to Closing.....	36
9.4	Post-Closing Access to Information.....	37
9.5	Preservation and Access to Records After the Closing.....	37
9.6	Tax Matters.....	38
9.7	Misdirected Payments.....	38
9.8	Transfer of Unemployment Experience Rating.....	38
9.9	Indigent Care.....	39
9.10	Capital Commitment.....	39
9.11	Board of Trustees.....	39
9.12	Continuation of Services.....	39
9.13	Medical Staff.....	40
9.14	Quality Oversight.....	40
9.15	Restrictions on Seller Group Transfers.....	40
9.16	Restriction on Sale of the Hospital.....	40

10.	INDEMNIFICATION AND REMEDIES	40
10.1	Indemnification by Seller Group	40
10.2	Seller Group’s Liability	40
10.3	Indemnification by Buyer	41
10.4	Buyer’s Liability	41
10.5	Determination of Losses	41
10.6	Sole and Exclusive Remedy.....	41
10.7	Procedure for Indemnification – Non Third Party Claims.....	42
10.8	Procedure for Indemnification – Third Party Claims.....	42
10.9	Payment	43
10.10	Reliance	43
10.11	Survival.....	43
11.	GENERAL.....	43
11.1	Consented Assignment	43
11.2	Choice of Law.....	44
11.3	Assignment	44
11.4	Accounting Date	44
11.5	Costs of Transaction	44
11.6	Confidentiality	45
11.7	Waiver.....	45
11.8	Notice.....	45
11.9	Severability	46
11.10	Gender and Number.....	46
11.11	Divisions and Headings	46
11.12	No Third-Party Beneficiaries.....	46
11.13	No Inferences.....	46
11.14	Tax and Medicare Advice and Reliance	46
11.15	Knowledge.....	46
11.16	Entire Agreement/Amendment	47
11.17	Enforcement Expenses.....	47
11.18	Counterparts.....	47
11.19	Disclosure Schedules	47

List of Exhibits

A	Ancillary Facilities
3.2(a)	Special Warranty Deeds
3.2(b)	Bill of Sale
3.2(c)	Assignment and Assumption Agreement
3.2(d)(i)-(ii)	Assumption of Lease Agreement
3.2(e)	Non-Compete Agreement
3.2(f)	Name Amendments
3.2(h)	Non-Foreign Affidavit
3.2(i)	Estoppel Certificates
3.2(n)	Powers of Attorney
3.2(o)	Foundation Joinder
6.9(a)	Title Commitment
6.9(c)	Survey
9.9	Indigent Care Policy

List of Schedules

1.1(a)	Leased Real Property
1.1(b)	Included Real Property
1.1(f)	Assumed Contracts
1.1(i)	Provider Agreements
1.1(j)	Assumed Names
1.1(p)	Bank Accounts
1.2(e)	Excluded Contracts
1.2(j)	Donor Restricted Funds
1.2(n)	Excluded Entities
1.2(q)	Other Assets
2.1	Sample Purchase Price Calculation
2.4(l)	Excluded Liabilities
4.1	Seller Group Securities and Membership Interests
4.2(b)	Seller Group Consents
4.2(c)	Seller Group Conflicts
4.3	UPHP and UPMC Securities and Ownership Interests
4.5	Outstanding or Preemptive Rights
4.6(a)	Financial Statements - Seller Group
4.6(b)	GAAP Exceptions
4.7(b)	Assumed Contracts Exceptions
4.8(a)(i)	Leases
4.9	Title to Personal Property
4.10	Insurance Policies
4.11	Litigation and Proceedings
4.12(e)	Tax Real Estate and Personal Property
4.13(a)	Benefit Plans
4.13(c)	Non-Union Pension Plan
4.13(e)	COBRA Eligible Employees
4.14(a)(i)	Collective Bargaining Agreement
4.14(a)(ii)	Terminated Employees
4.14(b)	Current Employees
4.15	Post-Balance Sheet Date Results

4.17(b)	Licenses
4.17(c)	Certificates of Need
4.17(d)	NPIs and Provider Number
4.18	Medicare Accreditations
4.20	Medical Staff Dispute
4.21	Third Party Payor Cost Reports
4.23	Environmental Matters
4.24	Condition and Sufficiency of Assets
4.25	Undisclosed Liabilities
4.27	Intellectual Property
4.28	Experimental Procedures
5.2	Buyer Consents
6.2	Seller Group's Operations
6.3	Seller Group's Negative Covenants
6.9(d)	Buyer's Objections
6.11	Unfunded Pension Obligations
7.2	Necessary Consents
7.12	Disclosure of Past Practices
9.1	Employees
9.1(g)	Contribution to the Steelworker Plan
9.12	Scheduled Services

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (“Agreement”) is made and entered into as of June 19, 2013, by and among Bell Memorial Hospital, a Michigan nonprofit corporation (“BMH”), Bell Medical Center, a Michigan nonprofit corporation (“BMC” and, together with BMH, “Seller Group”) and Acquisition Bell Hospital, LLC, a Delaware limited liability company (“Buyer”).

WITNESSETH:

WHEREAS, Seller Group owns and operates Bell Hospital, a 25-bed acute care critical access facility located at 901 Lakeshore Drive, Ishpeming, Michigan (the “Hospital”) and a medical out-patient clinic facility located at 100 Malton Road, Negaunee, Michigan (the “Clinic”) and the ancillary facilities set forth on Exhibit A (the “Ancillary Facilities” and, together with the Hospital and Clinic, the “Facilities” and the operation of the Hospital, the Clinic and the Facilities, collectively, the “Business”);

WHEREAS, Buyer is a wholly owned subsidiary of LifePoint Hospitals, Inc., a Delaware corporation;

WHEREAS, Seller Group owns a 5.12% membership interest in (i) Upper Peninsula Health Plan, LLC (“UPHP”), a Michigan limited liability company that is a qualified health plan and holds a certificate of authority from the Michigan Office of Financial Insurance and Regulation (“OFIR”) to operate a health maintenance organization in the State of Michigan, and (ii) Upper Peninsula Managed Care, LLC, a Michigan limited liability company, which holds a license as a resident producer from OFIR and certificate of authority to operate as a third party administrator from OFIR (“UPMC” and, together with UPHP and the business of UPMC and UPHP, the “Health Insurance Business”); and

WHEREAS, Buyer desires to acquire substantially all of the assets of Seller Group associated with the Facilities, and Seller Group desires to sell such assets to Buyer, all as more fully set forth below.

NOW, THEREFORE, for and in consideration of the premises, 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. SALE OF ASSETS AND CERTAIN RELATED MATTERS

1.1 Sale and Transfer of the Assets. Subject to the terms and conditions of this Agreement, Seller Group agrees to sell, transfer, convey, and deliver to Buyer or its designated affiliates, including Acquisition Bell Hospital, LLC, a Michigan limited liability company and Bell Physician Practices, Inc., a Michigan nonprofit corporation, or such subsidiary or affiliate as the Buyer may direct, and Buyer agrees to purchase at Closing (as hereinafter defined) all of Seller Group’s right, title and interest in and to all assets of every description, whether tangible and intangible, other than the Excluded Assets (as hereinafter defined), owned or leased by Seller Group or its affiliates, and located at or held or used in connection with the Business, including the following items, except for the Excluded Assets (collectively, the “Assets”), free and clear of any and all Encumbrances (as hereinafter defined) other than Permitted Encumbrances (as hereinafter defined) and Assumed Liabilities (as hereinafter defined):

(a) a leasehold interest in the real property referenced on Schedule 1.1(a) (the “Leased Real Property”), together with all of Seller Group’s right, title and interest in all rights, privileges, easements and rights of way appurtenant to or benefiting or serving the Leased Real Property;

(b) fee simple title to the real property referenced on Schedule 1.1(b) (the “Included Real Property”) (the Leased Real Property and the Included Real Property are collectively referred to herein as the “Real Estate”), together with the improvements thereon and fixtures related thereto and all of Seller Group’s right, title and interest in all rights, privileges, easements, streets, drainage areas and rights of way appurtenant to or benefiting or serving the Included Real Property;

(c) all machinery, equipment, tools, furniture, office equipment, computer hardware, supplies, materials, vehicles and other items of tangible personal property of every kind;

(d) inventories of supplies, drugs, food, janitorial and office supplies and other disposables and consumables existing on the Closing Date (as hereinafter defined) and located at any of the Facilities, or purchased by Seller Group for use in connection with the Business (“Inventory”);

(e) to the extent allowed by Legal Requirements (as hereinafter defined), all data and records created or maintained by Seller Group in the course of its operation of the Facilities, including all financial, patient, medical staff and personnel records (including all medical and administrative libraries, medical records, documents, catalogs, books, files and operating manuals);

(f) all of the rights and interests of Seller Group in, or pursuant to, (i) the agreements, contracts, commitments, leases and other arrangements listed on Schedule 1.1(f) (the “Listed Contracts”), (ii) those agreements, contracts, commitments, leases, purchase orders and other arrangements made by Seller Group that are not listed on Schedule 1.1(f) which individually involve future payments, performance of services or delivery of goods or materials, to or by Seller Group of any amount or value less than \$10,000 on an individual basis or together with related contracts less than \$35,000 on an annual basis or which are contracts that do not involve the payment of money and are not otherwise material to the operation of the Business (“Immaterial Contracts”) and (iii) those agreements, contracts, commitments, leases, purchase orders and other arrangements made by Seller Group after the date of this Agreement in the ordinary course of business and in full compliance with the provisions of Section 6.2 (the “New Contracts” and, together with the Listed Contracts and the Immaterial Contracts, the “Assumed Contracts”); provided that Immaterial Contracts and New Contracts shall not include any agreements, contracts, commitments, leases, purchase orders and other arrangements made by Seller Group (i) that are between Seller Group and any affiliate of Seller Group, (ii) that are between Seller Group and any patient referral source (including any physician or other healthcare provider), all to be listed on Schedule 1.1(f), (iii) that include covenants of Seller Group not to compete, not to solicit personnel, or not to engage in specified business activities, or (iv) that may not be terminated without cause and without penalty on 90 or fewer days prior written notice;

(g) to the extent transferable, licenses with respect to all software installed on personal computers or servers owned by Seller Group and located at the Facilities, together with all manuals, procedures and other materials relating thereto;

(h) to the extent assignable, all licenses and permits (including the Licenses, as hereinafter defined) held by Seller Group relating to the ownership, development and operations of the Facilities and the Assets, and all other rights, privileges, registrations, consents, approvals, accreditations, franchises, certificates, certificates of need and applications relating to the present or future business, operations or development of the Facilities and the Assets;

(i) to the extent assignable, the national provider identifiers (“NPIs”) and the Medicare and Medicaid provider numbers and related provider agreements of Seller Group specifically identified on Schedule 1.1(i);

(j) to the extent transferrable, all of the intangible rights and property of Seller Group relating to the Facilities, including all intellectual property owned or licensed (as licensor or licensee) by Seller Group relating to the Facilities, including the names listed on Schedule 1.1(j) and any variations thereof, the goodwill associated therewith, telephone, facsimile and e-mail addresses (or numbers) and listings, internet web sites and internet domain names;

(k) to the extent legally transferable, all warranties, guarantees, and covenants not to compete in favor of Seller Group or the Facilities;

(l) to the extent legally transferable, all notes, accounts receivable and other rights to receive payment for goods and services provided by Seller Group in connection with the Business prior to the Closing (the "AR");

(m) any deposits, other current assets, escrows, prepaid Taxes (as hereinafter defined) or other advance payments relating to any expenses of the Facilities that are useable by Buyer following the Closing (collectively, the "Prepaid Expenses");

(n) any and all monies not received by Seller Group on or prior to the Closing Date from Medicare or Medicaid related to the Hospital's satisfying the applicable "meaningful use" standards (the "Meaningful Use Monies") which are received after Closing but relate to the operation of the Business prior to Closing;

(o) rights to Tax refunds or claims under or proceeds of insurance policies;

(p) the bank accounts listed on Schedule 1.1(p) (but excluding the funds held in such accounts that are in excess of the amount necessary to satisfy any checks that are outstanding as of the Closing);

(q) the ownership interests, including all transferrable rights and obligations relating thereto, of Seller Group in UPHP and UPMC;

(r) all claims of Seller Group against third parties relating to the Assets;

(s) rights to settlements and retroactive adjustments, if any, resulting in a net favorable asset after all such cost report settlements are completed to Seller Group and/or the Facilities, whether arising under a cost report of Seller Group or otherwise for cost reporting periods ending on or prior to the Effective Time, whether open or closed, arising from or against the United States government under the terms of the Medicare program or TRICARE, arising under the Medicaid program of the State of Michigan or other states (collectively, the "Government Programs");

(t) rights to settlements and retroactive adjustments, if any, resulting in a net favorable asset after all such cost report settlements are completed to Seller Group and/or the Facilities, whether arising under a cost report of Seller Group for cost reporting periods ending on or prior to the Effective Time, whether open or closed, arising against any third party payor programs (collectively with the Government Programs, the "Agency Settlements"); and

(u) all rights and assets associated with the Bell Memorial Hospital Non-Union Pension Plan (the "Non-Union Pension Plan").

1.2 Excluded Assets. Notwithstanding anything herein to the contrary, the following assets which are associated with Seller Group's operation of the Facilities and the conduct of the Business are

not intended by the parties to be a part of the Assets that Buyer is purchasing hereunder and shall be excluded from such purchase (collectively, the “Excluded Assets”):

(a) restricted and unrestricted cash and cash equivalents, including investments in marketable securities, certificates of deposit and bank accounts (other than those listed on Schedule 1.1(p));

(b) securities and other investments;

(c) all Inventory disposed of, expended or exhausted prior to the Effective Time in the ordinary course of business and items of equipment and other Assets transferred or disposed of prior to the Effective Time in a manner permitted by this Agreement;

(d) any records which Seller Group is required by applicable Legal Requirements to retain in its possession, that are required to be held by Buyer pursuant to the Custody Agreement (as hereinafter defined), and any records related exclusively to Excluded Assets or Excluded Liabilities (as hereinafter defined);

(e) all leases, commitments, contracts and agreements that are not Assumed Contracts, including those set forth on Schedule 1.2(e), (collectively, the “Excluded Contracts”);

(f) all Benefit Plans (as hereinafter defined) and any contracts or agreements related thereto and all funds and accounts held thereunder (other than with respect to the Non-Union Pension Plan);

(g) Seller Group’s organizational documents and minute books;

(h) all NPIs and all Medicare and Medicaid provider numbers and related provider agreements of Seller Group not specifically assumed pursuant to Section 1.1(i);

(i) all claims arising under Excluded Contracts;

(j) the donor restricted funds of Seller Group and any agreements and obligations related thereto, which are set forth on Schedule 1.2(j);

(k) any and all Meaningful Use Monies received by Seller Group on or prior to the Closing Date;

(l) all funds resulting from claims Seller Group has pending in lawsuits against third parties relating to the Assets or the Facilities arising from events that occur prior to Closing;

(m) all insurance policies and rights under insurance policies, except as specifically provided in Section 2.5;

(n) the ownership, membership, directorship, equity or other investment interests of Seller Group or other interests held by Seller Group in any person (other than Seller Group’s ownership interest in UPHP and UPMC) (the “Excluded Entities”), including the entities set forth on Schedule 1.2(n);

(o) all claims by Seller Group or its affiliates against their current or former directors and officers;

(p) all causes of action, lawsuits, judgments, claims and demands of any nature that serve as a counterclaim or cross claim to a claim brought against Seller Group after Closing;

(q) all rights of Seller Group under this Agreement and all other agreements entered into in connection herewith; and

(r) such other assets listed on Schedule 1.2(r).

1.3 Interpretation. In this Agreement, unless the context otherwise requires: (a) references to this Agreement are references to this Agreement and to the Schedules and Exhibits hereto; (b) references to Articles and Sections are references to articles and sections of this Agreement; (c) references to any party to this Agreement include references to its respective successors and permitted assigns; (d) references to a judgment include references to any order, writ, injunction, decree, determination or award of any court or tribunal; (e) references to a “person” means any individual, company, corporation (whether public, private or government), corporate body, association, authority, partnership, limited liability company, firm, joint venture, business entity, trust or government agency; (f) the terms “hereof”, “herein”, “hereby”, and any derivative or similar words refer to this entire Agreement; (g) references to any document (including this Agreement) are references to that document as amended, consolidated, supplemented, novated or replaced by the parties thereto from time to time; (h) the word “including” means “including without limitation”; (i) references to time are references to Eastern Standard Time or Daylight Time (as in effect on the applicable day, unless otherwise specified herein); (j) the word “affiliate” means, as to the person in question, any person that directly or indirectly controls, is controlled by, or is under common control with, the entity in question and any successors or assigns of such entities; (k) the term “control” means possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person whether through ownership of voting securities, by contract or otherwise; (l) the term “Proceeding” shall mean and refer to any action, arbitration, audit, hearing, investigation, litigation, suit or similar proceeding (whether civil, criminal, administrative, judicial or investigative, whether formal or informal, whether public or private) commenced, brought, conducted or heard by or before, or otherwise involving, any governmental body or arbitrator; and (m) the term “Legal Requirements” shall mean and refer to any applicable law, statute, ordinance, bylaw, code, rule, regulation, corporate integrity agreement, reimbursement manual, program memorandum, policy, restriction, order, judgment, writ, injunction, decree, determination, award or similar command of any governmental authority. Without limiting the foregoing, “Legal Requirements” shall include the laws of the State of Michigan, Title XVIII of the Social Security Act, 42 U.S.C. §§ 1395-1395hhh (the Medicare statute), including specifically, the Ethics in Patient Referrals Act, as amended, or "Stark Law," 42 U.S.C. § 1395nn; Title XIX of the Social Security Act, 42 U.S.C. §§ 1396-1396v (the Medicaid statute); the Federal Health Care Program Anti-Kickback Statute, 42 U.S.C. § 1320a-7b(b); the False Claims Act, as amended, 31 U.S.C. §§ 3729-3733; the Program Fraud Civil Remedies Act, 31 U.S.C. §§ 3801-3812; the Anti-Kickback Act of 1986, 41 U.S.C. §§ 51-58; the Civil Monetary Penalties Law, 42 U.S.C. §§ 1320a-7a and 1320a-7b; the Exclusion Laws, 42 U.S.C. § 1320a-7; the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act, and the regulations promulgated thereunder, including 45 C.F.R. Parts 160, 162, and 164 (collectively, "HIPAA"); Consolidated Omnibus Budget Reconciliation Act of 1985 and the Public Health Service Act (collectively, "COBRA"); the Immigration and Reform Control Act of 1986; Workers Adjustment and Retraining Notification Act, 29 U.S.C. §§ 2101 et seq. ("WARN Act"); Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§ 9601 et seq. ("CERCLA"), Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901 et seq. ("RCRA"), Toxic Substances Control Act, 15 U.S.C. §§ 2601 et seq. ("TSCA"), Occupational Safety and Health Act, 29 U.S.C. §§ 651 et seq. ("OSHA"), the Clean Air Act, 42 U.S.C. §§ 7401 et seq. ("Clean Air Act"), the Clean Water Act, 33 U.S.C. §§ 1251 et seq. ("Clean Water Act"), Section 3(3) of the Employee Retirement Income Security Act of 1974 ("ERISA"), and zoning and other land use and similar laws, including the

Americans With Disabilities Act. In addition to other methods of delivery, documents shall be deemed to have been “delivered to” Buyer in the event that representatives of Buyer were able to access such documents on a virtual data room maintained on behalf of Seller Group at any time prior to the tenth day prior to Closing.

2. FINANCIAL ARRANGEMENTS

2.1 Purchase Price. Subject to the terms and conditions of this Agreement and in reliance upon the representations and warranties of Seller Group set forth herein and as consideration for the sale and purchase of the Assets contemplated herein, the purchase price for the Assets (collectively, the “Purchase Price”), will be determined at Closing and will equal the following as of Closing (A) the sum of (i) the Unfunded Pension Obligation (as hereinafter defined), (ii) the aggregate amount of Seller Group’s outstanding bonds, other obligations to repay borrowed money, swap obligations, capital lease obligations and any other remaining indebtedness, (iii) the amount necessary to satisfy Seller Group’s premiums for the Tail Insurance (as hereinafter defined), (iv) the aggregate amount necessary to satisfy Seller Group’s transaction costs, which shall include investment banking fees and reasonable and necessary legal fees (the “Transaction Costs”) and (v) the amount of all other outstanding liabilities of Seller Group being assumed by Buyer as set forth on Schedule 2.1; minus (B) the sum of (i) Seller Group’s cash and cash equivalents and (ii) Seller Group’s investments; plus (C) \$1,000,000 (the “Foundation Funds”) payable to Bell Foundation, Inc. (the “Foundation”), payable in the manner set forth on the funds flow memorandum agreed to between Seller Group and Buyer and delivered at Closing (the “Funds Flow Memorandum”). No later than three (3) business days prior to Closing, Seller Group shall prepare and deliver to Buyer a good-faith estimate of the Purchase Price with supporting detail and attached invoices satisfactory to Buyer in its reasonable discretion in accordance with the sample calculation set forth on Schedule 2.1.

2.2 Allocation of Purchase Price. Within one hundred eighty (180) days after the Closing Date, Buyer shall prepare an allocation of the Purchase Price in accordance with Section 1060 of the Internal Revenue Code of 1986, as amended (“Code”) and the Treasury regulations thereunder (and any similar provision of state or local Legal Requirements, as appropriate), and the valuations and appraisals obtained by Buyer (the “Allocation”). Seller Group and Buyer hereby agree to be bound by such Allocation, to account for and report the purchase and sale of the Assets contemplated hereby for federal and state Tax purposes in accordance with such Allocation, and not to take any position (whether in Tax Returns, Tax audits, or other Tax proceedings), that is inconsistent with such Allocation without the prior written consent of the other parties. The fees and expenses for the valuations and appraisals contemplated in this Section 2.2 shall be borne by Buyer. Buyer and Seller Group and their affiliates shall report, act and file all Tax Returns in all respects and for all purposes consistent with such Allocation.

2.3 Assumed Liabilities. Notwithstanding anything herein to the contrary, as of the Effective Time, Buyer shall assume and agree to pay, perform and discharge in accordance with their respective terms, only the following liabilities of Seller Group (collectively, the “Assumed Liabilities”): (i) current trade accounts payable due to third parties (the “Trade Payables”); (ii) current paid time off obligations of Employees (the “PTO”); (iii) the obligations of Seller Group under the Assumed Contracts arising out of periods after the Effective Time, including the Collective Bargaining Agreement by and between BMH and United Steelworkers, AFL-CIO, Local 8293, dated as of February 16, 2012 (the “BMH CBA”), the Collective Bargaining Agreement by and between BMC and United Steelworkers, AFL-CIO, Local 4950-12, dated as of June 1, 2010 (the “BMC CBA”), the Collective Bargaining Agreement by and between Ishpeming Medical Clinic and United Steelworkers, AFL-CIO, Local 4950-11, dated as of August 1, 2011 (the “IMC CBA”), and the Collective Bargaining Agreement by and between Woodland Senior Living Community and United Steelworkers, AFL-CIO, Local 8293-02, dated as of August 1, 2012 (the “WSLC CBA”, and, together with the BMH CBA, the BMC CBA and the IMC CBA, the “Collective

Bargaining Agreements”), in each case solely with respect to those employees hired pursuant to Section 9.1 of this Agreement, other than any liability arising out of or relating in any way to a breach or default based on an event that occurred prior to or at the Effective Time; (iv) the Unfunded Pension Obligation (as hereinafter defined) and (v) the other outstanding liabilities of Seller Group to the extent and only to the extent taken into account in the determination of the Purchase Price under Section 2.1(v).

2.4 Excluded Liabilities. Except for the Assumed Liabilities, Buyer shall not assume, nor shall it be liable for and under no circumstance shall the Buyer be obligated to pay or assume, and none of the Assets shall be or become liable for or subject to any liability or obligation of Seller Group or its affiliates, including any obligations or liabilities of Seller Group:

- (a) for medical malpractice or general liability claims;
- (b) arising out of or relating to the ownership or use of the Assets prior to Effective Time, whether (in any case) fixed or contingent, recorded or unrecorded, known or unknown, currently existing or hereafter arising, and whether or not set forth or described in the Schedules;
- (c) any debt of or claim against Seller Group or any one or more of its affiliates, or any obligation of Seller Group or any one or more of its affiliates to repay borrowed money;
- (d) any claim against or obligation of any nature whatsoever relating to any of the Excluded Assets;
- (e) any liability under any pension or other benefit plan of Seller Group, or any administrative costs associated with such benefit plans arising prior to the Effective Time;
- (f) any liability relating to Seller Group Cost Reports (as hereinafter defined), including terminating cost reports, or other Medicare, Medicaid or TRICARE claims with respect to periods ending prior to the Effective Time, whether arising in connection with a “self report” or otherwise;
- (g) any liability for violating any Legal Requirements to the extent arising from acts or omissions prior to the Effective Time, including those pertaining to Medicare and Medicaid fraud or abuse and federal and state physician anti-self-referral laws;
- (h) any liability under Seller Group’s provider agreements with Government Programs or Third Party Payor Programs, including, but not limited to, any liability for amounts paid to the Seller Group in excess of the maximum “caps” allowed pursuant to the limitation on payments for hospice services described in 42 U.S.C. §1395f and the applicable Medicare regulations (“Medicare Cap Liability”) and the repayment of any alleged overpayments;
- (i) any liability and obligation for Taxes whether or not accrued, assessed or currently due and payable, (i) of Seller Group, whether or not it relates to the Facilities or the Assets, or (ii) relating to the ownership or operation of the Facilities or the Assets for any taxable period (or portion thereof) ending on or prior to the Effective Time;
- (j) any liability arising out of any Environmental Claim, the basis of which existed in whole or in part at the Effective Time, or any liability otherwise arising out of or related to Materials of Environmental Concern located at or emanating from any of the Facilities or the Included Real Property as of the Effective Time; and

(k) any liability set forth on Schedule 2.4(k) (collectively, the “Excluded Liabilities”).

2.5 Casualty.

(a) The risk of loss or damage to any of the Assets shall remain with Seller Group until the Effective Time and Seller Group shall maintain its insurance policies covering the Assets and all other property through the Effective Time. If any material part or portion of the Assets is damaged, condemned, lost or destroyed (whether by fire, theft or other casualty event) prior to the Effective Time, Seller Group shall notify Buyer (“Casualty Notice”) as soon as possible of such damage, loss or destruction. Based upon information received from the applicable insurance company, the Casualty Notice shall set forth Seller Group’s good faith, reasonable estimate (the “Estimate”) of the cost to repair, replace or restore (as applicable) such damage, loss or destruction (the “Aggregate Damage”).

(b) In the event that the Estimate is equal to or greater than \$2,500,000 (a “Material Loss”), Buyer may, within 10 days after receipt of the Casualty Notice, terminate this Agreement by written notice to Seller Group. In the event that Buyer does not terminate this Agreement within such 10 day period, the rights and obligations of the parties with respect to such Material Loss shall be governed by Section 2.6(d).

(c) In the event that the Estimate is less than a Material Loss and Buyer objects to the Estimate, Buyer shall notify Seller Group of such objection (the “Buyer Notice”) within 10 days after receipt of the Casualty Notice. The Buyer Notice shall indicate whether Buyer objects to the Estimate and whether Buyer believes that the value of the Aggregate Damage is in excess of a Material Loss. If the parties are unable to resolve their disagreement concerning the value of the Aggregate Damage within five business days after Seller Group’s receipt of the Buyer Notice, then BDO, USA, LLP or such other accounting firm acceptable to the parties (the “Accountants”), promptly as possible, shall determine the Aggregate Damage and confirm in writing either that the Aggregate Damage is less than a Material Loss or exceeds a Material Loss. If the Accountants’ report indicates a Material Loss, Buyer may submit a termination notice within five business days after the receipt of the Accountants’ report. The Accountants’ determination shall be final and binding on the parties. The fees and costs of the Accountants shall be borne by Buyer.

(d) If, prior to the Effective Time, any part or portion of the Assets is destroyed, condemned, lost or damaged, (i) to an extent that such event does not result in a Material Loss, or (ii) to an extent that such event would be a Material Loss and Buyer fails to terminate this Agreement, the parties shall consummate the transactions contemplated in this Agreement, subject to the other terms and conditions of this Agreement, and, at the Effective Time, Seller Group shall deliver possession of the Assets to Buyer in such physical condition as the same may then exist; provided that, in such event, Seller Group shall deliver to Buyer an assignment from Seller Group of all of its right, title and interest in and to any and all net insurance or condemnation proceeds otherwise due and payable to Seller Group for the condemnation or property loss or damage to the Assets. In the event that the parties consummate the transactions in accordance with this clause (d), then no additional claims (including claims for indemnification) shall be made by Buyer arising out of any such destruction, condemnation, loss or damage to the Assets.

2.6 Proration. To the extent not prorated at Closing, within 30 days after the Closing Date, Seller Group and Buyer shall prorate as of the Effective Time any amounts with respect to: (i) the Assumed Contracts, but only to the extent the event giving rise to such obligation occurred prior to the Effective Time, or to the extent that any prepayments have been made with respect to the delivery of goods or services for periods ending on or after the Effective Time; (ii) ad valorem Taxes, if any, on the

Assets; (iii) property Taxes, if any, on the Assets; and (iv) if cut off statements cannot be obtained as of Closing, all utilities servicing any of the Assets, including water, sewer, telephone, electricity and gas service, except that payments for ad valorem and property Taxes shall initially be determined based on the previous year's Taxes and shall later be adjusted to reflect the current year's Taxes when the Tax bills are finally rendered. The parties shall cooperate to avoid, to the extent legally possible, the payment of duplicate Taxes, and each party shall furnish, at the request of the other, proof of payment of any Taxes or other documentation which is a prerequisite to avoid payment of a duplicate Tax. Any such amounts which are not available within 30 days after the Closing Date shall be similarly prorated as soon as practicable thereafter. Seller Group shall pay to Buyer, or Buyer shall pay to Seller Group, as the case may be, within 10 days after the determination thereof, any unpaid prorated amount attributable to periods prior to, or following, the Effective Time.

3. CLOSING

3.1 Closing. Subject to the satisfaction or waiver by the applicable party of the conditions precedent to Closing specified in Articles 7 and 8 hereof, the consummation of the transactions contemplated by and described in this Agreement (the "Closing") shall take place on September 30, 2013, or at such earlier or later date as Buyer and Seller Group may mutually designate in writing (the "Closing Date"). The Closing shall be effective as of 12:01 a.m. on the day immediately following the Closing Date or such other date and time as the parties may agree in writing (the "Effective Time").

3.2 Actions of Seller Group at Closing. At the Closing and unless otherwise waived in writing by the applicable party, Seller Group shall deliver the following to Buyer:

(a) one or more Special Warranty Deed(s) conveying to Buyer Seller Group's good and marketable fee simple title in the Included Real Property (which, at the discretion of Buyer may describe the Included Real Property by reference to the description contained in the Survey approved by the Buyer), subject only to the Permitted Encumbrances, in the form attached as Exhibit 3.2(a) executed by the applicable duly authorized officer of Seller Group;

(b) a General Bill of Sale and Assignment in the form attached as Exhibit 3.2(b) ("Bill of Sale") executed by the applicable duly authorized officer of Seller Group;

(c) an Assignment and Assumption Agreement in the form attached as Exhibit 3.2(c) (the "Assignment and Assumption") executed by the applicable duly authorized officer of Seller Group;

(d) an Assignment and Assumption of Leases for the Leased Real Property, in the forms attached as Exhibits 3.2(d)(i) and 3.2(d)(ii) (the "Assumptions of Lease Agreements") executed by the applicable duly authorized officer of Seller Group;

(e) a Non-Compete Agreement in the form attached as Exhibit 3.2(e) (the "Non-Compete Agreement") executed by the applicable duly authorized officer of Seller Group;

(f) an amendment to the Articles of Incorporation of BMH and BMC in the form attached as Exhibit 3.2(f) (the "Name Amendments") executed by the applicable duly authorized officer of each of BMH and BMC;

(g) the Funds Flow Memorandum executed by the applicable duly authorized officer of Seller Group;

(h) a non-foreign affidavit dated as of the Closing Date in the form attached as Exhibit 3.2(h) executed by the applicable duly authorized officer of Seller Group;

(i) estoppel certificates duly executed by Seller Group and any lessor with respect to each real property lease included in the Assumed Contracts in the form attached as Exhibits 3.2(i);

(j) copies of resolutions duly adopted by the boards of directors of Seller Group authorizing and approving Seller Group's performance of the transactions contemplated hereby and the execution, delivery and performance of this Agreement and the documents described herein to which it is a party, certified as true and of full force as of Closing by the applicable duly authorized officer of Seller Group;

(k) a certificate of Seller Group executed on its behalf by a duly authorized officer of Seller Group certifying that the conditions in Sections 7.1 and 7.6 have been satisfied;

(l) a certificate of incumbency for the officers of Seller Group executing this Agreement or any other agreements or certificates to be executed or delivered on behalf of Seller Group pursuant hereto dated as of the Closing Date;

(m) a certificate of good standing of each of BMH and BMC from the Michigan Department of Licensing and Regulatory Affairs, Bureau of Commercial Services (the "Department"), each dated the most recent practical date prior to Closing;

(n) one or more duly executed limited powers of attorney for use of Pharmacy License, Drug Enforcement Administration ("DEA") and other controlled substance registration numbers, and DEA order forms, in the form attached as Exhibit 3.2(n) (the "Powers of Attorney");

(o) a joinder executed by a duly authorized officer of the Foundation solely for the purpose of (i) agreeing to assure the obligations of Seller Group pursuant to the provisions of Section 9.15 of this Agreement and (ii) granting the Foundation authority to enforce any provision of this Agreement in the form attached as Exhibit 3.2(o) (the "Foundation Joinder");

(p) an "Owner's Affidavit" in the Title Company's standard form sufficient to remove each standard pre-printed exception from the Title Policy, except for matters shown on the Survey (as hereinafter defined);

(q) certificates of title for each vehicle included in the Assets executed by the applicable duly authorized officer of Seller Group;

(r) a Medical Records Custody Agreement in a form mutually agreeable to Seller Group and Buyer (the "Custody Agreement") executed by the applicable duly authorized officer of Seller Group;

(s) a transition services agreement in a form mutually agreeable to Seller Group and Buyer (the "Transition Services Agreement") executed by the applicable duly authorized officer of Seller Group;

(t) copies of the Conditional Tax Clearance Request (Form 514) submitted by Seller Group to the Michigan Department of Treasury, and, if received by Closing, the Conditional Tax Clearance granted to Seller Group;

(u) a Michigan Form UIA1395 from the Michigan Unemployment Insurance Agency certifying the status of Seller Group's liability for unemployment Taxes;

(v) at least two business days prior to Closing, a Michigan Form UIA, Business Transferor's Notice to Transferee of Unemployment Tax Liability and Rate;

(w) subject to obtaining required consents for transfer, certificates, assignments or other appropriate instruments of transfer of Seller Group's ownership interests in UPHP and UPMC, duly endorsed for transfer to Buyer; and

(x) such other instruments and documents as Buyer reasonably deems necessary to effect the transactions contemplated hereby.

3.3 Actions of Buyer at Closing. At the Closing and unless otherwise waived in writing by Seller Group, Buyer shall deliver the following:

- (a) to Seller Group:
 - (i) the Cash Balance in immediately available funds;
 - (ii) the Assignment and Assumption executed by a duly authorized officer of Buyer;
 - (iii) the Assumptions of Lease Agreements executed by a duly authorized officer of Buyer;
 - (iv) the Non-Compete Agreement executed by a duly authorized officer of Buyer;
 - (v) the Custody Agreement executed by a duly authorized officer of Buyer;
 - (vi) the Transition Services Agreement executed by a duly authorized officer of Buyer;
 - (vii) the Foundation Joinder executed by a duly authorized officer of Buyer;
 - (viii) the Funds Flow Memorandum executed by a duly authorized officer of Buyer;
 - (ix) copies of resolutions duly adopted by the sole member of Buyer authorizing and approving Buyer's performance of the transactions contemplated hereby and the execution, delivery and performance of this Agreement and the documents described herein to which it is a party, certified as true and of full force as of Closing by a duly authorized officer of Buyer;
 - (x) a certificate of Buyer executed on its behalf by a duly authorized officer of Buyer certifying that the conditions in Section 8.1 have been satisfied;
 - (xi) a certificate of incumbency for the officers of Buyer executing this Agreement or any other agreements or certificates to be executed or delivered on behalf of Buyer, dated as of the Closing Date;

(xii) a certificate of active status of Buyer from the Delaware Secretary of State, dated the most recent practical date prior to Closing;

(xiii) an amendment to the operating agreements of each of UPHP and UPMC duly executed by Buyer; and

(xiv) such other instruments and documents as Seller Group reasonably deems necessary to effect the transactions contemplated hereby.

(b) to Foundation, the Foundation Funds in immediately available funds.

3.4 Additional Acts. From time to time after Closing, each party shall execute and deliver such other instruments of conveyance and transfer, and take such other actions as another party hereto may reasonably request, to more effectively convey and transfer full right, title and interest to, vest in, and place each party, in legal and actual possession of, as applicable, any and all of the Assets.

4. REPRESENTATIONS AND WARRANTIES OF SELLER GROUP

To induce Buyer to execute and deliver this Agreement and to consummate the transactions contemplated herein, each of BMH and BMC jointly and severally represents and warrants to Buyer the following, as of the date hereof (except in cases where the representation speaks to another date, in which case as of such date) except as set forth in the Disclosure Schedules attached hereto (the “Disclosure Schedules”):

4.1 Capacity. Each of BMH and BMC is a nonprofit corporation duly organized and validly existing and in good standing under the laws of the State of Michigan. Except as set forth on Schedule 4.1, neither BMH nor BMC is required to be qualified to transact business as a foreign corporation in any jurisdiction. Except as set forth on Schedule 4.1, (i) Neither BMH nor BMC is licensed, qualified or admitted to do business in any jurisdiction other than in the State of Michigan and (ii) there is no jurisdiction in which the ownership, use or leasing of any of Seller Group’s assets or properties, or the conduct or nature of its business, makes such licensing, qualification or admission necessary. Other than Seller Group and those persons set forth on Schedule 4.1, there are no other persons which conduct the operation of any of the Facilities.

4.2 Powers; Consents; Absence of Conflicts With Other Agreements. The execution, delivery and performance by Seller Group of this Agreement and all other agreements referenced in or ancillary hereto to be executed and delivered by Seller Group pursuant hereto and the consummation of the transactions contemplated herein and therein by Seller Group (a) are within the corporate powers of BMH and BMC, are not in contravention of the terms of their respective Articles of Incorporation and Bylaws or any amendments thereto, and have been duly authorized by all appropriate corporate action; (b) except as set forth on Schedule 4.2(b), do not require Seller Group to obtain any approval or consent of, or make any filing with, any governmental agency or authority bearing on the validity of this Agreement which is required by Legal Requirements; (c) will not (i) except as set forth on Schedule 4.2(c), conflict with or result in any breach or contravention of any agreement, material lease or instrument to which Seller Group is a party or by which Seller Group or the Assets are bound, (ii) permit the acceleration of the maturity of the Assumed Liabilities, or (iii) result in the creation of any Encumbrance (as hereinafter defined) affecting any of the Assets other than Permitted Encumbrances; (d) do not violate any Legal Requirements to which Seller Group or the Assets may be subject; and (e) do not violate in any material respect any judgment of any court or governmental authority to which Seller Group or the Assets may be subject.

4.3 UPHP and UPMC. Seller Group owns a 5.12% membership interest in UPHP and a 5.12% membership interest in UPMC, each free and clear of any Encumbrances other than Permitted Encumbrances. Except as set forth on Schedule 4.3, Seller Group has not granted or entered into (i) any proxies, voting agreements, shareholder or other agreements with respect to such membership interests, or (ii) any options, warrants, calls, subscriptions, or other rights or agreements or commitments obligating Seller Group to transfer or sell such membership interest or other rights with respect to UPHP or UPMC.

4.4 Binding Agreement. This Agreement and all agreements to be executed and delivered by Seller Group pursuant hereto have been (or will be when executed and delivered) duly and properly authorized and executed by Seller Group. This Agreement has been duly and validly executed and delivered by Seller Group and, assuming due execution and valid delivery by Buyer, this Agreement and the other documents to be executed and delivered by Seller Group hereunder (when executed and delivered) constitute or will constitute the valid and legally binding obligations of Seller Group, enforceable against Seller Group in accordance with the respective terms hereof or thereof, except as enforceability may be restricted, limited or delayed by applicable bankruptcy or other laws affecting creditors' rights generally and general principles of equity.

4.5 No Outstanding Rights. Except as set forth on Schedule 4.5, the Seller Group has not granted any rights (including any rights of first refusal or offer or rights of reverter or other preemptive rights), options, or contracts giving any person any current or future right to require Seller Group to sell or transfer to such person or to any third party all or any part of the Assets.

4.6 Financial Statements.

(a) Schedule 4.6(a) contains copies of the following financial statements of Seller Group (the "Seller Group Financial Statements"): (i) unaudited balance sheet of BMH and BMC, dated as of April 30, 2013 (the "Balance Sheet Date"); (ii) unaudited statement of operations of BMH and BMC for the nine (9) months ended on the Balance Sheet Date; (iii) audited combined financial statements of BMH and affiliates as of and for the fiscal year ended June 30, 2010; and (iv) audited combined financial statements of Superior Healthcare System and affiliates as of and for the fiscal years ended June 30, 2011 and 2012.

(b) Except as otherwise set forth on Schedule 4.6(b), the Financial Statements have been (and, in the case of the financial statements to be delivered pursuant to Section 6.9, will be) prepared in accordance with GAAP, applied on a consistent basis throughout the periods indicated except, in the case of the unaudited Financial Statements, for the absence of footnotes (that, if presented, would not differ materially from those included in the most recent audited Financial Statements and normal recurring year-end adjustments, the effect of which would not individually or in the aggregate, be material). The Financial Statements fairly present (and the Financial Statements delivered pursuant to Section 6.9 will fairly present) in all material respects the financial condition and results of operations of Seller Group as of the dates indicated thereon and for the periods referred to therein. As used in this Agreement, the term "GAAP" means generally accepted accounting principles, methods and practices in the United States.

4.7 Listed Contracts.

(a) Other than Immaterial Contracts, Schedules 1.1(f) and 1.2(e) list all commitments, contracts, leases and agreements, whether written or oral, to which Seller Group is a party or by which any of Seller Group, the Facilities or any of the Assets are bound including the Program Agreements (the "Listed Contracts"). Notwithstanding the foregoing, the term "Listed Contracts" shall include, whether written or oral, all agreements: (i) pursuant to which Seller Group has any interest as a

lessor, lessee, licensor or licensee of real property; (ii) concerning payment, performance of services or delivery of goods, regardless of amount, with any referral source, including all physicians and healthcare providers; (iii) with any labor union or collective bargaining group or organization; (iv) with one or more directors, trustees, stockholders, partners, affiliates or officers of Seller Group; and (v) that prohibit or restrict competition or the conduct of any lawful business by Seller Group. Seller Group has delivered to Buyer copies of all Listed Contracts.

(b) Except as listed on Schedule 4.7(b): (i) each of the Assumed Contracts are in full force and effect; (ii) each of the Assumed Contracts constitutes valid and legally binding obligations of Seller Group and, to the knowledge of Seller Group, of the other parties thereto and are enforceable in accordance with their terms against Seller Group and, to the knowledge of Seller Group, against the other parties thereto, except as enforceability may be limited, restricted or delayed by applicable bankruptcy or other Legal Requirements affecting creditor's rights and debtor's relief generally and general principles of equity; (iii) each of Seller Group is and has been in material compliance with the terms and requirements of each Assumed Contract; (iv) each other party that has or had any obligation or liability under any Assumed Contract is and has been in material compliance with the terms and requirements of such Assumed Contract; (v) to Seller Group's knowledge, no event has occurred or circumstance exists that (with or without notice or lapse of time) may contravene, conflict with, or result in a material violation or breach of, or give any party the right to declare a default or exercise any remedy under, or to accelerate the maturity or performance of, or to cancel, terminate, or modify, any Assumed Contract; (vi) Seller Group has not failed to give any notices required pursuant to any of the Assumed Contracts with respect to any material breach of which Seller Group is aware or received any unresolved notice (whether oral or written) regarding any actual or alleged material violation or breach of, or default under, any Assumed Contract; (vii) there are no renegotiations of, or outstanding rights to renegotiate any Assumed Contract to the knowledge of Seller Group, and no party has made written demand for such renegotiation; (viii) no purchase commitment by Seller Group or any of the Facilities that is an Assumed Contract is in excess of the ordinary business requirements of the Facilities; (ix) subject to obtaining all required consents for assignment identified on Schedule 4.7(b)(ix) the execution, delivery and performance of this Agreement by Seller Group (including the assignment of any Assumed Contracts to Buyer) will not contravene, conflict with, or result in a violation or breach of any provision of, or give any party the right to declare a default or exercise any remedy under, or to accelerate the maturity or performance of, or to cancel, terminate, or modify, any Assumed Contract.

4.8 Real Property.

(a) Seller Group owns good and marketable title in fee simple to the Included Real Property, together with all buildings, improvements and fixtures thereon, all easements and other appurtenances and rights serving or benefitting, the Included Real Property, together with any rights, privileges or interests of Seller Group in any adjacent streets, rights of way or drainage areas serving the Included Real Property. A list of the Included Real Property is contained on Schedule 1.1(b) (which Schedule includes a legal description of the parcels and tracts constituting the Included Real Property as reflected in Seller Group's vesting deeds to such Included Real Property). A list, which list describes the parties, date of lease and any amendments and premises leased, of all leases pursuant to which Seller Group leases real property as a lessor, is contained on Schedule 4.8(a)(i) (each, a "Lease"). Schedule 4.8(a)(i) also includes a list, which list describes the parties, date of lease and any amendments and premises leased, of all of the real property leased, licensed or otherwise occupied by Seller Group as a "tenant," "lessee" or "licensee" (the "Seller Group Occupied Leases") together with any amendments to any of the Seller Group Occupied Leases. Seller Group has a leasehold interest in and under all of the Seller Group Occupied Leases and, to the knowledge of Seller Group, the Seller Group Occupied Leases are presently in full force and effect according to their terms and are the valid and binding obligations of BMH or BMC, as applicable. The Real Estate constitutes all of the real property used by Seller Group in

the operation of the Facilities. Except for what is set forth in the Title Commitment, to the knowledge of Seller Group, there exist no mortgages, liens, restrictions, agreements, claims, easements, encroachments, rights of way, variances, reservations, pledges, security interests, conditional sales agreements, rights of first refusal, options, or similar encumbrances of any nature (collectively, the “Encumbrances”) affecting the Included Real Property, and Seller Group is in actual possession of the premises described under the Seller Group Occupied Leases. At Closing, Seller Group will transfer and convey to Buyer or its designated affiliates good and marketable fee simple title in and to the Included Real Property, free and clear of any Encumbrance, except: (i) real estate Taxes not yet due and payable; (ii) matters reflected as exceptions in the Title Commitment (as hereinafter defined) except to the extent cured, removed or insured over under the provisions of Section 6.9; and (iii) matters disclosed on the Survey (as hereinafter defined), except to the extent the Survey is modified under the provisions of Section 6.9; (vi) those Encumbrances set forth on Schedule 4.8(a) and (v) any Encumbrances created or caused by Buyer or its affiliates, (the foregoing items (i) through (v) being referred to herein as the “Permitted Encumbrances”). At Closing, except as provided in Section 11.1, Seller Group will assign and convey to Buyer or its designated affiliates good and valid leasehold interests in the Leased Real Property under the Seller Group Occupied Leases free and clear of any Encumbrance (other than Permitted Encumbrances and other matters that will not interfere with the use and occupancy by Buyer of the Leased Real Property).

(b) To the knowledge of Seller Group, the Included Real Property is zoned to permit the uses for which it is presently used or has sufficient variances or conditional use permits to permit such use. To Seller Group’s knowledge, all utilities serving the Included Real Property is adequate to operate the Facilities in the manner they are currently operating. Seller Group has not received a written notice of any action to alter the zoning or zoning classification or to condemn, requisition or otherwise take all or any portion of the Real Estate.

4.9 Title to Personal Property. Subject to Permitted Encumbrances and except as set forth on Schedule 4.9, Seller Group has good and valid title to and ownership of all personal property, whether tangible or intangible, making up all or any portion of the Assets, except for personal property leased by Seller Group, for which Seller Group has good and valid leasehold or license interests. Except as set forth in Schedule 4.9, none of the Assets that constitute personal property owned by Seller Group are subject to any Encumbrance, other than Permitted Encumbrances and Assumed Liabilities. At Closing, Seller Group will convey to Buyer or its designated affiliates good and valid title to the Assets that constitute personal property, whether tangible or intangible, free and clear of any Encumbrance, other than Permitted Encumbrances and Assumed Liabilities. At Closing, Seller Group will convey to Buyer good and valid leasehold interests in the Assets that constitute personal property, whether tangible or intangible, that are subject to a lease which is an Assumed Contract, free and clear of any Encumbrance, other than Permitted Encumbrances and Assumed Liabilities.

4.10 Insurance. Set forth on Schedule 4.10 is a list of each of the insurance policies relating to the ownership or operations of the Facilities or the Assets, reflecting the policies’ terms, identity of insurers, amounts and coverage. All of such policies, or similar replacement policies, are now and will be in full force and effect immediately prior to the Effective Time with no premium arrearages. Seller Group has not (a) received any written notice from any such insurance company canceling or materially amending any of such insurance policies, and, to Seller Group’s knowledge, no such cancellation or amendment is threatened or (b) failed to give any required notice or present any material claim which is still outstanding under any of such policies with respect to the Facilities or any of the Assets. Schedule 4.10 includes a list of Seller Group’s self-insurance policies. Seller Group maintains its professional liability coverage on a “claims made” basis.

4.11 Litigation or Proceedings. Except as listed on Schedule 4.11, there are no claims, actions, suits, proceedings or investigations pending or, to Seller Group’s knowledge, threatened against

or adversely affecting Seller Group, the Facilities 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. Except as set forth on Schedule 4.11, Seller Group is not now, and has not been within the preceding six years, a party to any injunction, order, or decree restricting the method of the conduct of the business at or the marketing of the Facilities or its services.

4.12 Tax Liabilities

(a) As used herein, “Taxes” means (i) any federal, state, or local income, gross receipts, license, payroll, employment, excise, severance, stamp, ad valorem, occupation, premium, windfall profits, capital stock, franchise, profits, withholding, social security, unemployment, disability, hospital provider, real property, personal property, unclaimed property, sales, use, transfer, value added, alternative or add-on minimum, estimated, or other tax of any kind whatsoever, including any interest, penalty, or addition thereto; (ii) any liability for payment of amounts described in clause (i) whether as a result of transferee liability, of being a member of an affiliated, consolidated, combined or unitary group for any period, or otherwise through operation of law; and (iii) any liability for the payment of amounts described in clauses (i) or (ii) as a result of any tax sharing, tax indemnity or tax allocation agreement or any other express or implied agreement to indemnify any other person.

(b) As used herein, “Tax Return” means any return, declaration, report, claim for refund, information return, Tax filing obligation of any Section 501(c)(3) or (4) organization or statement relating to Taxes, including any schedule or attachment thereto, and any amendment thereof.

(c) Seller Group has timely filed all Tax Returns which are required to be filed by Seller Group with respect to the Facilities or the Assets, and all such Tax Returns are true and correct in all material respects. All Taxes shown as due and owing on such Tax Returns with respect to the Facilities and the Assets have been paid.

(d) Seller Group has withheld or collected and paid over to the appropriate Taxing and governmental authorities (or is properly holding for such payment) all Taxes required by Legal Requirements to be withheld or collected with respect to its operations, including withholdings on payments to Seller Group for sales and use Taxes or payments by Seller Group to employees or independent contractors on account of federal and state income Taxes, the Federal Insurance Contribution Act, and the Federal Unemployment Tax Act.

(e) Each of BMH and BMC (i) is an organization described in Section 501(c)(3) of the Code and is exempt from taxation to the extent described in Section 501(a) of the Code; (ii) is not a private foundation within the meaning of Section 509(a) of the Code; and (iii) is in possession of a determination letter from the Internal Revenue Service and the State of Michigan regarding its federal and state income tax exemption, which determination letter has not been revoked or otherwise modified. Seller Group has not entered into any transaction which has constituted or may constitute an “excess benefit transaction” within the meaning of Section 4958 of the Code and the Treasury Regulations thereunder. The Included Real Property and the personal property included in the Assets are, and shall be through the Closing Date, exempt from all real and personal property Taxes and there are no municipal assessments, for betterments or otherwise, on, related to or, to Seller Group’s knowledge, under consideration for the Real Estate.

4.13 Employee Benefit Plans.

(a) Schedule 4.13(a) sets forth a list (collectively the “Benefit Plans”) of all “employee benefit plans,” as defined in Section 3(3) of ERISA, all specified fringe benefit plans as

defined in Section 6039D of the Code, and all other bonus, incentive compensation, deferred compensation, profit sharing, stock option, severance, supplemental unemployment, layoff, salary continuation, retirement, pension, health, life insurance, disability, group insurance, vacation, holiday, sick leave, fringe benefit or welfare plan or employment or change in control agreement or any other similar plan, agreement, policy or understanding (whether oral or written, qualified or non-qualified) and any trust, escrow or other funding arrangement related thereto, (i) which is currently or has been maintained or contributed to by Seller Group or any of its affiliates within the prior six years, or (ii) with respect to which Seller Group or any of its affiliates has any liability or obligations to any current or former employee or service provider of Seller Group or any of their affiliates, or the dependents of any thereof, regardless of whether funded, and/or in which any current or former officer, employee or service provider of Seller Group, or any dependents thereof, participate. For purposes of this Section 4.13, the term “affiliate” is any person or entity which, together with the Seller Group, would be treated as a single employer under Sections 414(b), (c), (m) or (o) of the Code.

(b) Except for the Non-Union Pension Plan and the Steelworkers Pension Trust (the “Steelworkers Plan”), neither Seller Group nor any of its affiliates has been liable at any time in the preceding six years for contributions to a plan that is or has been at any time subject to Section 412 of the Code, Section 302 of ERISA and/or Title IV of ERISA; a multiemployer plan (as defined in Section 3(37) or Section 4001(a)(3) of ERISA); or a multiple employer welfare arrangement (as defined in Section 3(40) of ERISA).

(c) With respect to the Non-Union Pension Plan, (i) the funded status is accurately reflected and disclosed on Schedule 4.13(c) in a manner consistent with Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 715, *Compensation-Retirement Benefits*, and determined and disclosed as of June 30, 2012 (ii) the costs for administering the Non-Union Pension Plan, including but not limited to any and all fees charged by the Non-Union Pension Plan’s third-party administrator and plan actuary, for the last three years are accurately reflected and disclosed on Schedule 4.13(c); (iii) the asset allocation of the Non-Union Pension Plan’s assets as of March 31, 2013 is accurately reflected on Schedule 4.13(c); (iv) Seller Group has made all “minimum required contributions,” within the meaning of Sections 412 and 430 of the Code, by the applicable due dates; (v) neither Seller Group nor any of its affiliates has provided security pursuant to Section 436(f) of the Code; (vi) except as disclosed on Schedule 4.13(c), no “reportable event” (within the meaning of Section 4043 of ERISA) has occurred or is reasonably expected to occur by virtue of the consummation of the transaction contemplated by this Agreement except for a reportable event for which the notice requirement has been waived by the Pension Benefit Guaranty Corporation (“PBGC”); (vii) all required premium payments to the PBGC have been paid when due; (viii) the PBGC has not instituted proceedings or threatened to institute proceedings to terminate the Non-Union Pension Plan; (ix) no other event or condition has occurred that might constitute grounds under ERISA Section 4042 for the termination of, or the appointment of a trustee to administer, the Non-Union Pension Plan; and (x) neither Seller Group nor any of its affiliates has incurred, or reasonably expects to incur, any liability under Title IV of ERISA (other than contributions to the Non-Union Pension Plan or premiums to the PBGC in the ordinary course and without default).

(d) With respect to the Benefit Plans, there have been no material prohibited transactions or material breaches of fiduciary duty or other breaches or violations that could subject Seller Group or any of its affiliates to any liability. Each Benefit Plan intended to be qualified under Section 401(a) of the Code has a current favorable determination letter (or, in the case of a standardized form or paired plan, a favorable opinion or notification letter). No event has occurred which could cause any Benefit Plan to become disqualified or fail to comply with the respective requirements of Sections 401(a), 403(b) or 457 of the Code, as applicable, or that would make a distribution from such Benefit Plans to be ineligible to be rolled into an individual retirement account or a plan that is qualified under Section 401(a)

of the Code. Each Benefit Plan has been operated in all material respects in accordance with its terms. There are no actions, audits, claims, investigations or government enforcement actions pending or, to Seller Group's knowledge, threatened against Seller Group, the Benefit Plans or any of them, other than routine claims for benefits. Any contributions, including salary deferrals, required to be made pursuant to the terms of any of the Benefit Plans or, as applicable, the Collective Bargaining Agreements, as of the date of this Agreement have been timely made. The consummation of the transactions contemplated hereby will not accelerate the time of vesting or payment, or increase the amount, of compensation payable to any employee, officer, former employee or former officer of Seller Group or any of its affiliates.

(e) Schedule 4.13(e) lists all current and former employees of Seller Group and their beneficiaries who are currently eligible for and/or have elected continuation coverage under COBRA. No Benefit Plans provide for, and no written or oral agreements have been entered into promising or guaranteeing, the continuation of medical, dental, vision, life or disability insurance coverage for any current or former employees of Seller Group or their beneficiaries for any period of time beyond termination of employment (except to the extent of coverage required under COBRA).

(f) No Benefit Plan or other agreement exists that could result in the payment to any present or former employee or director of Seller Group or any of its affiliates of any money or other property or accelerate or provide any other rights of benefits to any present or former employee of Seller Group or any of its affiliates as a result of the transactions contemplated by this Agreement, whether or not such payment would constitute a parachute payment within the meaning of Section 280G of the Code.

(g) Each Benefit Plan that is a "nonqualified deferred compensation plan" (as defined for purposes of Section 409A(d)(1) of the Code) (i) has been operated since January 1, 2005 in good faith compliance with Section 409A of the Code and all applicable IRS guidance promulgated thereunder to the extent such plan is subject to Section 409A of the Code, and (ii) as to any such plan in existence prior to January 1, 2005 and not subject to Section 409A of the Code, has not been "materially modified" (within the meaning of IRS Notice 2005-1) at any time after October 3, 2004.

4.14 Employees and Employee Relations.

(a) Except as set forth on Schedule 4.14(a)(i), no collective bargaining agreement exists or is being negotiated by Seller Group or any of their affiliates. Except as set forth on Schedule 4.14(a)(i), no demand has been made for recognition by a labor organization by or with respect to any employees at the Facilities. To Seller Group's knowledge, except as set forth on Schedule 4.14(a)(i), no union organizing activities by or with respect to any employees at the Facilities is taking place, and none of the employees at the Facilities are represented by any labor union or organization. Except as set forth on Schedule 4.14(a)(ii), there is no unfair practice claim against Seller Group or any of its affiliates before the National Labor Relations Board, nor any strike, dispute, slowdown or stoppage pending or, to Seller Group's knowledge, threatened against or involving the Facilities. Except as set forth on Schedule 4.14(a)(ii), there are no pending or, to Seller Group's knowledge, threatened unfair labor practices claims, equal employment opportunity claims, human rights or civil rights complaints, wage and hour claims, unemployment compensation claims, workers' compensation claims or the like with respect to the Facilities. Seller Group has complied in all material respects with all requirements of the Immigration and Reform Control Act of 1986. Seller Group has not experienced within the preceding 12 months a "plant closing" or "mass layoff" within the meaning of WARN. Except as set forth on Schedule 4.14(a)(ii), Seller Group has not, during the 90 day period prior to the date of this Agreement, terminated any employees.

(b) Schedule 4.14(b) contains a list of the names and current hourly wage, monthly salary and other compensation of all employees and independent contractors who provide services at the Facilities. Except as set forth in Schedule 4.14(b), all of such employees are “at will” employees or are otherwise employed subject to a collective bargaining agreement. Seller Group and each Benefit Plan have properly classified individuals providing services as independent contractors or employees, as the case may be.

4.15 Post-Balance Sheet Date Results. Except as set forth in Schedule 4.15, since the Balance Sheet Date, there has not been any Material Adverse Effect, and no event has occurred or circumstance exists that could reasonably be expected to result in a Material Adverse Effect, nor has there been any transaction or occurrence in which Seller Group has: (a) suffered any material damage, destruction or loss with respect to or affecting any of the Assets; (b) sold, transferred or otherwise disposed of any of the Assets, except in the ordinary course of business; (c) granted or incurred any obligation for any increase in the compensation of any employee who is employed at the Facilities (including any increase pursuant to any bonus, pension, profit-sharing, retirement, or other plan or commitment), except in the ordinary course of business; (d) made any change in any method of accounting or accounting principle, practice, or policy; (e) suffered any change resulting in a Material Adverse Effect; (f) suffered any labor dispute, event or condition of any character that materially and adversely affected or interfered with the operations of the Facilities; (g) suffered any changes in the composition of the medical staff of the Facilities, other than normal turnover occurring in the ordinary course of business; (h) made any changes in the rates charged by the Seller Group for its services, other than those made in the ordinary course of business; (i) taken any other action neither in the ordinary course of business nor provided for in this Agreement. As used herein, the term “Material Adverse Effect” means any event, occurrence, development, fact, condition, state of circumstances, change or effect that (i) is, or is reasonably likely in the future to be, individually or in the aggregate, materially adverse to the business, operations, results of operations, condition, properties (including intangible properties and the use and access to the Included Real Property), rights, obligations or assets of Seller Group or (ii) materially impairs or delays, or is reasonably likely to materially impair or delay, the ability of Seller Group to consummate the transactions contemplated hereby or to perform its obligations under this Agreement, except for any event, fact, condition, change, circumstance, occurrence or effect constituting, resulting from or arising out of changes, events or developments; (x) in or affecting the economy or the industry in which the Facilities or Seller Group operates, including events or developments in financial or securities markets, general business conditions or the economy in general and any change in Legal Requirements or accounting rules, unless any of the foregoing changes, events or developments may have a disproportionate impact on the Facilities or Seller Group and (y) attributable to the announcement or pendency of the transactions contemplated by this Agreement or resulting from or relating to compliance with the terms of, or the taking of any action required by this Agreement..

4.16 Finders. Except for Juniper Advisory, LLC, all negotiations relative to this Agreement and the transactions contemplated hereby have been carried out by Seller Group directly with Buyer without the intervention of any person on behalf of Seller Group in such manner as to give rise to any valid claim by any such person against Seller Group or Buyer for a finder’s fee, brokerage commission or similar payment. Seller Group shall be solely responsible for satisfying obligations, if any, of Seller Group to Juniper Advisory, LLC in connection with the services provided thereby.

4.17 Regulatory Compliance.

(a) Except as set forth on Schedule 4.17(a), Seller Group, the Assets and the Facilities have been, since January 1, 2007, and are presently in compliance in all material respects with all Legal Requirements. During the preceding three years, neither Seller Group nor any of the Facilities has received any written notice that any of the operations of the Seller Group or the Facilities are not in

compliance with all Legal Requirements, and to the knowledge of Seller Group, neither the Seller Group nor any of the Facilities is under investigation for any violations of any Legal Requirements.

(b) The Hospital is licensed by the Department as a 25-bed critical access medical surgical hospital consistent with the Legal Requirements of the State of Michigan. Schedule 4.17(b) sets forth a list of all licenses, registrations, permits, certificates of authority, Certificates of Need (as defined below), clearances and other authorizations, consents and approvals of any governmental entity required for the lawful operation of the Assets and the Facilities by Seller Group (the “Licenses”). Seller Group and the Facilities, as applicable, have all Licenses required for the ownership, or operation of the Facilities and the Assets, and all of the Licenses are now and as of Closing shall be in good standing, in full force and effect and, to Seller Group’s knowledge, not subject to meritorious challenge. During the preceding five year period, none of Seller Group nor any of the Facilities have received any written notice from any governmental entity regarding any violation in any material respect of any License (other than any surveys or deficiency reports for which Seller Group or any of the Facilities, as applicable, has submitted a plan of correction that has been approved by the applicable governmental entity or otherwise addressed and resolved the violation to the satisfaction of the applicable governmental entity). Seller Group has delivered to Buyer copies of all survey reports, deficiency notices, plans of correction, and related material correspondence received by Seller Group or any of the Facilities in connection with the Licenses since January 1, 2010. To the knowledge of Seller Group, no event has occurred with respect to any License, whether after notice or the passing of time or both, that would serve as grounds for or otherwise authorize the suspension, revocation, or termination of any License or impair the rights of any holder thereof.

(c) Except as set forth on Schedule 4.17(c), no application for any Certificate of Need or request for a determination of whether a project requires Certificate of Need approval has been made by Seller Group or any of the Facilities, as applicable, with MDCH or the certificate of need authority of any other State which is currently pending or open before such agency. Except as set forth on Schedule 4.17(c), neither Seller Group nor any of the Facilities has any approved applications for a Certificate of Need which relate to projects not yet completed. As used herein, “Certificate of Need” means a written statement issued by MDCH or the certificate of need authority of any other state authorizing a new health facility, change in bed capacity, the installation, replacement or expansion of a covered clinical service, or a covered capital expenditure. All current and historical data including, without limitation utilization data, provided by Seller Group to Buyer for purposes of completion of applications for the Certificates of Need, if any, required for completion of the contribution and transfer of the Assets are accurate, complete and correct in all material respects.

(d) The Facilities are certified or otherwise qualified for participation in the Government Programs as set forth on Schedule 4.17(d) and have current and valid contracts for participation in each Government Program (the “Program Agreements”), all of which are in full force and effect. The Facilities are in compliance in all material respects with the applicable conditions of participation in the Government Programs and with the terms, conditions and provisions of the Program Agreements. To the knowledge of Seller Group, no events or facts exist that would cause any Program Agreement to be suspended, terminated, restricted, withdrawn, subjected to an administrative hold or otherwise not to remain in force or effect immediately following the Closing. During the preceding five years, all billing practices with respect to the Facilities 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 Legal Requirements and/or billing guidelines of such third party payors and the Government Programs. Neither Seller Group nor any of the Facilities has billed or received any payment or reimbursement in excess of amounts allowed by Legal Requirements or the billing guidelines of any third party payor. There is no proceeding, audit, review, investigation, survey, or other action pending, or, to Seller Group’s knowledge, threatened, involving Seller Group’s participation in any of the

Government Programs or any other third party payor programs, including any of the Facilities' participation in and the reimbursement received by Seller Group or the Facilities from the Government Programs or any such third party payor program, and to Seller Group's Knowledge, there is no reason to believe that any such proceedings, audits, reviews, investigations, surveys, or actions are pending, or to Seller Group's knowledge threatened or imminent. Schedule 4.17(d) contains a list of all NPIs and all provider numbers of Seller Group and the Facilities, as applicable, under the Government Programs and private third party payor programs, including any insurance company or health care provider (such as a health maintenance organization, preferred provider organization, or any other managed care program), all of which are in full force and effect.

(e) None of Seller Group, the Facilities or any of their respective officers, directors, or employees, have been in connection with the conduct of the Business (i) convicted of, charged with or, to Seller Group's knowledge, investigated for, or have engaged in conduct that would constitute, a Medicare or other Federal Health Care Program (as defined in 42 U.S.C. § 1320a-7(b)(f)) related offense or (ii) convicted of, charged with or, to Seller Group's knowledge, investigated for, or engaged in conduct that would constitute a violation of any Legal Requirements related to fraud, theft, embezzlement, breach of fiduciary duty, kickbacks, bribes, other financial misconduct, obstruction of an investigation or controlled substances. None of Seller Group, the Facilities or, to Seller Group's knowledge, any officer, director, employee, or medical staff member of Seller Group or the Facilities (whether an individual or entity), have been excluded from participating in any Government Program, subject to sanction pursuant to 42 U.S.C. § 1320a-7a or § 1320a-8 or been convicted of a crime described at 42 U.S.C. § 1320a-7b, nor, to Seller Group's knowledge, are any such exclusions, sanctions or charges threatened or pending.

(f) Seller Group has developed a compliance program ("Compliance Program") and has delivered to Buyer copies of all such materials, including all compliance officer and committee minutes and descriptions, training and education materials, and auditing and monitoring protocols. Neither Seller Group nor any of the Facilities (i) is a party to a Corporate Integrity Agreement with the Office of the Inspector General of the Department of Health and Human Services ("OIG"); (ii) has any reporting obligations pursuant to any settlement agreement entered into with any governmental entity; (iii) has been a defendant in any *qui tam*/False Claims Act litigation (other than by reason of a sealed complaint of which Seller Group may have no knowledge); (iv) has been served with or received any search warrant, subpoena, civil investigation demand, contact letter, or, to Seller Group's knowledge, telephone or personal contact by or from any federal or state enforcement agency (except in connection with medical services provided to third-parties who may be defendants or the subject of investigation into conduct unrelated to the operation of any of the Facilities); or (v) since January 1, 2011, has received any complaints through Seller Group's compliance "hotline" from employees, independent contractors, vendors, physicians or any other person that, following an internal investigation, could reasonably be considered to indicate that Seller Group or any of the Facilities has violated any Legal Requirements.

(g) Except in compliance with the Legal Requirements, neither Seller Group nor, to Seller Group's knowledge, any sponsor, shareholder, partner, member, director, officer or employee of Seller Group or the Facilities, nor any agent acting on behalf of or for the benefit of any of the foregoing, has directly or indirectly, during the preceding six year period: (i) offered, paid, solicited, or received any remuneration (including any kickback, bribe, or rebate, in cash or in kind, to, or made any financial arrangements or a gratuitous payment of any kind, with any past, present or potential customers, past, present, or potential suppliers, patients, government officials, medical staff members, contractors or third party payors of Seller Group or any other person or entity in exchange for business or payments from such persons in violation of Legal Requirements; (ii) established or maintained any unrecorded fund or asset for any improper purpose or made any misleading, false, or artificial entries on any of its books or records for any reason; or (iii) made any payment for or agreed to make any payment for any goods, services, or property in excess of fair market value, in violation of any applicable Legal Requirements.

(h) None of Seller Group, any of the Facilities, or, to Seller Group's knowledge, any of its sponsors, shareholders, partners, members, directors, officers or employees are a party to any contract, lease agreement or other arrangement (including any joint venture or consulting agreement) related to Seller Group, the Facilities or the Assets during the preceding six year period with any physician, immediate family member of a physician, physical or occupational therapist, health care facility, hospital, nursing facility, home health agency or other person who is in a position to make or influence referrals to or otherwise generate business for Seller Group, the Facilities or the Assets, to provide services, lease space, lease equipment or engage in any other venture or activity which violates any Legal Requirements. All of Seller Group's and the any of the Facilities' contracts with physicians or other health care providers or entities in which physicians or other health care providers are equity owners involving services, supplies, payments, or any other type of remuneration and all of Seller Group's and the Facilities' leases of personal or real property with such physicians, health care providers, or entities are in writing and, to Seller Group's knowledge, provide for a fair market value compensation in exchange for such services, space, or goods.

(i) No affiliate of Seller Group, directly or indirectly: (i) provides any services to Seller Group or to any of the Facilities, as applicable, or is a lessor, lessee or supplier to Seller Group or any the Facilities; (ii) has any interest in or owns property or rights used in the operation of the Facilities or (iii) during the prior four year period, received from or furnished to Seller Group or any of the Facilities, any goods or services without adequate consideration.

4.18 Accreditation. Schedule 4.18 sets forth a list of all accreditations and certifications held by Seller Group and the Facilities. 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. There is no pending or, to Seller Group's knowledge, threatened proceeding by any accrediting body to revoke, cancel, rescind, suspend, restrict, modify, or non-renew any such accreditations and certifications, and to Seller Group's knowledge, no such proceedings, surveys or actions are pending, threatened or imminent. The Hospital's laboratory is duly accredited, with all requirements for improvement removed, by The Joint Commission. Seller Group has delivered copies of the laboratory's most recent Joint Commission accreditation reports and any reports, documents, or correspondence relating thereto to Buyer. Since the date of the laboratory's most recent Joint Commission surveys, neither Seller Group nor the Hospital has made any changes in policies or operations that would cause the laboratory to lose its Joint Commission accreditation.

4.19 Information Privacy and Security Compliance. Copies of the compliance policies and procedures and privacy notices of the Facilities relating to applicable Information Privacy or Security Laws and copies of any written complaints alleging a violation of any Information Privacy or Security Laws, received by Seller Group or any of the Facilities during the preceding twenty-four (24) month period have been delivered to Buyer. To the knowledge of Seller Group, neither Seller Group nor any of the Facilities has had a Breach of Unsecured Protected Health Information, as such terms are defined in 45 C.F.R. § 164.402. As used herein, (a) "Information Privacy or Security Laws" means HIPAA and any other applicable Legal Requirements concerning the privacy and/or security of Personal Information; and (b) "Personal Information" means any information with respect to which there is a reasonable basis to believe that the information can be used to identify an individual, including "individually identifiable health information" as defined in 45 C.F.R. § 160.103, demographic information, and social security numbers and "personally identifiable information" as defined by the National Institute of Standards Technology.

4.20 Medical Staff Matters. Seller Group has delivered to Buyer copies of the bylaws and rules and regulations of the medical staff at the Hospital. With regard to the medical staffs at the Hospital and except as set forth on Schedule 4.20, there are no (i) pending or, to Seller Group's knowledge,

threatened, adverse actions with respect to any medical staff members of the Hospital or any applicant thereto, or (ii) pending or, to Seller Group's knowledge, threatened, disputes with applicants, staff members or health professional affiliates and all appeal periods in respect of any medical staff member or applicant against whom an adverse action has been taken have expired. Seller Group has delivered to Buyer a written disclosure containing a brief general description of all adverse actions taken in the six months prior to the date hereof against medical staff members or applicants which could result in claims or actions against Seller Group. Schedule 4.20 includes a list of the members of the medical staff at the Hospital. Except as listed on Schedule 4.20, there are no claims, actions, suits, proceedings or investigations pending or, to Seller Group's knowledge, threatened against or affecting any member of the medical staff of the Hospital 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. Except as listed on Schedule 4.20, no medical staff member of the Hospital has resigned or had his or her privileges revoked or suspended since the Balance Sheet Date.

4.21 Third Party Payor Cost Reports. Seller Group and the Facilities have timely filed all required cost reports for all the fiscal years through and including the fiscal year ended June 30, 2012. Except as set forth on Schedule 4.21, all of the Seller Group Cost Reports accurately reflect the information required to be included thereon and do not claim, and Seller Group has not received, reimbursement in any amount in excess of the amounts allowed by applicable Legal Requirements or any applicable agreement. Schedule 4.21 indicates which cost reports have not been audited and finally settled and includes 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 Seller Group's and the Facilities' cost reports. Copies of all cost reports filed by or on behalf of Seller Group and the Facilities since July 1, 2009, together with all material correspondence with respect thereto, have been provided to Buyer.

4.22 Inventory. The Inventory consists of a quality and quantity usable and saleable in the ordinary course of business, except for obsolete items and items of below standard quality, all of which have been written off or written down to net realizable value.

4.23 Environmental Matters. Except as disclosed on Schedule 4.23:

(a) The operation of the Business and the management of the Included Real Property by Seller Group are and at all times, in all material respects, have been in compliance with the Environmental Laws (as hereinafter defined), which compliance includes the possession by Seller Group of all permits and governmental authorizations required under applicable Environmental Laws and compliance, in all material respects, with the terms and conditions thereof.

(b) Seller Group has not treated, stored, managed, disposed of, transported, handled, released or used any Materials of Environmental Concern (as hereinafter defined) at any of the Facilities or at the Included Real Property, except in the ordinary course of its business and in compliance in all material respects with all Environmental Laws; and to the knowledge of Seller Group, no third party has treated, stored, managed, disposed of, transported, handled, released or used any Materials of Environmental Concern at the Facilities, except in compliance with all Environmental Laws.

(c) There are no Environmental Claims (as hereinafter defined) pending or, to the knowledge of Seller Group, threatened against Seller Group with respect to the operation of the Facilities or the management of the Included Real Property, and to the knowledge of Seller Group, no circumstances exist which could reasonably be expected to lead to the assertion of an Environmental Claim against Seller Group.

(d) Seller Group has not assumed or undertaken any liability or corrective, investigatory or remedial obligation of any other person relating to any Environmental Law.

(e) There are no underground storage tanks located on the Included Real Property. To Seller Group's knowledge, there is no asbestos-containing material (as defined under Environmental Laws) contained in or forming part of any building, component, structure or office space of the Included Real Property and there are no polychlorinated biphenyls ("PCBs") or PCB-containing items contained in or forming part of any building, building component, structure or office space of the Included Real Property.

(f) The Included Real Property is not subject to any Encumbrance imposed by or arising under any Environmental Law, and there is no proceeding pending or, to the knowledge of Seller Group, threatened for the imposition of any such Encumbrance, nor to the knowledge of Seller Group, is there any basis for any such Encumbrance or proceeding.

(g) The operations of the Facilities and the management of the Included Real Property by Seller Group are and at all times have been, in all material respects, in compliance with the Medical Waste Laws (as hereinafter defined) and Environmental Laws.

For purposes of this Agreement, (A) "Environmental Claim" means any claim, action, cause of action, investigation or notice by any person alleging potential liability (including potential liability for investigatory costs, cleanup costs, governmental response costs, natural resources damages, property damages, personal injuries or penalties) arising out of, based on or resulting from the presence, release or threat of release into the environment, of any Materials of Environmental Concern at any location, whether or not owned or operated by Seller Group or any of the Facilities; (B) "Environmental Laws" means all applicable Legal Requirements relating to pollution or protection of human health (as relating to the environment or the workplace) and the environment (including ambient air, surface water, ground water, land surface or sub-surface strata), including Legal Requirements relating to emissions, discharges, releases or threatened releases of Materials of Environmental Concern, or otherwise relating to the use, treatment, storage, disposal, transport or handling of Materials of Environmental Concern, including the CERCLA, RCRA, TSCA, OSHA, the Clean Air Act and the Clean Water Act, each as may have been amended or supplemented or may be amended in the future, and any applicable environmental transfer statutes or laws; (C) "Materials of Environmental Concern" means chemicals, pollutants, contaminants, hazardous materials, hazardous substances and hazardous wastes, medical waste, toxic substances, petroleum and petroleum products and by-products, asbestos-containing materials, PCBs, and any other chemicals, pollutants, substances or wastes, in each case regulated under any Environmental Law; and (D) "Medical Waste" includes (i) pathological waste, (ii) blood, (iii) sharps, (iv) wastes from surgery or autopsy, (v) dialysis waste, including contaminated disposable equipment and supplies, (vi) cultures and stocks of infectious agents and associated biological agents, (vii) contaminated animals, (viii) isolation wastes, (ix) contaminated equipment, (x) laboratory waste and (xi) various other biological waste and discarded materials contaminated with or exposed to blood, excretion or secretions from human beings or animals. "Medical Waste" also includes any substance, pollutant, material or contaminant listed or regulated as "Medical Waste", "Infectious Waste", or other similar terms by Legal Requirements insofar as they purport to regulate Medical Waste, or impose requirements relating to Medical Waste (collectively, "Medical Waste Laws"), and includes "Regulated Waste" governed by OSHA.

4.24 Condition and Sufficiency of Assets. Except as set forth on Schedule 4.24, the Assets constitute all of the real, personal and/or intangible property of every kind and nature whatsoever owned, leased, held or used by Seller Group in connection with the operation of the Facilities. Except as set forth on Schedule 4.24, the buildings, plant, structures, and equipment included within the Assets are adequate for the uses to which they are being put and, to Seller Group's knowledge, are structurally sound and are

in normal operating condition and repair (normal wear and tear excepted). The buildings, plant, structures and equipment included within the Assets are sufficient for the continued conduct of the Facilities after the Closing in substantially the same manner as conducted prior to the Closing.

4.25 No Undisclosed Liabilities. Except as set forth on Schedule 4.25, neither Seller Group nor any of the Facilities has any liabilities or obligations of the nature required to be disclosed in a balance sheet prepared in accordance with GAAP except for (i) liabilities reflected or reserved against in the Financial Statements and (ii) liabilities or obligations incurred in the ordinary course of business of the Facilities since the Balance Sheet Date.

4.26 Statutory Funds. None of the Assets are subject to any liability to which Buyer may become obligated in respect of amounts received by Seller Group for the purchase or improvement of the Assets, the Facilities, or any part thereof under restricted or conditioned grants or donations, including monies received pursuant to the Hill-Burton Act, 42 U.S.C. §291 et. seq., or other Legal Requirements relating to health care facilities that remain unpaid or which impose any restrictions on the Facilities or the Assets.

4.27 Intellectual Property. Set forth on Schedule 4.27 is a description of each registered or material unregistered trademark, trade name, service mark, patent, copyright or domain name and all proprietary owned software or other owned material intellectual property right held or used by Seller Group with respect to the operation of the Facilities and any current registration or application with respect thereto (the “Intellectual Property”). Seller Group shall not be required to schedule any properly licensed off-the-shelf software having an annual fee of less than \$10,000 or unregistered copyrights. Seller Group has the lawful right to use all of the Intellectual Property, and has taken all commercially reasonable measures to protect and maintain its trade secrets. No notice has been received by Seller Group or any of the Facilities that any of their respective rights in or to the Intellectual Property are invalid or unenforceable or that any infringement or misappropriation thereof, in whole or in part, by any third party has occurred.

4.28 Experimental Procedures. Except as set forth on Schedule 4.28, Seller Group has not performed or permitted the performance of any experimental or research procedures or studies involving patients of the Facilities.

4.29 Disclosure. EXCEPT FOR THE EXPRESS REPRESENTATIONS AND WARRANTIES CONTAINED IN THIS ARTICLE 4, THE ASSETS ARE BEING SOLD “AS IS, WHERE IS AND WITH ALL FAULTS” AND SELLER GROUP EXPRESSLY DISCLAIMS ANY AND ALL OTHER REPRESENTATIONS AND WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

5. REPRESENTATIONS AND WARRANTIES OF BUYER

To induce Seller Group to execute and deliver this Agreement and to consummate the transactions contemplated herein, Buyer represents and warrants to Seller Group the following as of the date hereof (except in cases where the representation speaks to another date, such as the date hereof) and as of the Closing Date:

5.1 Capacity. Buyer is a limited liability company duly organized and validly existing and in good standing under the laws of the State of Delaware. Buyer was formed for the purpose of entering into the transaction provided for in this Agreement and, prior to Closing, has no assets and liabilities other than pursuant to this Agreement.

5.2 Powers; Consents; Absence of Conflicts With Other Agreements. The execution, delivery and performance by Buyer of this Agreement and all other agreements referenced in or ancillary hereto to be executed and delivered by Buyer pursuant hereto and the consummation of the transactions contemplated herein and therein by Buyer (i) are within Buyer's limited liability company powers, are not in contravention of the terms of its Certificate of Organization or Limited Liability Company Agreement, or any amendments thereto, and have been duly authorized by all appropriate limited liability company action; (ii) except as set forth on Schedule 5.2, do not require Buyer to obtain any approval or consent of, or make any filing with, any governmental agency or authority bearing on the validity of this Agreement which is required by Legal Requirements; (iii) will not conflict with nor result in any breach or contravention of any agreement, lease or instrument to which Buyer is a party or by which Buyer is bound; (iv) do not violate any Legal Requirements to which Buyer may be subject; and (v) do not violate any judgment of any court or governmental authority to which Buyer may be subject.

5.3 Binding Agreement. This Agreement and all agreements to be executed and delivered by Buyer pursuant hereto have been (or will be when executed and delivered) duly and properly authorized and executed by Buyer. This Agreement has been duly and validly executed and delivered by Buyer and, assuming due execution and valid delivery by Seller Group, this Agreement and the other documents to be executed and delivered by Buyer hereunder (when executed and delivered) constitute or will constitute the valid and legally binding obligations of Buyer, enforceable against Buyer in accordance with the respective terms hereof or thereof, except as enforceability may be restricted, limited or delayed by applicable bankruptcy or other laws affecting creditors' rights generally and except as enforceability may be subject to general principles of equity.

5.4 Litigation. There is no claim, action, suit, proceeding or investigation pending or, to the knowledge of Buyer, threatened against or affecting Buyer that has or would reasonably be expected to have, individually or in the aggregate, a material adverse effect on the Buyer's ability to perform this Agreement or any aspect of the transactions contemplated hereby.

5.5 Finders. All negotiations relative to this Agreement and the transactions contemplated hereby have been carried out by Buyer directly with Seller Group without the intervention of any person on behalf of Buyer in such manner as to give rise to any valid claim by any such person against Seller Group or Buyer for a finder's fee, brokerage commission or similar payment.

6. PRE-CLOSING COVENANTS

6.1 Information. Between the date of this Agreement and the earlier of the Closing Date or the termination of this Agreement, to the extent permitted by Legal Requirements, Seller Group: (i) shall afford to the officers and authorized representatives and agents of Buyer reasonable access to and the right to inspect the properties, books and records of Seller Group relating to the Assets and the Facilities which are in Seller Group's possession or control; (ii) will furnish Buyer with such additional financial and operating data and other information as to the business and properties of Seller Group relating to the Assets and the Facilities as Buyer may from time to time reasonably request; and (iii) will furnish to the officers, directors, employees, agents, counsel, accountants, financial advisors, consultants and other representatives of Buyer reasonable access, upon reasonable prior notice and during normal business hours, to the officers, employees and agents of Seller Group who operate the Facilities and to the Assets. Buyer's right of access and inspection shall be made in such a manner as not to unreasonably interfere with the operations of the Facilities. Buyer may copy such information as it deems necessary to conduct its review. Notwithstanding the foregoing, Buyer understands that (x) with respect to documents and information deemed by Seller Group in good faith to be competitively sensitive pricing, commercial reimbursement, salary, wage or other similar information, (1) Seller Group will specifically identify the information as such prior to disclosure; (2) such information shall be segregated from other information

disclosed to Buyer by or on behalf of Seller Group; (3) if requested by Buyer, Seller Group will provide such documents and information to the designated outside attorneys, accountants and/or consultants of Buyer (who will be bound by confidentiality agreements acceptable to them and to Seller Group) for their review; and (4) any report by such attorneys, accountants and/or consultants to Buyer with respect to such documents and information will be in writing and subject to prior review and reasonable approval by Seller Group to confirm that such competitively sensitive information is sufficiently aggregated, screened, or otherwise not made available to Buyer; (y) litigation and other materials (including internal/external legal audit letters or reviews, patient medical records, PRO information, National Data Bank reports, confidential peer and quality review information and other physician-specific confidential information) that are deemed privileged or confidential by Seller Group and materials which Seller Group or its affiliates may not disclose without violating confidentiality agreements with third parties will not be made available to Buyer; and (z) Seller Group shall not be obligated to generate or produce information in any prescribed format not customarily produced by Seller Group and its affiliates. No inspection of the Assets or other due diligence conducted by Buyer shall affect any obligations, representations or warranties of Seller Group or the right of Buyer to rely on the representations and warranties of Seller Group set forth in Article 4.

6.2 Seller Group's Operations. Except as noted on Schedule 6.2, from the date of this Agreement until the earlier of the Closing Date or the termination of this Agreement, Seller Group will operate the Facilities in the ordinary course of business and consistent with the past practices of Seller Group and the Facilities. Seller Group will use their commercially reasonable efforts to: (a) carry on the business and operations of the Facilities in substantially the same manner as each has heretofore been operated and not make any material change in personnel, operations, finance, accounting policies or real or personal property of the Facilities, except in the ordinary course of business; (b) perform all of Seller Group's obligations under agreements relating to or affecting the Assets, the Facilities or the operations of the Facilities including the Assumed Contracts; (c) take all actions necessary and appropriate to render title to the Assets free and clear of all Encumbrances (except for the Assumed Liabilities and Permitted Encumbrances); (d) keep in full force and effect Seller Group's present insurance policies or other comparable insurance; (e) notify Buyer immediately upon (i) the occurrence of any event, fact or circumstance that is reasonably likely to result in the breach or inaccuracy of any representation or warranty of Seller Group contained in this Agreement, or (ii) the discovery of any event, fact or circumstance from which a reasonable person would conclude that any representation or warranty of Seller Group contained in this Agreement was inaccurate or incomplete when made; (f) maintain the Assets including the Facilities and all parts thereof such that they are adequate for the uses to which they are being put and are structurally sound and are in normal operating condition and repair (normal wear and tear excepted); (g) maintain and preserve its business organization with respect to the Facilities intact, retain its present employees at the Facilities and maintain its relationship with physicians, medical staff, suppliers, customers and others having business relations with the Facilities; and (h) permit and allow reasonable access by Employer or its affiliates, prior to Closing, to make offers of employment conditional on the Closing to any of Seller Group's personnel, which personnel shall be allowed to accept such offers without penalty, competing offer or interference, and to establish relationships with physicians, medical staff and others having business relations with Seller Group.

6.3 Seller Group's Negative Covenants. Except as disclosed on Schedule 6.3, between the date of this Agreement and the earlier of the Closing Date or the termination of this Agreement, Seller Group will not, without the prior written consent of Buyer: (a)(i) amend or terminate any of the Assumed Contracts, (ii) enter into any contract which would be a Listed Contract or other material contract or commitment except in the ordinary course of business, or (iii) incur or agree to incur any liability except in the ordinary course of business; (b) (i) increase compensation payable or to become payable or make a bonus payment to (other than pursuant to Seller Group's obligations under current agreements) or otherwise enter into one or more bonus agreements with any employee or agent, except in the ordinary

course of business, (ii) adopt or amend any Benefit Plan that may result in a material increase in the payment to or benefits under any Benefit Plan, or (iii) change the asset allocation of the assets associated with the Non-Union Pension Plan; (c) make offers of employment at the Facilities to any person other than in the ordinary course of business; (d) create, assume or permit to exist any new Encumbrance (other than a Permitted Encumbrance) upon any of the Assets, whether now owned or hereafter acquired; (e) dispose of or consume any property, plant or equipment (other than Inventory), except in the ordinary course of business; or (f) take any action outside the ordinary course of business.

6.4 Governmental and Other Approvals.

(a) Seller Group agrees to use its commercially reasonable efforts to obtain all governmental consents, approvals and licenses which are required to be obtained by Seller Group to consummate the transactions contemplated in this Agreement. Buyer agrees to use its commercially reasonable efforts to obtain all governmental consents, approvals and licenses which are required to be obtained by it or its affiliates of it to consummate the transactions contemplated by this Agreement and in order for the Buyer or its affiliates to own and operate the Facilities after Closing; provided, however, that neither Buyer, nor any of its affiliates shall be required to dispose of any assets or facilities to obtain any such approval, consent or license. Each of Seller Group on the one hand and Buyer, on the other hand, shall and shall cause their affiliates to assist and cooperate with the other and their representatives and counsel in obtaining all such governmental consents, approvals and licenses. The parties shall communicate with each other and provide the other with copies of documents relating to the transaction to be submitted to any governmental agency prior to such submission.

(b) Without limiting the provisions of Section 6.4(a) above, Seller Group with the cooperation and assistance of the Buyer, shall promptly seek the approval of the Attorney General of, or the receipt of a determination from the Attorney General not to object to, the consummation of the transactions contemplated herein. Seller Group and Buyer shall reasonably cooperate with the Attorney General in connection with the Attorney General's investigation and approval or no objection process and use commercially reasonable efforts to obtain such approval or no objection determination as soon as reasonably practicable. Buyer shall reasonably cooperate with Seller Group and the Attorney General in connection with Seller Group's efforts to obtain the Attorney General's approval of or no objection determination pertaining to the transactions described herein. Upon providing any information to the Attorney General, the disclosing party simultaneously will provide the other party with a copy of such information.

6.5 No Discussions. From and after the date of this Agreement until the termination of this Agreement, Seller Group will not, whether directly or indirectly, initiate, solicit, encourage, or respond to (in any substantial way) any inquiries or proposals or enter into or continue any discussions, negotiations, understandings, arrangements or agreements relating to (a) any sale, contribution, issuance, exchange, transfer, merger or other disposition of any significant portion of the Assets; (b) any management, lease or similar arrangement with respect to the Facilities; or (c) provide any assistance, information or data to, or otherwise cooperate or have discussions with, any other person in connection with any such inquiry, proposal or transaction. Seller Group will promptly notify Buyer by telephone and thereafter confirm in writing, if any such discussions or negotiations are sought to be initiated with, or any such proposal or possible proposal is received by, Seller Group; provided that such disclosure to Buyer is not prohibited under the terms of any confidentiality agreement in existence prior to the date hereof to which Seller Group is a party. In the event such a proposal is received by Seller Group, Seller Group will promptly notify any such third party of the existence of this exclusivity covenant and of Seller Group's unwillingness to discuss any other proposed transaction until the termination of this Agreement.

6.6 Necessary Consents. Seller Group shall use its commercially reasonable efforts, to obtain all required consents to the assignment of the Assumed Contracts to Buyer, including the Necessary Consents (as hereinafter defined).

6.7 Tail Insurance. Seller Group shall obtain insurance for extended reporting periods or “tail” insurance, in form and substance reasonably acceptable to Buyer and Seller Group (“Tail Insurance”), to insure against liabilities in connection with the business or operation of Seller Group and their affiliates and the Facilities and/or the operation of the Assets. Such Tail Insurance shall include endorsement policies for any physicians employed by Seller Group. This Tail Insurance coverage shall be retroactive such that it covers all periods prior to the Closing Date and shall remain in effect indefinitely. The minimum coverage of the Tail Insurance shall be [REDACTED] per occurrence, and the minimum aggregate limit shall be [REDACTED]. Buyer and its affiliates shall be included as additional insured parties pursuant to the Tail Insurance. Buyer shall cooperate with Seller Group in Seller Group’s obtaining such Tail Insurance.

6.8 Financial Information. Promptly when available following the end of each calendar month prior to the Closing Date, Seller Group shall deliver to Buyer copies of the unaudited combined balance sheets and related unaudited combined statements of revenues and expenses of Seller Group for the month then ended, which shall have been prepared in accordance with GAAP (other than for the absence of notes thereto that may be required by GAAP), applied on a consistent basis throughout the periods indicated.

6.9 Title Commitment and Survey.

(a) Buyer has received an ALTA title commitment (the “Title Commitment”) attached as Exhibit 6.9(a) issued to Buyer by Fidelity National Title Insurance Company (the “Title Company”), showing Seller Group as the record title owner in fee, of the Included Real Property, pursuant to the terms of which the Title Company agrees to issue to or for the benefit of Buyer an extended coverage ALTA Owner’s and Lessee’s Policy of Title Insurance (2006 form) (the “Title Policy”) at Closing, in an amount allocable to the value of the Included Real Property as determined by Buyer, insuring good and marketable fee simple interest to the Included Real Property subject only to the Permitted Encumbrances.

(b) The expense of obtaining the Title Commitment, including any usual and customary title search fees imposed by the Title Company, shall be borne by Buyer. Buyer shall be responsible for determining which, if any, title endorsements to the Title Policy it may desire to obtain at Closing and shall coordinate directly with the Title Company in regard to such determination. Seller Group shall grant its good faith, reasonable cooperation to the Title Company and Buyer to facilitate the issuance of such endorsements as Buyer may require.

(c) Buyer has obtained an ALTA (2011 standard) survey of the land, improvements, and appurtenances constituting all or a portion of the Included Real Property (the “Survey”) attached as Exhibit 6.9(c). The expense of obtaining the Survey shall be borne by Buyer.

(d) The Buyer has raised those objections detailed on Schedule 6.9(d) regarding the title commitment (“Buyer’s Objections”). Seller Group shall use commercially reasonable efforts to assist the Buyer in resolving the Buyer’s Objections to Buyer’s reasonable satisfaction (so that the Title Company agrees to remove the exception forming the basis of Buyer’s Objection from the Title Policy or insure or endorse over (by endorsement satisfactory to Buyer) such matter in the Title Policy, or if the basis of Buyer’s Objection is not contained in the Title Commitment, otherwise to Buyer’s satisfaction), during the period of time (the “Cure Period”) ending on the twenty-fifth (25th) business day after the date

of this Agreement. In the event any of Buyer's Objections are not resolved to Buyer's reasonable satisfaction within the Cure Period and such objection is reasonably likely to result in a Material Adverse Effect (i) this Agreement may be terminated in its entirety, as Buyer's sole and exclusive remedy, by Buyer's giving Seller Group written notice of such termination not later than the expiration of the Cure Period, and, upon Buyer's proper and timely notice thereof, thereafter all parties shall be released and relieved of all further obligations, liabilities or claims hereunder (except as otherwise expressly provided herein). In the event that Buyer does not timely terminate this Agreement then all such Buyer's Objections shall be deemed to be Permitted Encumbrances upon the expiration of the Cure Period. Without limitation of any provision in this Section 6.9(d), (a) Seller Group and Buyer acknowledge and agree that Buyer's attempts to resolve certain Buyer's Objections may require actions to be taken by Buyer following the expiration of the Cure Period (collectively, "Buyer's Post Cure Period Items"); and (b) prior to the expiration of the Cure Period, Buyer shall notify Seller Group of any Buyer's Post Cure Period Items and, to the extent Seller Group agrees in its sole but reasonable discretion to such items, Seller Group shall use good faith efforts to cooperate with Buyer (at no cost to Seller Group) to assist Buyer in Buyer's attempts to address Buyer's Post Cure Period Items; provided, however, in no event shall (A) Seller Group have any obligation to cure, remove or insure over any such items, or (B) Buyer have any right to terminate this Agreement for Buyer's failure to address or resolve Buyer's Post Cure Period Items to its reasonable satisfaction.

(e) Notwithstanding anything in this Section 6.9 to the contrary, with respect to the Included Real Property, Seller Group shall be obligated to cure, or remove or insure over, or otherwise satisfy to the reasonable satisfaction of Buyer and the Title Company (i) any judgment, mortgage liens, or mechanic's and materialmen's liens arising through or under Seller Group or any of Seller Group's predecessors in title; (ii) any consensual liens or encumbrances agreed to by Seller Group without Buyer's consent on or after the date of this Agreement; and (iii) any real estate Taxes or special assessments due and payable prior to the Closing, except to the extent constituting Assumed Liabilities or Permitted Encumbrances under this Agreement (collectively, the "Mandatory Cure Issues").

6.10 Entity Matters. Seller Group shall use its commercially reasonable efforts prior to Closing, and shall cause each of its affiliates to use its commercially reasonable efforts to cause each of UPMC and UPHP to take any actions required to permit the Buyer or a subsidiary of the Buyer to become an owner of UPMC and UPHP and to fully effectuate the transfer of the ownership interests in UPMC and UPHP to the Buyer or a subsidiary of the Buyer.

6.11 Unfunded Pension Obligation. With respect to the Non-Union Pension Plan:

(a) Schedule 6.11 sets forth the calculation of Seller Group's actuary of the difference (the "Unfunded Pension Obligation") between (i) the projected benefit obligation, within the meaning of FASB ASC Topic 715, *Compensation Retirement Benefits*, and (ii) the fair value of the Non-Union Pension Plan's assets, determined as of June 30, 2012 (the "Initial Calculation Date"), in accordance with the actuarial assumptions set forth on Schedule 6.11 that were used in preparing the Seller Group's most recent financial statements.

(b) Seller Group's actuary shall, no later than ten (10) days prior to the Closing Date, deliver the calculation of the Unfunded Pension Obligation as determined pursuant to Section 6.11(a) as of June 30, 2013 (the "Final Calculation Date"). The methods for determining the assumptions to be used in such calculation, determined pursuant to Section 6.11(a) above, shall not be modified in calculating the Unfunded Pension Obligation as of the Final Calculation Date, unless mutually agreed to by all parties. Such calculation of the Unfunded Pension Obligation as of the Final Calculation Date shall be used for purposes of determining the purchase price under Section 2.1.

(c) Seller Group or Seller Group's actuary will provide to Buyer (and its actuary), all of the information reasonably necessary, including Seller Group's actuary's methodology and back-up documentation, for Buyer and Buyer's actuary to review the Seller Group's actuary's calculation of the Unfunded Pension Obligation as of the Initial Calculation Date and the Final Calculation Date.

(d) Seller Group and Buyer will cooperate with each other to timely make all appropriate filings and notices required by the Code or ERISA with respect to the assumption of the sponsorship of the Non-Union Pension Plan by Buyer.

7. CONDITIONS PRECEDENT TO OBLIGATIONS OF BUYER

The obligations of Buyer hereunder are, at the option of Buyer, subject to the satisfaction, on or prior to the Closing Date, of the following conditions, unless waived in writing by Buyer:

7.1 Compliance with Representations and Covenants. The representations and warranties of Seller Group made in this Agreement qualified as to materiality shall be true and correct, and those not so qualified shall be true and correct in all material respects, as of the date hereof and as of the time of the Closing as though made as of such time, except to the extent such representations and warranties expressly relate to an earlier date (in which case such representations and warranties qualified as to materiality shall be true and correct, and those not so qualified shall be true and correct in all material respects, on and as of such earlier date). Seller Group shall have duly performed, complied with and satisfied, in all material respects all covenants, agreements and conditions required by this Agreement to be performed, complied with or satisfied by it prior to the time of the Closing.

7.2 Consents. Buyer shall have received written consents to the assignment and/or assumption of the Assumed Contracts listed on Schedule 7.2 (the "Necessary Consents").

7.3 Governmental Approvals. Buyer and its affiliates shall have received all governmental consents and approvals which are required in order for Buyer to operate the Facilities as currently operated to the extent that such consents and approvals can by law be or are routinely issued prior to Closing. In the event that any or all such governmental consents and approvals are not routinely issued prior to Closing, or cannot be issued prior to Closing due to post-closing requirements such as the provision of closing documents to the governmental agency or the passing of any post-closing survey, Buyer and its affiliates have obtained reasonably satisfactory confirmation that, upon Closing, all governmental authorizations required to operate the Facilities as currently operated shall be transferred to or reissued in the name of Buyer or its designated affiliate, including (a) reasonable assurances that Medicare certification for the operation of the Facilities by Buyer shall be effective upon Closing and that Buyer shall participate in and receive reimbursement from Medicare effective upon Closing; (b) reasonable assurances that Medicaid certification for the operation of the Facilities by Buyer or its designated affiliate shall be received following Closing (but effective upon Closing) and that Buyer or its designated affiliate shall participate in and receive reimbursement from Medicaid effective upon (or retroactive to) Closing; (c) a Certificate of Need from MDCH authorizing the transactions contemplated by this Agreement; (d) Buyer shall have received a letter from OFIR confirming its waiver of the review process for the transfer of the interests in UPHP and UPMC or otherwise granting approval for such transfers; and (e) a letter from the Attorney General approving the consummation of the transactions contemplated by this Agreement.

7.4 Action/Proceeding. No action or proceeding before a court or any other governmental agency or body shall have been instituted or threatened by a third party to restrain or prohibit the transactions herein contemplated.

7.5 Closing Documents. Seller Group shall have executed and delivered to Buyer all of the documents, agreements and certificates required to be executed or delivered by Seller Group pursuant to any term or provision of this Agreement, including those pursuant to Section 3.2.

7.6 Material Adverse Changes. After the Balance Sheet Date, there shall not have occurred any change in or effect on the Facilities or the Assets that constitutes or with reasonable certainty, might result in a Material Adverse Effect.

7.7 Insurance. Seller Group shall have delivered to Buyer a true and correct copy of the Tail Insurance binder.

7.8 Title and Survey. The Title Company shall be irrevocably committed to issue the Title Policy insuring Buyer's good and marketable fee simple title to the Included Real Property, showing no exceptions other than the Permitted Encumbrances, together with such endorsements to such Title Policy as Buyer deems necessary in its commercially reasonable discretion. Further, any update to the Survey obtained prior to Closing shall not reflect any Encumbrance other than Permitted Encumbrances and shall otherwise be acceptable to the Title Company for purposes of providing "survey coverage" in the Title Policy. Seller Group shall have executed and delivered the Title Company's required form of "Owner's Affidavit" so that the Title Company may issue an "extended coverage" Title Policy free of the Schedule B-2 pre-printed exceptions, except for matters shown on the Survey.

7.9 Pay-Off Letters; Releases. Buyer shall have received (i) pay-off and release letters executed by all secured lenders of Seller Group (the "Secured Lenders"), in a form reasonably acceptable to Buyer and the Title Company providing for the termination of all security interests held by the Secured Lenders (including any mortgages encumbering the Included Real Property) with respect to the Assets upon payment of all outstanding amounts owed by Seller Group to each of the Secured Lenders at Closing, and (ii) UCC lien, litigation and tax searches showing all Encumbrances on the Assets, accompanied by UCC and fixture filing termination statements authorized for filing or other releases of all Encumbrances that are not Permitted Encumbrances.

7.10 Bond Documents. Seller Group shall have provided to Buyer evidence satisfactory to Buyer, in its reasonable discretion, of the full payment and release and/or discharge, as applicable, of The Economic Development Corporation of the County of Marquette, Michigan, Adjustable Rate Demand Limited Obligation Revenue Bonds, Series 2007 (Bell Memorial Hospital Project), and The Economic Development Corporation of the County of Marquette, Michigan, Adjustable Rate Demand Limited Obligation Revenue Refunding Bonds, Series 2007B (Bell Memorial Hospital Project) and any and all related indentures.

7.11 Name Transfer. Seller Group shall have provided to Buyer evidence satisfactory to Buyer, in its reasonable discretion, that Superior Healthcare System, a Michigan nonprofit corporation, has transferred all of its right, title and interest in and to the name "Superior Healthcare System" to Buyer.

7.12 Disclosure of Past Practices. Seller Group shall have filed with CMS or the OIG, as appropriate, a disclosure of any items listed on Schedule 7.12, provided that such disclosure shall be in form and substance reasonably acceptable to Buyer.

8. CONDITIONS PRECEDENT TO OBLIGATIONS OF SELLER GROUP

The obligations of Seller Group hereunder are, at the option of Seller Group, subject to the satisfaction, on or prior to the Closing Date, of the following conditions unless waived in writing by Seller Group:

8.1 Compliance with Covenants. The representations and warranties of Buyer made in this Agreement qualified as to materiality shall be true and correct, and those not so qualified shall be true and correct in all material respects, as of the date hereof and as of the time of the Closing as though made as of such time, except to the extent such representations and warranties expressly relate to an earlier date (in which case such representations and warranties qualified as to materiality shall be true and correct, and those not so qualified shall be true and correct in all material respects, on and as of such earlier date). Buyer shall have duly performed, complied with and satisfied all covenants, agreements and conditions required by this Agreement to be performed, complied with or satisfied by them prior to the time of the Closing.

8.2 Action/Proceeding. No action or proceeding before a court or any other governmental agency or body shall have been instituted or threatened by a third party to restrain or prohibit the transactions herein contemplated.

8.3 Insurance. Seller Group shall have received the Tail Insurance binder.

8.4 Closing Documents. Buyer shall have executed and delivered to Seller Group all of the documents, agreements and certificates required to be executed or delivered by Buyer pursuant to any term or provision of this Agreement, including those pursuant to Section 3.3.

8.5 Attorney General and Other Approvals. Seller Group shall have received an approval letter from the Attorney General authorizing Seller Group to consummate the transactions described herein and to sell and transfer the Assets to Buyer. The Buyer shall have received all of the approvals provided for in Section 7.3.

9. ADDITIONAL AGREEMENTS

9.1 Employees.

(a) As of the Effective Time, Seller Group shall terminate all employees of Seller Group in connection with the business or operation of the Facilities and, as of the Effective Time, Buyer or an affiliate thereof (the "Employer") shall offer employment to all such employees of Seller Group (except for those employees listed on Schedule 9.1) who also are active employees on an at-will basis (or, in accordance with the terms of any applicable Collective Bargaining Agreement), subject to Employer's customary employee screening and employment practices, policies and procedures, except with respect to the employed physicians, whose contracts shall be assumed (and continued for a period of at least one year following Closing) by either the Buyer, or, at the Buyer's election, by Bell Physician Practices, Inc., a Michigan nonprofit corporation (the "Physician Employer"), subject to customary employee screening and employment practices, policies and procedures and compliance with Legal Requirements. In addition, as of the Effective Time, Employer shall either (i) assume the existing employment agreement of the Chief Executive Officer of Seller Group; provided, however, that the employment of such Chief Executive Officer shall be subject to Employer's customary employee screening and employment practices, policies, procedures and confirmation that such employment agreements comply with Legal Requirements; or (ii) enter into a new employment agreement with the Chief Executive Officer of the Seller Group on terms mutually acceptable to Employer and Seller Group. All currently represented bargaining unit employees of Seller Group will likewise be offered employment, subject to Employer's same customary employee screening process referenced above. Bargaining unit employees who successfully complete such screening process will be offered employment under the terms and conditions of employment outlined within the Collective Bargaining Agreements. Such offers shall be for positions and at wages equivalent to those enjoyed by such persons immediately prior to Closing. All such offers of employment described herein will include the opportunity to participate in employee benefit plans

provided by Employer or Physician Employer or their affiliates to employees at similar hospitals owned or operated by affiliates of Employer or Physician Employer (as of the Effective Time, such benefits, in the aggregate, shall not be materially less favorable to the Employees than those benefits provided by Seller Group immediately prior to Closing), subject to the requirements of any Collective Bargaining Agreements. To the extent permitted by applicable plans and Legal Requirements: (i) Employees would be eligible to participate in any benefit plan of the Employer, Physician Employer or their affiliates (“Employer Plans”) with no greater waiting periods or restrictions than apply to any particular employee for the current plan year as currently employed by the Seller Group; (ii) for purposes of determining eligibility and vesting under any Employer Plan, Employer shall recognize the seniority and service credit of the Employees with Seller Group; and (iii) Employees will be given credit for all vacation, sick and other PTO accrued with Seller Group. The term “Employee” as used in this Agreement shall mean all employees of Seller Group who commence employment with the Employer as of the Effective Time.

(b) Seller Group shall continue to provide benefit accruals and coverages under the Benefit Plans and shall make all contributions, or where appropriate permit participants to make contributions, sufficient to fund accruals or sustain coverages in the Benefit Plans through the Effective Time, in each instance, consistent with Seller Group’s past practices and the terms of the respective Benefit Plans.

(c) Following the Effective Time, Employer or Physician Employer, as the case may be, shall be solely responsible for providing continuation coverage (within the meaning of COBRA) to Employees (and their dependents) for qualifying events occurring prior to the Effective Time as well as for all individuals who are “M&A qualified beneficiaries” as such term is defined in Treasury Regulation Section 54.4980B-9 as a result of the transactions contemplated by this Agreement with respect to any group health plan of Seller Group; provided, however that in no event shall this subsection (c) be construed to impose any obligation on Employer or Physician Employer to provide health benefits in excess of those required under Section 4980B of the Code and the regulations thereunder with respect to such M&A qualified beneficiaries.

(d) Prior to, as of and following the Effective Time, except with respect to the Non-Union Pension Plan and the Steelworkers Plan and as provided in Section 9.1(c), Seller Group and the Benefit Plans will remain responsible for benefits under the Benefit Plans, and none of Buyer, Employer or Physician Employer shall become responsible to maintain the Benefit Plans.

(e) At the Effective Time, Buyer shall assume the sponsorship of the Non-Union Pension Plan and all rights, assets and obligations of Seller Group associated therewith. As promptly as possible after the Closing, Buyer will amend the Non-Union Pension Plan to substitute Buyer for Seller Group as the sponsor of the plan.

(f) Notwithstanding the foregoing, in all events, including the funding, operation, management, participation, vesting, termination, amendment or modification of the Employer Plans, the rights and benefits of the Employees shall be governed solely by the terms of the Employer Plans. Nothing in this Agreement shall (i) be deemed to amend or modify any Employer Plan, or (ii) require Employer or Physician Employer to maintain the Employer Plans, or (iii) prohibit Employer or Physician Employer from terminating, amending or modifying any Employer Plan as Employer or Physician Employer, in its sole discretion, may deem advisable. For the avoidance of doubt, the term “Employer Plans” shall not include the Steelworkers Plan.

(g) Pursuant to this Agreement Buyer is assuming, from and after the Closing Date, Seller Group’s obligations to contribute to the Steelworkers Plan under the Collective Bargaining Agreements. Accordingly, to avoid the imposition of any withdrawal liability on Seller Group and to

comply with the “sale of asset exception” under Section 4204 of ERISA, the parties agree that they will notify the Steelworkers Plan in writing of their intention that the sale of assets hereunder be covered by Section 4204 of ERISA and the regulations thereunder. Buyer and Seller Group agree to take all such action as may be necessary to satisfy the sale of assets exception requirements set forth in Section 4204 of ERISA and the regulations thereunder.

(i) On and after the Effective Time Buyer shall make contributions to the Steelworkers Plan for substantially the same number of contribution base units for which the Seller Group and its affiliates have an obligation to contribute pursuant to the Collective Bargaining Agreements immediately prior to the Effective Time.

(ii) The parties agree to use their best efforts to demonstrate to the satisfaction of the Steelworkers Plan that the purchaser’s bond or escrow under Section 4204(a)(1)(B) of ERISA and the sale-contract provision under Section 4204(a)(1)(C) are not required under Section 4204 of ERISA and the regulations thereunder. However, in making such demonstration, neither Buyer (and its affiliates) nor the Seller Group shall be required to disclose non-public information to the Steelworkers Plan. If after best efforts Buyer and the Seller Group are unable to demonstrate to the satisfaction of the Steelworkers Plan that no purchaser’s bond or escrow is required under Section 4204 of ERISA, the Buyer, at its expense, shall provide to the Steelworkers Plan either a bond or an escrow in an amount and manner meeting the requirements of Section 4204 of ERISA. The purchaser’s bond or escrow shall be provided for a period of five plan years commencing with the first plan year beginning after the Effective Time (the “Contribution Period”), in an amount equal to the greater of (A) the average annual contribution required to be made by the Seller Group and its affiliates pursuant to the Collective Bargaining Agreements under the Steelworkers Plan for the three plan years preceding the plan year in which the Effective Time occurs, or (B) the annual contribution that the Seller Group and its affiliates were required to make pursuant to the Collective Bargaining Agreements under the Steelworkers Plan for the last plan year before the plan year in which the Effective Time occurs.

(iii) To the extent required pursuant to Section 4204(a)(3) of ERISA, Buyer shall provide to the Steelworkers Plan, on behalf of Seller Group, a bond or escrow equal to the present value of the withdrawal liability Seller Group would have had to the Steelworkers Plan with respect to the assets acquired by Buyer pursuant to this Agreement (but for the provisions of Section 4204 of ERISA), reduced to the extent provided under Section 4204(a)(3) of ERISA in the event only a portion of Seller Group’s assets are distributed before the end of the Contribution Period. Notwithstanding the foregoing, the parties will use their commercially reasonable efforts to obtain a waiver from the Steelworkers Plan of the bond or escrow required under Section 4204(a)(3) of ERISA.

(iv) If, during the Contribution Period, the Employer withdraws in a complete or partial withdrawal with respect to the operations of the business covered by the Steelworkers Plan, the Seller Group and its affiliates (determined following the Closing) shall be secondarily liable for any withdrawal liability they would have had to the Steelworkers Plan with respect to such operations (but for ERISA Section 4204) if the liability of the Employer with respect to the Steelworkers Plan is not paid. In lieu of incurring such secondary liability the Seller Group shall have the right in its discretion to pay any such withdrawal liability of Employer or its affiliates in the event it deems it in its best interests to do so.

(v) Any of the Buyer or Seller Group shall promptly notify the other parties of any demand for payment of withdrawal liability received by any of the Buyer or Seller Group within five (5) years from the Closing Date. Schedule 9.1(g) sets forth the Seller Group’s

annual contributions to the Steelworker Plan for the current plan year and the last three complete plan years for the Steelworkers Plan.

9.2 Cost Reports. Seller Group will prepare and timely file (and will pay any amounts due pursuant to) all cost reports relating to Seller Group and the Facilities for periods ending on or prior to the Effective Time or required as a result of the consummation of the transactions set forth herein, including terminating cost reports for the Government Programs and for the Third Party Payor Programs (the “Seller Group Cost Reports”) that will accurately reflect the information required to be included thereon and will not claim reimbursement in any amount in excess of the amount allowed by applicable Legal Requirements or any applicable agreement. Buyer shall forward to Seller Group any and all correspondence relating to the Seller Group Cost Reports filed after the Effective Time within 10 days after receipt by Buyer. Likewise, Seller Group shall forward to Buyer any and all correspondence relating to Seller Group Cost Reports within 10 days after receipt by Seller Group. Buyer shall remit any funds relating to the Seller Group Cost Reports or Agency Settlements promptly after receipt by Buyer and shall forward to Seller Group any demand for payments within seven days after receipt by Buyer. Likewise, Seller Group shall remit any funds relating to Buyer’s cost reports or agency settlements promptly after receipt by Seller Group and shall forward to Buyer any demand for payments within seven days after receipt by Seller Group. Seller Group shall retain all rights to or in respect of Agency Settlements and to the Seller Group Cost Reports relating to periods ending on or prior to the Effective Time, 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 Government Program determinations relating to Agency Settlements and the Seller Group Cost Reports. Buyer, upon reasonable notice, during normal business hours and at the sole cost and expense of Seller Group, will reasonably cooperate with Seller Group in regard to the preparation, filing, handling and appeals of the Seller Group Cost Reports. Likewise, Seller Group, upon reasonable notice, during normal business hours and at the sole cost and expense of Buyer, will reasonably cooperate with Buyer in regard to the preparation, filing, handling and appeals of Buyer’s cost reports. Such cooperation shall include the providing of statistics and obtaining files and the coordination with Seller Group or Buyer, as the case may be, pursuant to adequate notice of Medicare and Medicaid exit conferences or meetings. Notwithstanding the foregoing, except as required by Legal Requirements, Seller Group shall not open, re-file, or amend any Seller Group Cost Report without the prior written consent of Buyer, which consent shall not be unreasonably withheld. Seller Group shall retain the originals of the Seller Group Cost Reports, correspondence, work papers and other documents relating to the Seller Group Cost Reports and Agency Settlements. Buyer shall retain the originals of its cost reports, correspondence, work papers and other documents relating to Buyer’s cost reports and agency settlements. Seller Group will furnish copies of the Seller Group Cost Reports, correspondence, work papers, and other related documentation to Buyer upon request.

9.3 Termination Prior to Closing.

(a) Notwithstanding anything herein to the contrary, this Agreement may be terminated at any time prior to the Closing: (i) by mutual consent of Buyer and Seller Group; (ii) by either Buyer or Seller Group in the event the Attorney General has failed to approve the transaction prior to October 31, 2013; (iii) by Buyer or Seller Group in the event that the MDCH has failed to issue the Certificate(s) of Need required pursuant to this Agreement; (iv) by Buyer pursuant to Sections 2.6, 6.10 or 11.19(b); (v) by Buyer or Seller Group if the Closing shall not have taken place on or before 11:59 p.m. on October 31, 2013; (vi) by Buyer if a breach of any provision of this Agreement has been committed by Seller Group and not been cured within 30 days after written notice thereof; and (vii) by Seller Group if a breach of any provision of this Agreement has been committed by Buyer and not been cured within 30 days after written notice thereof.

(b) If this Agreement is rightfully terminated pursuant to this Section 9.3, this Agreement (other than Sections 11.5 (Costs of Transaction), 11.6 (Confidentiality), 11.12 (No Third-Party Beneficiaries), 11.16 (Entire Agreement/Amendment) and 11.17 (Enforcement Expenses)) shall immediately become null and void, and the parties (and any of their respective officers, directors, employees, agents or other representatives or affiliates) shall have no liability or obligation with regard to the transactions contemplated hereunder; provided that nothing in this Section 9.3 shall relieve any party from liability for any breach of this Agreement that arose prior to such termination or for any breach that arises as a result of the wrongful termination of this Agreement.

9.4 Post-Closing Access to Information.

(a) The parties each acknowledge that, subsequent to the Closing, each may need access to the Assets or the Facilities and to information, documents or computer data in the control or possession of the other for purposes of consummating the transactions contemplated herein and for audits, investigations, compliance with governmental requirements, regulations and requests, and the prosecution or defense of third party claims. Accordingly, the parties agree to make available to the other and its agents, independent auditors and/or governmental entities such documents and information as may be available relating to the Assets and the Facilities in respect of periods prior to Closing and will permit the other to make copies of such documents and information. In addition, following the Closing, Buyer shall reasonably cooperate with Seller Group and shall make available to Seller Group, as reasonably requested and at the expense of the Seller Group (but including only out-of-pocket expenses to third parties, photocopying and delivery costs and not the costs incurred by any party for the wages or other benefits paid to its officers, directors or employees) its employees and reasonably requested information, records or documents as necessary or useful with respect to the defense or settlement of any Excluded Liability or the determination or collection of any Excluded Asset, and shall preserve all such information, records and documents (to the extent a part of the Assets delivered to Buyer at Closing) until the expiration of any applicable statute of limitations or extensions thereof.

(b) Seller Group shall submit all quality data required for the Facilities under the Government Programs to the CMS or its agent, and all quality data required for the Facilities by The Joint Commission, for any calendar quarter with reporting deadlines between the date of this Agreement and the Closing Date. If the reporting deadline for submitting quality data for any calendar quarter during which the Facilities were owned by Seller Group falls after the Closing Date, then Seller Group shall cooperate with Buyer in order to enable Buyer to submit such quality data required for the Facilities for such quarter(s) under the Government Programs and as may be required by The Joint Commission in accordance with the applicable filing deadlines and in the form and manner required by CMS and The Joint Commission, respectively. Such cooperation by Seller Group shall include executing any necessary documents required to submit such filings and transmitting such quality data to Buyer in a form required by Buyer and/or allowing Buyer to access such quality data in its current form.

9.5 Preservation and Access to Records After the Closing. After the Closing and in accordance with applicable Legal Requirements (including applicable document retention and/or permissive destruction provisions), Buyer shall keep and preserve all documents, computer data, medical records and other records and information of the Facilities existing as of the Closing and which constitute a part of the Assets delivered to Buyer at Closing. Upon reasonable notice, during normal business hours and upon Buyer's receipt of appropriate consents and authorizations, Buyer shall afford to the representatives of Seller Group, including its counsel and accountants, reasonable access to, and the right to make copies of, the records transferred to Buyer at the Closing (including, to the extent necessary and subject to applicable Legal Requirements, access to patient records in respect of patients treated by Seller Group at the Facilities).

9.6 Tax Matters.

(a) Following the Closing, the parties shall reasonably cooperate with each other and shall make available to the other, as reasonably requested and at the expense of the requesting party (but including only out-of-pocket expenses to third parties, photocopying and delivery costs and not the costs incurred by any party for the wages or other benefits paid to its officers, directors or employees), all information, records or documents relating to Tax liabilities or potential Tax liabilities, if any, of Seller Group for all periods ending on or prior to the Closing and any information which is 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 Buyer at Closing) until the expiration of any applicable statute of limitations or extensions thereof. Seller Group shall make available to Employer and Physician Employer, as applicable, the records of individual wages of all employees, as well as copies of state unemployment Tax returns, to the extent reasonably necessary for Employer and Physician Employer to verify future unemployment Tax rates and to calculate the correct taxable payroll for the remainder of the calendar year in which the transaction occurs. Seller Group shall file Forms W-2 and Forms 1099 with respect to all periods ending on or prior to the Effective Time, as appropriate.

(b) Seller Group shall prepare or cause to be prepared and file or cause to be filed on a timely basis all Tax Returns relating to the Assets and the Facilities with respect to all taxable periods ending on or prior to the Closing Date. Buyer shall prepare or cause to be prepared and file or cause to be filed all Tax Returns relating to the Assets and the Facilities with respect to all taxable periods ending after the Closing Date, except to the extent that such Taxes are taken into account in the determination of the Purchase Price. Seller Group shall be responsible for and shall pay any Taxes arising or resulting from or in connection with the ownership of the Assets and the Facilities for all taxable periods (or portion thereof) ending on or prior to the Closing Date. Seller Group shall not consent, without the prior written consent of Buyer (not to be unreasonably withheld or delayed), to any change in the treatment of any item that would affect the Tax liability of Buyer for a period subsequent to the Closing Date.

(c) Upon request of Buyer, Seller Group shall use commercially reasonable efforts to obtain any certificate or other document from any governmental authority or any other person as may be necessary to mitigate, reduce or eliminate any Taxes that could be imposed (including with respect to the transactions contemplated hereby).

9.7 Misdirected Payments. Buyer and Seller Group covenant and agree to hold in trust and remit, within 30 days of receipt, to the other any payments received that are on or in respect of accounts or notes receivable owned by (or are otherwise payable to) the other. Additionally, in the event of a determination by any Government Program that payments to Seller Group or the Facilities resulted in an overpayment or other determination that funds previously paid by any Government Program or third-party payor to Seller Group or the Facilities must be repaid, Seller Group 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 Buyer shall be responsible for repayment of said monies (or defense of such actions) if such overpayment determined was for services rendered after the Effective Time.

9.8 Transfer of Unemployment Experience Rating.

(a) If Buyer so elects, Seller Group and Buyer agree that the unemployment experience of Seller Group will be transferred to Employer and Physician Employer, as applicable, (i) if such a transfer of unemployment experience is allowed by applicable Legal Requirements and (ii) Seller Group is not adversely affected thereby.

(b) Seller Group shall use all reasonable efforts to make available to Employer and Physician Employer the records of individual wages of all employees, as well as copies of state unemployment Tax returns, to the extent necessary for Employer and Physician Employer to verify future unemployment Tax rates and to calculate the correct taxable payroll for the remainder of the calendar year in which the Closing occurs.

9.9 Indigent Care. Buyer shall adopt and adhere to the Hospital's existing policies for the treatment of indigent patients attached as Exhibit 9.9, subject to any changes necessary to comply with applicable Legal Requirements including as such Legal Requirements have been or may in the future be modified by healthcare reform provisions. Any changes to such policies would require the approval of the Board of Trustees (as hereinafter defined).

9.10 Capital Commitment. During the 10 year period immediately following the Closing, Buyer will make or cause to be made capital expenditures for the benefit of the Facilities in an amount not less than \$5,000,000 in the aggregate (the "Capital Commitment Amount"). Within 180 days immediately following the Closing, Buyer with the approval of the Board of Trustees shall develop a strategic master capital plan (the "Capital Plan"). For purposes of the Capital Commitment Amount, expenditures for capital improvements shall include expenditures for physician recruitment and retention, increasing the number and scope of medical service offerings, investments in information systems, new equipment (purchased or leased), facilities repair and maintenance spending (excluding routine operating costs), facility renovations, new facilities, new or renovated medical office space, information systems and other capital improvements.

9.11 Board of Trustees. Following the Closing, Buyer will appoint and maintain an advisory board for the Hospital (the "Board of Trustees") a majority of whose members will include the following: physicians on the medical staff of the Hospital, local community representatives and the Hospital's Chief Executive Officer. The members of the initial Board of Trustees shall be selected by mutual agreement of the President of Buyer and the Chairman of the Board of Seller Group. In addition to those specific responsibilities of the Board of Trustees required by The Joint Commission, the Board of Trustees shall: (a) adopt a vision, mission and values statement for the Hospital; (b) participate in the development and review of strategic plans for the Hospital (which will include, among other matters, a physician recruitment plan), (c) participate in the development and review of capital and operating budgets for the Hospital; (d) oversee medical staff issues and quality of patient care plans and performance, (e) foster community relationships and identify new service and educational opportunities; (f) grant medical staff privileges, and, when necessary, take disciplinary action consistent with the Hospital's Bylaws; and (g) other responsibilities as delegated to the Board of Trustees by the governing body of Buyer from time to time.

9.12 Continuation of Services. For a period of 10 years immediately following the Closing, Buyer will continue to provide, in all material respects, the healthcare services identified on Schedule 9.12 ("Scheduled Services") and the programs presently provided by Seller Group at the Facilities. Any elimination or reduction in Scheduled Services must be approved by the Board of Trustees. In the event the Hospital loses its designation as a Critical Access Hospital or there should occur some other unanticipated and material change in reimbursement which in either case is not the result of any action or inaction of Buyer or its affiliates, Buyer reserves the right to operate the Hospital under DLP Marquette General Hospital's provider number. In such event, Buyer further reserves the right to re-evaluate the Scheduled Services in the context of such change; provided, however, Buyer shall not discontinue any Scheduled Services for the 5-year period immediately following the Closing, unless approved by the Board of Trustees and, in all events, Buyer shall continue to provide in-patient beds at the Hospital for the full 10-year period following Closing. For the full 10-year period, Buyer shall continue to retain an independent Board of Trustees and maintain the direct reporting relationship to the

Eastern Group of LifePoint Hospitals (the “Eastern Group”) in place prior to the transfer of ownership to DLP Marquette General Hospital, LLC.

9.13 Medical Staff. Effective as of the Closing, Buyer will adopt the Hospital’s medical staff Bylaws, rules and regulations (provided that the foregoing shall not prevent Buyer from proposing new Bylaws, rules and regulations for medical staff approval following the Closing). Buyer agrees that the Hospital’s medical staff members in good standing as of the Closing shall maintain such medical staff privileges immediately following the Closing. The foregoing will not limit the ability of Buyer to grant, withhold, or suspend medical staff appointment or clinical privileges in accordance with the terms of the Facilities’ medical staff Bylaws after the Closing.

9.14 Quality Oversight. Following the Closing, Buyer will establish and maintain a patient safety and quality oversight committee for the Hospital (the “PSQOC”). The members of the PSQOC will include selected clinical and other physician leaders of the Hospital. The PSQOC will monitor the quality of patient care provided at the Hospital and report its findings to the Board of Trustees.

9.15 Restrictions on Seller Group Transfers. Seller Group shall not dissolve, liquidate, reorganize, merge, sell all or substantially all of its assets, make any distribution of the proceeds received pursuant to this Agreement or enter into or consummate any other similar organic transaction prior to the five (5) year anniversary of the Closing, unless (a) Seller Group’s obligations under this Agreement, including those contained in Article 10, have terminated or have otherwise been fully performed; and (b) the transferee or surviving or resulting entity in any such organic transaction delivers to Buyer written evidence (in form and substance reasonably acceptable to Buyer) that it has fully and irrevocably assumed all of Seller Group’s obligations under this Agreement. For the avoidance of doubt, nothing contained in this Section 9.15 shall entitle Seller Group to assign this Agreement to any person or to otherwise avoid (or seek to avoid) its obligations under this Agreement.

9.16 Restriction on Sale of the Hospital. For a period of 10 years following the Closing, Buyer shall not sell the assets of the Hospital to a third party and the Buyer will remain a direct or indirect subsidiary of LifePoint Hospitals; provided, however, that this restriction shall not prohibit Buyer from transferring the Hospital, its business or assets to (i) any other affiliate of LifePoint Hospitals or (ii) any acquirer or successor, by merger, asset purchase, stock purchase, lease or otherwise of all or substantially all of the ownership interests in or assets of LifePoint Hospitals.

10. INDEMNIFICATION AND REMEDIES

10.1 Indemnification by Seller Group. Subject to and to the extent provided in this Article 10, BMH and BMC shall, on a joint and several basis, indemnify and hold harmless Buyer and its members, shareholders, partners, directors, officers, employees, agents and affiliates (each, a “Buyer Indemnified Party”) from and against any Losses incurred or suffered by a Buyer Indemnified Party as a result of or arising from: (a) any breach of or inaccuracy in any representation or warranty made by Seller Group in this Agreement; (b) any breach of a covenant, obligation or agreement of Seller Group in this Agreement; and (c) the Excluded Liabilities and the Excluded Assets, “Losses” shall mean any damages, claims, costs, losses, liabilities, expenses or obligations (including reasonable attorneys’ fees and associated expenses) whether or not involving a third-party claim. Losses shall not include any incidental, special, consequential or indirect damages, including, lost profits, revenue, business or opportunity or punitive damages, unless such damages are being sought by a third-party against the indemnified party.

10.2 Seller Group’s Liability. Seller Group shall have no liability with respect to Losses arising pursuant to Section 10.1(a) unless and until the aggregate amount of such Losses exceeds \$300,000 (the “Basket”), at which time, Seller Group shall be responsible, from the first dollar, for the

entire amount of such Losses up to the Limit (as hereinafter defined). In determining whether any of the Seller Group's representations or warranties have been breached or are inaccurate, the representation or warranty shall be read giving full effect to the phrase "Material Adverse Effect," "in all material respects," and similar phrases qualifying any of Seller Group's representations or warranties; however, in the event that any such representation or warranty is breached or inaccurate, for purposes of determining the value of any Loss under this Article 10, such phrases shall be disregarded.

Anything in this Agreement to the contrary notwithstanding, the Foundation Funds shall not be subject to the indemnification obligations of Seller Group pursuant to Section 10.1.

10.3 Indemnification by Buyer. Subject to and to the extent provided in this Article 10, Buyer shall indemnify and hold harmless Seller Group and its members, directors, officers, employees, agents and affiliates (each, a "Seller Indemnified Party") from, against and for any Losses incurred or suffered by an Indemnified Party as a result of or arising from: (a) any breach of or inaccuracy in any representation or warranty made by Buyer in this Agreement; (b) any breach of a covenant, obligation or agreement of Buyer; and (c) the Assumed Liabilities.

10.4 Buyer's Liability. Buyer shall have no liability with respect to Losses arising pursuant to Section 10.3(a), unless and until the aggregate amount of such Losses exceeds the Basket, at which time, Buyer shall be responsible, from the first dollar, for the entire amount of such Losses up to the Limit. In determining whether any Buyer's representations or warranties have been breached or are inaccurate, the representation or warranty shall be read giving full effect to the phrase "Material Adverse Effect," "in all material respects," and similar phrases qualifying any of Buyer's representations or warranties; however, in the event that any such representation or warranty is breached or inaccurate, for purposes of determining the value of any Loss under this Article 10, such phrases shall be disregarded.

10.5 Determination of Losses. The amount of any Losses subject to indemnification hereunder shall be calculated net of any insurance proceeds actually received by the Indemnified Party on account of such Losses reduced by the Indemnified Party's reasonable and actual costs and expenses incurred in making such insurance recovery. The Indemnified Party shall file a claim with its insurer within a reasonable time after learning of the Loss, and shall use reasonable efforts to recover insurance proceeds for the Loss (whether before or after the indemnity payment is made hereunder); provided, however, (i) such claim filing obligation shall not prevent or delay an Indemnified Party from making an indemnification claim, (ii) the insurer's position or non-position concerning coverage of the Loss shall not affect or delay the indemnifying party's payment obligations unless and until payment has actually been received by the Indemnified Party (in which case a credit shall be applied at the indemnifying party's election as provided below), and (iii) if the insurer's payment arrives after an indemnifying party has made an indemnity payment, the Indemnified Party shall promptly remit the payment to the Indemnifying Party, subject to the following. The Indemnifying Party shall have the option (in its sole discretion) to take a credit for insurance proceeds recovered against the indemnification claim amount, provided that the Indemnifying Party shall reimburse the Indemnified Party for any premium increases, attributable to the particular loss.

10.6 Sole and Exclusive Remedy. Indemnification pursuant to this Article 10, subject to the limitations contained herein, shall constitute the Indemnified Parties' sole and exclusive remedy for any and all Losses or other claims for monetary damages relating to or arising from this Agreement and the transactions contemplated hereby including, without limitation, with respect to any breach of any representation, warranty or covenant contained in this Agreement (other than with respect to fraud, intentional misrepresentation or specific performance or other equitable remedies). The parties may not seek to avoid the various limitations on liability set forth in this Article 10 by seeking damages for tort or pursuant to any other theory of liability. This section shall in no way (i) limit the parties' right to seek

any equitable remedy which does not seek monetary damages, including temporary restraining orders, injunctions and specific performance or (ii) limit the parties' rights under the other Transaction Documents.

10.7 Procedure for Indemnification – Non Third Party Claims. Whenever any claim shall arise for indemnification hereunder not involving a demand, claim, action or proceeding made or brought by a third party, including without limitation a government agency (a "Proceeding"), the Seller Indemnified Party or the Buyer Indemnified Party, as applicable (collectively referred to hereinafter as the "Indemnified Party") shall notify the indemnifying party promptly after such Indemnified Party has actual knowledge of the facts constituting the basis for such claim. The notice to the indemnifying party shall specify, if known, the amount or an estimate of the amount of the liability arising therefrom.

10.8 Procedure for Indemnification – Third Party Claims.

(a) Promptly after receipt by an Indemnified Party of notice of the commencement of any Proceeding, such Indemnified Party will, if a claim is to be made against an indemnifying party pursuant to this Article 10, give notice to the indemnifying party of the commencement of the Proceeding, but the failure to notify the indemnifying party will not relieve the indemnifying party of any liability that it may have to the Indemnified Party, except to the extent that the indemnifying party demonstrates that the defense of such action is prejudiced by the Indemnified Party's failure to provide such timely notice.

(b) If any Proceeding is brought against an Indemnified Party and such Indemnified Party gives notice to the indemnifying party ("Claims Notice") of the commencement of such Proceeding, the indemnifying party will, unless the Proceeding involves Taxes, be entitled to participate in such Proceeding and, to the extent that it wishes (unless (i) the indemnifying party is also a party to such Proceeding and the Indemnified Party, determines in good faith that joint representation would be inappropriate, or (ii) the indemnifying party fails to provide reasonable assurances to the Indemnified Party of its financial capacity to defend such Proceeding and provide the indemnification required by this Agreement with respect to such Proceeding), to assume the defense of such Proceeding with counsel satisfactory to the Indemnified Party and, after notice from the indemnifying party to the Indemnified Party of its election to assume the defense of such Proceeding, the indemnifying party will not, as long as it diligently conducts such defense, be liable to the Indemnified Party under this Section 10.8 for any fees of other counsel or any other expenses with respect to the defense of such Proceeding, in each case subsequently incurred by the Indemnified Party in connection with the defense of such Proceeding, other than reasonable costs of investigation. If the indemnifying party assumes the defense of a proceeding, no compromise or settlement of such claims may be effected by the indemnifying party without the Indemnified Party's consent unless (I) there is no finding or admission of any violation of Legal Requirements or any violation of the rights of any person and no effect on any other claims that may be made against the Indemnified Party; and (II) the sole relief provided is monetary damages that are paid in full by the indemnifying party; and (III) the Indemnified Party will have no liability with respect to any compromise or settlement of such claims effected without its consent. If notice is given to an indemnifying party of the commencement of any Proceeding and the indemnifying party does not, within 10 days after the Indemnified Party's notice is provided, give notice to the indemnified party of its election to assume the defense of such Proceeding, the indemnifying party will be bound by any determination made in such Proceeding or any compromise or settlement effected by the Indemnified Party.

(c) Notwithstanding the foregoing, if an Indemnified Party determines in good faith that there is a reasonable probability that a Proceeding may adversely affect it or its affiliates other than as a result of monetary damages for which it would be entitled to indemnification under this Agreement, the Indemnified Party may, by notice to the indemnifying party, assume the exclusive right to defend,

compromise or settle such Proceeding, but the indemnifying party will not be bound by the determination of a Proceeding so defended or any compromise or settlement effected without its consent (which may not be unreasonably withheld). If the indemnifying party does not assume the defense of any claim or litigation, any Indemnified Party may defend against such claim or litigation in such manner as it may deem appropriate, including the settlement of such claim or litigation, after giving notice of the same to the indemnifying party, on such terms as the Indemnified Party may deem appropriate. The indemnifying party will promptly reimburse the Indemnified Party in accordance with the provisions hereof.

10.9 Payment. All indemnification hereunder shall be effected by payment of cash or delivery of immediately available funds to an account designated by the Indemnified Party in the amount of the indemnification liability. Any undisputed indemnification payments shall be made within 10 days of the date on which the amount of a Loss is identified in writing to the indemnifying party.

10.10 Reliance. The parties expressly agree and acknowledge that Buyer is relying upon each of the representations and warranties of Seller Group made in this Agreement and that Buyer would not be willing to enter into this Agreement if any limitations were placed on such reliance. The right to indemnification, reimbursement or other remedy based upon the representations, warranties, covenants and obligations of Seller Group in this Agreement shall not be affected by any investigation conducted with respect to, or any information or knowledge acquired (or capable of being acquired) at any time, whether before or after the execution and delivery of this Agreement or the Closing Date, with respect to the accuracy or inaccuracy of or compliance with any such representation, warranty, covenant or obligation. The waiver of any condition based upon the accuracy of any representation or warranty, or on the performance of or compliance with any covenant or obligation, will not affect the right to indemnification, reimbursement or other remedy based upon such representations, warranties, covenants and obligations.

10.11 Survival. The covenants and agreements of the parties set forth herein shall continue to be fully effective and enforceable following the Closing in accordance with their terms. The representations and warranties of Seller Group and Buyer shall continue to be fully effective and enforceable following the Closing for 18 months and shall thereafter be of no further force and effect; *provided, however*, (a) the representations and warranties contained in Sections 4.17 (Regulatory Compliance) and 4.21 (Third Party Payor Cost Reports) of this Agreement shall continue to be fully effective and enforceable following the Closing for a period of 60 months and shall thereafter be of no further force and effect; and (b) the representations and warranties contained in Sections 4.1 (Capacity), 4.2(a) (Powers), 4.3 (UPHP and UPMC), 4.4 (Binding Agreement), 4.8 (Real Property, as it relates only to title), 4.9 (Title to Personal Property, as it relates only to title), 5.1 (Capacity), 5.2 (Powers; Consents; Absence of Conflicts With Other Agreements) and 5.3 (Binding Agreement) shall survive indefinitely. Anything in this Agreement to the contrary notwithstanding, if there is an outstanding Claims Notice properly delivered prior to the expiration of the period provided for survival of a representation or warranty as provided for above, such applicable period shall not end in respect of such claim until such claim is resolved.

11. GENERAL

11.1 Consented Assignment. 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 another party thereto would constitute a breach thereof or in any material way affect the rights of the assigning party thereunder. If such consent is not obtained, or if an attempted assignment would be ineffective or would materially affect Seller Group's rights thereunder so that Buyer would not in fact receive all such rights, Seller Group shall upon the request of Buyer cooperate in any reasonable

arrangement designed to transfer to Buyer the benefits and burdens under any such claim, right or contract.

11.2 Choice of Law.

(a) This Agreement and the parties' respective rights hereunder shall be governed by the laws of the State of Michigan. To the full extent permitted by applicable Legal Requirements, the parties hereby waive any and all right to a trial by jury on the issue to enforce any term or condition of this Agreement.

(b) Any action or proceeding seeking to enforce any provision, or based on any right arising out of, or to interpret any provision of, this Agreement may be brought against any of the parties in the state and federal courts located within the territorial jurisdiction of the United States District Court for Delaware or the Western District of Michigan, Northern Division, and each of the parties consents to the exclusive jurisdiction of such courts (and of the appropriate appellate courts) in any such action or proceeding and waives any objection to venue laid therein. Process in any action or proceeding referred to in the preceding sentence may be served on any party anywhere in the world.

11.3 Assignment. No party may assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of the other party; provided, that Buyer may assign any or all of its rights or interests, or delegate any or all of its obligations, in this Agreement to (a) any successor to Buyer or any acquirer of all or substantially all of the business or assets of Buyer or (b) one or more of Buyer's affiliates, including Acquisition Bell Hospital, LLC and Bell Physician Practices, Inc., and in either event Buyer shall remain bound to perform all of its obligations hereunder. Subject to the preceding sentence, this Agreement will apply to, be binding in all respects upon and inure to the benefit of the successors and permitted assigns of the parties.

11.4 Accounting Date. The transactions contemplated hereby shall be effective for accounting, payment and business purposes as of the Effective Time.

11.5 Costs of Transaction. Whether or not the transactions contemplated hereby shall be consummated and except as otherwise provided herein, the parties agree as follows: (a) Seller Group shall pay the fees, expenses and disbursements of Seller Group and its agents, advisors, accountants and other representatives incurred in connection with the subject matter hereof and any amendments hereto, and (b) Buyer shall pay its fees, expenses and disbursements and those of its agents, advisors, attorneys, accountants and other representatives incurred in connection with the subject matter hereof and any amendments hereto; provided, however, that Buyer shall be responsible for the Transaction Costs, subject to the limitations set forth in Section 2.1, and Buyer shall pay for the cost of its due diligence (which may include structural and environmental surveys and reports). Buyer shall bear the cost of the Title Policy, Survey, and recording Taxes or fees necessary to record the Buyer's interest in the Real Estate, together with the cost of all transfer, documentary, sales, use, stamp, registration and other such Taxes, and all conveyance fees, recording charges and other fees and charges (including any penalties and interest) incurred in connection with the consummation of the transactions contemplated by this Agreement. Buyer will also pay the costs, fees and expenses related to the engagement of financial and accounting advisors required by the Attorney General, and all filing fees, if any, due in connection with detailing necessary approvals from MDCH. The parties will file all necessary Tax Returns and other documentation with respect to all such Taxes, fees and charges, and, if required by applicable Legal Requirements, the parties will, and will cause their affiliates to, join in the execution of any such Tax Returns and other documentation.

11.6 Confidentiality. The Confidentiality Agreement, dated as of November 9, 2012, by and between LifePoint Hospitals and Seller Group remains in full force and effect. Prior to the Closing and except as otherwise required by Legal Requirements, the rules of the National Association of Securities Dealers, Inc., or The Nasdaq Stock Market, LLC or New York Stock Exchange, as applicable, as reasonably determined by any party (in which event such party shall, as soon as reasonably practical but in any such event prior to the announcement, give notice to the other party of such determination and consult with the other party concerning the terms of such announcement), any release to the public of information concerning this Agreement or the transactions contemplated hereby will be made only in the form and manner approved by the parties. Each party shall furnish the other with drafts of all such releases prior to their publication or dissemination. If either party reasonably determines that a public announcement of the existence of the transactions described herein is required by Legal Requirements, then such other party shall have the right to issue an announcement with respect to such matters contemporaneously.

11.7 Waiver. The rights and remedies of the parties to this Agreement are cumulative and not alternative. Neither the failure nor any delay by any party in exercising any right, power or privilege under this Agreement or the documents referred to in this Agreement will operate as a waiver of such right, power or privilege, and no single or partial exercise of any such right, power or privilege will preclude any other or further exercise of such right, power or privilege or the exercise of any other right, power or privilege. To the maximum extent permitted by applicable Legal Requirements, (a) no claim or right arising out of this Agreement or the documents referred to in this Agreement can be discharged by one party, in whole or in part, by a waiver or renunciation of the claim or right unless in writing signed by the other party; (b) no waiver that may be given by a party will be applicable except in the specific instance for which it is given; and (c) no notice to or demand on one party will be deemed to be a waiver of any obligation of such party or of the right of the party giving such notice or demand to take further action without notice or demand as provided in this Agreement or the documents referred to in this Agreement.

11.8 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 telegraphic or other electronic means (including telecopy, facsimile and telex) or overnight courier, or five days after being deposited in the United States mail, with postage prepaid thereon, certified or registered mail, return receipt requested, addressed as follows:

Seller Group: Bell Memorial Hospital
901 Lakeshore Drive
Ishpeming, Michigan 49849
Fax No.: (906) 485-2709
Attention: Chief Executive Officer

with a copy to: Locke Lord LLP
111 South Wacker Drive
Chicago, Illinois 60606
Fax No. (312) 896-6693
Attention: David L. Kendall, Esq.

Buyer: Acquisition Bell Hospital, LLC
c/o LifePoint Hospitals
103 Powell Court
Brentwood, Tennessee 37027
Fax No.: (615) 372-8572
Attention: General Counsel

with a copy to: Waller Lansden Dortch & Davis, LLP
Nashville City Center
511 Union Street, Suite 2700
Nashville, Tennessee 37219
Fax No. (615) 244-6804
Attention: W. Kenneth Marlow, Esq.

or to such other address, and to the attention of such other person or officer as any party may designate.

11.9 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.

11.10 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.

11.11 Divisions and Headings. The division 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.

11.12 No Third-Party Beneficiaries. Nothing expressed or referred to in this Agreement will be construed to give any Person other than the parties to this Agreement any legal or equitable right, remedy or claim under or with respect to this Agreement or any provision of this Agreement, except such rights as shall inure to a successor or permitted assignee pursuant to this Agreement.

11.13 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.

11.14 Tax and Medicare Advice and Reliance. Except as expressly provided in this Agreement, none of the parties (nor any of the parties' respective counsel, accountants or other representatives) has made or is making any representations to any other party (or to any other party's counsel, accountants or other representatives) concerning the consequences of the transactions contemplated hereby under applicable Tax laws or under the laws governing the Medicare program. Each party has relied solely upon the Tax and Medicare advice of its own employees or of representatives engaged by such party and not on any such advice provided by any other party.

11.15 Knowledge. Whenever any statement herein or in any Schedule, Exhibit, certificate or other documents delivered to any party pursuant to this Agreement is made "to a person's knowledge" or"

to the knowledge of a person” or a statement “that a person is not aware of” or “a person is aware of” or words of similar intent or effect, such person shall be deemed to have knowledge of facts or other information or matters which, as of the date the representation is given, that are actually known to the person making such statement after due inquiry, which, with respect to persons that are corporations, limited liability companies or similar business entities (such as Seller Group and Buyer), means the knowledge of its officers. With respect to Seller Group and for the purposes of this Section, Floyd Bounds, the President and Chief Executive Officer, Barbara Larson, the Chief Operating Officer, Gerald A. Messina, the Chief Financial Officer, Ruth Solinski, Vice President of Organizational Development, and Randy DeBlois, Building Service Manager, shall be considered officers of Seller Group for purposes of defining knowledge. With respect to Buyer and for the purposes of this Section, Leif Murphy and Paul Gilbert shall be considered officers of Buyer for purposes of defining knowledge.

11.16 Entire Agreement/Amendment. This Agreement supersedes all prior agreements, whether written or oral, between the parties with respect to its subject matter (including any memorandum of understanding and any confidentiality agreement among Seller Group and Buyer) and constitutes (along with the Schedules attached, Exhibits and other documents delivered pursuant to this Agreement) a complete and exclusive statement of the terms of the agreement among 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 party to be charged with the amendment.

11.17 Enforcement Expenses. In the event any party elects to incur legal expenses to enforce, defend or interpret any provision of this Agreement, as between it and any other party, the prevailing party shall be entitled to recover from the other party such legal expenses, including reasonable attorneys’ fees, costs and necessary disbursements, in addition to any other relief to which such party may be entitled.

11.18 Counterparts. This Agreement may be executed in one or more 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 transmission or Portable Document Format (PDF) 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. Signatures of the parties transmitted by facsimile and PDF shall be deemed to be their original signatures for any purposes whatsoever.

11.19 Disclosure Schedules.

(a) The information in the Disclosure Schedules is arranged in paragraphs corresponding to the numbered and lettered sections contained in this Agreement and the disclosures in any section of the Disclosure Schedules shall be responsive to or list exceptions to the particular paragraph of this Agreement listed and shall also be deemed to be disclosed and incorporated in all other sections of the Disclosure Schedules where the relevance of such disclosure is reasonably apparent from the text of the disclosure. If there is any inconsistency between the statements in this Agreement and those in the Disclosure Schedules (other than an exception expressly set forth in the Disclosure Schedules with respect to a specifically identified representation or warranty), the statements in this Agreement will control.

(b) At any time prior to 7 days prior to the Closing Date, Seller Group shall be entitled to deliver to Buyer updates to the Disclosure Schedules, provided that (i) such updates are clearly marked as such, (ii) any changes to the original Disclosure Schedules are clearly identified, and (iii) any changes to the original Disclosure Schedules relate only to items or events occurring after the date of this Agreement or items or events of which Seller Group only becomes aware after the date of this

Agreement. If such updates to the Disclosure Schedules reflect, individually or in the aggregate, matters that are or may be materially adverse to the business or operations of the Facilities or the Assets or otherwise negatively and materially impact the financial terms of the transactions contemplated by this Agreement from the perspective of Seller Group and Buyer, Buyer shall have the right, but not the obligation, to terminate the Agreement pursuant to Section 9.3. In the event Buyer does not have the right to terminate this Agreement or elects not to terminate this Agreement as a result of an update to the Disclosure Schedules and consummates the transaction contemplated hereby, the updated or substitute Disclosure Schedules shall replace, in whole or in part as the case may be, the Disclosure Schedules previously delivered hereunder for all purposes and will be deemed to have cured any misrepresentation or breach of warranty that otherwise might have existed hereunder prior to such update as a result of the failure to disclose the matters now included in the updated Disclosure Schedules. Notwithstanding anything contained herein to the contrary, nothing in this Section 11.19(b) shall in any way restrict, modify or eliminate Buyer's right to bring a claim pursuant to Sections 10.1(b) and 10.1(c).

[Signature page follows.]

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

SELLER GROUP:

BELL MEMORIAL HOSPITAL, a Michigan nonprofit corporation

By: _____
Name: _____
Title: _____

BELL MEDICAL CENTER, a Michigan nonprofit corporation

By: _____
Name: _____
Title: _____

BUYER:

ACQUISITION BELL HOSPITAL, LLC, a Delaware limited liability company

By: _____
Name: _____
Title: _____

The undersigned, LifePoint Hospitals Holdings, Inc., a Delaware corporation, executes this Agreement solely for the purpose of agreeing to assure the obligations of Buyer pursuant to the provisions of Sections 2.1, 9.10, 9.16, 11.2, 11.5 and 11.17 and Article 10 of this Agreement.

LIFEPOINT:

LIFEPOINT HOSPITALS HOLDINGS, INC., a
Delaware corporation

By: _____
Name: _____
Title: _____