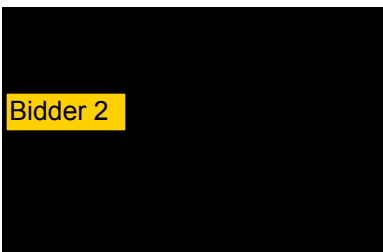


[~~BIDDER~~CMC LETTERHEAD]

~~August 27~~September 20, 2013



**LETTER OF INTENT**

Dear [REDACTED]

The purpose of this letter of intent (this “Letter”) is to set forth certain non-binding understandings and certain binding agreements by and between Community Medical Center (“Hospital”) and ~~[BIDDER]~~ (“~~[BIDDER]~~ Bidder 2”) pursuant to which Hospital intends to ~~merge~~combine with ~~[BIDDER]~~ Bidder 2 through a membership transfer as set forth in an affiliation agreement or other form of agreement mutually acceptable to the parties, as more particularly described in the attached term sheet (the “Term Sheet”), incorporated herein by reference.

Paragraphs 1 through ~~19~~18 of the Term Sheet (collectively, the “Non-Binding Provisions”) reflect our mutual understanding of the matters described in them, but each party acknowledges that the Non-Binding Provisions are not intended to create or constitute any legally binding obligations between Hospital and Bidder 2, and neither Hospital nor Bidder 2 shall have any liability to the other party with respect to the Non-Binding Provisions ~~until a~~ This Letter and the Non-Binding Provisions are subject to and contingent upon due diligence review and the negotiation, approval, execution, and delivery of all necessary definitive agreements and ~~other~~-related documents (collectively, the “Definitive Agreement”) ~~are prepared, authorized, executed and delivered by and between the parties~~. If the Definitive Agreement is not prepared, ~~authorized~~approved, executed, and delivered for any reason, neither party to this Letter shall have liability to the other party to this Letter based upon or ~~relat~~inged to the Non-Binding Provisions.

Upon execution ~~by the parties to~~of this Letter by both parties, Paragraphs ~~2019~~ to ~~2221~~ of the Term Sheet (collectively, the “Binding Provisions”) will constitute the legally binding and enforceable agreement of the parties in recognition of the significant costs to be borne by the parties in pursuing the transaction and further in consideration of the mutual undertakings as to the matters described herein.

~~The~~This Letter may be terminated by either party upon ten (10) days’ prior notice to the other party. Notwithstanding the foregoing sentence, the Binding Provisions may be terminated only by mutual written consent; provided, however, that the termination of the Binding Provisions shall not affect the liability of a party for breach of any of the Binding Provisions prior to the termination. This Letter shall be construed and enforced in accordance with the laws of the State of Montana. No signatory hereto shall assign this Letter to any third party.

  
~~August 27~~ September 20, 2013

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Notwithstanding the foregoing, this Letter is intended to evidence the general understandings which have been reached regarding the proposed transactions and the mutual intent of the parties to negotiate in good faith a Definitive Agreement in accordance with the terms contained in the Term Sheet.

Each party acknowledges that it is a party to that certain Mutual Confidentiality and Non-Disclosure Agreement, dated August 2, 2013, and that such Non-Disclosure ~~A~~Agreement remains in full force and effect.

If the terms herein are acceptable, please sign and date this Letter in the space provided below to confirm the mutual agreements set forth in the Binding Provisions and return a signed copy to the undersigned.

Sincerely:

COMMUNITY MEDICAL CENTER

By: \_\_\_\_\_  
Steve Carlson  
Chief Executive Officer

Date: \_\_\_\_\_

ACKNOWLEDGED AND AGREED:


  
Bidder 2

~~{BIDDER}~~

By: \_\_\_\_\_  


Date: \_\_\_\_\_

**Community Medical Center**  
**Term Sheet for a Transaction with ~~(BIDDER)~~ Bidder 2**  
**August 27 September, 2013**

Non-Binding Provisions	
<b>1. Parties</b>	<p>a) Community Medical Center, a Montana nonprofit corporation that is exempt from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (<u>the “Code”</u>), and all of its controlled affiliates (collectively, “Hospital”). Hospital is the parent company of an integrated healthcare system providing acute care and general health services to residents of western Montana and Idaho (collectively, the “Business”).</p> <p>b) </p>
<b>2. Form of Transaction</b>	<p><del>Bid</del> Bidder 2 intends to acquire the Business through a membership substitution or other form of agreement mutually acceptable to the parties (the “Transaction”).</p>
<b>3. Treatment of CMC Foundation</b>	<p>Prior to executing the Definitive Agreement (as defined in Paragraph <u>2221</u> hereof), CMC Foundation, at its sole discretion, may request, as a result of the Transaction, <u>that</u> Hospital <del>to</del> withdraw or otherwise give up its position as the sole member of CMC Foundation immediately prior to the Closing. In such event, CMC Foundation shall have the right to retain, and exclude from the Transaction, the assets of CMC Foundation at the time of such withdrawal and to continue to operate as an independent tax-exempt entity.</p>
<b>4. Closing</b>	<p>The closing of the Transaction is referred to herein as the “Closing.”</p>
<b>5. New Foundation</b>	<p>a) Prior to Closing, CMC shall create a new Montana nonprofit corporation (the “New Foundation”).</p> <p>b) The New Foundation’s mission shall be devoted exclusively to the support of the Business, except for the New Foundation’s performance of its responsibilities pursuant to Paragraph 5 c) hereof.</p> <p>c) The New Foundation will be a party to the Definitive Agreement (as defined in Paragraph 22 hereof) for the sole purpose of enforcing the post-Closing covenants contained in the Definitive Agreement.</p> <p>d) At Closing, \$5 million of unrestricted funds shall be transferred by CMC to the New Foundation in order to provide the New Foundation the necessary funds to execute its enforcement function described in Paragraph 5 c.) hereof.</p>

<p><b>6. Capital Commitment</b></p>	<p>For a period of ten (10) years after the Closing, Bidder 2 shall commit to fund annual average capital expenditures at not less than 110% of the Business’ annual depreciation to fund the development of projects and services for the benefit of the residents of the Business’ primary service area, subject to deferral based on mutually agreed upon exceptions for exigent financial circumstances and regulatory requirements. Bidder 2 is committed to developing and implementing with Hospital a strategic plan for the Business and such projects and services will be consistent with such strategic plan. The parties recognize that to bring about the desired result, such projects and capital expenditures must be evaluated based on their strategic merit and return on investment toward fulfillment of the parties’ goals for the Transaction.</p>
<p><b>7. Parent Governance</b></p>	<p>a) As of the Closing, Bidder’s the size of Bidder 2 Board of [Directors] (the “Bidder Bidder 2 Board”) shall <del>have proportional board membership based on the total net patient revenue of each party. Hospital members will be appointed by Hospital (the “Hospital Members”) and Bidder members will be appointed by Bidder (the “Bidder Members”).</del> be increased by four (4) Directors from thirteen (13) to seventeen (17) Director. These additional four (4) Directors shall be referred to as the “CMC Community Directors.” At all times, the CMC Community Directors shall have their primary residence in Hospital’s primary service area (to be defined by zip codes in the Definitive Agreement) and at least three (3) of the CMC Community Directors shall satisfy the then current independence requirements established by the Internal Revenue Service for community board members of tax-exempt organizations. One (1) of the CMC Community Directors may be a currently active physician on Hospital’s medical staff.</p> <p>b) <u>The current Hospital Board of Directors will designate the initial CMC Community Directors which initial CMC Community Directors shall be agreed upon by Bidder 2 and identified in an exhibit to the Definitive Agreement. The initial CMC Community Directors shall have staggered terms of one (1) year (one (1) CMC Community Director), two (2) years (one (1) CMC Community Director), and three (3) years (two (2) CMC Community Directors). During the first three (3) years following the Closing (the “Transition Period”), Bidder 2 Board will appoint the CMC Community Directors from a slate nominated by New Foundation. After the Transition Period, Bidder 2 Board will appoint the CMC Community Directors after consultation with New Foundation.</u></p> <p><del>b) One of the Hospital Members may be the elected president of the Hospital medical staff.</del></p> <p><del>c) The remaining Hospital Members shall be residents of Hospital’s primary service area (“PSA”) or be primarily on the medical staff of one of the Business’ facilities.</del></p> <p><del>d) The PSA will be defined by zip codes in the Definitive Agreement (as defined in Paragraph 22 hereof).</del></p> <p><del>c) e) If Bidder Bidder 2 becomes the parent corporation of one or more other hospitals or health systems, the Bidder’s Bidder 2 Board may be reconstituted; provided, However, Hospital shall have members of the Bidder Board who are residents of Hospital PSA or the medical staff of one of Hospital facilities equal to its proportionate share of the total net patient revenue of the merged/combined entity, that there shall never be fewer than two (2) CMC</del></p>

	<p><u>Community Directors, unless otherwise agreed by New Foundation.</u></p>
<p><b>8. Hospital Governance</b></p>	<p>a) Effective as of the Closing, the Bylaws of Hospital shall be amended to provide for the following:</p> <ul style="list-style-type: none"> <li>i. Hospital will have a <del>ten</del><u>eleven</u> (<del>40</del><u>11</u>) member non-fiduciary Board of Trustees (the “Local Board”). The Local Board will be comprised of four (4) physicians, five (5) community leaders <del>and</del> <u>the local Chief Executive Officer, ex officio, and the Chief Executive Officer of Bidder 2 (or his designee), ex officio.</u></li> <li><del>ii. The initial members of the Local Board shall be appointed in consultation with Hospital.</del></li> <li><u>ii. The current Hospital Board of Directors will designate initial members of the Local Board (other than the ex officio members), which initial members shall be agreed upon by Bidder 2 and identified in an exhibit to the Definitive Agreement.</u></li> <li>iii. <del>The</del> <u>After Closing, the</u> Local Board shall <del>be self-perpetuating consistent with the Hospital’s governing documents.</del> <u>select the members of the Local Board, subject to approval of Bidder 2 Board.</u></li> <li>iv. In general, financial, strategic and other decisions of the Local Board will require approval by <del>Bidde</del> <u>Bidder 2</u> Board.</li> <li>v. The Local Board will provide recommendations to <del>Bidde</del> <u>Bidder 2</u> regarding the establishment of hospital policies, the maintenance of patient care quality and provision of clinical service and community service planning in a manner responsive to local community needs.</li> </ul> <p>b) Subject to certain limited exceptions, the duties of the Local Board will include, but not be limited to the following:</p> <ul style="list-style-type: none"> <li>i. Ensure compliance with all accreditation requirements, including but not limited to credentialing and other medical staff matters;</li> <li>ii. Provide oversight for institutional planning, make recommendations for new clinical services, participate in an annual review of the Business’ strategic and financial plan and goals;</li> <li>iii. Review and have input into any substantive changes in the services provided by the Business.</li> <li>iv. Review and recommend approval of operating and capital budgets as well as make recommendations with respect to capital expenditures fulfilling commitments made by <del>Bidde</del> <u>Bidder 2</u> in the Definitive Agreement;</li> <li>v. Make recommendations with respect to quality assessment and improvement programs;</li> <li>vi. Provide oversight of risk management programs relating to patient care and safety;</li> <li>vii. Foster community relationships and identify community service opportunities;</li> <li>viii. Review disaster plans that deal with both internal (e.g., fire) and external disasters; and</li> <li>ix. Evaluate recruitment needs to ensure adequate medical staff capacity to</li> </ul>

	continue to meet community needs.
<b>9. Commitment to Quality, Safety, and Patient Satisfaction</b>	After the Closing, Bidder Bidder 2 shall operate the Business with a commitment to quality, safety and patient satisfaction including maintaining Joint Commission accreditation and participation in the Medicare, Medicaid, and TriCare programs.
<b>10. Commitment to Teaching Programs</b>	Bidder Bidder 2 shall maintain and continue to support Hospital’s current residency training programs and will seek to expand the training of residents at the Business in a reasonable and appropriate manner in order to support the recruitment and retention of physicians in Hospital’s <del>community</del> PSA.
<b>11. Limitations on Change of Control or Sale</b>	<p>a) For a period of ten (10) years after the Closing (the “Initial Ten Year Period”), Bidder Bidder 2 will not (i) enter into a merger or other form of a transfer or change of control transaction with a third party with respect to the Business (a “Change of Control Transaction”), or (ii) sell, convey, or otherwise transfer all or substantially all of the assets of the Business to a third party (whether in a single transaction or in a series of transactions) (an “Asset Sale”); provided, <u>however, that</u> the foregoing restrictions of this Paragraph 11 shall not apply to a change of control of Bidder Bidder 2.</p> <p>b) In the event that, during the ten (10) year period after the Initial Ten Year Period, Bidder Bidder 2 enters into a Change of Control Transaction or Asset Sale and the proceeds thereof are not used for the benefit of that portion of the Business remaining with Bidder Bidder 2 then Bidder Bidder 2 will pay to the New Foundation an amount <del>equal to the product of (i) the proceeds from such a transaction net of any liabilities of the Business retained by Bidder multiplied by (ii) the percentage that results from a fraction the numerator of which is</del> <u>equal to the product of (i) the proceeds from such a transaction net of any liabilities of the Business retained by Bidder multiplied by (ii) the percentage that results from a fraction the numerator of which is</u> <u>[\$___] million plus any</u> <del>determined by a formula mutually agreed to by the parties and set forth in the Definitive Agreement. This formula will take into account the value of the Business at Closing, the amount of capital the New Foundation has contributed to the Business since the Closing and minus the product of, the amount of capital Bidder has invested in the Business since Closing, and</del> <u>determined by a formula mutually agreed to by the parties and set forth in the Definitive Agreement. This formula will take into account the value of the Business at Closing, the amount of capital the New Foundation has contributed to the Business since the Closing and minus the product of, the amount of capital Bidder has invested in the Business since Closing, and</u> <u>the number of full years since the expiration of the Initial Ten Year Period multiplied by</u> <del>[\$___] million and the denominator of which is</del> <u>[\$___] million plus the amount of capital Bidder has invested in the Business since the Closing.</u></p>
<b>12. Right of First Refusal</b>	Following the restrictions set forth in Paragraph 11 hereof, <del>Hospital or its designee</del> <u>New Foundation</u> will maintain in perpetuity a right of first refusal to purchase the Business under essentially the same terms and conditions provided to or by Bidder if Bidder Bidder 2 <del>if</del> Bidder 2 agrees to sell or transfer substantially all of the assets and operations of the Business to an unaffiliated third party. <del>Hospital</del> <u>New Foundation</u> shall have <del>sixty (60)</del> <u>sixty (60)</u> days to exercise its right and <del>one hundred eighty (180)</del> <u>one hundred eighty (180)</u> days to close, subject to extensions necessary to accommodate any regulatory approvals. The foregoing restriction shall not apply to a change of control of Bidder Bidder 2 or a sale of Bidder Bidder 2 interests in multiple facilities in which the value of the Business represents less than seventy-five percent (75%) of the total value (based upon net revenue) of the transaction.
<b>13. Maintenance of Clinical Services</b>	<del>a) Subject to mutually agreed upon exceptions for exigent financial circumstances and regulatory requirements, Bidder shall agree to maintain essential clinical services and departments at not less than current levels (“Essential Services”) at the Business’ current acute care hospital for a period of ten (10) years after the Closing. Essential Services shall include the</del>

~~following service lines and departments: ICU/CCU, NICU, med/surg, pediatrics, orthopedic, mother/baby, rehabilitation, labor and delivery, inpatient and outpatient surgery, recovery, laboratory, electrodiagnostics, stress testing, cath lab, CT scan, diagnostic imaging, ECHO, endoscopy, pharmacy, respiratory therapy, emergency, pediatrics specialty clinic, departments of Community Physician Group, Community Care Center (chemotherapy and radiation therapy), IVO infusion therapy, CMC cardiology and outreach, nuclear medicine, trauma (level III), wound care clinic, childbirth education classes, MT Pediatric Surgery, sterile supply, and materials management.~~ For the Initial Ten Year Period, Bidder 2 will maintain and continue to operate a fully licensed and Joint Commission accredited acute care hospital at the site of the current hospital owned and operated by Hospital.

b) For the Initial Ten Year Period, Hospital will continue to provide the following essential clinical services and programs (“Essential Services”) at their current locations or other substitute locations in Hospital’s PSA:

- i. Obstetrics, maternity, gynecology, and related women’s services, including a neonatal intensive care unit;
- ii. Oncology program, including medical oncology, chemotherapy, and radiation oncology;
- iii. Cardio-vascular program, including echocardiogram and other current diagnostic modalities, and a cardiac catheterization laboratory;
- iv. Intensive Care Unit and Cardiac Care Unit;
- v. Pediatrics, including pediatric surgery;
- vi. Orthopedic surgery;
- vii. General surgery;
- viii. Outpatient rehabilitation;
- ix. Emergency Department and Level III Trauma;
- x. CT scan and other currently existing diagnostic imaging modalities;
- xi. Community Physician Group;
- xii. Community Care Center;
- xiii. Nuclear medicine; and
- xiv. Wound care clinic.

c) If any of the following contingencies occurs with regard to any particular Essential Service, Benefis may suspend, terminate, discontinue or materially and substantially modify, limit, or reduce (as applicable) the Essential Service:

- i. The Essential Service is not, or will not be, a Financially Viable service. For these purposes, “Financially Viable” means that, for a period of at least twelve (12) consecutive months, the actual or projected revenue for the Essential Service has been or will be, taking into account current or known future reimbursement levels, greater than the total facility cost of providing the service (i.e., direct and indirect facility costs, including capital investment necessary to continue to provide the Essential Service in accordance with the prevailing standard of care), and the cost of obtaining or maintaining the physician support necessary to provide the Essential Service;

	<ul style="list-style-type: none"> <li>ii. <u>Hospital's medical staff does not have qualified physicians necessary to support the provision of the Essential Service;</u></li> <li>iii. <u>An Essential Service experiences a significant decrease in patient volumes for any reason not within the reasonable control of Bidder 2 including technological obsolescence, changes in method, techniques or sites for delivery of the Essential Service, pharmaceutical advancements, or failure of the Essential Service to qualify for reimbursement under Medicare (or any successor program) or a material portion of other payors;</u></li> <li>iv. <u>The actual or projected volume or clinical staffing for an Essential Service is or will be insufficient to achieve or maintain the level of quality for such Essential Service that is at least equal to, or better than, the level of quality at which the Essential Service is provided at any other general acute care community hospital in the region and consistent with Bidder 2 quality standards.</u></li> </ul>
<p><b>14. Charity Care and Community Obligations</b></p>	<p>Bidder Bidder 2 acknowledges that Hospital has historically provided significant levels of care for indigent and low-income patients and has also provided care through a variety of community-based health programs. Bidder Bidder 2 shall adopt, maintain, and adhere to Hospital's current policies on charity and indigent care or adopt other policies and procedures that are at least as favorable to the indigent and uninsured as Hospital's existing policies and procedures. Bidder Bidder 2 shall also continue to provide care through community-based health programs, including cooperation with local organizations that sponsor healthcare initiatives to address identified community needs and improve the health status of the elderly, poor, and other at-risk populations in the community.</p>
<p><b>15. Medical Staff Matters</b></p>	<ul style="list-style-type: none"> <li>a) Bidder Bidder 2 intends to involve the Business' physicians in the strategic and capital planning process for the Business, insuring that the critical needs of the medical staff are met and that strategic initiatives and investments are prioritized to best meet the needs of medical staff physicians and their patients.</li> <li>b) Bidder Bidder 2 shall commit to provide the necessary resources to effectively recruit and retain a quality medical staff consistent with a recruitment plan to be mutually agreed to by the parties prior to the Closing, which the parties expect will contemplate the recruitment of an additional sixty (60) FTEs over a three-year period covering a broad range of specialties including, but not limited to, cardiology, emergency medicine, surgery, oncology, obstetrics/gynecology, hospitalists, neurology, neurosurgery, ENT and urology.</li> </ul>
<p><b>16. Employee Matters</b></p>	<ul style="list-style-type: none"> <li>a) Bidder Bidder 2 shall maintain wages and benefits, with no downward pay adjustments for at least twelve (12) months after the Closing, to all Hospital employees retained by Bidder Bidder 2</li> <li>b) Bidder Bidder 2 shall commit to honor all existing severance agreements between Hospital and Hospital's employees <u>that are reasonable and market competitive.</u></li> <li>c) Hospital employees shall retain their current seniority and vesting in Hospital's or any successor benefit programs.</li> <li>d) Hospital employees retained by Bidder Bidder 2 shall retain their current seniority for purposes of determining vacation accruals after the Closing.</li> </ul>



	<p>e) As of the Closing, Bidder Bidder 2 shall provide Hospital employees with a retirement plan, vacation, sick leave, holidays, health insurance, life insurance, and other employee benefits consistent with the current benefit plans in effect at Hospital or those Bidder Bidder 2 benefit plans in effect from time to time with no waiting periods or pre-existing condition limitations for any benefit plan offered by Bidder Bidder 2 to current Hospital employees.</p> <p>f) Bidder Bidder 2 agrees to honor any existing collective bargaining agreements; <u>provided, however, that Bidder 2 shall not agree to any neutrality covenant with respect to Bidder 2 its affiliates, and/or facilities.</u></p>
<p><b>17. Tail Policies</b></p>	<p><del>As of the Closing, Bidder shall provide and pay for appropriate tail insurance policies to cover Hospital directors' liabilities and such other risks as applicable.</del></p>
<p><b>17. 18. Transition</b></p>	<p>a) <u>The Definitive Agreement shall include typical negative covenants of Hospital that shall apply after execution of the Definitive Agreement and continue to and including Closing.</u></p> <p>b) <del>a)</del> Subject to applicable regulatory requirements, Bidder Bidder 2 shall have the opportunity to provide limited input to significant business activities of Hospital after execution of the Definitive Agreement <del>(as defined in Paragraph 22 hereof)</del> and prior to the Closing including, but not limited to:</p> <ul style="list-style-type: none"> <li>i. <del>Any</del> <u>Capital expenditures</u> in excess of <del>\$1.0 million</del> <u>Two Hundred Fifty Thousand Dollars (\$250,000)</u> not included in Hospital's routine annual capital and operating budgets.</li> <li>ii. <u>Any new agreement with a physician or other referral source;</u></li> <li>iii. <del>ii. Significant</del> <u>Any new contracts</u> in excess of <del>\$250,000</del> <u>One Hundred Thousand Dollars (\$100,000)</u> in annual expense.</li> <li>iv. <del>iii.</del> <u>Changes in title or assignment of specified senior executives.</u></li> </ul> <p>c) <del>b)</del> In addition, Hospital shall work with Bidder Bidder 2 to perform, or cause to be performed, any act, submission or filing, including the Letter, for the purpose of application for a Certificate of Need ("CON"), as is necessary and directed by Bidder Bidder 2 including CON's necessary for Hospital to remain competitive in its marketplace.</p>
<p><b>18. 19. Closing</b></p>	<p>a) The Closing shall take place as soon as practicable after all required regulatory and other approvals for the Transaction have been obtained, unless otherwise mutually agreed by the parties <del>to the Letter</del>. The Closing will be subject to mutually agreed closing conditions, including but not limited to (i) completion of a satisfactory due diligence <del>review of the Purchased Assets and the Business</del>, (ii) receipt of surveys, title insurance commitments and environmental and engineering surveys reasonably satisfactory to Bidder Bidder 2, (iii) receipt of all necessary regulatory approvals and permitted license transfers, <del>(iv) delivery of documents of conveyance and assignment,</del> (v) expiration of the "waiting period" under the HSR Act <u>(as defined below), if applicable</u>, and (vi) no "Material Adverse Change" (as defined below) shall have occurred.</p> <p>b) "Material Adverse Change" shall mean an event, change or circumstance which, individually or together with any other event, change or circumstance would be reasonably expected to have a material adverse effect, either</p>

	<p>individually or in the aggregate, on the business, assets, liabilities, financial condition or results of operations of the Business whether such effect would be realized before or after the Closing; provided, however, that a Material Adverse Change shall not include: (i) changes in the financial or operating performance due to or caused by the announcement of the Transaction or seasonal changes; (ii) changes or proposed changes to any law <del>or</del> regulation, <del>reimbursement rates</del> or policies of governmental agencies or bodies that are generally applicable to hospitals or health care facilities; (iii) requirements, reimbursement rates, policies or procedures of third party payors or accreditation commissions or organizations that are generally applicable to hospitals or health care facilities; (iv) general business, industry or economic conditions, including such conditions related to the Business; (v) local, regional, national or international political or social conditions, including the engagement by the United States in hostilities, whether or not pursuant to the declaration of a national emergency or war, or the occurrence of any military or terrorist attack; (vi) changes in financial, banking or securities markets (including any disruption thereof and any decline in the price of any security or any market index); or (vii) changes in GAAP.</p>
<p><b>Binding Provisions</b></p>	
<p><u>19.</u> <del>20.</del> Expenses</p>	<p>a) Each party shall bear its respective legal, accounting and other expenses and costs in connection with the Transaction; <del>provided, however, if the Transaction is consummated, Bidder will bear all such expenses.</del></p> <p>b) <del>Bidder</del> Bidder 2 and Hospital shall split the cost of title insurance upon the real property to be leased and the cost of a survey of such property, as well as all recording taxes and fees payable in respect of the Transaction.</p> <p>c) <del>Bidder</del> Bidder 2 shall pay the filing fee, if any, required under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (the “HSR Act”), and all expenses of inspecting the <del>Purchased Assets</del> Business, including the cost of any environmental surveys.</p>
<p><u>20.</u> <del>21.</del> Press Release</p>	<p>Except as otherwise required by law, all press releases or other public communications of any sort relating to the Transaction, and the method of the release for publication thereof, will be subject to the prior approval of both parties.</p>

21. ~~22.~~ Legal Effect and Diligence

- a) This Term Sheet is subject to and contingent upon due diligence review and the negotiations, approval, ~~and~~ execution, and delivery of all necessary definitive agreements and related documents (“Definitive Agreement”). Upon execution of the Letter, ~~Bidder~~ Bidder 2 and Hospital will negotiate in good faith the terms and conditions of the Definitive Agreement.
- b) As part of Hospital’s due diligence on ~~Bidder, Bidder~~ Bidder 2 Bidder 2 shall in reasonable detail describe its strategy for the Business post-Closing including, but not limited to, steps to reduce expenses at the Business through implementation of best practices and reduction of overhead.
- c) The Letter and this Term Sheet are not intended, and shall not be construed, to create an obligation that Hospital negotiate exclusively with ~~Bidder~~ Bidder 2 regarding the Transaction or any similar strategic transaction; provided that Hospital will neither engage in any due diligence review nor execute a term sheet or similar preliminary document with any other party relating to a change of control transaction or asset sale of all or substantially all of the assets of the Business, unless Hospital first notifies ~~Bidder~~ Bidder 2 of Hospital’s intention to do so.
- d) ~~e)~~ Upon execution of the Letter by both parties, ~~Bidder and Hospital~~ the parties will conduct and cooperate in reasonable due diligence regarding the Transaction, including without limitation the Business and parties to the Transaction. ~~Bidder~~ Hospital recognizes that Bidder 2 has not been afforded the opportunity to review any material information relating to the terms contemplated by this Term Sheet, and that such terms are subject, in the entirety, to the completion of Bidder 2 diligence review. Bidder 2 and Hospital intend that the period of diligence not exceed ~~45~~ sixty (60) days and that the Definitive Agreement be approved and executed ~~within 30 days~~ as soon thereafter as reasonably possible.

