

Exhibit B

Asset Purchase Agreement

ASSET PURCHASE AGREEMENT

among

CARITAS CHRISTI

THE SELLERS NAMED ON ANNEX A HERETO
AND

STEWARD HEALTH CARE SYSTEM LLC

Dated as of March 19, 2010

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ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this "Agreement") is made and entered into as of the 19th day of March, 2010 (the "Execution Date") by and among CARITAS CHRISTI, a Massachusetts not-for-profit corporation ("Renewal Systems") and its affiliated entities named on Annex A hereto (Renewal Systems and each such party named on Annex A hereto, a "Seller" and, collectively, the "Sellers"), and STEWARD HEALTH CARE SYSTEM LLC, a Delaware limited liability company ("Purchaser"). The Sellers and Purchaser are sometimes collectively referred to herein as the "Parties" and individually referred to herein as a "Party."

RECITALS:

WHEREAS, the Sellers engage in the business of (a) delivering acute care services to the public through acute care hospitals identified in Schedule A-1 (the "Acute Care Hospitals"); (b) contracting with managed care companies on behalf of the Acute Care Hospitals and certain other entities, including affiliated Physicians (the "Renewal Network Services"); (c) providing professional medical services through a network of employed Physicians (the "Renewal Physicians Network"); (d) operating an agency that provides in-home health care services ("Caritas Home Care, Inc." (d/b/a "Caritas Home Care")); (e) providing hospice services through Caritas Home Care, which services were provided through Good Samaritan Hospice, Inc. ("Good Samaritan Hospice") prior to its merger into Caritas Home Care on February 4, 2010; (f) operating a private college that trains nurses and other allied health professionals ("Laboure College"); (g) providing long term care services through a transitional care unit at one or more Acute Care Hospital(s) ("TCU"); and (h) providing positron emission tomography imaging services to certain member hospitals ("PET Imaging", and together with the Acute Care Hospitals, the Renewal Network Services, Renewal Physicians Network, Laboure College, Caritas Home Care and TCU, the "Health Care System"); and

WHEREAS, Purchaser desires to purchase from the Sellers, and the Sellers desire to sell to Purchaser, all of the assets of the Sellers used in connection with the operation of the Health Care System, other than certain excluded assets, for the consideration and upon the terms and conditions contained in this Agreement.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual representations, warranties, covenants, agreements and conditions hereinafter set forth, and intending to be legally bound hereby, each Party hereby agrees as follows:

ARTICLE 1

DEFINITIONS; SALE AND TRANSFER OF ASSETS; CONSIDERATION; CLOSING

Section 1.1 Definitions. (a) The following terms shall have the following meanings for the purposes of this Agreement:

"403(b) Plans" shall have the meaning set forth in Section 8.6(e) hereof.

"457(b) Plan" shall have the meaning set forth in Section 8.6(d) hereof.

"2010 Budget" shall mean the operating budget for the Health Care System for the fiscal year ending September 30, 2010, dated March 18, 2010, having been delivered by the Sellers to Purchaser and identified as such prior to the Execution Date.

"2011 Budget" shall mean the operating budget for the Health Care System for 2011, as the same shall be adopted and approved by the Renewal Systems board of governors, provided that for purposes of calculations pursuant to Section 6.14, the amounts budgeted for revenues and EBITDA shall not be less than 90% of the comparable amounts in the 2010 Budget.

"Accrediting Entity" means any non-governmental Person that grants certifications, accreditations or authorizations to Acute Care Hospitals, Physicians or Medical Staff that are in widespread use or which are a prerequisite to professional licensure, Medical Staff credentialing, or participation in any Government Reimbursement Program.

"Acute Care Hospitals" shall have the meaning set forth in the recitals hereof.

"Affiliate" means, with respect to any Person, any other Person directly or indirectly controlling or controlled by, or under direct or indirect common control with, such specified Person. For the purposes of this definition, "control", when used with respect to any specified Person, means the power to direct the management and policies of such Person directly or indirectly, whether through ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" having meanings correlative to the foregoing.

"Agency Settlements" shall have the meaning set forth in Section 9.2 hereof.

"Agreement" shall have the meaning set forth in the preamble hereof.

"Allocation Schedule" shall have the meaning set forth in Section 9.1(b) hereof.

"Alternative Proposal" means any contract, proposal, offer or indication of interest relating to any transaction or series of related transactions (other than transactions with Purchaser or any of its Affiliates) (a) involving any sale, lease or disposition of all (or a portion thereof that constitutes 5% or more of the aggregate book value of the Purchased Assets as of the Balance Sheet Date or generated 5% or more of the Sellers' aggregate consolidated net revenue or earnings before interest, taxes, depreciation and amortization for the year then ended) of the Purchased Assets, (b) involving any issuance, purchase, sale or other disposition of any member or other equity interests of any Seller or its Subsidiaries, or any merger, consolidation, business combination, or similar transaction involving any Seller, its Subsidiaries or any entity within the Health Care System, or (c) the purpose or effect of which would be reasonably expected to, or which would, prevent, or otherwise frustrate or impede in any material respect, the transactions contemplated by the Transaction Documents.

"Ancillary Agreements" means, as to any Party hereto, all of the documents and instruments required to be executed pursuant to this Agreement by such Party in connection with this Agreement or the transactions contemplated hereby.

"Assumed Liabilities" shall have the meaning set forth in Section 1.4 hereof.

"Audited Financial Statements" shall have the meaning set forth in Section 2.7(a) hereof.

“Balance Sheet Date” shall mean September 30, 2009.

“BCBS” shall have the meaning set forth in Section 2.15 hereof.

“Bill of Sale” means the General Assignment, Bill of Sale and Assumption of Liabilities in the form reasonably satisfactory to Purchaser.

“Business Day” means any day other than a Saturday, a Sunday or a day on which the banks located in New York City or Boston are authorized by Law to be closed.

“Cash and Cash Equivalents” means all cash and investments in highly liquid debt instruments (including corporate, state or municipal debt, U.S. government securities, marketable equity securities, and mutual funds) held by or for the account of the Sellers as of the applicable date and any other assets the Sellers may purchase or otherwise acquire or hold for investment purposes, in each case to the extent that such assets are available for debt service, determined in accordance with GAAP. For clarity, Cash and Cash Equivalents shall (a) be calculated net of issued but uncleared checks and drafts and (b) include checks and drafts received, but not yet deposited, by any of the Sellers, in each case, as of 9:00 a.m., New York City time, on the applicable date. Cash held in escrow deposits or otherwise with third parties for the benefit of any Seller and cash that may not be used freely by the Sellers to pay their ordinary course expenses do not constitute “Cash and Cash Equivalents”; provided that, for purposes of Section 6.11, Cash and Cash Equivalents shall be deemed to include any amount spent by Renewal Systems between October 1, 2009 and the Closing on capital expenditure items related to the Initial Capital Projects in excess of \$40,000,000.

“CFO’s Certificate” shall have the meaning set forth in Section 1.12 hereof.

“Closing” shall have the meaning set forth in Section 1.9 hereof.

“Closing Date” shall have the meaning set forth in Section 1.9 hereof.

“CMS” means the Centers for Medicare and Medicaid Services.

“Code” means the Internal Revenue Code of 1986, as amended.

“Confidentiality Agreement” means the Confidentiality Agreement, dated December 21, 2009 between Cerberus Capital Management, L.P. and Renewal Systems.

“Contract Consents” shall have the meaning set forth in Section 1.10(l) hereof.

“Contract” means any contract, agreement, arrangement, commitment, understanding, indenture, instrument, lease, purchase order or license, whether written or oral.

“Controlled Group” shall have the meaning set forth in Section 2.17(d) herein.

“Cost Reports” means all cost and other reports related to the Health Care System filed pursuant to the requirements of the Government Reimbursement Programs for cost-based payments or reimbursement due to or claimed by the Sellers from the Government Reimbursement Programs or their fiscal intermediaries or payor agents, including all related appeals and appeal rights, but excluding from this definition form UB-92, UB-04, CMS 1450, CMS 1500 and other forms or claims filed or submitted by the Sellers to the Government Reimbursement Programs or their fiscal intermediaries or payor agents with respect to the Acute Care Hospitals or the TCU for payment or reimbursement due to or claimed by the Sellers on a fee-for-service, prospective payment, fee schedule or other similar basis.

“D & O” shall have the meaning set forth in Section 4.14 hereof.

“Deficiency Notice” shall have the meaning set forth in Section 4.12(c)(i).

“Depository Agreement” shall have the meaning set forth in Section 8.3 hereof.

“Determination of Need” shall have the meaning set forth in Section 2.4 hereof.

“Discharged Indebtedness” shall have the meaning set forth in Section 1.6(a)(i) hereof.

“Disclosure Schedules” means the schedules which are delivered by the Sellers to Purchaser and designated as such in accordance with the terms of this Agreement.

“Document Retention Period” shall have the meaning set forth in Section 8.4(a) hereof.

“DSH” shall have the meaning set forth in Section 6.6 hereof.

“DPH” shall have the meaning set forth in Section 2.4 hereof.

“EBITDA” means, for any measurement period for any Person on a consolidated basis, an amount equal to the income (loss) from operations of such Person for such period, (x) plus, to the extent deducted in calculating such income (loss) from operations (a) provision of income taxes for such period, (b) interest expense for such period, (c) depreciation and amortization for such period, (d) all fees, costs and expenses incurred in connection with the transactions contemplated by this Agreement and (e) unusual, non-recurring or extraordinary charges for such period related to (i) the senior management SERP, (ii) Caritas Southwood Hospital, (iii) the health insurance trust and (iv) management performance bonuses for fiscal year 2010 in an amount not to exceed the amount set forth in the 2010 Budget and for fiscal year 2011, the amount of such bonuses actually accrued and paid, and (f) interest income, (y) minus, to the extent included in calculating income (loss) from operations for such period, any unusual, non-recurring or extraordinary gain or item of income for such period and (z) plus the loss or minus the income generated by any acquisition or other transaction requiring the prior written consent of Purchaser pursuant to Section 4.4.

“Entity Name” shall have the meaning set forth in Section 8.13 hereof.

“Environmental Claim” means any complaint, summons, citation, directive, litigation, request for information, letter or other communication, notice of violation, investigation, notice, demand, allegation, action, suit, injunction, judgment, order, consent decree, penalty, fine, lien, proceeding, or claim (whether administrative, judicial, quasi-judicial or private in nature) alleging any violation of Environmental Laws or alleging any liability arising out of or resulting from Releases of Hazardous Materials from (i) any of the Real Property or any other assets, properties or businesses of the Health Care System or any predecessors in interest; (ii) from adjoining properties or businesses; or (iii) from or onto any facilities which received Hazardous Materials generated by the Health Care System or any predecessors in interest.

“Environmental Laws” means all federal, state, local and foreign laws, statutes, ordinances, rules, regulations, permits, licenses, registrations, orders, judgments, decrees, injunctions, or legally enforceable requirements of any Governmental Authority which are in existence on the date hereof, and all final court orders and decrees and arbitration awards

imposing liability or establishing standards of conduct for protection of the environment and human health and safety, including the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. 9601 et seq., as amended; the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. 6901 et seq., as amended; the Clean Air Act ("CAA"), 42 U.S.C. 7401 et seq., as amended; the Clean Water Act ("CWA"), 33 U.S.C. 1251 et seq., as amended; and the Occupational Safety and Health Act ("OSHA"), 29 U.S.C. 655 et seq.

"Environmental Liabilities" means all liabilities, monetary obligations, Remedial Actions, losses, damages, punitive damages, consequential damages, treble damages, natural resource damages, costs and expenses (including all reasonable fees, disbursements and expenses of counsel, experts and consultants and costs of investigations and feasibility studies), fines, penalties, sanctions and interest incurred as a result of any claim or demand by any Governmental Authority or any third party, and which relate to or arise out of any actual or alleged violation of Environmental Law or Releases of Hazardous Materials from (i) any of the Real Property or any other assets, properties or businesses of the Health Care System or any predecessors in interest; (ii) from adjoining properties or businesses; or (iii) from or onto any facilities which received Hazardous Materials generated by the Health Care System or any predecessors in interest.

"Environmental Permits" shall have the meaning set forth in Section 2.23(a) hereof.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"Excluded Assets" shall have the meaning set forth in Section 1.3 hereof.

"Excluded Contracts" shall have the meaning set forth in Section 1.3(d) hereof.

"Excluded Liabilities" shall have the meaning set forth in Section 1.5 hereof.

"Execution Date" shall have the meaning set forth in the preamble hereof.

"Financial Statements" shall have the meaning set forth in Section 2.7(a) hereof.

"Fundamental Representations" means the representations and warranties set forth in Section 2.1, 2.2, 2.3, 2.16(f) and 2.34.

"Fundamental Transaction" means the occurrence of any of the following, through one transaction or a series of related transactions: (a) the initial public offering of the equity securities of Purchaser (or any successor thereto or any assignee thereof) or any of its Subsidiaries; (b) the acquisition by any Person other than a Permitted Holder of beneficial ownership (within the meaning of Rule 13d-3 of the U.S. Securities Exchange Act, as amended) of voting interests of Purchaser (or any successor thereto or any assignee thereof) where such acquisition causes any such Person to own more than 50% of the combined voting power of Purchaser's then outstanding equity interests then entitled to vote generally in the election of directors, managers or other persons performing similar functions; (c) a reorganization, merger, consolidation, business combination, share issuance or other corporate transaction involving Purchaser as a result of which a Permitted Holder does not, immediately after the consummation of such transaction, own more than 50% of the combined voting power of the reorganized, merged, consolidated or combined company's then outstanding voting securities; (d) the sale, transfer, lease or assignment of all or substantially all of the assets of

Purchaser (determined on a consolidated basis) to any third party and (e) the incurrence of any indebtedness for the purposes of declaring or paying or agreeing to pay or make, directly or indirectly, any dividend or other distribution (whether in cash, securities or other property) with respect to any equity interests of Purchaser.

“GAAP” means generally accepted accounting principles in the United States, as in effect from time to time, consistently applied.

“Good Samaritan Hospice” shall have the meaning set forth in the recitals hereof.

“Governance Documents” means any articles, bylaws, charters, operating agreements, partnership agreements, governance agreements, voting agreements, proxies, delegations of authority and other documents and instruments setting forth the corporate (or company or partnership, as the case may be) and legal powers, rights, duties and authorities relating to the governance and management of a Person.

“Governance Party” means any Person that has governance rights under the Governance Documents with respect to Renewal Systems or any Affiliate thereof.

“Governmental Payors” shall have the meaning set forth in Section 8.3 hereof.

“Government Reimbursement Programs” means the Medicare Program, the Massachusetts Medicaid program, the federal TRICARE program, and any other, similar or successor federal, state or local health care payment programs with or sponsored by Governmental Authorities, including current Massachusetts Health Safety Net Trust Fund reimbursement applicable to Sellers’ Acute Care Hospitals, MassHealth supplemental payments, special allocations under state legislation, current federal DSH reimbursement or adjustments applicable to Sellers’ Acute Care Hospitals, and federal reimbursement or adjustments for or related to the Sellers’ Graduate Medical Education Programs.

“Governmental Authority” means any federal, state or local or any foreign government, legislature, governmental entity, regulatory, administrative authority, agency or commission or any court, tribunal, or judicial or arbitral body.

“Governmental Consents” shall have the meaning set forth in Section 2.4 hereof.

“Graduate Medical Education Programs” means programs in which didactic and clinical training in a medical specialty or subspecialty is provided for the purpose of preparing Physicians for the independent practice of medicine in such specialty or subspecialty.

“Hazardous Material” shall mean, without regard to amount and/or concentration, (i) any element, compound, or chemical that is defined, listed or otherwise classified as a contaminant, pollutant, toxic pollutant, toxic or hazardous substance, extremely hazardous substance or hazardous waste, medical waste, biohazardous or infectious waste, special waste, or solid waste under Environmental Laws; (ii) petroleum, petroleum-based or petroleum-derived products; (iii) polychlorinated biphenyls; (iv) any substance exhibiting a hazardous waste characteristic, including, but not limited to, corrosivity, ignitibility, toxicity or reactivity as well as any radioactive or explosive materials; and (v) lead paint or asbestos-containing materials.

“Health Care System” shall have the meaning set forth in the recitals hereof.

“HHS” means the U.S. Department of Health and Human Services.

“Hired Employee” means all employees of the Sellers who accept employment with Purchaser or its Subsidiaries pursuant to Section 8.6 and commence employment with Purchaser or its Subsidiaries as of the Closing Date or as otherwise contemplated by Section 8.6.

“HSR Act” means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

“Immediate Family” shall have the meaning set for in 42 C.F.R. §411.351.

“Indebtedness” means, as applied to the Sellers and its Subsidiaries, all indebtedness of the Sellers or any of its Subsidiaries for borrowed money, whether current or funded, or secured or unsecured, including (a) all indebtedness of any such Person for the deferred purchase price of property or services, (b) all indebtedness of any such Person created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property), (c) all indebtedness of any such Person secured by a purchase money mortgage or other Lien to secure all or part of the purchase price of the property subject to such mortgage or Lien, (d) all the obligations under leases which shall have been or are required to be, in accordance with GAAP, recorded as capital leases in respect of which such Person is liable as a lessee, (e) all interest, fees, penalties (including pre-payment penalties) and other expenses owed (or to be owed in connection with the repayment thereof) with respect to the indebtedness referred to above, and (f) all indebtedness referred to above which is directly or indirectly guaranteed by such Person or which such Person has agreed (contingently or otherwise) to purchase or otherwise acquire or in respect of which it has otherwise assured a creditor against loss. Notwithstanding the foregoing, “Indebtedness” shall not include indebtedness owed by any Seller to any of its Subsidiaries or to other Sellers, or by any Subsidiary of the Sellers to the Sellers or any other Subsidiary of the Sellers.

“Initial Capital Projects” means the investment projects, ongoing maintenance and related capital expenditures set forth in Schedule 1.1(a)(i) to this Agreement.

“Initial Extended Outside Date” shall have the meaning set forth in Section 7.1(b) hereof.

“Intellectual Property” means all foreign and domestic (a) trademarks, service marks, brand names, certification marks, collective marks, d/b/a’s, Internet domain names, logos, symbols, trade dress, assumed names, fictitious names, trade names, and other indicia of origin, all applications and registrations for all of the foregoing, and all goodwill associated therewith and symbolized thereby, including all extensions, modifications and renewals of same; (b) inventions, discoveries and ideas, whether patentable or not, and all patents, registrations and applications therefor, including divisions, continuations, continuations-in-part and renewal applications, and including renewals, extensions and reissues; (c) confidential and proprietary information, trade secrets and know-how, including processes, schematics, databases, formulae, drawings, prototypes, models, designs and customer lists; (d) published and unpublished works of authorship, whether copyrightable or not (including computer software), copyrights therein and thereto, and registrations and applications therefor, and all renewals, extensions, restorations and reversions thereof; (e) IT Systems; and (f) all other intellectual property or proprietary rights and claims or causes of action arising out of or related to any infringement, misappropriation or

other violation of any of the foregoing, including rights to recover for past, present and future violations thereof.

“Intellectual Property Assignment” shall have the meaning set forth in Section 1.10(d) hereof.

“Interim Financial Statements” shall have the meaning set forth in Section 2.7(a) hereof.

“Interim Period” shall have the meaning set forth in Section 6.14.

“Interim Periodic Financial Statements” shall have the meaning set forth in Section 4.5 hereof.

“Inventory” shall have the meaning set forth in Section 1.2(g) hereof.

“Investment Plan” means the investment plan with respect to Cash and Cash Equivalents to be prepared by the Sellers and approved by Purchaser.

“IPA” means, individually and collectively, any of the following independent practice associations (including any successors thereto): Caritas Carney IPA, Caritas Good Samaritan IPA, St. Elizabeth’s Health Professionals, Caritas Norwood IPA, Greater Boston Primary Care Associates, Merrimack Valley Physicians, Inc., and Saint Anne’s IPA.

“IPA Services Agreement” means an agreement between Renewal Network Services and an IPA, under which the IPA delegates to Renewal Network Services authority to enter into managed care agreements on behalf of its participating Physicians.

“IT Systems” means electronic data processing, information, recordkeeping, communications, telecommunications, account management, inventory management and other computer systems (including all computer programs, software, databases, firmware, hardware and related documentation) and Internet websites and related content.

“Judicial Action” shall have the meaning set forth in Section 11.4(b).

“Knowledge of Purchaser” shall have the meaning set forth in Section 3.9 hereof.

“Knowledge of the Sellers” shall have the meaning set forth in Section 2.40 hereof.

“Laboure College” shall have the meaning set forth in the recitals hereof.

“Law” means any federal, state, local, municipal, foreign, international, multinational or other statute or law (including common law), ordinance, rule, treaty, code or regulation and any decree, injunction, judgment, order, ruling, assessment or writ of any applicable Governmental Authority.

“Leased Real Property” shall have the meaning set forth in Section 1.2(b) hereof.

“Leases” means those leases, subleases, licenses or other occupancy agreements by or to the Sellers pertaining to the Leased Real Property.

“Liens” means, with respect to any property or asset, any mortgage, lien, pledge, restriction on transfer (such as a right of first refusal or other similar right), defect of title, charge, security interest or encumbrance of any kind whatsoever, whether voluntarily incurred or arising by operation of Law or otherwise, in respect of such property or asset.

“Material Adverse Effect” means any effect or change that has had or would reasonably be expected to have, individually or in the aggregate, a material adverse effect on (a) the assets, operations, properties, liabilities, business, operating results or condition (financial or otherwise) of the Health Care System taken as a whole; provided, that, for purposes of this Agreement, a Material Adverse Effect shall not include any material adverse effect resulting from (without prejudice to the conditions contained in Article 6) (i) changes in Law to the extent such changes do not disproportionately affect the Health Care System, (ii) changes in accounting principles generally applicable to owners or operators of acute care hospitals, (iii) changes in governmental programs to the extent such changes do not disproportionately affect the Health Care System, (iv) changes in the general economic conditions in the Commonwealth of Massachusetts to the extent such changes do not disproportionately affect the Health Care System or (v) changes in the financial or operating performance of the Health Care System which are attributable to the announcement of Purchaser as the proposed acquirer of the Health Care System, or (b) the ability of the Sellers to perform their obligations under the Transaction Documents.

“Material Casualty Loss” means a damage, condemnation, proceeding or eminent domain proceeding with respect to a portion of an Acute Care Hospital reasonably expected to reduce the EBITDA generated by such Acute Care Hospital by more than \$10 million for the following 12-month period as compared to the prior 12-month period, excluding the effects of rebuilding such Acute Care Hospital and any insurance recovery.

“Material Contract” shall have the meaning set forth in Section 2.10 hereof.

“Material Payors and Suppliers” shall have the meaning set forth in Section 2.21(a) hereof.

“Medical Staff” means the organized medical staffs of each of the Acute Care Hospitals, encompassing the Physicians and other licensed professionals granted membership in such medical staffs.

“Medical Staff Funds” shall have the meaning set forth in Section 8.2 hereof.

“Medicare and Medicaid Participation Approval Documents” shall have the meaning set forth in Section 6.5(d) hereof.

“Medicare Program” means the federal health insurance program for the aged and disabled under Title XVIII of the Social Security Act.

“MOU” shall have the meaning set forth in Section 6.16 hereof.

“Named Portions of the Hospitals” shall have the meaning set forth in Section 8.15 hereof.

“Overpayment” means any amount (a) due to the Medicare Program or Medicaid based on a final audit adjustment; and (b) received from the Medicare Program or Medicaid in excess of the amount billed.

“Owned Real Property” shall have the meaning set forth in Section 1.2(a) hereof.

“Owner’s Title Policy” shall have the meaning set forth in Section 4.7 hereof.

“Participating Provider Agreement” means an agreement between an IPA and a Physician under which the Physician authorizes the IPA to enter into managed care agreements

on behalf of the Physician, in form and substance substantially similar to that which has been previously delivered by the Sellers to Purchaser.

“Party” and “Parties” shall have the meanings set forth in the preamble hereof.

“Pension Assets” shall have the meaning set forth in the definition of Pension Transfer Agreement hereof.

“Pension Transfer Agreement” means an agreement entered into by and between Purchaser and the Archdiocese Health and Pension Benefit Trust in a form reasonably satisfactory to Purchaser and the Sellers, that sets forth the Purchaser’s and the Roman Catholic Archdiocese of Boston’s obligations related to the Caritas Christi Retirement Plan sponsored by the Roman Catholic Archdiocese of Boston, which shall provide that, among other things, (x) the assets related to the current and former employees of the Health Care System shall be segregated (the “Pension Assets”), (y) Purchaser shall designate the asset managers for such assets, and (z) within three years of Closing, Purchaser shall acquire and assume, respectively, the Pension Assets and liabilities of the Caritas Christi Retirement Plan relating to the current and former employees of the Health Care System pursuant to a new plan established by Purchaser in connection therewith, which will be subject to ERISA.

“Permitted Holders” means Cerberus Capital Management, L.P. and its Affiliates, including the funds and accounts managed by Cerberus Capital Management, L.P. and its Affiliates.

“Permitted Liens” means: (a) Liens arising by operation of Law for Taxes or other governmental charges not yet due and payable or due but not delinquent or being contested in good faith by appropriate proceedings and for which adequate reserves are made in the Financial Statements in accordance with GAAP, (b) rights of way, building or use restrictions, exceptions, easements, covenants, variances, reservations and other limitations of any kind, if any, which do not materially impair the ordinary business operations at any particular location constituting part of the Health Care System or for which, in respect of matters affecting title to the Real Property, title insurance coverage has been obtained by Purchaser at Closing, and (c) Liens disclosed in Schedule 2.6(b).

“Person” means any natural person, general or limited partnership, corporation, limited liability company, firm, association, trust or other legal entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

“Personal Property” shall have the meaning set forth in Section 1.2(c) hereof.

“PET Imaging” shall have the meaning set forth in the recitals hereof.

“Physician” shall have the meaning set for in 42 C.F.R. §411.351.

“Physician Contract” means any Physician Agreements, but not including any IPA Services Agreement or Participating Provider Agreement.

“Physician Agreements” means any Contract or other economic arrangement, whether direct or indirect and regardless of the form or amount of compensation attendant thereto, by or between any Seller or its Subsidiaries on the one hand, and any Referring Physician (or any Immediate Family of a Referring Physician) on the other hand, including all Referring Physician employment agreements, medical director agreements, administrative services agreements, professional services agreements, teaching services agreements,

preceptorship agreements, call coverage agreements, moonlighting agreements, per-diem services agreements, research agreements, any lease agreement (including leases of space or equipment), recruitment agreements, income guarantee arrangements, loan agreements, loan guarantee arrangements, billing services agreements, practice support agreements, management services agreements, agreements for the provision of personnel, agreements for the sale or purchase of assets, joint venture arrangements of any structure, and risk-sharing or shared-savings agreements.

“Physician Referral Laws” means Section 1128B(b) of the Social Security Act, as amended, 42 U.S.C. Section 1320a 7(b) and related regulations (Criminal Penalties Involving Medicare or State Health Care Programs), commonly referred to as the “Federal Anti-Kickback Statute,” Section 1877 of the Social Security Act, as amended, 42 U.S.C. Section 1395nn and related regulations (Prohibition Against Certain Referrals), commonly referred to as the “Stark Law”, Mass. Gen. Laws ch. 175H Sections 1-8, and Mass. Gen. Laws ch. 118E, Sections 36-46A.

“Physician Related Transaction” means any transaction with any Person that is owned by licensed Physicians (or any Immediate Family of Physicians) or employs licensed Physicians pursuant to which any of the Sellers or their respective Subsidiaries (i) acquires any assets of or equity interest in, or undertakes any management or oversight rights or responsibilities with respect to, such Person or (ii) agrees to employ any licensed Physicians employed by such Person.

“Plans” shall have the meaning set forth in Section 2.17(a) hereof.

“Power of Attorney” shall have the meaning set forth in Section 1.10(k) hereof.

“Prepays” shall have the meaning set forth in Section 1.2(f) hereof.

“Proceeding” means any claim, order, suit, complaint, proceeding, arbitration, hearing, inquiry, audit, investigation or other action (whether civil, criminal, administrative or investigative), whether at law or in equity, or otherwise before or by any Governmental Authority, arbitrator or medical review board, and any appeal from any of the foregoing.

“Provider Entities” means, individually and collectively, each of the Acute Care Hospitals, the TCU, Renewal Physicians Network and any other entity in the Health Care System that currently holds a Medicare or Medicaid provider agreement.

“Purchase Consideration” shall have the meaning set forth in Section 1.6 hereof.

“Purchased Assets” shall have the meaning set forth in Section 1.2 hereof.

“Purchaser Account” shall have the meaning set forth in Section 8.3 hereof.

“Purchaser-Related Expenses” means the reasonable and documented out-of-pocket fees and expenses incurred by Purchaser and its Affiliates (whether before, at or after the date of this Agreement) in connection with the Transaction Documents and the transactions contemplated thereby.

“Qualifying Physician Contract” means a Physician Contract as to which counsel mutually acceptable to Purchaser and the Sellers has provided an opinion as described in Section 1.10(h).

“Real Estate Lease Assignments” shall have the meaning set forth in Section 1.10(c) hereof.

“Real Property” means the Owned Real Property and the Leased Real Property.

“Referral” means a request or order for any item or services, including the request for a consultation with another Physician (and any test or procedure ordered by or performed by or under the supervision of the other Physician), provided to patients.

“Referring Physician” means a Physician in a position to make Referrals to a Seller or Subsidiary of a Seller.

“Refinancing” shall have the meaning set forth in Section 4.2 hereof.

“Release” means any release, spill, emission, leaking, pumping, injection, deposit, disposal, discharge, dispersal or migration into or through the indoor or outdoor environment, including into or through soil, ground water or surface water (including the abandonment or discarding of barrels, containers or other closed receptacles).

“Remedial Action” means all actions taken to (i) clean up, remove, remediate, contain, treat, monitor, assess, evaluate or in any other way address hazardous substances in the indoor or outdoor environment; (ii) prevent or minimize a Release or threatened Release of Hazard Material so they do not migrate or endanger or threaten to endanger public health or welfare or the indoor or outdoor environment; (iii) perform pre-remedial studies and investigations and post-remedial operation and maintenance activities or (iv) any other actions authorized or required by any Environmental Law or Governmental Authority to address a Release of Hazardous Material or a violation of Environmental Laws.

“Renewal Network Services” shall have the meaning set forth in the recitals hereof.

“Renewal PET Imaging” means Caritas PET Imaging, LLC.

“Renewal Physicians Network” shall have the meaning set forth in the recitals hereof.

“Renewal Systems” shall have the meaning set forth in the preamble hereof.

“Restricted Investments” means investment assets resulting from charitable donations to a Seller and reflected in the Financial Statements as Permanent or Temporary Restricted Investments as a result of restrictions in the terms of the donation.

“Revenue” means, for any measurement period for any Person that amount of “Total Unrestricted Revenue and Other Support” determined in a manner consistent with that reported in the Renewal Systems Consolidated Statements of Operations for the year ended as of the Balance Sheet Date excluding (a) such revenue amounts attributable to the operation of Renewal Physicians Network for the applicable measurement period and (b) such revenue amounts for the applicable measurement period attributable to any acquisition or other transactions requiring the prior written consent of Purchaser pursuant to Section 4.4.

“Second Extended Outside Date” shall have the meaning set forth in Section 7.1(b) hereof.

“Seller” and “Sellers” shall have the meanings set forth in the preamble hereof.

“Seller Cost Reports” shall have the meaning set forth in Section 9.2(a) hereof.

“Seller Licenses” shall have the meaning set forth in Section 2.26(a).

“Seller Representative” shall have the meaning set forth in Section 11.14 hereof.

“Senior Executive Officers” means the officers set forth in Schedule 1.1(a)(ii).

“Special Account” shall have the meaning set forth in Section 8.3 hereof.

“Special Account Bank” shall have the meaning set forth in Section 8.3 hereof.

“Straddle Patients” shall have the meaning set forth in Section 4.9(d).

“Straddle Services” shall have the meaning set forth in Section 4.9(d).

“Subsidiary” and “Subsidiaries” shall have the meanings set forth in Section 2.9(a) hereof.

“Suit” means any Proceeding, reissue, reexamination, public protest, interference, cancellation, Internet domain name dispute resolution or other such proceeding.

“Superseded Agreements” shall have the meaning set forth in Section 11.1 hereof.

“Survey” shall mean an A.L.T.A. survey of an Owned Real Property that complies with the Minimum Standard Detail Requirements for ALTA/ASCM Land Title Survey and is reasonably satisfactory to Purchaser.

“Target Cash and Cash Equivalents” shall mean \$202 million.

“Tax” or “Taxes” shall have the meanings set forth in Section 2.9(a) hereof.

“TCU” shall have the meaning set forth in the recitals hereof.

“Title Commitment” shall have the meaning set forth in Section 4.7 hereof.

“Title Company” shall have the meaning set forth in Section 4.7 hereof.

“Title Instruments” shall have the meaning set forth in Section 4.7 hereof.

“Title Policy” shall have the meaning set forth in Section 4.7 hereof.

“TRACO” means Tailored Risk Assurance Company, Ltd., a Cayman registered company.

“Transaction Documents” means this Agreement and the Ancillary Agreements.

“Transaction Fees” shall have the meaning set forth in Section 11.10 hereof.

“Transition Services Agreement” shall have the meaning set forth in Section 1.10(m) hereof.

“WARN Act” means the Worker Adjustment and Retraining Notification Act, 29 U.S.C.A. §2102, et seq., as amended, and any comparable state law.

(b) Whenever the words “include,” “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation.”

(c) Any information set forth in one section or subsection of the Disclosure Schedules or in any supplements or amendments thereto relating to representations and warranties shall be deemed to apply to and qualify the Section or subsection of this Agreement to which it corresponds in number and each other subsection of Article 2 or Article 3 of this Agreement to the extent that it is readily apparent on its face that such information would be applicable to such other Section or subsection. Any information contained in the Disclosure Schedules or in any supplements or amendments thereto shall be deemed to qualify all representations and warranties of the Sellers to which it is reasonably apparent from the text of such disclosure that such information relates.

Section 1.2 Transfer of the Sellers' Assets. On the Closing Date, the Sellers shall assign, transfer, convey and deliver to Purchaser, and Purchaser shall acquire, all right, title and interest in and to all assets and properties of the Sellers, as such assets and properties shall exist on the Closing Date, other than the Excluded Assets as defined in Section 1.3 (collectively, the "Purchased Assets"), such transfer being deemed to be effective on the Closing Date, including the following:

(a) each parcel of real property that is owned by the Sellers, including those set forth in Schedule 1.2(a), together with the Sellers' rights, title and interest in and to all buildings, improvements, structures, facilities and fixtures located thereupon and all other appurtenances thereto and all construction in progress, rights, privileges and appurtenances thereto (each, an "Owned Real Property" and, collectively, the "Owned Real Property");

(b) all of the real property that is leased, subleased or licensed by or to the Sellers, including those set forth in Schedule 1.2(b), together with all buildings, improvements and fixtures located thereupon and all construction in progress, rights, privileges and appurtenances thereto, that are leased, subleased or licensed by or to the Sellers (the land described in Schedule 1.2(b) being referred to herein as the "Leased Real Property");

(c) all of the tangible personal property owned or held by the Sellers, including all medical and other equipment, furniture, fixtures, machinery, vehicles, office furnishings, computers, computer hardware and other data processing equipment, related software applications and leasehold improvements, including those set forth in Schedule 1.2(c) (the "Personal Property");

(d) all of the Sellers' rights, to the extent assignable or transferable, to all licenses, permits, approvals, determinations of need, certificates of exemption, franchises, accreditations and registrations and other governmental licenses, permits or approvals issued to the Sellers with respect to the ownership of the Purchased Assets and operation of the Health Care System, including those set forth in Schedule 1.2(d);

(e) all of the Sellers' interest in and to all Contracts, including those set forth in Schedule 1.2(e); it being understood that if any Contract is not assignable at the Closing, but later becomes assignable (as a result of obtaining the counterparty's consent or otherwise) such Contract shall at such time become a Purchased Asset owned by Purchaser;

(f) all advance payments, prepayments, prepaid expenses and deposits which exist as of the Closing Date and do not constitute Excluded Assets under Section 1.3(f) hereof (the "Prepays");

(g) all inventories of supplies, drugs, food, janitorial and office supplies and other disposables and consumables located or held for use at any location constituting part of Health Care System (the "Inventory");

(h) all of the Sellers' or any Affiliate of the Sellers' documents, records, policy and procedure manuals, compliance programs, standard operating procedures, operating manuals and files owned or used by the Sellers with respect to the operation of the Health Care System, including all customer and patient lists and files, records and similar sales and marketing brochures, data, studies, analyses or information in the Sellers' possession relating to the Health Care System, patient records, medical records, employee records, financial records with respect to the operation of the Health Care System, equipment records, construction plans and specifications, and medical and administrative libraries;

(i) all accounts, notes, interest and other receivables of the Sellers, and all claims, rights, interests and proceeds related thereto, including (A) with respect to receivables from Government Payors, in the manner provided in Section 8.3 and (B) Cost Report receivables due and owing from any third party payors, arising from the rendering of services by the Sellers, in each case whether billed or unbilled, recorded or unrecorded, and any rights of the Sellers to settlement and retroactive adjustments, if any, and any disproportionate share payments or enhanced payments from such third party payors, including those set forth in Schedule 1.2(i);

(j) to the extent assignable, all rights in all warranties of any manufacturer or vendor in connection with the Personal Property;

(k) all goodwill and other intangible assets used or useful in connection with the Health Care System;

(l) all insurance proceeds arising in connection with property damage to the Purchased Assets to the extent not expended on the repair or restoration of the Purchased Assets;

(m) all Intellectual Property of the Sellers, including the name "Caritas Christi" the names of each of the Sellers, all variants thereof and all common law trademark rights associated therewith, including the Intellectual Property listed in Schedule 1.2(m);

(n) all current assets of the Sellers (which are not otherwise specifically described above in this Section 1.2), including Cash and Cash Equivalents, except as provided in Section 1.3(l);

(o) all claims, rights, credits, causes of action and rights of set-off of the Sellers against third parties whether known or unknown, contingent or not contingent, including all rights of indemnification or reimbursement by or through any other Person relating to the Purchased Assets or Assumed Liabilities;

(p) except as set forth in the Pension Transfer Agreement or Section 8.6 of this Agreement, all assets related to, or set aside to fund liabilities related to, the Plans;

(q) any shares of capital stock, membership interests or partnership interests of Renewal PET Imaging and TRACO;

(r) all of the Sellers' rights to the extent assignable or transferable to any insurance policies of the Sellers covering the Purchased Assets or any Assumed Liabilities; and

(s) any other assets of the Sellers identified in Schedule 1.2(s).

Section 1.3 Excluded Assets. The Sellers shall retain the following assets, whether owned directly or indirectly by the Sellers (or any of the Sellers' Affiliates) (collectively, the "Excluded Assets");

(a) the Sellers' Medicare and Medicaid Participation Approval Documents current as of the Closing Date and for any period prior to Closing;

(b) any Physician Contract that is not a Qualifying Physician Contract;

(c) any assets of Caritas Southwood Hospital and of any Seller, in each case to the extent primarily related to the operation of Caritas Southwood Hospital, including those set forth in Schedule 1.3(c);

(d) the Contracts listed in Schedule 1.3(d) (the "Excluded Contracts") and all of the Sellers' rights and interests thereunder;

(e) any licenses of the Sellers to operate the Health Care System;

(f) any reserves or prepaid expenses to the extent related to the Excluded Assets and the Excluded Liabilities;

(g) the Restricted Investments;

(h) all rights of the Sellers under or pursuant to the Transaction Documents;

(i) all claims, rights and causes of action relating to the Excluded Liabilities or the Excluded Assets;

(j) any shares of capital stock, membership interests or partnership interests in any Seller or Subsidiary of any Seller, other than Renewal PET Imaging and TRACO;

(k) the assets related to or set aside to fund liabilities related to any Plans in which the Sellers shall retain liabilities pursuant to Section 8.6 of this Agreement;

(l) Cash and Cash Equivalents in an amount equal to the excess of the reasonably estimated amount of the Excluded Liabilities as of the Closing Date over the fair market value of the Excluded Assets as of the Closing Date other than the Cash and Cash Equivalents under this clause (l); and

(m) any other assets of the Sellers identified in Schedule 1.3(m).

Section 1.4 Assumed Liabilities. On the Closing Date, the Sellers shall assign, and Purchaser shall assume and agree to discharge and perform and pay and satisfy when due on and after the Closing Date, all obligations, Contracts and liabilities of the Sellers of any kind, character or description (whether accrued, absolute, contingent or otherwise) relating to or arising out of the Purchased Assets, except for the Excluded Liabilities (collectively, the "Assumed Liabilities").

Section 1.5 Excluded Liabilities. On the Closing Date, Purchaser shall not assume or become responsible for, and the Sellers shall remain fully and solely responsible for, the following obligations or liabilities of the Sellers (the "Excluded Liabilities"):

(a) any liabilities of the Sellers with respect to, relating to or arising out of the operation of Caritas Southwood Hospital;

(b) all liabilities of the Sellers relating to pre-Closing participation in the Medicare Program, including those related to the Cost Reports, except liabilities for ordinary course audit adjustments;

(c) all liabilities arising from any violation of Law by the Sellers;

(d) all liabilities of the Sellers under, relating to or arising out of the Excluded Assets (including the Excluded Contracts and Physician Contracts which are not Qualifying Physician Contracts);

(e) all liabilities of the Sellers for commissions or fees owed to any finder or broker in connection with the transactions contemplated under the Transaction Documents;

(f) except as specifically provided for herein, all liabilities of the Sellers for Taxes arising on or prior to the Closing Date;

(g) any liabilities of the Sellers related to the Restricted Investments;

(h) all liabilities of the Sellers to a Governance Party except as expressly assumed pursuant to any agreement between Purchaser and a Governance Party (including the Pension Transfer Agreement);

(i) all liabilities retained by the Sellers pursuant to Section 8.6;

(j) all liabilities of the Sellers in connection with claims of professional malpractice to the extent arising out of or relating to acts, omissions, events or

occurrences prior to Closing other than those professional malpractice claims covered by TRACO;

(k) all liabilities of the Sellers in connection with the claims of workers compensation arising out of or relating to acts, omissions, events or occurrences prior to Closing that are either in excess of unpaid workers compensation losses carried as reserves or are not covered under existing workers compensation policies that are a Purchased Asset pursuant to Section 1.2(r) or otherwise or for which the Purchaser does not receive the benefit of insurance proceeds pursuant to Section 4.16; and

(l) all liabilities arising from or relating to retrospective premiums for an insurance program or policy except where the insurance is a Purchased Asset pursuant to Section 1.2(r).

Section 1.6 Purchase Consideration and Commitments.

(a) Purchase Consideration. The consideration for the sale of the Purchased Assets by the Sellers to the Purchaser shall be within a total range between \$430 million and \$450 million, with the final determination of the exact amount in such range being determined based on the methodology described on Schedule 1.6(a) (which schedule shall be agreed to between the Parties within 45 days after the Execution Date) and shall be comprised as set forth therein of the following (the “Purchase Consideration”):

(i) the repayment, discharge, defeasance or release of the Sellers from any liability or responsibility in respect of the outstanding Indebtedness of the Sellers listed in Part A of Schedule 2.7 and the assignment to and assumption by the Purchaser of the Indebtedness of the Sellers listed in Part B of Schedule 2.7 (collectively, the “Discharged Indebtedness”);

(ii) the assumption of the liabilities of the Caritas Christi Retirement Plan as contemplated in Section 4.18, the Caritas Norwood Retirement Plan and the Caritas Good Samaritan Employee Retirement Partnership Plan, each with respect to the Health Care System’s current and former employees (it being understood that the assumption of such liabilities shall be net of the value of the corresponding assets contained in any such plans from time to time as such assets relate to the Health Care System’s current and former employees); and

(iii) the assumption or payment by Purchaser of the liabilities set forth on Schedule 1.6(a)(iii) (which schedule shall be agreed to between the Parties within 45 days after the Execution Date).

(b) Other Commitments and Funding. In addition, Purchaser has agreed to take the following actions in connection with the sale of the Purchased Assets by the Sellers to Purchaser:

(i) the commitment to make or commit to make an aggregate amount of \$400 million of capital expenditures as set forth in Section 8.8; and

(ii) the contribution at Closing of immediately available funds to be used to provide sufficient working capital for the operations of the Health Care System after the Closing, determined pursuant to the methodology as set forth on Schedule 1.6(b) (which schedule shall be agreed to between the Parties within 45 days after the Execution Date).

Section 1.7 Certain Membership Interests; Patient and Resident Fund Accounts. (a) Notwithstanding anything in this Agreement to the contrary, on the Closing Date, the Sellers shall cause sole corporate membership in Caritas Por Cristo and Laboure College (each of which shall continue to be charitable not-for-profit corporations after the Closing) to be transferred to an entity or entities designated by the Purchaser, which entity or entities are reasonably acceptable to Sellers.

(b) On the Closing Date, the Sellers shall cause all patient and resident funds and accounts not considered Restricted Investments that the TCU or any Seller maintains or holds for the benefit of patients or residents (whether or not payable to patients, residents or third party payment sources), if any, to be transferred to Purchaser to be held for the same purposes and subject to the same restrictions, as applicable: provided, however, that to the extent such funds are held by a Seller in trust, such Seller will convey such funds to the Purchaser in trust for the benefit of the beneficiaries of the same, which funds the Purchaser shall hold in compliance with applicable Law.

Section 1.8 Assignment. Purchaser may assign any or all of its rights or delegate any or all of its duties under this Agreement without the consent of the Sellers to any Affiliate of Purchaser; provided that such assignment or delegation shall not relieve Purchaser of its obligations under this Agreement. The Sellers agree to enter into such amendments to, or restatements of, this Agreement and the exhibits hereto as may be reasonably required to give effect to this Section 1.8, so long as such amendments or restatements do not adversely affect the rights of the Sellers hereunder or thereunder. Upon any such assignment or delegation, any and all references to "Purchaser" herein or in any amendments to, or restatements of, this Agreement and the exhibits hereto shall be deemed to refer to such assignees and delegates of Purchaser to the extent such references relate to such assignees and delegates. Subject to the preceding sentences of this Section 1.8, this Agreement and all the provisions hereof shall be binding upon and shall inure to the benefit of the Parties hereto and their respective successors and permitted assigns. Notwithstanding any provision to the contrary contained in this Agreement, including, but not limited to, this Section 1.8 and Section 11.3, in no event shall any assignment or delegation by Purchaser be permitted under this Agreement if it would cause Purchaser to fail to satisfy its obligations to the Sellers under Section 8.11 (that is, that no Fundamental Transaction shall occur during the three-year period after the Closing Date).

Section 1.9 Closing Date. The consummation of the transactions contemplated by the Transaction Documents (the "Closing") shall take place at 10:00 a.m. at the offices of McDermott Will & Emery LLP, 28 State Street, Boston, Massachusetts 02109, on or before the 25th calendar day after the end of the first calendar month in which all conditions precedent and other matters required to be completed as of the Closing Date have been completed, except for those to be completed (and which are capable of being completed) on the Closing Date, or such other date, time and place as the Parties shall mutually agree (the "Closing Date"). The exact time upon which the Closing becomes effective shall be as mutually agreed by the Parties.

Section 1.10 Items to be Delivered by Seller at Closing. At or before the Closing, the Sellers shall deliver to Purchaser the following, duly executed by the Sellers where appropriate:

- (a) the Bill of Sale;
- (b) Massachusetts quitclaim deed(s) in the form reasonably satisfactory to Purchaser with respect to each Owned Real Property;
- (c) Assignment and Assumption of Leases in the form reasonably satisfactory to Purchaser with respect to each Leased Real Property (the "Real Estate Lease Assignments");
- (d) Assignment and Assumption of Intellectual Property in the form reasonably satisfactory to Purchaser with respect to all Intellectual Property (the "Intellectual Property Assignment");
- (e) written evidence in a form reasonably satisfactory to Purchaser with respect to the Discharged Indebtedness, including with respect to the Renewal Systems Series A, B and C tax-exempt bonds, an opinion of Mintz, Levin, Cohen, Ferris, Glovsky and Popeo, P.C. to the effect that the defeasance requirements of the applicable loan and trust agreement have been satisfied and that such bonds are no longer deemed outstanding thereunder and with respect to the tax-exempt capitalized leases, an opinion of counsel reasonably satisfactory to Purchaser to the effect that all obligations under such capitalized leases have been paid in full or otherwise discharged or released and the Sellers shall have acquired the related assets free and clear of any Liens imposed by such tax-exempt capitalized leases prior to the Closing;
- (f) certificates of good standing, or comparable status, of each Seller, issued by (i) the respective states of incorporation and organization of each Seller and (ii) each state in which (A) each Seller is qualified to do business as a foreign corporation or other entity, if any, and (B) each Acute Care Hospital is located, dated no earlier than a date which is ten calendar days prior to the Closing Date;
- (g) certificates from the Massachusetts Department of Revenue for each Seller, showing that such Seller has no amount of tax due, in particular with respect to sales and use tax;
- (h) an opinion of McDermott Will & Emery LLP (with respect to the subject matter described on Schedule 1.10(h)) including an opinion with respect to all Qualifying Physician Contracts, in a form reasonably satisfactory to Purchaser;
- (i) a certificate of each Seller, executed by an officer of such Seller, certifying to Purchaser that the conditions set forth in Section 6.1 and 6.14 have been satisfied;
- (j) a certificate of each Seller, executed by an officer of such Seller, certifying to Purchaser the due adoption and text of the resolutions of the applicable governing board or authority or members, authorizing (i) the transfer of the Purchased Assets and Assumed

Liabilities by each Seller to Purchaser and (ii) the execution, delivery and performance of the Transaction Documents by each Seller, and that such resolutions have not been amended or rescinded and remain in full force and effect on the Closing Date;

(k) to the extent the provisions thereof are permitted by and consistent with applicable Law, a limited Power of Attorney for use of Pharmacy License, DEA and other Registration Numbers, and DEA Order Forms, in the form reasonably satisfactory to Purchaser (the "Power of Attorney");

(l) the consents to the assignment of the Material Contracts from the third parties which have been received by the Sellers to assign such Material Contracts to Purchaser (the "Contract Consents"), subject to Section 8.5 hereof;

(m) to the extent required by the Sellers, the Transition Services Agreement by and between Purchaser and the Sellers in the form reasonably satisfactory to Purchaser (the "Transition Services Agreement"); and

(n) such other instruments, certificates, consents or other documents which are reasonably necessary to carry out the transactions contemplated by the Transaction Documents and to comply with the terms hereof.

Section 1.11 Items to be Delivered by Purchaser at Closing. At or before the Closing, Purchaser shall execute and deliver or cause to be delivered to Seller the following, duly executed by Purchaser where appropriate:

(a) a certificate of Purchaser, executed by an officer of Purchaser, certifying to the Sellers that the conditions set forth in Section 5.1 have been satisfied;

(b) a certificate of Purchaser, executed by an officer of Purchaser, certifying to the Sellers the due adoption and text of the resolutions of the applicable governing board or authority, authorizing the execution, delivery and performance of the Transaction Documents by Purchaser, and that such resolutions have not been amended or rescinded and remain in full force and effect on the Closing Date;

(c) a certificate of good standing, or comparable status, of Purchaser and its Subsidiaries, issued by the Delaware Secretary of State and the Commonwealth of Massachusetts dated no earlier than a date which is ten calendar days prior to the Closing Date;

(d) the Bill of Sale;

(e) the Real Estate Lease Assignments;

(f) the Intellectual Property Assignment;

(g) the Power of Attorney;

(h) the Transition Services Agreement, if applicable;

(i) an opinion of Schulte Roth & Zabel LLP (with respect to the subject matter described on Schedule 1.11(i)), in a form reasonably satisfactory to the Sellers; and

(j) such other instruments, certificates, consents or other documents which are reasonably necessary to carry out the transactions contemplated by the Transaction Documents and to comply with the terms hereof.

Section 1.12 Cash and Cash Equivalents. At least five Business Days prior to the Closing, the Sellers shall prepare in good faith and deliver to Purchaser a certificate executed by the Chief Financial Officer of Renewal Systems (the "CFO's Certificate"), which shall set forth an unaudited statement indicating the Sellers' best estimate of Cash and Cash Equivalents as of the end of the month prior to Closing, together with such schedules and data with respect to the determination thereof as may be reasonably necessary to support such calculation. During the process of closing out the books of the Health Care System as at such month end, as well as during the preparation and following the delivery of the CFO's Certificate, the Sellers shall provide Purchaser and its representatives with full access to the employees, agreements and books and records of the Sellers to the extent deemed reasonably necessary by Purchaser and in a manner not unreasonably disruptive to the Sellers' business or operations.

Section 1.13 Risk of Loss. (a) The risk of loss or damage to any of the Personal Property, Real Property and all other assets and property of the Sellers, the transfer of which is contemplated by this Agreement, shall remain with the Sellers until the Closing Date and the Sellers shall maintain in effect without material change all of their insurance policies covering the Personal Property, Real Property and all other assets and property of the Sellers through the Closing Date. With respect to the Real Property, if prior to the Closing, all or any part of the Real Property is destroyed or damaged by fire or the elements or by any other cause which does not result in damage to or destruction of all of any of the Acute Care Hospitals or a Material Casualty Loss, and the Sellers have duly maintained the insurance policies described above, the Parties' duties and obligations under this Agreement shall not be affected and the Closing shall proceed as scheduled; provided, however, that the Sellers shall assign, transfer and set over to Purchaser all of the Sellers' rights, title and interest in and to any insurance proceeds on account of such damage or destruction up to the cost of repairs or rebuilding. If prior to the Closing, all or any part of the Real Property is destroyed or damaged by fire or the elements or by any other cause which results in damage to or destruction of all of any of the Acute Care Hospitals or a Material Casualty Loss, Purchaser may elect to (i) take title to such Owned Real Property or such Leased Real Property, and the Closing shall proceed as scheduled (provided, however, that at the Closing the Sellers shall assign, transfer and set over to Purchaser all of the Sellers' rights, title and interest in and to any insurance proceeds with respect to such damage or destruction loss) or (ii) elect to terminate this Agreement by written notice to the Sellers.

(b) With respect to any Purchased Assets other than Real Property which are destroyed or damaged by fire or the elements or by any other cause prior to the Closing, the Sellers shall assign, transfer and set over to Purchaser all of the Sellers' rights, title and interest in and to any insurance proceeds with respect to such damage or destruction loss.

(c) If prior to the Closing Date, all or any part of an Acute Care Hospital is made subject to an eminent domain or condemnation proceeding which would result in a Material Casualty Loss, Purchaser may elect to (i) purchase such affected Owned Real Property or take assignment of such Leased Real Property, and the Closing shall proceed as scheduled (provided, however, at the Closing the Sellers shall assign, transfer and set over to Purchaser all of the Sellers' rights, title and interest in and to any award in such eminent domain or condemnation proceeding) or (ii) terminate this Agreement by written notice to the Sellers.

ARTICLE 2

REPRESENTATIONS AND WARRANTIES OF THE SELLERS

The Sellers hereby, jointly and severally, represent and warrant to Purchaser as follows (as of the Execution Date and as of the Closing, (or, if given as of a specific date, at and as of such specific date)):

Section 2.1 Authorization. Each Seller has full corporate, limited liability company or partnership power and authority, as applicable, to enter into the Transaction Documents and full power and authority to carry out and perform the transactions contemplated therein.

Section 2.2 Binding Agreement. Except as set forth in Schedule 2.2, all corporate, limited liability company or partnership and other actions, as applicable, required to be taken by each Seller to authorize the execution, delivery and performance of the Transaction Documents and all transactions contemplated thereby, have been duly and properly executed, taken or obtained by each Seller. Except as set forth in Schedule 2.2, no other corporate, limited liability company or partnership and other action, as applicable, on the part of each Seller is necessary to authorize the execution, delivery and performance of the Transaction Documents, all documents necessary to give effect to the Transaction Documents and all transactions contemplated therein. Except as set forth in Schedule 2.2, the Transaction Documents have been duly and validly executed and delivered by each Seller, and, assuming due and valid execution by, and enforceability against, Purchaser, such Transaction Documents constitute valid and binding obligations of each Seller enforceable in accordance with their respective terms subject to (a) applicable bankruptcy, reorganization, insolvency, moratorium and other laws affecting creditors' rights generally from time to time in effect and (b) limitations on the enforcement of equitable remedies.

Section 2.3 Organization and Good Standing; No Violation; Capitalization of Certain Subsidiaries. (a) Except with respect to any Seller which is a partnership or a limited liability company, each Seller is a corporation duly organized, validly existing and in good standing under the laws of the state of its incorporation. Each Seller which is a partnership or a limited liability company is duly organized and validly existing under the laws of the state of its organization. Each Seller has full power and authority to own, operate and lease its properties and to carry on its business as now conducted.

(b) Schedule 2.3(b) sets forth a true and correct description of all equity or membership interests (or any securities exchangeable for or convertible into any equity

or membership interests) of each direct or indirect Subsidiary of Renewal Systems for which any equity or membership interests thereof constitute Purchased Assets.

(c) None of the Sellers nor any of the entities listed in Schedule 2.3(b) (i) have the right to pay any dividend or distribution in respect of any membership or equity interest or to redeem, purchase or acquire any such interests or (ii) have the right to grant any profits interest, phantom units interest, equity or equity-based awards.

Section 2.4 Non-Contravention. Neither the execution and delivery of the Transaction Documents, nor the consummation of the transactions contemplated thereby or the performance and satisfaction by the Sellers of their duties and obligations thereunder (a) will violate, conflict with or result in a breach of any material provisions thereof under any Seller's Governance Documents; (b) except for those consents or approvals required from (i) the Massachusetts Attorney General, (ii) the Massachusetts Department of Public Health (the "DPH") with respect to determination of need approvals with respect to the transfer of ownership of hospitals ("Determination of Need") and suitability approvals with respect to the transfer of ownership of the TCUs and the hospice programs, (iii) if required, the Secretary of HHS with respect to the transfers of the assets comprising Good Samaritan Medical Center, St. Anne's Hospital and any other Acute Care Hospitals and (iv) as set forth in Schedule 2.4 with respect to the Sellers (each of the preceding (i) through (iv), the "Governmental Consents"), require the consent of any Governmental Authority, Accrediting Entity or religious authority to consummate the transactions contemplated by the Transaction Documents; (c) except for the Contract Consents and the Governmental Consents, require the consent of any other Person to consummate the transactions contemplated by the Transaction Documents, other than such consents, which, if not obtained, would not have a Material Adverse Effect, (d) will result in a breach of any term or provision of, or constitute (with or without notice or lapse of time or both) a default under, any Material Contract or Real Property Lease to which the Sellers are a party, or which are binding on the Sellers, or to which the Purchased Assets are subject; (e) give any other party to any such Material Contract or Real Property Lease a right to cancel or terminate the same, a right to modify or amend the terms thereof, or result in an acceleration of the maturity or performance of any obligation under any such Material Contract; or (f) result in the creation of any Lien or liability on any material assets included in the Purchased Assets.

Section 2.5 Compliance with Law. (a) The Sellers are, and during the three years prior to the Execution Date have been, in compliance with applicable Laws, except where such non-compliance would not be material to the Health Care System. The Sellers have not received within the three years prior to this Agreement any notice from any Governmental Authority asserting that any entity within the Health Care System is not in compliance with any Law, and to the Knowledge of the Sellers, as of the date of this Agreement, none of the Sellers nor any of their Subsidiaries are under any investigation with respect to any actual or alleged violation of any applicable Law. All returns, data, notices, reports, statements or other filings currently required to be filed by the Sellers with any Governmental Authority have been filed and when filed complied with all applicable requirements of such Governmental Authorities, except where such failure to file or non-compliance would not be material to the Health Care System. The terms of this Section 2.5 shall not be applicable to matters concerning Physician Referral Laws, which shall be governed by the terms of Section 2.8.

(b) The Sellers have not received any notice indicating that their qualification as a participating provider in any Government Reimbursement Program has been or could be reasonably expected to be terminated or withdrawn, nor, to the Knowledge of the Sellers is there any reason to believe that such qualification may be terminated or withdrawn.

(c) Neither the Sellers, their Subsidiaries nor any of their respective directors, officers, employees or, to the Knowledge of the Sellers, agents:

(i) have been convicted of or charged with any violation of any applicable Laws related to any Government Reimbursement Program;

(ii) have been convicted of, charged with, or, to the Knowledge of the Sellers, investigated, for any violation of Laws related to fraud, theft, embezzlement, breach of fiduciary responsibility, financial misconduct, obstruction of an investigation, or controlled substances; or

(iii) is excluded, suspended or debarred from participation, or is otherwise ineligible to participate, in any Government Reimbursement Program or, to the Knowledge of the Sellers, has committed any violation of Laws that is reasonably expected to serve as the basis for any such exclusion, suspension, debarment or other ineligibility.

Section 2.6 Title; Sufficiency. (a) The Sellers have good and marketable fee simple or leasehold title, as the case may be, to the Purchased Assets.

(b) The Purchased Assets are held by the Sellers free and clear of all Liens, and are not, in the case of the Real Property, subject to any rights-of-way, building or use restrictions, exceptions, variances, reservations or limitations of any nature whatsoever except with respect to Permitted Liens. None of the Real Property is subject to a pending, or to the Knowledge of the Sellers threatened, condemnation or similar proceeding. Except as set forth in Schedule 2.6(b), the Sellers are not prohibited from transferring or assigning any of the Purchased Assets and upon such transfer or assignment, Purchaser shall have good and marketable fee simple or leasehold title, as the case may be, to such Purchased Assets (subject to Permitted Liens).

(c) The Inventory with respect to each location constituting the Health Care System is maintained in such quality and quantities as is consistent with each location's historical practices.

(d) Other than the Excluded Assets set forth in Sections 1.3(a), 1.3(b), 1.3(d) and 1.3(e), the Purchased Assets constitute all of the assets, rights, interests and properties of every nature and kind whatsoever used or useful in (to the extent Sellers hold rights, title and interest in such tangible personal property) or held for use in the conduct of the operation of the Health Care System, or otherwise necessary, for the Purchaser to conduct and operate the Health Care System, immediately after the Closing in all material respects as conducted and operated by the Sellers during a given point in time in the past twelve months and as presently conducted.

Section 2.7 Financial Statements; No Undisclosed Liabilities. (a) The Sellers have delivered to Purchaser (i) the audited consolidated balance sheet of the Sellers at the

Balance Sheet Date and as at September 30, 2008 and 2007 and the related audited consolidated statements of income and statements of cash flow for each of the years then ended (collectively, the "Audited Financial Statements") and (ii) the unaudited consolidated balance sheet of the Sellers as at February 28, 2010 and the related unaudited consolidated statements of income and statements of cash flow for the period then ended (collectively, the "Interim Financial Statements", and together with the Audited Financial Statements, the "Financial Statements").

(b) The Financial Statements have been prepared in conformity with GAAP applied on a consistent basis throughout such periods. Such statements of income present fairly in all material respects the results of operations of the Sellers for the respective periods covered, the balance sheets present fairly in all material respects the financial condition of the Sellers as of their respective dates and the cash flow statements present fairly in all material respects the cash flows of the Sellers for the respective periods covered; in each case, subject, with respect to the Interim Financial Statements, to the absence of footnotes (that, if presented, the nature of such footnotes would not differ materially from those included in the Audited Financial Statements) and to year-end adjustments (the effect of which will not, individually or in the aggregate, be materially adverse).

(c) None of the Sellers have any Indebtedness, obligations or liabilities (absolute, accrued, contingent, liquidated, unknown or otherwise) whether or not required by GAAP to be reflected on its balance sheet except for (A) liabilities which arose in the ordinary course of business after the Balance Sheet Date; (B) liabilities which are reflected or reserved against on the balance sheet for the Balance Sheet Date included in the Financial Statements; and (C) liabilities set forth in Schedule 2.7 hereto.

Section 2.8 Absence of Changes or Events. Since the Balance Sheet Date, the Sellers have operated the Health Care System in the ordinary course of business consistent with past practice. Except as set forth in Schedule 2.8, since such date, whether or not in the ordinary course of business, there has not been, occurred or arisen:

- (a) any Material Adverse Effect;
- (b) any change in or event affecting the Sellers or the Health Care System, that has resulted in, or would reasonably be expected to result in, a material breach of, or that has constituted or would reasonably be expected to constitute a material default (which, with or without notice or lapse of time or both) under, and the Sellers have not otherwise accelerated, terminated or modified in any material respect, any Material Contract;
- (c) any new Contracts as to which the total to be paid in the future under the Contract would exceed \$5 million per year for any such Contract;
- (d) any incurrence, assumption or guarantee by the Sellers of any Indebtedness in excess of \$4 million in any one case or \$8 million in the aggregate, or any Liens (other than Permitted Liens) upon any of the Purchased Assets;
- (e) any (i) increase in compensation or benefits of any present or former employee of the Health Care System with base compensation for 2009 in excess of \$400,000; (ii) grant of any severance or termination pay to any present or former employee of

the Health Care System with base compensation for 2009 in excess of \$400,000, other than as required by the terms of any Contract in effect on the Execution Date or as required by the terms of the severance policy of Renewal Systems; (iii) establishment, adoption, entrance into, amendment or termination of any Plan or any plan, agreement, program, policy, trust, fund or other arrangement that would be a Plan if it were in existence as of the Execution Date; (iv) increase in the funding obligation or contribution rate of any Plan subject to Title IV; or (v) entering into, amendment or termination of any collective bargaining agreement which would result in an increase in the related employment expense projected in the 2010 Budget and 2011 Budget;

(f) any material labor dispute, other than routine individual grievances, or to the Knowledge of the Sellers any organizing, proceedings or any other actions taken by a labor union or representative thereof to organize any employees of the Health Care System, which were not subject to a collective bargaining agreement on the Balance Sheet Date;

(g) any casualty, loss, damage or destruction (whether or not covered by insurance) of any of the Purchased Assets that is material or that has involved or may involve a material loss to the Sellers in excess of applicable insurance coverage;

(h) any capital expenditure (or series of related capital expenditures) made, authorized, or committed of more than \$5 million in excess of the aggregate capital budget of the Sellers (A) for the fiscal year ending September 30, 2010 as set forth in Schedule 2.8(h) and (B) for the fiscal year ending September 30, 2011 as previously delivered by the Sellers to Purchaser and identified as such prior to the Execution Date; provided, however, the terms of this Section 2.8(h) shall not be applicable to any expenditures relating to the Initial Capital Projects provided that such expenditures do not exceed the total projected costs for the Initial Capital Projects as set forth in Schedule 2.8(h);

(i) any transaction or commitment made, or any Contract entered into by the Sellers relating to the Purchased Assets or any relinquishment by the Sellers of any Contract or other right, in either case, other than transactions and commitments in the ordinary course of business and those contemplated by the Transaction Documents;

(j) any acquisition (whether by purchase or lease) or sale, assignment, lease, transfer or disposition of any Intellectual Property or other property, plant or equipment and not in excess of \$4 million in any one case or series of related transactions or \$10 million in the aggregate;

(k) any acquisition (by merger, consolidation, member substitution, acquisition of stock or assets or otherwise) of any Person or business, including any licensed provider of clinical services other than such acquisitions not in excess of \$4 million in any one case or series of related transactions or \$10 million in the aggregate;

(l) any change in any method of accounting or accounting principles, policies or practices by the Sellers, including such change which is inconsistent in any way with the methods and practices utilized by the Sellers in the preparation of the Financial Statements

for the fiscal year ended on the Balance Sheet Date, except to the extent such change is required by reason of a concurrent change in GAAP;

(m) any notice from any third-party payor set forth in Schedule 2.21 as to its intention to cease or materially decrease its business with the Health Care System;

(n) any material change to Contracts with any third-party payor set forth in Schedule 2.21;¹

(o) any agreement to any limitations on the Health Care System from engaging or competing in any line of business or in any geographic area or location or otherwise with any Person or from soliciting or hiring any Person;

(p) any Physician Related Transaction other than (i) the hiring of individual Physicians under Qualifying Physician Contracts (it being understood, however, that the opinion as described in Section 1.10(h) is only provided in respect of such Qualifying Physician Contracts at the Closing) if consent of the Sellers' compensation committee is not required based on the policies in place as of the Execution Date (a true, correct and complete copy of which has been previously delivered by the Sellers to Purchaser) and (ii) any acquisition of Physician practices (regardless of legal form) if the aggregate acquisition cost thereof is in any one case less than \$4 million and the aggregate acquisition cost for all such acquisitions is less than \$10 million, but only if Renewal Physicians Network is the acquiring entity and each such acquisition is supported by independent evidence that the price paid for assets does not exceed the fair market thereof;

(q) any acquisition of any ambulatory surgery centers, free standing imaging centers or hospitals;

(r) any joint venture or joint undertaking for the transaction of any business with any Person (other than Physicians) that is not an Affiliate of any of the Sellers (a) where the form of such joint venture or joint undertaking is contractual and where the total to be paid during the term of such arrangement (excluding Physician-generated revenue) is reasonably likely to exceed \$4 million or \$10 million in the aggregate or (b) where the form of such joint venture or joint undertaking involves the ownership of equity interests in an entity formed to conduct business;

(s) any settlement of any Proceedings pending or threatened against the Health Care System (i) of more than \$250,000 in excess of insurance coverage held by the Sellers for such purposes or (ii) that imposes or reasonably could be expected to impose material operating obligations or restraints on the operation of the Health Care System or the Purchased Assets after Closing;

(t) any adoption of a plan of complete or partial liquidation, dissolution, merger, consolidation, restructuring or recapitalization;

¹ Schedule 2.21 to list Blue Cross, Mass Health, Tufts, Harvard Pilgrim, United Health Care, Senior Whole Health and USFHP/Brighton Marine (which shall include Brighton Marine and any consent of any Governmental Authority whose consent is necessary to assign the USFHP/Brighton Marine contract).

(u) any action or omission that would result in termination of the status of any Seller as an exempt organization under Section 501(c)(3) of the Code; or

(v) any application for Determination of Need or other license or approval from a Governmental Authority, except as necessary to renew current licensure or certification for a period prior to the Closing Date or otherwise in the ordinary course of business but not in connection with an acquisition;

(w) any new Contract with a third-party payor that is capitated where the amount of potential loss exceeds \$10 million or more in the case of any single new Contract or in the aggregate for all such new Contracts; or

(x) any promise, undertaking, agreement or commitment to do anything set forth in this Section 2.8.

Section 2.9 Tax and Other Returns and Reports. Except as set forth in Schedule 2.9:

(a) For purposes of the Transaction Documents, “Tax” or “Taxes” shall be defined as set forth below in Section 2.9(c) and shall include (i) any obligations under any agreements or arrangements with any other Person with respect to such amounts and (ii) any liability for any Taxes as a result of being a member of an affiliated, consolidated, combined or unitary group. For purposes of this Section 2.9 and Schedule 2.9, with respect to matters pertaining to this Section 2.9, the terms “Sellers,” “Subsidiary” or “Subsidiaries” shall include all entities currently owned or controlled, directly or indirectly, by Renewal Systems. Except as otherwise noted on Schedule 2.9, each of the Sellers is an organization described in section 501(c)(3) of the Code and, as such, is exempt from federal and state income taxes.

(b) Tax Returns and Audits.

(i) Each Seller has timely filed (taking into account valid extensions of the time for filing) all Tax returns required to have been filed and all such Tax returns were true, correct and complete in all material respects. All Taxes owed by each Seller (whether or not shown on any Tax return) that have become due and payable have been paid. No Seller is currently the beneficiary of any extension of time within which to file any Tax return. No claim has ever been made by an authority in a jurisdiction where the Sellers do not file Tax returns that it is or may be subject to taxation by that jurisdiction.

(ii) Each Seller has withheld and paid all Taxes required to have been withheld and paid in connection with amounts paid or owing to any employee, independent contractor, creditor, member, or other third party.

(iii) There are no liens or security interests on any of the Purchased Assets that arose in connection with any failure (or alleged failure) to pay any Tax.

(iv) Neither the Sellers nor any of their Subsidiaries have made an election under Treasury Regulations Section 301.7701-3 with respect to any entity.

(c) "Tax" and "Taxes" means any federal, state, local or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental (including taxes under Code Section 59A), customs duties, capital stock, franchise, profits, withholding, social security (or similar), unemployment, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated or other tax of any kind whatsoever, including any interest, penalty, or addition thereto, whether disputed or not.

Section 2.10 Material Contracts. (a) Schedule 1.2(e) lists each Material Contract to which any Seller is a party or to which any of its properties are subject or by which any Seller or its properties are bound, other than the Excluded Contracts listed in Schedule 1.3(d) and any Physician Contract that is an Excluded Asset pursuant to Section 1.3(b). Unless otherwise so noted in Schedule 2.10, each such Material Contract was entered into in the ordinary course of business. As used herein, "Material Contract" means any Contract that:

(i) obligates any Seller to pay an amount of \$5 million or more in any one twelve-month period;

(ii) has an unexpired term as of the date hereof in excess of 12 months that is not terminable upon ninety calendar days or less notice by the Seller at any time during the term, without penalty;

(iii) contains a covenant not to compete or otherwise significantly restricts business activities;

(iv) limits the ability of the Seller to conduct its business, including as to manner or place;

(v) grants a power of attorney, agency or similar authority to another person or entity;

(vi) contains a right of first refusal or right of first offer;

(vii) constitutes a collective bargaining agreement, including any collective bargaining agreement with Physicians or any other referral source;

(viii) constitutes an employment or severance agreement with any director, officer or employee of any Seller;

(ix) provides for marketing, joint marketing or sale of the products or services of the Health Care System;

(x) represents a Contract upon which the business of the Health Care System is substantially dependent or a Contract which is otherwise material to the business of the Health Care System, including agreements with the third-party payors set forth in Schedule 2.21 and the IPA Services Agreements;

(xi) represents a Contract with a Physician, or to the Knowledge of the Sellers, an Immediate Family member of a Physician or any other referral source, including any contract with a pharmacy or any other supplier of medical products to patients of the Health Care System;

(xii) to the Knowledge of the Sellers, represents a Contract with an entity in which a referring Physician (as that term is defined in 42 U.S.C. § 1395m(h)(7)) or a member of a referring Physician's Immediate Family has an ownership or investment interest;

(xiii) represents a third party payor, managed care or preferred provider organization contract;

(xiv) constitutes a joint venture in which any Seller has any equity interest or pursuant to which any revenue or income is paid or distributed to a third party; or

(xv) was not made in the ordinary course of business.

(b) True, correct and complete copies of the Material Contracts, including all amendments and supplements, have been made available to Purchaser. The Sellers have not received any written claim of breach of any Material Contract. Except as set forth in Schedule 2.10(b), the Sellers have performed all obligations required to be performed by them under each Material Contract in all material respects. Each of the Material Contracts is a valid and binding obligation of the applicable Seller and, to the Sellers' Knowledge, is in full force and effect and is enforceable by the applicable Seller in accordance with its terms, except as may be limited by (i) applicable bankruptcy, insolvency, moratorium, reorganization or similar Laws from time to time in effect which affect creditors' rights generally, or (ii) legal and equitable limitations on the availability of specific remedies. To the Sellers' Knowledge, all parties to each Material Contract (other than the Sellers) have performed all material obligations required to be performed by them to date under such Material Contract in all material respects and are not (with or without the lapse of time or the giving of notice, or both) in breach or default thereunder. No party with whom any Seller has entered into any Material Contract has given written notice to such Seller of its intention to terminate or has sought in writing to repudiate or disclaim or modify any material term of such Material Contract.

Section 2.11 Real and Personal Property; Title to Property; Leases. (a) The Sellers have good and valid title, free of Liens in and to the Owned Real Property, the Personal Property and the other Purchased Assets, except for Permitted Liens.

(b) The Owned Real Property listed in Schedule 1.2(a) consists of all real property owned by the Sellers.

(c) The Leased Real Property listed in Schedule 1.2(b) consists of all real property leased, subleased or licensed by or to the Sellers.

(d) The Personal Property listed in Schedule 1.2(c) consists of all personal property owned by the Sellers that is material to the operation of the Health Care System.

(e) The Sellers have heretofore made available to Purchaser true, correct and complete copies of all of the Leases.

(f) At Closing, the Sellers will convey to Purchaser good and valid title to the Owned Real Property and all other Purchased Assets and good and valid leasehold interest in the Leased Real Property, subject to no mortgage, Lien, pledge, security interest, conditional sales agreement, right of first refusal, option or encumbrance, except for Permitted Liens and the rights of any lessor or licensor of leased or licensed personal property.

(g) The Leases constitute the entire agreements to which the Sellers are a party with respect to the properties which are demised pursuant thereto.

(h) The Sellers have accepted possession of the Leased Real Property pursuant to each Lease in which they are the lessee and are in actual possession thereof and have not sublet, assigned or hypothecated their leasehold interest.

(i) As of the Execution Date, all conditions precedent to the enforceability by the Sellers of each Lease have been satisfied and, to the Knowledge of the Sellers, there exists no breach or default, nor state of facts which, with the passage of time, notice, or both, would result in a breach or default on the part of the Sellers or, to the Knowledge of the Sellers, the other parties thereunder.

(j) The Sellers have no Knowledge of, and, during the past three years, the Sellers have not received any written notice of, non-compliance with Law, zoning ordinance or other restriction with respect to any Real Property.

(k) There is no pending or, to the Knowledge of the Sellers, threatened action that would materially interfere with the ownership, use or quiet enjoyment of any Real Property by the Sellers.

(l) The Sellers have no Knowledge of, and, during the past three years, the Sellers have not received any notice of, any proposed special assessments, threatened condemnation or any proposed material changes in property tax or land use laws affecting the Real Property.

Section 2.12 Intellectual Property. (a) Schedule 1.2(m) sets forth a complete list of all (i) registered or material Intellectual Property owned by any Seller (each identified as a patent, trademark, trade secret, copyright, or IT System, as the case may be); and (ii) material Intellectual Property that any Seller is licensed or otherwise permitted by other Persons to use. Sellers own or otherwise hold valid rights to use all such Intellectual Property.

(b) No Suit has been decided, is pending or has been threatened in writing concerning any claim or position that any Seller has violated any Intellectual Property rights that are Purchased Assets.

(c) No Suit has been decided, is pending or has been threatened in writing by or against any Seller concerning Intellectual Property, including any Suit concerning a claim or position that any Intellectual Property has been infringed, misappropriated or otherwise

violated or is invalid, unenforceable, unpatentable, unregistrable, cancelable, not owned or not owned by the Sellers.

(d) Each Seller has timely made all filings and payments with the appropriate foreign and domestic agencies required to maintain in subsistence all registered Intellectual Property owned by such Seller, except where such failure would not be material to the conduct of the Health Care System.

(e) The Sellers have taken reasonable measures to protect the secrecy, confidentiality and value of all Intellectual Property (except for such Intellectual Property whose value would be unimpaired in any material respect by disclosure). To the Knowledge of the Sellers, no unauthorized disclosure of any such Intellectual Property or information has been made.

(f) The Sellers have a policy of requiring all employees, agents, consultants or contractors who have contributed to or participated in the creation, development, improvement or modification of Intellectual Property for the Sellers to assign all of their rights therein to the Sellers. To the Knowledge of the Sellers, no Person (other than the Sellers) has any reasonable basis for claiming any right, title or interest in and to any such Intellectual Property.

(g) The source code for all computer software that is owned by any Seller (i) will compile into object code or otherwise be capable of materially performing the functions described in the documentation pertaining thereto, if any; (ii) is sufficiently documented to enable a computer software developer of reasonable skill to understand, modify, repair, maintain, compile and otherwise utilize all aspects of such computer software without reference to other sources of information; and (iii) does not contain and is not derived from open source, shareware, "copyleft" or similar software.

(h) The IT Systems used in the operation of the Health Care System are adequate in all material respects for their intended use and for the operation of the Health Care System as currently operated, and are in good working condition (normal wear and tear excepted). There has not been any material malfunction with respect to any such IT Systems since January 1, 2007 that has not been remedied or replaced in all material respects.

Section 2.13 Legal Proceedings. Except as set forth in Schedule 2.13, there is no Proceeding pending, or to the Knowledge of the Sellers threatened, related to, against or affecting the Sellers, or any of the Purchased Assets that (a) involves a claim of aggregate liability in excess of \$750,000 per claim or \$2 million in the aggregate, (b) could restrain, enjoin or otherwise prevent the consummation of the transactions contemplated by the Transaction Documents, (c) could impose any material non-monetary obligations or (d) is reasonably likely to result in liability in excess of \$750,000 per claim or \$2 million in the aggregate. The Sellers are not bound by any Proceedings other than those which would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 2.14 Accounting Records; Internal Controls; Absence of Certain Payments. (a) The Sellers have records that accurately and validly reflect their respective

transactions, and accounting controls sufficient to insure that such transactions are (i) executed in accordance with management's general or specific authorization and (ii) recorded in conformity with GAAP so as to maintain accountability for assets.

(b) Such records, to the extent they contain important information that is not easily and readily available elsewhere, have been duplicated, and such duplicates are stored safely and securely pursuant to procedures and techniques utilized by companies of comparable size in similar lines of business.

Section 2.15 Insurance. (a) Schedule 2.15(a) lists all insurance policies and bonds that are maintained by the Sellers and are material to the business of the Health Care System and indicates the type of insurance, policy number, term, identity of insurer, premiums and coverage amounts for the previous five years and basic coverages (including applicable deductibles) for each such insurance policy and bond. The Sellers are not in default under any insurance policy or bond. The Sellers have timely filed claims with their respective insurers with respect to all matters and occurrences for which they believe they have coverage.

(b) Schedule 2.15(b) lists all insurance policies and bonds that are maintained by a Governance Party and are material to the business of the Health Care System, the Purchased Assets or Assumed Liabilities.

(c) Schedule 2.15(c) lists all claims in excess of \$500,000 which have been made by the Sellers in the last five years under any insurance policy or bond.

(d) Except as set forth in Schedule 2.15(d), all insurance policies and bonds are in full force and effect, and the Sellers have not received notice from any insurer or agent of any intent to cancel or not to renew any of such insurance policies and bonds.

(e) All of the Sellers' unpaid workers compensation claims, if any, are held and maintained as reserves in the accounting records of certain facilities within the Health Care System. Schedule 2.15(e) lists all such workers compensation reserves, including the identity of the claimant, the reserve amount for each claimant, and the facility within the Health Care System holding the reserve.

(f) The Sellers do not maintain a professional liability or medical malpractice trust.

(g) There are no outstanding requirements or recommendations made by any insurance carrier or other Person possessing the requisite power with respect to insurance coverage requesting, instructing or requiring any of the Sellers to take any action with respect to the Purchased Assets or the Assumed Liabilities that have not been taken.

Section 2.16 Employees. (a) Schedule 2.16(a) sets forth a complete list (as of the date set forth therein) of names, positions, location, union affiliation and current annual salaries or wage rates, bonus, accrued paid time off and period of service of all full-time and part-time employees of the Sellers with respect to the operation of the Health Care System and indicating whether such employee is a part-time, full-time or PRN employee. Except as shown

in Schedule 2.16(a), there are no employment agreements or severance agreements with employees of the Sellers.

(b) Schedule 2.16(b) sets forth all labor union or collective bargaining agreements in effect with respect to the employees of Sellers. Except as set forth in Schedule 2.16(b), there are no pending unfair labor practice complaints, charges or grievances against the Sellers, or to the Knowledge of the Sellers threatened, by or on behalf of any employee or group of employees of the Health Care System. Except as listed in Schedule 2.16(b), there are no pending complaints, charges or claims against any entity within the Health Care System, or to the Knowledge of the Sellers, threatened in writing to be brought or filed, with any authority or arbitrator based on, arising out of, in connection with, or otherwise relating to the employment or termination of employment of any individual by the Health Care System.

(c) Except as set forth in Schedule 2.16(c), no labor organization or group of employees of the Health Care System has made a pending demand for recognition or certification to the Sellers and there are no representation or certification proceedings or petitions seeking a representation proceeding presently pending or to the Knowledge of the Sellers threatened in writing to be brought or filed with the National Labor Relations Board or any other labor relations tribunal or authority relating to the Health Care System.

(d) Schedule 2.16(d) sets forth a complete list (as of the date set forth therein) of the names and positions and location of all full-time employees of Sellers with respect to the operation of the Health Care System that have been terminated without cause during the 90 calendar days immediately preceding the Closing Date.

(e) Except as set forth on Schedule 2.16(e), no employee, former employee (whose employment terminated within the twelve months preceding the Closing Date) or independent contractor of the Sellers has been improperly classified as such for all purposes under the Code and ERISA and no employee or former employee (whose employment terminated within 12 months preceding the Closing Date) of the Sellers has been misclassified as exempt under the Fair Labor Standards Act.

(f) No Senior Executive Officer has notified the Sellers or any of its Subsidiaries that such officer intends to leave the Health Care System or otherwise terminate such officer's employment with the Health Care System either before or after the Closing Date. None of the Sellers nor any of their Subsidiaries has terminated, or stated an intention to terminate, the employment of any of the Senior Executive Officers.

Section 2.17 Employee Benefits. (a) Schedule 2.17(a) contains a true and complete list of each "employee benefit plan" (with the meaning of Section 3(3) of ERISA, including multiemployer plans within the meaning of Section 3(37) of ERISA), and all stock purchase, stock option, severance, employment, change-in-control, fringe benefit, collective bargaining, bonus, incentive, deferred compensation, employee loan and all other employee benefit plans, agreements, programs, policies or other arrangements, whether or not subject to ERISA (including any funding mechanism therefor now in effect or required in the future as a result of the transactions contemplated by the Transaction Documents or otherwise), whether formal or informal, oral or written, under which (i) any current or former employee, director or

consultant of the Health Care System has any present or future right to benefits and which are contributed to, sponsored by or maintained by the Sellers or (ii) the Sellers have had or have any present or future liability. All such plans, agreements, programs, policies and arrangements shall be collectively referred to as the “Plans”.

(b) To the extent any Plan is a “church plan” within the meaning of Section 3(33) of ERISA and/or Code Section 414(d)(1), such Plan satisfies the requirements of all applicable state or local Laws in each jurisdiction in which such plan is domiciled, maintained or operated, without regard to Section 514(b) of ERISA. No Plan that is a church plan has made an election under Code Section 410(d)(1) to be subject to the requirements of Code Section 410(b), nor is any such Plan subject to Title IV of ERISA (relating to PBGC termination insurance).

(c) With respect to each Plan, the Sellers have provided or made available to the Purchaser a current, accurate and complete copy (or, to the extent no such copy exists, an accurate description) thereof and, to the extent applicable: (i) any related trust agreement or other funding instrument; (ii) the most recent determination letter, if applicable; (iii) any summary plan description and other material written communications (or a description of any material oral communications) by the Sellers to the Employees concerning the extent of the benefits provided under a Plan; and (iv) for the most recent year (A) the Form 5500 and attached schedules, (B) audited financial statements and (C) actuarial valuation report.

(d) (i) Each Plan has been established and administered in all material respects in accordance with its terms, and in compliance with the applicable provisions of ERISA, the Code and other applicable Laws, rules and regulations; (ii) each Plan which is intended to be qualified within the meaning of Section 401(a) of the Code is so qualified and has received a favorable determination letter as to its qualification, and nothing has occurred, whether by action or failure to act, that could reasonably be expected to cause the loss of such qualification; (iii) no event has occurred and no condition exists that would subject Purchaser by reason of the Sellers’ affiliation with any member of their “Controlled Group” (defined as any organization which is a member of a controlled group of organizations within the meaning of Section 414(b), (c), (m) or (o) of the Code), to any tax, fine, lien, penalty or other liability imposed by ERISA, the Code or other applicable Laws, rules and regulations; (iv) no nonexempt “prohibited transaction” (as such term is defined in Section 406 of ERISA and Section 4975 of the Code) or “accumulated funding deficiency” (as such term is defined in Section 302 of ERISA and Section 412 of the Code (whether or not waived)) has occurred with respect to any Plan; and (v) except as set forth in Schedule 2.17(d), the Sellers have not incurred any current or projected liability in respect of post-employment or post-retirement health, medical or life insurance benefits for current, former or retired employees of the Health Care System, except as required to avoid an excise tax under Section 4980B of the Code or otherwise except as may be required pursuant to any other applicable Law.

(e) Except as set forth in Schedule 2.17(e), no Plan is a “multiemployer plan” (as defined in Section 4001(a)(3) of ERISA) and neither the Sellers nor any member of their Controlled Group has at any time sponsored or contributed to, or has or had any liability or obligation in respect of, any multiemployer plan.

(f) With respect to any Plan, (i) no actions, suits or claims (other than routine claims for benefits in the ordinary course) are pending or threatened; (ii) to the knowledge of the Sellers no facts or circumstances exist that are reasonably likely to give rise to any such actions, suits or claims; (iii) no written or oral communication has been received from the Pension Benefit Guaranty Corporation (the "PBGC") in respect of any Plan subject to Title IV of ERISA concerning the funded status of any such plan or any transfer of assets and liabilities from any such plan in connection with the transactions contemplated herein; and (iv) no administrative investigation, audit or other administrative proceeding by the Department of Labor, the PBGC, the Internal Revenue Service or other governmental agencies are pending, threatened or in progress (including any routine requests for information from the PBGC).

(g) Except as set forth in Schedule 2.17(g), no Plan exists that, as a result of the execution of the Transaction Documents, requisite approval of the Transaction Documents, or the transactions contemplated by the Transaction Documents (whether alone or in connection with any subsequent event(s)), could result in (i) severance pay or any increase in severance pay upon any termination of employment after the date of this Agreement; (ii) accelerate the time of payment or vesting or result in any payment or funding (through a grantor trust or otherwise) of compensation or benefits under, increase the amount payable or result in any other material obligation pursuant to, any Plan; or (iii) result in payments which would not be deductible under Section 280G of the Code.

Section 2.18 Certain Interests. Except as shown in Schedule 2.18, no Affiliate of the Sellers, nor any officer or director of any thereof, nor any Governance Party, nor any member thereof, has any material interest in any property used in or pertaining to the Health Care System. Except as shown in Schedule 2.18, the consummation of the transactions contemplated by the Transaction Documents will not (either alone, or upon the occurrence of any act or event, or with the lapse of time, or both) result in any benefit or payment (severance or other) arising or becoming due from the Sellers or the successors or assigns of any thereof to any Person.

Section 2.19 Related Party Transactions. Except as shown in Schedule 2.19, (a) since May 20, 2008, the Sellers have not engaged in any transaction with officers or directors of the Sellers or any Governance Party (or their respective non-profit corporate or ecclesiastical equivalents) and (b) to the extent the Sellers have engaged in any transaction with officers or directors of the Sellers, or the Governance Parties, the Sellers have no existing liabilities or obligations as a result of such transaction. Except as shown in Schedule 2.19, the Sellers have no liabilities or obligations to any officers or directors of the Sellers or any Governance Party (or their respective non-profit corporate or ecclesiastical equivalents) or to any members of the Sellers, and none of officers or directors of the Sellers or any Governance Party (or their respective non-profit corporate or ecclesiastical equivalents) have any liabilities or obligations to the Sellers.

Section 2.20 Receivables. The accounts receivable reflected on the books and records of the Sellers and the Health Care System arose from bona fide commercial transactions, and the financial statements referred to in Section 2.4 include all material refunds, discounts or setoffs payable or assessable with respect to such accounts receivable, taken as a whole. The Sellers record on their financial statements in accordance with GAAP all estimates for future

Seller Cost Report settlements for all years open to settlement. Seller records government program recoupments on its financial statements as they occur in accordance with GAAP.

Section 2.21 Third Party Payors and Suppliers. (a) Schedule 2.21² lists the names of and describes all Material Contracts with, and the respective percentage of the revenues of the Health Care System for the fiscal year ended the Balance Sheet Date attributable to, the ten largest third party payors (based on net patient service revenues, as determined in accordance with the Sellers' historical accounting policies) and any material sole-source suppliers of significant goods or services (other than electricity, gas, telephone or water) to the Health Care System with respect to which alternative sources of supply are not readily available on comparable terms and conditions (the "Material Payors and Suppliers").

(b) None of the Material Payors and Suppliers has provided written notice to the Sellers of cancellation or termination of its relationship with any Seller during the past twelve months or has during the last twelve months materially decreased, or provided written notice to the Sellers of its intent to materially decrease or materially limit, its services, supplies or materials to any Seller or its usage of the services or products, as the case may be, of any Seller. None of the Sellers has received any written notice during the past twelve months that any of the Material Payors and Suppliers intends, or is reasonably likely, to terminate, materially reduce or materially (and adversely) modify its business relationship with the Health Care System.

Section 2.22 Worker Adjustment and Retraining Notification (WARN). Sellers have complied with the WARN Act prior to the Closing.

Section 2.23 Environmental Compliance. Except as set forth in Schedule 2.23:

(a) The Health Care System is and, to the Knowledge of the Sellers, each parcel of Real Property is, and, for the previous three years has been, in compliance with all applicable Environmental Laws in all material respects. The Health Care System has obtained and maintained in full force and effect in all material respects all permits, approvals, licenses authorizations, consents, waivers, exemptions, orders, variances or certificates of or by any Governmental Authority that are required pursuant to Environmental Laws ("Environmental Permits") for the operation of the business of the Health Care System and, to the Knowledge of the Sellers, the occupation of the Real Property.

(b) Neither the Sellers, the Health Care System nor, to the Knowledge of the Sellers, any Real Property is subject to, or received notice of, any pending Environmental Claim or any Environmental Liabilities concerning any of the Real Property or the business of the Health Care System and, to the Knowledge of Sellers, none is proposed or threatened. To the Knowledge of the Sellers, no Environmental Claims have been asserted against any facilities that may have received Hazardous Materials generated by the Health Care System.

² Schedule 2.21 to list Blue Cross, Mass Health, Tufts, Harvard Pilgrim, United Health Care, Senior Whole Health and USFHP/Brighton Marine (which shall include Brighton Marine and any consent of any Governmental Authority whose consent is necessary to assign the USFHP/Brighton Marine contract).

(c) Neither the Sellers nor any entity within the Health Care System has entered into any agreement with any Governmental Authority or any other Person pursuant to which the Health Care System assumed responsibility for any or is required to pay for any Remedial Action resulting from the Release, treatment, storage or disposal of Hazardous Materials or may be required to pay to, reimburse, guarantee, pledge, defend, indemnify or hold harmless any Person for or against any material Environmental Claim or material Environmental Liabilities.

(d) To the Knowledge of the Sellers, none of the Real Property contains any: (i) underground storage tank or any landfills, surface impoundments, wastewater treatment units or dumps; (ii) PCB's or PCB-containing equipment; (iii) asbestos or asbestos-containing materials; or (iv) lead paint.

(e) Neither the Sellers nor the Health Care System hold a permit for the treatment, storage or disposal of hazardous waste at any Real Property, or in connection with the business of the Health Care System, to comply with the Resource Conservation and Recovery Act (42 U.S.C. § 6901, et seq.), as amended.

(f) To the Knowledge of the Sellers, there have been no Releases of Hazardous Materials from, onto or under any of the Real Property or at any disposal or treatment facility which received Hazardous Materials generated by the Health Care System or any predecessor in interest, in violation of Environmental Law or in excess of any reportable quantity under Environmental Law that have not been remediated as required by Environmental Law.

(g) To the Knowledge of the Sellers, there are no facts or circumstances relating to Hazardous Materials, the operation of the business of the Health Care System or any condition at any of the Real Property that would reasonably be expected to result in an Environmental Claim or Environmental Liabilities against the Health Care System.

(h) The Sellers have disclosed and made available to Purchaser all material environmental studies, environmental site assessments, environmental compliance audits and similar environmental reports, analyses and test results that are in the Sellers' possession, custody or control, relating to any past and present (i) environmental conditions concerning the business of the Health Care System or on, under or about the Real Property, (ii) use or operation of the Real Property used in or held for use in connection with the business of the Health Care System, and (iii) activities relating to Hazardous Materials on, or any off-site disposal of a Hazardous Material from, the Real Property or used in connection with the business of the Health Care System. The Sellers have disclosed and made available to Purchaser all documents that are in the Sellers' possession, custody or control relating to currently projected environmental expenditures for the business of the Health Care System and the Real Property, including reserves, capital and operating budgets and reports relating to the costs of compliance with Environmental Laws.

Section 2.24 Government Reimbursement Programs. (a) Each of the Acute Care Hospitals and each of the entities in the Health Care System that provide services to beneficiaries of Government Reimbursement Programs is (i) qualified for participation in, and has current and valid provider contracts with, the Government Reimbursement Programs and/or

their fiscal intermediaries or paying agents and is in material compliance with the conditions of participation or requirements applicable with respect to such participation and (ii) eligible for payment under the Government Reimbursement Programs for services rendered to qualified beneficiaries.

(b) The Cost Reports for each of the Acute Care Hospitals and each of the other entities in the Health Care System that provide services to beneficiaries of Government Reimbursement Programs were filed when due, and Notices of Program Reimbursement have been issued through the Cost Report periods set forth in Schedule 2.24(b).

(c) Except as set forth in Schedule 2.24(c), all amounts shown as due from any of the entities in the Health Care System in the Cost Reports either were remitted with such Cost Reports or will be remitted when required by the applicable Laws, and all amounts shown in the Notices of Program Reimbursement as due have been or prior to Closing will be paid when required by the applicable Law. Except to the extent liabilities and contractual adjustments with respect to the Health Care System under the Government Reimbursement Programs have been properly reflected and adequately reserved in the Financial Statements, or as set forth in Schedule 2.24(c), the Sellers have not received notice of any dispute or claim by any Governmental Authority, fiscal intermediary or other Person regarding any of the entities in the Health Care System and the Government Reimbursement Programs or the participation by any of the entities in the Health Care System in such programs.

(d) The Sellers have no, and are not subject to or the beneficiary of any, outstanding loan, grant or loan guarantee pursuant to the Hill Burton Act (42 U.S.C. Section 291a, et seq.).

Section 2.25 Accreditation. (a) Except as set forth in Schedule 2.25(a), the Acute Care Hospitals are duly accredited by the Joint Commission through the periods set forth in Schedule 2.25(a). Except as set forth in Schedule 2.25(a), the Sellers have not received any notices of deficiency from the Joint Commission with respect to the current accreditation period that require or request any action or response by the Sellers or any of their Subsidiaries. With respect to such accreditation, the Sellers have delivered to Purchaser a true and complete copy of the most recent Joint Commission accreditation survey report and deficiency list, if any.

(b) For each of the entities in the Health Care System that is accredited by an Accrediting Entity other than the Joint Commission, such accreditation, the period thereof and the relevant Accrediting Entity is set forth in Schedule 2.25(b).

Section 2.26 Permits and Licenses. (a) Schedule 1.2(d) contains a true, correct and complete list and summary description of all material licenses, registrations, certifications, waivers and permits (including applications) and other material approvals owned or held by the Sellers relating to the ownership, development or operations of the Health Care System and the Purchased Assets, including all (i) material licenses, permits and other authorizations of Governmental Authorities currently held by the Sellers and (ii) all licenses, registrations, certifications, waivers and permits (including applications) and other approvals which are required by the Health Care System to provide patient care services (collectively, the "Seller

Licenses”). All of the Seller Licenses are in full force and effect, in good standing and are not subject to any Proceeding.

(b) The Acute Care Hospitals are duly licensed by the DPH as acute care hospitals. Any ancillary departments or services located or providing services to the Acute Care Hospitals that are required to be separately licensed, including the PET imaging services provided by or through Renewal PET Imaging, are duly licensed by the appropriate Governmental Authorities and Accrediting Entities. The Acute Care Hospitals are in compliance in all material respects with such licensing requirements. There are no provisions in or agreements relating to any such licenses and permits (including applications) which would preclude or limit Purchaser (licensed in its own name) from operating the Acute Care Hospitals and using all the licensed beds of the Acute Care Hospitals as they are currently classified. Schedule 2.26(b) contains an accounting of the bed complement that the Sellers are licensed to operate at each facility, including number of operating beds and number of beds out of service (including, with respect to the TCU, 12 bed Determination of Need exemption status). Except for licenses for laboratory services and except for any professional licenses of individual employed Physicians, Renewal Physician Network is not currently required to be licensed to conduct its business.

(c) Within 45 days after the Execution Date, the Sellers shall have delivered to Purchaser, with respect to each Acute Care Hospital and each other of the entities in the Health Care System, a true and complete copy of the most recent Statement of Deficiencies and Plan of Correction on Form HCFA-2567; the most recent state licensing survey and list of deficiencies, if any; any extraordinary complaints or notices of termination that have been received from the DPH during the most recent six months, whether or not reflected on a Statement of Deficiencies; the most recent Department of Public Safety and fire marshal’s survey and deficiency list, if any, and the corresponding plans of correction or other responses, or the most recent comparable documents. All violations set forth in such survey reports, if any, or of which the Sellers have notice or Knowledge, have been corrected by the Sellers or an applicable plan of correction has been filed by the Sellers. Except as disclosed on Schedule 2.26(c), there is no Proceeding (including a survey report indicating deficiencies that have not been deemed corrected by the applicable Governmental Authority) pending or, to the Knowledge of the Sellers, threatened, that could reasonably be expected to result in the termination, revocation, limitation, suspension, restriction or impairment of any Seller License or, the imposition of any fine, penalty or other sanctions for violation of any Law relating to any Seller License, nor to the Knowledge of any Seller is there any basis therefor. Neither the Sellers nor any of their Subsidiaries own any right, title or interest in and to any Determination of Need that is not currently implemented in accordance with its terms or any approved but unimplemented Determination of Need that is not maintained in accordance with its terms. Schedule 2.26(c) lists all pending applications for Determinations of Need or licensure filed by the Sellers or any of their Subsidiaries.

(d) Caritas Home Care, Inc., is a home health agency duly certified by the Medicare Program.

Section 2.27 Compliance Program. The Sellers have made available to Purchaser a copy of the Health Care System’s current compliance program materials, including

all program descriptions, compliance officer and committee descriptions, ethics and risk area policy materials, training and education materials, auditing and monitoring protocols, reporting mechanisms, and disciplinary policies.

Section 2.28 HIPAA/Privacy. Except as provided in Schedule 2.28, Sellers, and their Subsidiaries, are, and during the three years prior to the Execution Date have been, in compliance with the applicable requirements of HIPAA as amended by the American Recovery and Reinvestment Act of 2009 and the implementing regulations thereunder governing the privacy of individually identifiable information and the security of such information maintained in electronic form, Law governing the privacy and security of health-related medical information or personal information, and any “business associate” agreement entered into at the request of a HIPAA covered entity.

Section 2.29 Restricted Investments. As of the Execution Date, the amount of the Restricted Investments is \$23,147,000.

Section 2.30 Experimental Procedures. During the three years prior to the Execution Date, the Sellers have not performed or authorized the performance of any experimental or research procedures or studies involving patients of the Health Care System that require the prior approval of any Governmental Authority that has not been obtained.

Section 2.31 Medical Staff; Physician Relations. The Sellers have delivered to Purchaser complete and genuine copies of the bylaws and rules and regulations of the medical staff and medical executive committees of the facilities within the Health Care System. Schedule 2.31 sets forth (a) the name of each member of the Medical Staff (active, associate, consulting, courtesy or other) of the Health Care System and (b) the degree (e.g., M.D., D.O., etc.), title, specialty and board certification, if any, of each such medical staff member. Except as set forth in Schedule 2.31, and with respect to clinical and medical staff membership matters, there are no pending or, to the Sellers’ Knowledge, threatened disputes with the Health Care System medical staff members.

Section 2.32 Controlled Substances. To the Knowledge of Sellers, none of Sellers’ employees, or persons who provide professional services under agreements with the Sellers at the facilities within the Health Care System, has engaged in any activities which are prohibited under the federal Controlled Substances Act (21 U.S.C. §801 et seq.), as amended, or the regulations promulgated pursuant to such statute or any related state or local statutes or regulations concerning the acquisition, storage, disposal, dispensing and sale of controlled substances.

Section 2.33 Solvency. The Sellers are not insolvent and will not be rendered insolvent as a result of the consummation of any of the transactions contemplated by the Transaction Documents. For purposes hereof, the term “solvency” means that: (a) the fair salable value of the Sellers’ tangible assets is in excess of the total amount of its liabilities (including for purposes of this definition all liabilities, whether or not reflected on a balance sheet prepared in accordance with GAAP, and whether direct or indirect, fixed or contingent, secured or unsecured, and disputed or undisputed); (b) the Sellers are able to pay their debts or

obligations in the ordinary course as they mature; and (c) the Sellers have capital sufficient to carry on its businesses and all businesses which they are about to engage.

Section 2.34 Brokers and Finders. Other than Cain Brothers & Company, LLC, neither the Sellers nor any Affiliate thereof, nor any member, officer or director thereof, has engaged any finder or broker in connection with the transactions contemplated hereunder.

Section 2.35 Indebtedness. As of the Execution Date, the outstanding Indebtedness of the Sellers and their Subsidiaries does not exceed \$259 million. Schedule 2.35 provides a true, correct and complete description (including amount) of any such outstanding Indebtedness of the Sellers and their Subsidiaries.

Section 2.36 Anti-Kick Back; Absence of Certain Commercial Practices. Neither the Sellers nor any shareholder, director, officer, employee, agent or other person acting on behalf of the Sellers has, to the Knowledge of the Sellers, in violation of applicable Law: (a) given or agreed to give any gift or similar benefit of more than nominal value to any customer, supplier, governmental employee or official, or any other person who is or may be in a position to help or hinder the Health Care System or assist in connection with any proposed transaction, which gift or similar benefit, if not given in the past, might have adversely affected the business of the Health Care System, or which, if not continued in the future, might adversely affect the business of the Health Care System, (b) used any funds for unlawful contributions, payments, gifts or entertainment, or made any unlawful expenditures relating to political activity to governmental officials or others, or established or maintained any unlawful or unrecorded records; (c) violated or is in violation of any provision of the U.S. Foreign Corrupt Practices Act of 1977, as amended; or (d) made any unlawful bribe, rebate, payoff, influence payment, kickback or other unlawful payment to, or received any such unlawful payments from, any customers, vendors, suppliers, employees, foreign or domestic government officials or other persons contracting with the Sellers and has not proposed or offered to make or receive any such illegal payments.

Section 2.37 Employed Physicians. As of the Execution Date, there are 445 employed Physicians that are parties to Physician Contracts.

Section 2.38 Level of Participating Provider Agreements. Schedule 2.38 correctly sets forth a list of Physicians who are parties to a Participating Provider Agreement with Renewal Network Services.

Section 2.39 Earnouts; Other Deferred Payment Obligations. Except as provided in Schedule 2.39, none of the Sellers nor any of their Subsidiaries are subject to any earnout, deferred payment or any other similar contingent payment arrangements in connection with any current or prior acquisitions, dispositions or other similar transactions.

Section 2.40 Knowledge of Sellers. References in the Transaction Documents to "Knowledge of the Sellers" or "Sellers have no Knowledge" means the actual knowledge of (i) the Senior Executive Officers, (ii) the president, head of operations and head of finance of each Acute Care Hospital and (iii) the following persons: Brian Carty, Joseph Maher, Michael G. Callum, Justine Carr, Richard Kropp, Todd C. Rothenhaus, Sister Marie Puleo, David Chicoine,

Jill Moretto, Joseph Ciccolo and Mark Girard, without independent investigation. No constructive or imputed knowledge shall be attributed to any such individual by virtue of any position held, relationship to any other Person or for any other reason.

Section 2.41 No Other Representations or Warranties. Except to the extent set forth in this Article 2, the Sellers have not made, nor make, and expressly disclaim, any representation or warranty of any kind or character, express or implied, oral or written, past, present or future, with respect to the Purchased Assets, the transactions contemplated hereby or the matters set forth herein, including any warranty of merchantability or fitness for a particular purpose.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser hereby represents and warrants to the Sellers as follows (as of the Execution Date and as of the Closing, (or, if given as of a specific date, at and as of such specific date)):

Section 3.1 Authorization. Purchaser has full company power and authority to enter into the Transaction Documents and full power and authority to carry out and perform the transactions contemplated therein.

Section 3.2 Binding Agreement. All company and other actions required to be taken by Purchaser to authorize the execution, delivery and performance of the Transaction Documents and all transactions contemplated thereby, have been duly and properly executed, taken or obtained by Purchaser. No other company or other action on the part of Purchaser is necessary to authorize the execution, delivery and performance of the Transaction Documents, all documents necessary to give effect to the Transaction Documents and all transactions contemplated therein. The Transaction Documents have been duly and validly executed and delivered by Purchaser and, assuming due and valid execution by, and enforceability against, the Sellers, such Transaction Documents constitute the valid and binding obligations of Purchaser enforceable in accordance with their respective terms subject to (a) applicable bankruptcy, reorganization, insolvency, moratorium and other laws affecting creditors' rights generally from time to time in effect and (b) limitations on the enforcement of equitable remedies.

Section 3.3 Organization and Good Standing; No Violation. Purchaser is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware, and has full power and authority to own, operate and lease its properties and to carry on its business as now conducted. Purchaser is qualified to do business and is in good standing in the Commonwealth of Massachusetts.

Section 3.4 Noncontravention. Neither the execution and delivery of the Transaction Documents, nor the consummation of the transactions contemplated thereby or the performance and satisfaction by Purchaser of its duties and obligations thereunder (a) violate any decree or judgment of any court or Governmental Authority which may be applicable to or bind Purchaser; (b) violate any law, rule or regulation applicable to Purchaser which would result in

any change, effect, circumstance, state of facts or occurrences that have had or may reasonably be expected to have a material and adverse effect on the ability of the Purchaser to consummate the transactions contemplated hereby; (c) violate or conflict with, or result in a breach of, or constitute a default (or an event which, with or without notice or lapse of time or both, would constitute a default) under, or permit cancellation of, any material contract, lease, sales order, purchase order, indenture, mortgage, note, bond, instrument, license or other agreement to which Purchaser is a party, or by which Purchaser is bound; (d) permit the acceleration of the maturity of any Indebtedness of Purchaser; or (e) violate or conflict with any provision of the Governing Documents of Purchaser.

Section 3.5 Legal Proceedings. There is no Proceeding pending or, to the Knowledge of Purchaser, threatened, related to, against or affecting Purchaser or any of its respective properties or assets that would restrain, enjoin or otherwise prevent the consummation of the transactions contemplated by the Transaction Documents. Purchaser is not bound by any Proceedings other than those which would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on the ability of Purchaser to perform its obligations under the Transaction Documents.

Section 3.6 Solvency. Purchaser is not insolvent and will not be rendered insolvent as a result of the consummation of any of the transactions contemplated by the Transaction Documents. For purposes hereof, the term “solvency” means that: (a) the fair salable value of Purchaser’s tangible assets is in excess of the total amount of its liabilities; (b) Purchaser is able to pay its debts or obligations in the ordinary course as they mature; and (c) Purchaser has capital sufficient to carry on its business and all businesses which it is about to engage.

Section 3.7 Financing; Availability of Funds. Purchaser has, or will have prior to or at the Closing, sufficient access to funds or available financing in an amount sufficient to satisfy its obligations which are required to be satisfied at Closing under the Transaction Documents.

Section 3.8 Brokers and Finders. Neither Purchaser nor any Affiliate thereof nor any officer or director thereof has engaged any finder or broker in connection with the transaction contemplated thereunder.

Section 3.9 Knowledge of Purchaser. References in the Transaction Documents to “Knowledge of Purchaser” means the actual knowledge of Christopher Holt, Lisa Gray and W. Brett Ingersoll, without independent investigation. No constructive or imputed knowledge shall be attributed to any such individual by virtue of any position held, relationship to any other Person or for any other reason.

ARTICLE 4

COVENANTS

Section 4.1 Access and Information. From the Execution Date through the Closing, the Sellers shall afford to the officers and agents of Purchaser (which shall include

accountants, attorneys, bankers and other consultants and agents of Purchaser) full and complete access during normal business hours to and the right to inspect the plants, properties, books, accounts, records and all other relevant documents and information with respect to the assets, liabilities and business of the Health Care System and all of the other Purchased Assets being acquired by Purchaser hereunder, including access to conduct Phase I environmental site assessments; provided, however, that any access to the Leased Real Property to conduct environmental diligence involving any intrusive or subsurface sampling or testing, and the scope of such access, shall be subject to the approval and agreement of the pertinent landlord. From the Execution Date through the Closing, the Sellers shall furnish Purchaser with such additional financial and operating data and other information in the Sellers' possession as to businesses and properties of the Health Care System and all of the Purchased Assets as Purchaser or its representatives may from time to time reasonably request, without regard to where such information may be located. Purchaser agrees that Purchaser's right of access and inspection shall be exercised in such a manner as not to interfere unreasonably with the operations of the Health Care System. Such access may include consultations with the personnel of the Sellers and TRACO board members, officers and directors and captive managers, agents and consultants. In order to help facilitate Purchaser's access to the individuals and information that it desires pursuant to this Section 4.1, the Parties agree that Purchaser will coordinate its access requests to any employee below the level of corporate senior vice president through Kara Ellis or such other individual as Sellers may reasonably designate from time to time by written notice to Purchaser. Purchaser may not contact any Physician or employee of the Sellers who is not designated as a Person with Knowledge of the Sellers until the earlier of (i) the date upon which Purchaser obtains the consent of Ms. Ellis or Dr. Ralph de la Torre to make such contact (which such consent shall not be unreasonably withheld, conditioned, delayed or denied) or (ii) the date that occurs five Business Days after Purchaser makes such a request for access and receives no such objection. Further, Purchaser may, at its sole cost and expense, undertake environmental, mechanical and structural surveys of the facilities within the Health Care System and the Real Property; provided, however, that any access to the Leased Real Property to conduct any intrusive or subsurface sampling or testing, and the scope of such access, shall be subject to the approval and agreement of the pertinent landlord. Purchaser agrees that, after performing any inspections, tests or surveys, Purchaser shall restore the facilities within the Health Care System and the Real Property as nearly as possible to its original condition and repair any damage to same caused by the performance of such inspections, tests, or surveys. Purchaser agrees that, prior to Purchaser's or its agents', contractors' or employees' entry onto the facilities within the Health Care System or the Real Property to perform any such inspections, tests or surveys, Purchaser shall, and shall cause its agents and contractors to, maintain levels of liability and other insurance as are considered generally acceptable in the industry for the activities to be undertaken at the locations constituting part of the Health Care System or the Real Property. Purchaser hereby assumes, and agrees to defend, indemnify and save the Sellers, their Affiliates and their representatives harmless from and against, any Proceeding (including reasonable attorneys' fees) arising from acts or omissions of Purchaser (and from the acts or omissions of Purchaser's agents, contractors or employees) in any way pertaining to any entry upon, or inspection, test or survey of, the facilities within the Health Care System or the Real Property (or any parts thereof). Purchaser's obligations under this Section 4.1 with respect to acts or omissions occurring prior to Closing, but not thereafter, shall survive Closing or termination hereunder.

Section 4.2 Refinancing. (a) Prior to the Closing Date, the Sellers shall reasonably cooperate with and reasonably assist Purchaser in connection with the arrangement of financing in the form of Indebtedness to be used after the Closing Date for working capital or other financing needs of the Health Care System that it may choose to arrange prior to the Closing Date (the "Refinancing"). Such cooperation shall include, to the extent reasonable, (i) arranging for senior officers of the Sellers to attend meetings with prospective lenders and investors in presentations, other meetings, due diligence sessions and road shows, (ii) arranging for employees and advisors of the Sellers to provide reasonable assistance with Purchaser's preparation of business projections and financing documents and any presentation materials, including any bank book, offering memorandum, rating agency presentations and other similar presentation materials, (iii) furnishing Purchaser and its financing sources with financial and other pertinent information and materials regarding the Sellers as may be reasonably requested by Purchaser, (iv) cooperating with the marketing efforts of Purchaser and its financing sources for any debt raised by Purchaser to consummate the transaction contemplated hereby, (v) the execution and delivery of any customary pledge and security documents, other definitive summary documents and other documents as may be reasonably requested by Purchaser and that will be effective as of the Closing and (vi) facilitating the pledging of collateral securing the financing and the removal of existing Liens (other than Permitted Liens) on such collateral; provided, that, such cooperation shall not require any personnel of the Sellers to devote an unreasonable amount of time to such efforts.

(b) Purchaser acknowledges and agrees that neither the Sellers nor any of their respective Affiliates shall have any responsibility for any financing that Purchaser may raise in connection with the transactions contemplated hereby, and shall not be liable or otherwise responsible for, and Purchaser shall defend, indemnify and save the Sellers, their respective Affiliates, employees, agents and contractors harmless from and against, any Proceeding (including reasonable attorneys' fees) arising from acts or omissions of Sellers, their respective Affiliates, employees, agents and contractors in any way pertaining to the Refinancing or any actions taken or statements made pursuant to Section 4.2(a), including, with respect to, any statements, assertions, facts, projections, forecasts, data or other information contained or referred to in any offering memorandum, bankers' book or other materials prepared by or on behalf of Purchaser or its Affiliates, or Purchaser's financing sources, in connection with Purchaser's possible financing activities in connection with the transactions contemplated hereby.

Section 4.3 Conduct of Business. Except as set forth in Schedule 4.3,³ on and after the Execution Date and prior to the Closing, and except as consented to in writing by Purchaser (provided, that Purchaser shall be deemed to have consented if it has not responded to a written request for approval within three Business Days after receipt thereof) or required by the Transaction Documents, each of the Sellers shall operate their business in the ordinary course consistent with past practice and with respect to the operation of the Health Care System:

(a) carry on its businesses in substantially the same manner as presently conducted and not make any material change in personnel, operations, finance,

³ Schedule to list the Sellers' right to take corrective measures with respect to CPN.

accounting policies or practices (unless Seller is required to adopt such changes under GAAP), Tax elections or Tax returns or real or personal property;

(b) maintain the Health Care System and all parts thereof and all other Purchased Assets in good operating condition and repair in a manner consistent with past practices, ordinary wear and tear excepted;

(c) perform all of its material obligations under agreements relating to or affecting the Health Care System, its operations or the Purchased Assets, including the terms and conditions of any Indebtedness and the Restricted Investments;

(d) keep in full force and effect present insurance policies or other comparable self-insurance;

(e) manage its Cash and Cash Equivalents in a manner consistent with the Investment Plan; and

(f) use commercially reasonable efforts to maintain and preserve its business organization intact, retain its present employees at the Health Care System and maintain its relationships with Physicians, suppliers, customers and others having business relationships with the Health Care System.

Section 4.4 Negative Covenants. (a) From the Execution Date until the Closing, the Sellers shall not, without the prior written consent of Purchaser (provided, that Purchaser shall be deemed to have consented if it has not responded to a written request for approval within three Business Days after receipt thereof) or except as may be required by law or the Transaction Documents take or omit to take any action, or enter into any agreement or commitment to do anything that, if taken or omitted to be taken after the Balance Sheet Date and prior to the date hereof would constitute a breach of Section 2.8 (other than the matters referred to in Sections 2.8(f), 2.8(g), and 2.8(m) as to the occurrence of which the Sellers shall provide prompt notice to Purchaser) or enter into any agreement or commitment to do anything that, if agreed or committed to after the Balance Sheet Date and prior to the date hereof would constitute a breach of Section 2.8.

(b) On the Closing Date, the business of the Sellers shall not be conducted in material violation of any material Law, ordinance or regulation of any Governmental Authority.

Section 4.5 Additional Financial Information. Within 15 calendar days following the end of each calendar month and 30 calendar days following the end of each quarter after the Execution Date and prior to Closing, the Sellers shall deliver to Purchaser complete copies of the unaudited consolidated balance sheet of the Sellers and the related unaudited consolidated statements of income and statements of cash flow in accordance with GAAP for each month then ended, together with corresponding year-to-date amounts (collectively, the "Interim Periodic Financial Statements"). Such Interim Periodic Financial Statements, when delivered, will present fairly in all material respects the results of operations of the Sellers for the respective periods covered, and the balance sheets present fairly in all material respects the

financial condition of the Sellers as of their respective dates; in each case, subject to the absence of footnotes and to normal, recurring year-end adjustments.

Section 4.6 No-Shop. From and after the Execution Date until the earlier of the Closing Date or the termination of this Agreement, the Sellers will not, and will not permit any of their Affiliates (including any members, officers, directors, employees, financial advisors, brokers, shareholders, representatives, agents or any other person acting on their behalf), without the prior written consent of Purchaser, directly or indirectly, to: (a) make an offer of any Alternative Proposal to any Person other than Purchaser; (b) solicit any Alternative Proposal from any Person other than Purchaser; (c) hold discussions with any party (other than Purchaser) relating to such an Alternative Proposal; (d) enter into any agreement, arrangement or understanding with any party (other than Purchaser) with respect to an Alternative Proposal; or (e) provide a third party with general access to their books, records or employees for the purpose of enabling such third party to conduct a purchase investigation of their legal, financial or business condition. The Sellers shall promptly (and in any event within 24 hours after receipt) notify Purchaser orally and in writing of any Alternative Proposal, or any inquiries, proposals or offers which could lead to an Alternative Proposal received by, or any request for information from or any negotiations sought to be initiated or continued with, any of the Sellers or their representatives concerning an Alternative Proposal or that would reasonably be expected to lead to an Alternative Proposal, and disclose the identity of the other party and the material terms of such inquiry, offer, proposal or request and, in the case of written materials provided to the Sellers, provide Purchaser copies of such materials as promptly as reasonably practicable. The Sellers shall keep Purchaser informed on a prompt basis of the status, terms and substance of any inquiry, offer, proposal or request concerning an Alternative Proposal.

Section 4.7 Title Matters. As soon as practicable after the Execution Date, (a) Purchaser, at its expense, shall request a preliminary binder(s) or title commitment(s) (collectively, the "Title Commitment") sufficient for the issuance of A.L.T.A. Extended Coverage Owner's Title Insurance Policy with respect to the Owned Real Property (the "Owner's Title Policy") and an A.L.T.A. Extended Coverage Leasehold Title Policy with respect to any ground lease specified in Schedule 4.7⁴ (the "Leasehold Title Policy") (the Owner's Title Policy and the Leasehold Title Policy are collectively referred to in the Transaction Documents as the "Title Policy"), issued by First American Title Insurance Company (the "Title Company"), together with true, correct and legible copies of all instruments referred to therein as conditions or exceptions to title (the "Title Instruments") and (b) the Sellers shall deliver to Purchaser a Survey for the Owned Real Property. The cost of the Title Policy and the Surveys shall be borne by Purchaser.

Section 4.8 Waiver of Bulk Sales Law Compliance. Purchaser hereby waives compliance by the Sellers with the requirements, if any, of Article 6 of the Uniform Commercial Code as in force in any state in which the Purchased Assets are located and all other similar laws applicable to bulk sales and transfers.

Section 4.9 Commercially Reasonable Efforts; Consents. (a) On the terms and subject to the conditions of the Transaction Documents, Purchaser and the Sellers shall use their

⁴ Schedule 4.7 to be delivered by the Sellers.

respective commercially reasonable efforts to cause the Closing to occur (provided that for purpose of Section 4.9, the phrase “commercially reasonable efforts” shall not be construed to require Purchaser except in its reasonable discretion to pay or commit to pay any amount to, or incur any obligation in favor of, any Person to obtain such consent or approval or to modify any agreement, except that Purchaser shall be obligated to pay all filing and other legally required fees and cost reimbursements associated with obtaining the Governmental Consents excluding any Hill-Burton repayment obligations, including taking all reasonable action necessary to: (i) obtain all Contract Consents and shall cooperate with each other and their respective representatives and attorneys in the preparation of any documents or other material which may be required to do so and (ii) obtain all Governmental Consents, including the required approval of the Massachusetts Attorney General and the DPH in connection with the transactions contemplated by the Transaction Documents, and to act as if all notification, filings, submissions, public hearings and other evidence, in such connection are required to be prepared and filed jointly by both parties even if under particular circumstances they are formally made by only one party; it being understood that the representatives of the Sellers will coordinate all appearances before, and submissions to, the Massachusetts Attorney General, unless otherwise required or requested by the Massachusetts Attorney General, and the representatives of Purchaser will coordinate all appearances before, and submissions to, the DPH, unless otherwise required or requested by the DPH. If any consent, approval, authorization, or clearances including the Medicare and Medicaid Participation Approval Documents (other than a Governmental Consent or any other consent, approval, authorization or clearance required for Closing as set forth above) is not obtained prior to the Closing Date, the Parties shall use their respective commercially reasonable efforts to obtain such consent as soon as possible after the Closing Date. In each case, the Sellers and Purchaser shall cooperate with one another in good faith in the preparation of any applications, documents or other material which may be required by any Governmental Authority or Accrediting Entity as a predicate to or result of the transactions contemplated in the Transaction Documents, and to cause its conditions to Closing set forth in Article 5 or Article 6, as applicable, to be satisfied and for the Closing to occur.

(b) As promptly as practicable, but in no event later than thirty Business Days following the execution and delivery of this Agreement, the Sellers and Purchaser shall file with the United States Federal Trade Commission and the United States Department of Justice the notification and report form, if any, required for the transactions contemplated hereby and any supplemental information requested in connection therewith pursuant to the HSR Act, which such notification and report form and supplemental information shall be in substantial compliance with the requirements of the HSR Act.

(c) Notwithstanding the foregoing or anything else in the Transaction Documents, nothing contained in the Transaction Documents shall be deemed to require Purchaser or any of Purchaser's Affiliates to (i) agree to sell, divest, dispose of or hold separate any assets or businesses, or otherwise take or commit to take any action that limits its freedom of action with respect to, or its ability to retain, one or more of its businesses, product lines or assets, or (ii) litigate, pursue or defend against any administrative or judicial action or proceeding (including any temporary restraining order or preliminary injunction) challenging any of the transactions contemplated hereby as violative of any antitrust, competition, merger control or similar Law.

(d) With respect to inpatient hospital services rendered and medicine, drugs, and supplies provided at the Acute Care Hospitals and TCU (the “Straddle Services”) with respect to patients who are admitted to the Acute Care Hospitals and/or TCU on or prior to the Closing Date but who are not discharged until on or after the Closing Date (“Straddle Patients”), the parties shall take the following actions:

(i) It is the intent of the parties that Government Reimbursement Programs not pay more for Straddle Services provided by the Sellers and Purchaser to Straddle Patients than the applicable Government Reimbursement Program(s) would otherwise have paid to the Sellers with respect to Straddle Patients if the transactions contemplated by this Agreement had not occurred. The Parties shall work with the Medicare administrative contractor, the Medicaid intermediary, and such other appropriate Government Reimbursement Program officials and agents to establish a process for billing with respect to Straddle Services and Straddle Patients that is consistent with the intent of this Section 4.9(d)(i).

(ii) The Sellers and Purchaser shall each bill third party payors (other than Government Reimbursement Programs) in accordance with applicable third party payor procedures for Straddle Services and Straddle Patients.

Section 4.10 Public Announcements. The Parties shall agree on the terms of the press release that announces the transactions contemplated by the Transaction Documents and thereafter agree to obtain the other Party’s prior written consent before issuing any press release or making any public announcement with respect to the Transaction Documents or the transactions contemplated hereby, except for any press releases or public statements the making of which are required by applicable Law in which case the other Party will be notified promptly thereafter.

Section 4.11 Confidentiality. The Parties acknowledge that the information being provided to them in connection with the transactions contemplated hereby is subject to the terms of the Confidentiality Agreement until the Closing, and hereby agree that the term of the Confidentiality Agreement shall be extended until the Closing or the termination of this Agreement by its terms; provided, that, regardless of whether the Closing occurs, the Parties acknowledge that any and all other information provided to them by the other Parties or any of their Affiliates or representatives concerning any of the Parties or any of their Affiliates shall remain subject to the terms and conditions of the Confidentiality Agreement.

Section 4.12 Notification of Actions and Proceedings. (a) From the Execution Date through the Closing Date, the Sellers shall promptly notify Purchaser in writing after becoming aware of any fact, change in condition, circumstance, Proceedings commenced or, to the Sellers’ Knowledge, threatened, involving or affecting the Sellers or the Purchased Assets which, in each case, (i) would be reasonably expected to have a Material Adverse Effect, or (ii) would reasonably be expected to cause a condition contained in Article 5 hereto to be unable to be satisfied. From the Execution Date through the Closing Date, the Sellers shall notify Purchaser in writing within ten days (or if less than 20 days prior to Closing, as promptly as practicable) of becoming aware of any fact, change in condition, circumstance, Proceedings commenced or, to the Sellers’ Knowledge, threatened, involving or affecting the Sellers or the Health Care System which, in each case, to the Sellers’ Knowledge, would cause a breach of any

representation, warranty or covenant of the Sellers contained herein or which could reasonably be anticipated to cause a breach of any of the representations, warranties or covenants of the Sellers contained herein. In addition, from the Execution Date through the Closing Date the Sellers shall give prompt notice in writing to Purchaser of any material notice or other material communication received by the Sellers from any Governmental Authority or any other third party in connection with the transactions contemplated hereby.

(b) From the Execution Date through the Closing Date, Purchaser shall notify the Sellers in writing of any fact, change in condition, circumstance, claims, actions, Proceedings, investigations or inquiries commenced or, to Purchaser's Knowledge, threatened, involving or affecting the Purchaser or any of its property or assets, or, to the Purchaser's Knowledge, which would reasonably be expected to cause a condition in Article 6 hereto to be unable to be satisfied.

(c) (i) To the extent not delivered on the Execution Date, the Sellers shall deliver the Disclosure Schedules to Purchaser within 45 days after the Execution Date (it being understood that, for purposes of determining the Sellers' compliance with its representations and warranties contained in Article 2, the Sellers shall be deemed to have delivered all such Disclosure Schedules on the Execution Date). Purchaser shall have ten Business Days upon receipt to either accept such Disclosure Schedules or deliver a notice to the Sellers (a "Deficiency Notice") specifying the deficiency of such Disclosure Schedules; provided, that if Purchaser does not deliver a Deficiency Notice within such prescribed time period, Purchaser shall be deemed to have accepted such Disclosure Schedules. If the Deficiency Notice is sent by Purchaser to the Sellers, the Parties shall discuss and the Sellers shall attempt to correct any such deficiency. If the Sellers are unable to correct such deficiency on or before the date that is 15 days following the receipt of such Deficiency Notice and such Disclosure Schedules are not reasonably satisfactory to Purchaser, then Purchaser may terminate this Agreement within three Business Days after the expiration of such 15-day period. Purchaser's failure to terminate this Agreement within three Business Days after the expiration of such 15-day period shall constitute Purchaser's deemed acceptance of such Disclosure Schedules.

(ii) The Sellers shall be permitted, after the date of the delivery of the Disclosure Schedules by the Sellers and the acceptance thereof by Purchaser pursuant to Section 4.12(c) hereof, to supplement or amend the Disclosure Schedules solely with respect to any matter occurring after the date of the last delivery of the Disclosure Schedules or supplements or amendments thereto, as applicable, permitted or required to be set forth or described in the Disclosure Schedules (it being understood that the Sellers shall be permitted to amend or supplement only the portion of the Disclosure Schedules to which such matter relates). Purchaser shall have ten Business Days upon receipt to either accept such supplement or amendment or deliver a Deficiency Notice to the Sellers; provided, that if Purchaser does not deliver a Deficiency Notice within such prescribed time period, Purchaser shall be deemed to have accepted such Disclosure Schedules. If the Deficiency Notice is sent by Purchaser to the Sellers, the Parties shall discuss and the Sellers shall attempt to correct any such deficiency. If the Sellers are unable to correct such deficiency on or before the date that is ten days following the receipt of such Deficiency Notice and such additional supplements or amendments are not individually, or (when taken together with all previous supplements or amendments) in the

aggregate, reasonably satisfactory to Purchaser, then Purchaser may terminate this Agreement within three Business Days after the expiration of such ten-day period. Purchaser's failure to terminate this Agreement within three Business Days after the expiration of such ten-day period shall constitute Purchaser's deemed acceptance of such supplement or amendment to the Disclosure Schedules.

(d) Prior to the Closing Date, the Sellers shall provide to Purchaser a copy of any material notice received by Sellers with respect to any Physician Contract promptly upon receipt thereof.

Section 4.13 Overpayments. Prior to the Closing Date, the Sellers shall have repaid in full any Overpayments (in case of any amount received from the Medicare Program or Medicaid, to the extent the Sellers have or had Knowledge that the payment exceeded the amount billed).

Section 4.14 Directors & Officers Insurance. The Sellers shall (i) maintain Directors & Officers ("D & O") insurance coverage, employment practices liability coverage and fiduciary liability coverage, with terms and limits consistent with such D & O insurance in effect on the Closing Date, for all directors and officers of the Health Care System employed at Closing for a period of six years following the Closing or (ii) obtain an extended discover or reporting period under the D & O insurance, employment practices liability insurance and fiduciary liability insurance, in effect on the Closing Date, for all directors and officers of the Health Care System employed at Closing for a period of six years following Closing. Sellers shall be solely responsible for any and all deductibles or retentions under such D & O insurance.

Section 4.15 TRACO. The Sellers shall, and shall use their commercially reasonable efforts to cause the officers, directors and employees of TRACO, to cooperate with all reasonable requests of Purchaser in the transition of TRACO ownership from the Sellers to Purchaser. Such cooperation shall include (a) providing all information and assistance that may be necessary to qualify TRACO as a United States taxpayer and make other tax elections as Purchaser identifies, (b) assisting Purchaser in evaluating TRACO's business operations and facilitating changes to such business operations, as reasonably requested by Purchaser; (c) providing responses to reasonable requests for information regarding TRACO's current and historic operations, finances, claims, management, tax posture and licensing, (d) meeting with Purchaser and with regulatory officials regarding the transfer of ownership of TRACO and (e) preparing and assisting with the preparation and filing of written materials and applications.

Section 4.16 Insurance Cooperation. To the extent permitted under the terms of the insurance policies set forth in Schedule 2.15(a), the Sellers shall assign and transfer all Sellers' rights under such policies to Purchaser and such policies shall be deemed a Purchased Asset pursuant to Section 1.2(r). If the Sellers' rights under any such insurance policy are not assignable or transferable, to the extent permitted under law and the terms of the insurance policy, from and after the Closing, Purchaser shall be entitled to obtain the benefits under the insurance policies that relate to any Purchased Asset or Assumed Liabilities. The Sellers shall, at the request and expense of Purchaser, file claims under any such insurance policies that relate to any Purchased Asset or Assumed Liabilities. The Sellers shall file any such insurance claim within ten Business Days after presentation thereof by Purchaser. The form of any such

insurance claims shall be prepared by Purchaser. Thereafter, the Sellers shall keep Purchaser informed of the status of the insurance claims and shall promptly provide Purchaser or the Health Care System with copies of any and all written communications regarding the insurance claims. After an insurance claim has been filed, the Sellers shall take no action with respect thereto or compromise or settle any insurance claim unless directed to do so by Purchaser. At the expense of Purchaser, the Sellers shall take all lawful actions in respect of insurance claims as are reasonably requested by Purchaser, including the prosecution of insurance claims against insurers providing the insurance policies, using legal counsel selected by Purchaser. From and after the Closing, Purchaser shall have the right, as the attorney-in-fact of the Sellers, to make any filing and to prosecute, settle or compromise any insurance claim under the insurance policies in the name of and on behalf of the Sellers to the extent related to the Purchased Assets. Purchaser shall indemnify or hold harmless the Sellers against any Proceeding arising from any insurance claims made by the Sellers after the Closing Date at the request of the Purchaser; provided that the Sellers shall not be in breach of their obligations under this Section 4.16. To the extent permitted under applicable Law and the terms of the insurance policies, the Sellers shall, upon making an insurance claim requested by the Purchaser under the insurance policies, notify the relevant insurer(s) that it has assigned to Purchaser any amounts to be paid by such insurer(s) pursuant to such insurance claim and that all payments of such insurance proceeds or benefits relating to such insurance claim should be paid directly to Purchaser. The Sellers shall promptly pay to Purchaser all insurance proceeds (net of previously unreimbursed expenses) received by the Sellers in respect of insurance claims under the insurance policies which requested to be made, or otherwise prosecuted, settled or compromised, by Purchaser in accordance with this Section 4.16. Notwithstanding the foregoing, nothing shall prevent the Sellers from pursuing insurance claims under their insurance policies for coverage of claims against them for matters relating to the pre-Closing operation of the Health Care System.

Section 4.17 Management Services Agreement. Prior to the date that Purchaser plans to file the DON applications, the Sellers and Purchaser shall enter into a Management Services Agreement in a form reasonably satisfactory to Purchaser.

Section 4.18 Pension Liabilities. The assumption of the liabilities of the Caritas Christi Systems Retirement Plan as set forth in Section 1.6(a)(ii) shall be subject to, on or prior to the Closing Date, Purchaser having either (i) entered into the Pension Transfer Agreement or otherwise (ii) assumed the liability of the Caritas Christi Retirement Plan with respect to the Health Care System's current and former employees (it being understood that the assumption of such liability shall be net of the value of the corresponding assets contained in the Caritas Christi Retirement Plan from time to time as such assets relate to the Health Care System's current and former employees), provided, that Purchaser shall have significant input into the selection of asset managers for the Pension Assets and the right to determine the timing of the transfer of such assets from the Plan to a plan established by Purchaser.

ARTICLE 5

CONDITIONS PRECEDENT TO OBLIGATIONS OF THE SELLERS

The Sellers' obligation to sell the Purchased Assets and to close the transactions as contemplated by the Transaction Documents shall be subject to the satisfaction of each of the

following conditions on or prior to the Closing Date unless specifically waived in writing by the Sellers in whole or in part at or prior to the Closing:

Section 5.1 Accuracy of Representations and Warranties and Compliance with Obligations. The representations and warranties of Purchaser made in this Agreement shall be true and correct, disregarding all qualifiers and exceptions relating to materiality or Material Adverse Effect, as of the date of this Agreement and as of the Closing Date as though made on and as of the Closing Date (or, if given as of a specific date, at and as of such specific date), except, in both cases, where the failures to be true and correct, individually or in the aggregate, have not resulted in and would not, individually or in the aggregate reasonably be expected to result in a material adverse effect on the ability of Purchaser to perform its obligations under this Agreement. Purchaser shall have performed in all material respects all obligations required to be performed by it under this Agreement on or prior to the Closing Date.

Section 5.2 Signing and Delivery of Instruments. Purchaser shall have executed and delivered all documents, instruments and certificates required to be executed and delivered by it pursuant to Section 1.11 of this Agreement.

Section 5.3 No Injunction. On the Closing Date, there shall be no permanent injunction, restraining order or decree of any nature of any Governmental Authority that is in effect that restrains or prohibits the consummation of the transactions contemplated hereby, and no suit shall have been instituted by a Governmental Authority seeking the same with at least a reasonable possibility of success.

Section 5.4 Competition Law. Any waiting period (and any extension thereof) under the HSR Act applicable to the transactions contemplated hereby will have expired or will have been terminated.

Section 5.5 Discharged Indebtedness. On the Closing Date, (a) all of the outstanding Indebtedness of the Sellers listed in Part A of Schedule 2.7 shall have been repaid, discharged, released or defeased and (b) all of the Indebtedness of the Sellers listed in Part B of Schedule 2.7 shall have been assigned to Purchaser or its Affiliates.

Section 5.6 Governmental Consents. (a) The assent from the Massachusetts Attorney General required to consummate the transactions contemplated by the Transaction Documents shall have been received or obtained on or prior to the Closing Date.

(b) The Governmental Consents shall have been received or obtained on or prior to the Closing Date.

(c) Purchaser, pursuant to Section 4.9, shall have completed all applications with DPH for licenses necessary or required for the delivery of the patient care services currently delivered by the Acute Care Hospitals, and, as applicable, the TCUs, the hospice programs and the PET Imaging services and any ancillary operating licenses related to the Acute Care Hospitals (and such applications shall be in a form suitable for immediate filing).

ARTICLE 6

CONDITIONS PRECEDENT TO OBLIGATIONS OF PURCHASER

Purchaser's obligation to purchase the Purchased Assets and to close the transactions contemplated by the Transaction Documents shall be subject to the satisfaction of each of the following conditions on or prior to the Closing Date unless specifically waived in writing by Purchaser in whole or in part at or prior to the Closing.

Section 6.1 Accuracy of Representations and Warranties and Compliance with Obligations. (a) The representations and warranties of the Sellers made in this Agreement (other than the Fundamental Representations) shall be true and correct, disregarding all qualifiers and exceptions relating to materiality or Material Adverse Effect, as of the date of this Agreement and as of the Closing Date as though made on and as of the Closing Date (or, if given as of a specific date, at and as of such specific date), except, in both cases, where the failures to be true and correct, individually or in the aggregate, have not resulted in and would not reasonably be expected to result in, individually or in the aggregate, a Material Adverse Effect.

(b) The Fundamental Representations shall be true and correct, as of the date of this Agreement and as of the Closing Date as though made on and as of the Closing Date (or, if given as of a specific date, at and as of such specific date).

(c) The Sellers shall have performed in all material respects all obligations required to be performed by it under this Agreement on or prior to the Closing Date.

Section 6.2 Signing and Delivery of Instruments. The Sellers shall have executed and delivered all documents, instruments and certificates required to be executed and delivered by them pursuant to Section 1.10 of this Agreement.

Section 6.3 No Injunction. On the Closing Date, there shall be no permanent injunction, restraining order or decree of any nature of any Governmental Authority that is in effect that restrains or prohibits the consummation of the transactions contemplated hereby, and no suit shall have been instituted by a Governmental Authority seeking the same with at least a reasonable possibility of success.

Section 6.4 Competition Law. Any waiting period (and any extension thereof) under the HSR Act applicable to the transactions contemplated hereby will have expired or will have been terminated.

Section 6.5 Governmental Consents. (a) The Governmental Consents shall have been received or obtained on or prior to the Closing Date, without the imposition of any condition deemed by Purchaser in its reasonable discretion to be materially burdensome.

(b) The Sellers, pursuant to Section 4.9, shall have fully cooperated in the completion of all applications with DPH for licenses necessary or required for the delivery of the patient care services currently delivered by the Acute Care Hospitals, and, as applicable, the TCUs, the PET Imaging services, the hospice program, and any ancillary operating licenses related to the Acute Care Hospitals such that Purchaser has been able to complete all such

applications (and such applications shall be in a form suitable for immediate filing), and neither Purchaser nor the Sellers shall have received any notice from DPH related to such applications which threatens or imposes any condition deemed by Purchaser in its reasonable discretion to be materially burdensome.

(c) All other material licenses, permits, approvals, registrations, certificates, accreditations and authorizations from Governmental Authorities, if any, that are required of Purchaser and are necessary or required to permit the consummation of the transactions contemplated by the Transaction Documents (except for the Medicare and Medicaid Participation Approval Documents which are governed by Section 6.5(d), DPH Determination of Need approvals which are governed by Section 6.5(a), and DPH licensure approvals which are governed by Section 6.5(b)) and the operation of the Health Care System by Purchaser after the Closing shall have been obtained without the imposition of any condition deemed by Purchaser in its reasonable discretion to be materially burdensome, or if not required as of the Closing Date, applications therefor shall have been filed or made.

(d) All necessary applications for Medicare and Medicaid certifications, provider agreements and related provider numbers (the “Medicare and Medicaid Participation Approval Documents”), with respect to each of the Provider Entities shall have been filed with and accepted by each Governmental Authority with jurisdiction or authority concerning such matters, and Purchaser shall have obtained from each such Governmental Authority assurances reasonably satisfactory to Purchaser (which may, in the sole discretion of Purchaser, include oral assurances from appropriate Governmental Authorities) that, subject to the successful completion of an applicable survey (as applicable), Purchaser will be issued Medicare and Medicaid Participation Approval Documents effective as of the Closing Date for each of the Provider Entities.

Section 6.6 DSH Applications. All necessary applications for each of the Acute Care Hospitals that currently qualifies for and receives Medicare Disproportionate Share Hospital (“DSH”) reimbursement adjustments to receive such Medicare DSH under Purchaser’s ownership from and after the Closing Date shall have been filed with and accepted by Medicare, and Purchaser shall have obtained from each of the Governmental Authorities responsible for Medicare DSH determinations assurances reasonably satisfactory to Purchaser (which may, in the sole discretion of Purchaser, include oral assurances from appropriate Governmental Authorities) that each such Acute Care Hospital will receive DSH reimbursement adjustments under Purchaser’s ownership from and after the Closing Date substantially similar to those received by the Sellers prior to the Closing Date.

Section 6.7 Title Insurance Policy. Purchaser shall have received the fully effective Title Policy issued to Purchaser by the Title Company covering the Owned Real Property and any ground lease specified in Schedule 4.7 in the amount of the full insurable value of the Owned Real Property and any such ground lease, respectively, and which is reasonably satisfactory to Purchaser in all respects. The Title Policy shall show fee simple title to the Owned Real Property vested in Purchaser and valid leasehold title to the Leased Real Property which is subject to any ground lease specified in Schedule 4.7, subject only to: (a) current real estate taxes not yet due and payable; and (b) Permitted Liens. The Title Policy shall have all standard and general exceptions deleted so as to afford full “extended form coverage.”

Section 6.8 No Material Adverse Effect. No event, occurrence or development shall have occurred since the date of this Agreement and be continuing that has had or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 6.9 Required Contract Consents. The Contract Consents set forth in Schedule 6.9⁵ shall have been received or obtained on or prior to the Closing Date without the imposition of any conditions deemed by Purchaser in its reasonable judgment to be materially burdensome.

Section 6.10 Employment Agreements. Purchaser shall have executed employment agreements with each of the Senior Executive Officers in form and substance reasonably satisfactory to Purchaser.

Section 6.11 Target Cash and Cash Equivalents. On the Closing Date, Cash and Cash Equivalents shall be equal to or greater than the Target Cash and Cash Equivalents; provided, that in the event that Cash and Cash Equivalents are less than the Target Cash and Cash Equivalents, the Sellers shall have the right, at their election, to cure, or cause the cure of such deficit within three Business Days of the proposed Closing Date, in which case the condition set forth in this Section 6.11 shall be deemed to be satisfied.

Section 6.12 Discharged Indebtedness. On the Closing Date, (a) all of the outstanding Indebtedness of the Sellers listed in Part A of Schedule 2.7 shall have been repaid, discharged, released or defeased and (b) all of the Indebtedness of the Sellers listed in Part B of Schedule 2.7 shall have been assigned to Purchaser or its Affiliates.

Section 6.13 Qualifying Physician Contracts. At Closing, no less than 401 employed Physicians will be parties to Qualifying Physician Contracts, with the Physician parties to such Contracts having consented in writing to the assignment thereof to Purchaser, to the extent such consent is required.

Section 6.14 Interim Performance. (a) The Revenue of the Health Care System during the period from the Balance Sheet Date through the last day of the month preceding the month in which the Closing occurs (the “Interim Period”) shall be no more than 10% below the amount budgeted for the Interim Period in the 2010 Budget and, if applicable, the 2011 Budget, provided that the test in this clause (a) shall be failed only if, in addition, the EBITDA for the Interim Period shall be more than 7.5% below the amount so budgeted for the Interim Period; (b) the EBITDA for the Interim Period shall be no more than 10% below the amount so budgeted for the Interim Period in the 2010 Budget and, if applicable, the 2011 Budget; (c) the Revenue of the Health Care System during the six-month period ending on the last day of the month preceding the month in which the Closing occurs shall be no more than 12% below the amount budgeted for such six-month period in the 2010 Budget and, if applicable, the 2011 Budget, provided that the test in this clause (c) shall be failed only if, in addition, the EBITDA for such six-month period shall be more than 9.5% below the amount so budgeted for such six-month period; and (d)

⁵ Schedule 6.9 to list Blue Cross, Mass Health, Tufts, Harvard Pilgrim, United Health Care, Senior Whole Health and USFHP/Brighton Marine (which shall include Brighton Marine and any consent of any Governmental Authority whose consent is necessary to assign the USFHP/Brighton Marine contract).

the EBITDA for such six-month period shall be no more than 12% below the amount so budgeted for such six-month period. For purposes of this Section 6.14, EBITDA shall be calculated excluding (i) any prior period adjustments in excess of those provided for in the 2010 Budget and (ii) in respect of Renewal Physician Network losses, (A) up to \$8 million (or such lesser amount equal to the product of number of months elapsed during the Interim Period, multiplied by \$666,666) for the portion of the Interim Period from the Balance Sheet Date through September 30, 2010 and (B) up to \$6 million for the applicable six-month period.

Section 6.15 No Material Reduction in Government Reimbursement Programs. Since the Execution Date there shall have been no material reductions in any of the Government Reimbursement Programs as a result of governmental action, and on the Closing Date, there shall have been no prospective material reductions enacted or imposed with respect to any of the Government Reimbursement Programs as a result of final legislative or regulatory action by the federal government or by the Massachusetts state government.

Section 6.16 Blue Cross Blue Shield of Massachusetts. With respect to the memorandum of understanding (the “MOU”), effective August 1, 2009, by and among Blue Cross and Blue Shield of Massachusetts Inc. and Blue Cross and Blue Shield of Massachusetts HMO Blue Inc. (collectively, “BCBS”) and the Sellers, (i) the Sellers shall have entered into a Successor Agreement (defined herein as such term is defined in the MOU) that is on terms and conditions consistent with the MOU, or if the Sellers have not entered into a Successor Agreement by Closing, then (x) BCBS shall have acknowledged in writing in a form reasonably satisfactory to Purchaser that the MOU is valid and binding and that BCBS will continue the relationship contemplated by the MOU with the Purchaser for the full term that would be applicable under the Successor Agreement if it were executed and (y) BCBS and the Sellers shall be operating substantially in accordance with the terms and conditions set forth in the MOU with no substantial change in reimbursement as specified in the MOU; (ii) Purchaser shall be reasonably satisfied that the Sellers have satisfied the requirement of paragraph (N)(iii)(g) of the MOU that plan business entity numbers be rectified in the instances in which Physicians who are members of an IPA share a plan business entity number with Physicians who are not members of an IPA, (iii) Purchaser shall be reasonably satisfied that the participating provider agreements executed by Physicians who are members of an IPA and on behalf of whom the Sellers executed the MOU satisfy the requirements of paragraph (N)(xiv) of the MOU, and (iv) if the Successor Agreement has been signed, BCBS shall have consented to the assignment to Purchaser of the rights of Sellers under and with respect to the Successor Agreement.

ARTICLE 7

TERMINATION

Section 7.1 Termination. This Agreement may be terminated at any time prior to Closing as follows:

- (a) by the mutual written consent of the Parties;
- (b) (i) by Purchaser, if Closing has not occurred by the nine-month anniversary of the Execution Date (the “Outside Date”); provided, that during the thirty day

period prior to the Outside Date either Purchaser or the Sellers shall have the right to extend the Outside Date for a period of up to three months (the “Initial Extended Outside Date”), and in addition, during the thirty day period prior to the Initial Extended Outside Date Purchaser shall have the right to extend the Initial Extended Outside Date for a further period of up to three months (the date upon which such further extended period is scheduled to expire, the “Second Extended Outside Date”) in each case so long as the Party so extending is not then in breach of any of its representations, warranties, covenants or agreements contained in this Agreement to an extent which would give the other Party the right not to close pursuant to Article 5 or Article 6, as the case may be; (ii) by Purchaser, if the Closing has not occurred by the Initial Extended Outside Date, so long as Purchaser is not then in breach of any of its representations, warranties, covenants or agreements contained in this Agreement to an extent which would give the Sellers the right not to close pursuant to Article 5; and (iii) by Purchaser or the Sellers, if the Closing has not occurred by the Second Extended Outside Date, so long as the terminating Party is not then in breach of any of its representations, warranties, covenants or agreements contained in this Agreement to the extent that would give the other Party the right not to close pursuant to Article 5 or Article 6, as the case may be. For purposes of this Section 7.1, upon such time, if at all, that the Outside Date or the Initial Extended Outside Date is extended as permitted by the terms of this Section 7.1(b), the termination rights associated with the date which was so extended shall thereby cease, it being understood that the termination rights contained in this Section 7.1, if any, associated with the newly extended date shall then be in force and effect;

(c) by the Sellers if any event, fact or condition shall occur or exist that shall have made it impossible to satisfy any condition to Closing set forth in Article 5 (other than Section 5.5 if the Sellers have breached their obligations in Section 4.9 to use their commercially reasonable efforts to cause Section 5.5 to be satisfied) by the Outside Date or if applicable, the Initial Extended Outside Date or the Second Extended Outside Date, and, if curable, such event, fact or condition shall not have been cured within 15 calendar days after the Sellers provide Purchaser with written notice of the occurrence or existence of such event, fact or condition; provided that the Sellers shall not have the right to terminate this Agreement pursuant to this Section 7.1(c) if the Sellers are then in breach of any of their representations, warranties, covenants or agreements contained in this Agreement to an extent which would give Purchaser the right not to close pursuant to Article 6;

(d) by Purchaser if any event, fact or condition shall occur or exist that shall have made it impossible to satisfy any condition to Closing set forth in Article 6 (other than by reason of Purchaser’s failure to make the capital contribution required by Section 1.6(b)) by the Outside Date or if applicable, the Initial Extended Outside Date or the Second Extended Outside Date, and, if curable, such event, fact or condition shall not have been cured within 15 calendar days after Purchaser provides the Sellers with notice of the occurrence or existence of such event, fact or condition; provided that Purchaser shall not have the right to terminate this Agreement pursuant to this Section 7.1(d) if Purchaser is then in breach of any of its representations, warranties, covenants or agreements contained in this Agreement to an extent which would give the Sellers the right not to close pursuant to Article 5; or

(e) (i) by Purchaser as provided in Section 1.13, (ii) by Purchaser as provided in Section 4.12(c) or (iii) by any Party upon payment of the amount required to be paid under (A) Section 7.3 or (B) Section 7.4(a).

Section 7.2 Termination Consequences. If this Agreement is terminated pursuant to Section 7.1, (i) all further obligations of the Parties under this Agreement shall terminate, except that the obligations in this Section 7.2, Sections 4.11 (Confidentiality), 7.3 (Seller Termination Fees), 7.4 (Purchaser Termination Fees), 11.4 (Governing Law), 11.8 (Confidentiality and Publicity), and 11.10 (Expenses and Attorneys' Fees) shall survive and (ii) each Party shall pay the fees, costs and expenses incurred by it in connection with this Agreement, except as provided in Sections 7.3, 7.4 and 11.10.

Section 7.3 Seller Termination Fees. On or prior to the Outside Date, or if applicable, the Initial Extended Outside Date or the Second Extended Outside Date, if (i) Purchaser refuses to consummate the transactions contemplated by the Transaction Documents despite the satisfaction of each of the conditions set forth in Article 6, and (ii) the Sellers are not then in breach of any of their representations, warranties, covenants or agreements contained in this Agreement to an extent which would give Purchaser the right not to close pursuant to Article 6, then Purchaser shall pay to the Sellers promptly (but in any event no later than five Business Days after notification of such refusal) an amount equal to \$50,000,000 as liquidated damages (it being understood that in no event shall Purchaser be required to pay such amount on more than one occasion).

Section 7.4 Purchaser Termination Fees.

(a) On or prior to the Outside Date, or if applicable, the Initial Extended Outside Date or the Second Extended Outside Date, if (i) the Sellers refuse to consummate the transactions contemplated by the Transaction Documents despite the satisfaction of the conditions set forth in Article 5 (other than Section 5.5 if the Sellers have breached their obligations in Section 4.9 to use their commercially reasonable efforts to cause Section 5.5 to be satisfied), (ii) Purchaser is not then in breach of any of its representations, warranties, covenants or agreements contained in this Agreement to an extent which would give the Sellers the right not to close pursuant to Article 5; and (iii) Purchaser has elected not to seek specific enforcement and injunctive relief in accordance with Section 11.12 to require the Sellers to consummate the transactions, then the Sellers shall, jointly and severally, pay to Purchaser promptly (but in any event no later than five Business Days after such termination) an amount equal to \$50,000,000 as liquidated damages (it being understood that in no event shall the Sellers be required to pay such amount under this Section 7.4(a) on more than one occasion).

(b) If this Agreement is terminated by Purchaser pursuant to Section 7.1(d) as a result of:

(i) a failure of the Sellers to deliver the opinion required by Section 1.10(h); or

(ii) any breach by the Sellers of any of their representations, warranties, covenants or agreements contained in this Agreement to an extent which would give Purchaser the right not to close pursuant to Article 6,

then (x) the Sellers shall, jointly and severally, pay to Purchaser promptly (but in any event no later than five Business Days after such termination) an amount

equal to \$8,000,000 in liquidated damages (it being understood that in no event shall the Sellers be required to pay such amount under this Section 7.4(b) on more than one occasion) and (y) the Sellers shall, jointly and severally, reimburse Purchaser for its Purchaser-Related Expenses within five Business Days after the Sellers' receipt of supporting documentation for the Purchaser-Related Expenses.

(c) (i) If this Agreement is terminated by (A) Purchaser pursuant to Section 7.1(d) as a result of a breach by the Sellers of any of their representations, warranties, covenants or agreements contained in this Agreement to an extent which would give Purchaser the right not to close pursuant to Article 6 or (B) any Party pursuant to Sections 7.1(b), 7.1(c) or 7.1(d) as a result of a failure of the Sellers to deliver the opinion required by Section 1.10(h) or the denial of consent, assent or acceptance of the Massachusetts Attorney General, the DPH, CMS or, if required, HHS), and (ii) within eighteen months after such termination any Alternative Proposal is consummated with a party other than a not-for-profit entity, then (x) the Sellers shall pay to Purchaser concurrently with the consummation of such Alternative Proposal an amount equal to \$24,000,000 as liquidated damages less the amount paid, if any, under Section 7.4(b)(x) (it being understood that in no event shall the Sellers be required to pay such amount under this Section 7.4(c) on more than one occasion) and (y) the Sellers shall, jointly and severally, reimburse Purchaser for any Purchaser-Related Expenses not previously paid by the Sellers within five Business Days after the Sellers' receipt of supporting documentation for the Purchaser-Related Expenses.

Section 7.5 Sole and Exclusive Remedies. (a) Each of Purchaser and the Sellers acknowledges that the agreements contained in Sections 7.3, 7.4 and 11.10 are an integral part of the transactions contemplated by the Transaction Documents. In the event that Purchaser or the Sellers, as the case may be, shall fail to pay the amounts required under Sections 7.3, 7.4 and 11.10, as applicable, and, in order to obtain such payment, the other party commences a suit that results in a judgment against the Purchaser or the Sellers, as applicable, for the amounts set forth in Sections 7.3, 7.4 and 11.10, then Purchaser or the Sellers, as applicable, shall pay to the prevailing party its costs and expenses (including reasonable attorneys' fees and expenses) in connection with such suit, together with interest on such unpaid fees, commencing on the date that such fees became due, at a rate equal to the rate of interest publicly announced by Citibank N.A., from time to time, in The City of New York, as such bank's Prime Rate plus 1.00%.

(b) Subject to Section 11.10(b), the parties agree that the payments provided for in Section 7.3 shall be the sole and exclusive remedies, at law or in equity, or otherwise, of the Sellers against Purchaser or any of its respective former, current or future general or limited partners, shareholders, managers, members, directors, officers, employees or Affiliates or their representatives for any loss suffered as a result of the failure of the transactions contemplated by the Transaction Documents to be consummated.

(c) The parties agree that, in the event Purchaser does not seek remedies under Section 11.12 for specific performance, the payments provided for in Section 7.4 and Section 11.10(b) in the event sought by Purchaser shall, to the extent applicable, be the sole and exclusive remedies, at law or in equity, or otherwise, of Purchaser and its Affiliates against the Sellers or any of their respective former, current or future members, directors, officers, employees or Affiliates or their representatives for any loss suffered as a result of the failure of

the transactions contemplated by the Transaction Documents to be consummated; it being understood that if specific performance is sought by Purchaser under Section 11.12 and is denied or such proceeding is terminated, in each case for any reason whatsoever, it shall be without prejudice to the remedies set forth in Section 7.4.

ARTICLE 8

POST-CLOSING MATTERS

Section 8.1 Misdirected Payments. After the Closing, the Sellers shall remit to Purchaser with reasonable promptness and no later than five Business Days after receipt of any monies or other assets received by the Sellers constituting or in respect of the Purchased Assets and Assumed Liabilities, and Purchaser shall remit to the Sellers with reasonable promptness and no later than five Business Days after receipt of any monies or other assets received by Purchaser constituting or in respect of the Excluded Assets and Excluded Liabilities. If any Person determines that funds previously paid or credited to the Sellers or any of their Subsidiaries in respect of services rendered prior to the Closing Date have resulted in an overpayment or must be repaid, the Sellers shall be responsible for the repayment of said monies (and the defense of such actions). If Purchaser suffers any deduction to or offset against amounts due to Purchaser of funds previously paid or credited to the Sellers or any of their Subsidiaries in respect of the services rendered prior to the Closing Date, the Sellers shall immediately pay to Purchaser the amounts so billed or offset upon written demand.

Section 8.2 Medical Staff Funds. The Sellers and Purchaser acknowledge that (a) the Medical Staff at the Acute Care Hospitals have deposited funds (the "Medical Staff Funds") into one or more bank accounts (which accounts are in the name of the Medical Staff) in which the chief of the Medical Staff has signatory authority, (b) the Sellers do not have any ownership or control of the Medical Staff Funds and (c) Purchaser shall not, as a result of the consummation of the transactions contemplated by this Agreement, have any ownership or control of the Medical Staff Funds. To the extent any employee of the Sellers is listed as an authorized signatory to make withdrawals from such account, the Sellers shall cooperate with Purchaser and the duly authorized members of the Medical Staff at the Acute Care Hospitals in order to remove such signatories from such account concurrent with, or as soon as practicable after the Closing Date. The Sellers shall cooperate with Purchaser to effectuate any changes in the accounts in which the Medical Staff Funds are deposited so that all Medical Staff Funds shall inure to the benefit of the Medical Staff of Purchaser.

Section 8.3 Collection of Pre-Closing Receipts and Special Account. Purchaser shall, as agent for and in the name of the Sellers and on their behalf, submit and process claims for payment to Medicare, Medicaid, and, to the extent that only the Seller is permitted to directly receive payment, and any other Government Reimbursement Programs ("Governmental Payors") for services provided by the Health Care System prior to the Closing Date. All of the payments with respect to such claims shall continue to be deposited into the Seller's bank accounts listed in Schedule 8.3 (the "Special Account Banks") under the exclusive domain and control of the Sellers (the "Special Account"). The Sellers shall, however, effective as of the Closing Date, enter into and maintain a Depository Agreement with the Special Account Banks addressing the Special Account in the form reasonably satisfactory to Purchaser

(“Depository Agreement”) or in such other form as is acceptable to the Special Account Banks, Purchaser and the Sellers, which in any event shall include provisions that: (a) provide for the daily sweep of funds from the Special Accounts into the bank account or accounts designated by Purchaser (the “Purchaser Account”); (b) provide for the immediate notification by the Special Account Banks to Purchaser in the event that the Sellers terminate or modify any instructions to the Special Account Banks or the Depository Agreement; and (c) are otherwise consistent with the terms of this Agreement and any other agreement between Purchaser and the Sellers with respect to the Special Account, but which shall in no event contravene a Governmental Payor’s restrictions on the Sellers’ assignment or reassignment of payments from the Governmental Payor; provided that in the event that such provisions would contravene such restrictions, the Parties shall, to the extent the provisions thereof are permitted by and consistent with applicable Law, use their reasonable commercial efforts to amend this Section 8.3 to restore the Parties to the equivalent economic position that they would have been in if such restriction did not exist. After the Closing Date, the Sellers shall not: (i) take any actions that interfere with the transfer of funds from the Special Account to the Purchaser Account as provided in this Section 8.3 and in the Depository Agreement; (ii) remove, withdraw or authorize the removal or withdrawal of any funds from the Special Account for any purpose except to accomplish the transfer of funds provided in this Section 8.3 or in the Depository Agreement; (iii) instruct any Governmental Payor to make payments to any account or location other than the Special Account; or (iv) take any other actions contrary to the terms of this Section 8.3; and the Sellers acknowledge and agree that any such actions will, notwithstanding the Sellers’ ultimate control over the Special Account, constitute a material breach of the Sellers’ covenants in favor of Purchaser hereunder.

Section 8.4 Preservation and Access to Records. (a) From the Closing Date until such time as Seller would have been permitted, under applicable Law, to dispose of such records (the “Document Retention Period”), Purchaser shall keep and preserve in paper, digital or electronic form, as legally permitted, all medical records, patient records, medical staff records and other books and records which are among the Purchased Assets as of the Closing Date, but excluding any records which are among the Excluded Assets. Purchaser will afford to the representatives of the Sellers, including its counsel and accountants, full and complete access to, and copies of, such records with respect to time periods prior to the Closing Date (including access to records of patients treated at the facilities within the Health Care System prior to the Closing Date) during normal business hours after the Closing Date, to the extent reasonably needed by the Sellers or the Sellers’ Affiliates for business purposes. Purchaser acknowledges that, as a result of entering into the Transaction Documents and operating the Health Care System, it will gain access to patient records and other information which are subject to rules and regulations concerning the privacy, security, and maintenance of such records and information. Purchaser shall abide by any such rules and regulations relating to the confidential information it acquires as they apply to Purchaser or, as applicable, as they would have applied to Sellers. Purchaser shall maintain the patient and medical staff records at the facilities within the Health Care System in accordance with applicable Law and the requirements of relevant insurance carriers. After the expiration of the Document Retention Period, if Purchaser intends to destroy or otherwise dispose of any of the documents described in this Section 8.4(a), Purchaser shall provide written notice to the Sellers’ Representative of Purchaser’s intention no later than ninety calendar days prior to the date of such intended destruction or disposal. The Sellers shall have the right, at their sole cost, to take possession of such documents during such ninety calendar day period. If the Sellers do not take possession of such documents during such ninety calendar day

period, Purchaser shall be free to destroy or otherwise dispose of such documentation upon the expiration of such ninety calendar day period.

(b) Purchaser shall give its commercially reasonable cooperation to the Sellers, the Sellers' Affiliates and their insurance carriers in respect of the defense of claims by third parties against the Sellers or any Affiliates of the Sellers, in respect of events occurring prior to the Closing Date with respect to the operation of the Health Care System. Such cooperation shall include making the Hired Employees available at reasonable times for interviews, depositions, hearings and trials. Such cooperation shall also include making all of its employees available to assist in the securing and giving of evidence and in obtaining the presence and cooperation of witnesses (all of which shall be done without payment of any fees or expenses to Purchaser or to such employees). In addition, the Sellers and the Sellers' Affiliates shall be entitled to remove from the facilities within the Health Care System originals of any such records, but only for purposes of pending litigation involving the persons to whom such records refer, as certified in writing prior to removal by counsel retained by the Sellers or any of the Sellers' Affiliates in connection with such litigation. Any records so removed from the facilities within the Health Care System shall be promptly returned to Purchaser following the Sellers' or their applicable Affiliate's use of such records. Purchaser shall be entitled to require that such records be copied for Purchaser prior to their removal at the Sellers' cost.

(c) In connection with (i) the transition of ownership and operation of the Health Care System to Purchaser pursuant to the transaction contemplated by the Transaction Documents, (ii) the Sellers' rights to the Excluded Assets and (iii) the Sellers' obligations under the Excluded Liabilities, Purchaser shall after the Closing Date give the Sellers, the Sellers' Affiliates, the Sellers' Representative and their respective representatives access during normal business hours to Purchaser's books, accounts and records and all other relevant documents and information with respect to the assets, liabilities and business of the Health Care System as representatives of the Sellers, the Sellers' Affiliates and the Sellers' Representative may from time to time reasonably request, all in such manner as not to unreasonably interfere with the operations of the Health Care System. The confidentiality obligations of Section 4.11 applicable to Purchaser shall apply to the Sellers with respect to its access to and use of Purchaser's books and records pursuant to this Section 8.4(c), except that such obligations do not expire at Closing.

(d) Purchaser and its representatives shall be given access by the Sellers during normal business hours to the extent reasonably needed by Purchaser for business purposes to all documents, records, correspondence, work papers and other documents retained by the Sellers pertaining to any of the Purchased Assets or with respect to the operation of the Hospital prior to the Closing Date, all in such manner as to not interfere unreasonably with the Sellers' business.

Section 8.5 Provision of Benefits of Certain Contracts. If, as of the Closing Date, the Sellers have not obtained a required consent to the assignment of a Material Contract to Purchaser which is intended to be assumed by Purchaser as an Assumed Liability, or Purchaser is unable to enter into a new third party contract with respect to such Material Contract, until such consent is obtained or a new third party contract is obtained, to the extent allowed by applicable Law, the Sellers shall use reasonable commercial efforts to provide Purchaser the benefits of such Material Contract and cooperate in any reasonable and lawful arrangement designed to

provide such benefits to Purchaser. To the extent allowed by applicable Law, Purchaser shall use reasonable commercial efforts to perform, on behalf of the Sellers, the obligations of the Sellers under such Material Contract or in connection therewith, but only to the extent that such action would not result in a material default under the applicable Material Contract and such obligation would have been an obligation of Purchaser had it received consent to the assignment of such Material Contract or had entered into a new third party contract on substantially similar terms as the applicable Material Contract.

Section 8.6 Employee Matters. (a) As of the Closing Date, Purchaser shall offer employment to all employees of the Sellers (i) who are not Physicians and (ii) who are Physicians that are parties to Qualifying Physician Contracts, at the facilities within the Health Care System at positions, salaries and wages consistent with the position, salaries and wages of each such employee immediately prior to the Closing Date. For purposes of this Section 8.6, any person on short-term disability, vacation or leave of absence with a definite date of return shall be considered offered employment as set forth in this section; but, subject in all respects to applicable Law governing protected forms of leave from employment, any person on long-term disability, layoff or on a leave of absence with no prior agreement or understanding to return to employment with the Sellers at the end of such disability, layoff or leave shall not be considered offered employment.

(b) For a period of at least 12 months following the Closing Date, Purchaser shall provide Hired Employees with employee benefits that are substantially similar, in the aggregate, to those employee benefits (other than the benefits under the Sellers' SERP) provided to such Employees, in the aggregate, immediately prior to the Closing Date. Immediately prior to the Closing Date, the Sellers shall terminate the Seller's "SERP." Following the Closing Date, the Purchaser shall establish a long term incentive plan that provides the participants in the Seller's SERP with benefits that are substantially similar to the benefits received under the Seller's SERP, including a payment at Closing, with the form and value of such benefits to be determined by the Purchaser in its sole discretion.

(c) Purchaser shall give Hired Employees full credit (and for purpose of accrual, under Purchaser's vacation policy) for purposes of eligibility and vesting under the employee benefits plans or arrangements maintained by Purchaser in which such Hired Employees participate for such Hired Employees' service with the Sellers or their Affiliates or predecessors to the same extent recognized by the Sellers under comparable employee benefit plans immediately prior to the Closing Date. With respect to any welfare benefit plans maintained by Purchaser for the benefit of Hired Employees on or after the Closing Date, Purchaser shall (i) cause there to be waived any eligibility requirements or pre-existing condition limitations to the same extent waived under comparable plans of the Sellers and (ii) give effect, in determining any deductible maximum out-of-pocket limitations, the amount paid by such Employees with respect to comparable plans maintained by the Sellers.

(d) Immediately prior to the Closing Date, the Sellers shall terminate the Renewal Systems Section 457(b) Deferred Compensation Plan (the "457(b) Plan") and the Sellers shall distribute, as soon as practicable following the Closing Date, to each participant in the 457(b) Plan an amount equal to the Account (as defined in the 457(b) Plan) of such

participant. The Sellers shall take all actions necessary to effectuate the foregoing. The Seller shall retain all liabilities under and related to the 457(b) Plan.

(e) Immediately prior to the Closing Date, the Sellers shall terminate the Caritas Christi Retirement Savings Plan and the Caritas Good Samaritan Medical Center Employee Retirement Partnership Plan (Savings Component) (collectively, the “403(b) Plans”) and the Sellers shall distribute, as soon as practicable following the Closing Date, to each participant in such plan an amount equal to the such participant’s full account balance (whether vested or unvested) in such plan. The Sellers shall take all actions necessary to effectuate the foregoing. The Sellers shall retain all liabilities under and related to the 403(b) Plans. Purchaser shall allow Hired Employees with account balances in the 403(b) Plans to rollover their account balances (including outstanding loans) into a defined contribution plan established by the Purchaser.

(f) Purchaser agrees that upon the Closing Date, Purchaser shall recognize each union that is a party to an unexpired collective bargaining agreement with any Seller as the sole and exclusive representative of the bargaining units covered by such collective bargaining agreement. In addition, upon the Closing Date, Purchaser agrees to be bound by the terms of each such collective bargaining agreement. The Parties understand and agree that no Seller shall be a guarantor of the assumption of any such collective bargaining agreement by Purchaser and that no Seller shall be liable for any noncompliance by Purchaser of any such collective bargaining agreement which the Sellers have provided to Purchaser prior to the Closing Date. The Parties agree that nothing herein shall operate to impose any such collective bargaining agreement on any employees not includable as a matter of law in the bargaining unit described in each such collective bargaining agreement.

(g) Nothing herein expressed or implied is intended to confer on any person other than the parties hereto or their respective successors and assigns any rights, remedies, obligations or liabilities under or by reason of this Section 8.6.

Section 8.7 Local Governing Board. As soon as reasonably practicable after the Closing Date (but no later than the time period required by applicable Law), Purchaser shall form a local governing board at each of the facilities within the Health Care System comprised of medical staff members, community leaders and each Hospital’s Chief Executive Officer. The local governing board shall be subject to the authority of Purchaser’s board of directors and the terms of Purchaser’s certificate of formation and operating agreement and, subject to such authority, in accordance with 105 CMR 100.602(A), shall be responsible for the following decisions: (1) approval of borrowings in excess of \$500,000; (2) additions or conversions which constitute substantial changes in service; (3) approval of capital and operating budgets; and (4) approval of the filing of an application for Determination of Need.

Section 8.8 Capital Expenditures. (a) From the Closing Date until the fourth anniversary of the Closing Date, Purchaser shall cause the Health Care System to spend or commit to spend no less than \$400 million in connection with any expenditures made to promote the financial health, well being and/or growth of the Health Care System, including amounts that would qualify as capital expenditures by the Health Care System under GAAP.

(b) To the extent that, by such fourth anniversary, Purchaser has failed to cause the Health Care System to spend or commit to spend no less than \$400 million as provided in Section 8.8(a), Purchaser shall cause the Health Care System to contribute such shortfall to a charitable foundation designated by the Massachusetts Attorney General. The Massachusetts Attorney General shall be a third party beneficiary solely for the purpose of this Section 8.8(b), and shall have the authority to enforce this Section 8.8(b).

Section 8.9 Community Benefit and Prior Owner Obligations. On and after the Closing Date, Purchaser shall assume the obligations to operate the applicable facilities within the Health Care System in accordance with the terms set forth in Schedule 8.9, which Schedule shall include commitments which benefit the community and promote the delivery of quality pastoral care for patients, families, professionals and employees of all faith groups consistent with the Acute Care Hospitals' status as Catholic faith based health care organizations.

Section 8.10 Indigent and Low Income Care. From and after the Closing Date, with respect to the operation of the Health Care System, Purchaser shall adhere to and comply with the then existing policies of the Sellers regarding indigent and charity care, as set forth in Schedule 8.10.

Section 8.11 No Initial Public Offering; Sale. From the Closing Date until the third year anniversary of the Closing Date, Purchaser agrees not to engage, directly or indirectly, in any Fundamental Transaction.

Section 8.12 No Closure. From the Closing Date until the third year anniversary of the Closing Date, Purchaser agrees not to close any of the Acute Care Hospitals or limit their general purpose.

Section 8.13 Entity Names No later than 15 Business Days following the Closing, each Seller shall, and shall cause its Affiliates to, file amendments with the appropriate Governmental Authorities changing its corporate name, "doing business as" name, trade name, and any other similar corporate identifier (each, an "Entity Name") to an Entity Name that does not include any of the name "Caritas Christi," the names of each of the Sellers, all variants thereof and all common law trademark rights associated therewith transferred to Purchaser as Purchased Assets.

Section 8.14 Licensure Applications. Purchaser shall file all licensure applications prepared in accordance with Section 4.9(a) (the completeness of which are conditions to closing under Section 5.6(c) and Section 6.5(b)) within the applicable deadlines under DPH statutes, rules and regulations.

Section 8.15 Named Portion of Acute Care Hospitals. Purchaser acknowledges that (a) certain portions, departments and/or wings of the Acute Care Hospitals may be referred to by the name or names of individuals or entities, including, without limitation, names of individuals who previously made donations to the Acute Care Hospitals or for whom dedications were otherwise made to honor certain individuals (the "Named Portions of the Hospitals") and (b) certain plaques or other signs may be located at the Acute Care Hospitals which evidence any such names and/or dedications. After the Closing Date, Purchaser shall keep in place any such

Named Portions of the Hospitals and any such plaques or other signs until the earlier of such time that (x) it no longer operates the applicable Acute Care Hospital or (y) the Sellers were no longer required to comply with such obligations; provided, that in no such event shall Purchaser's obligations exceed the obligations of the Sellers with respect thereto.

ARTICLE 9

TAX AND COST REPORT MATTERS

Section 9.1 Tax Matters; Allocation of Purchase Consideration. (a) After the Closing Date, the Parties shall cooperate fully with each other and shall make available to each other, as reasonably requested, all information, records or documents relating to Tax liabilities or potential Tax liabilities and shall preserve all such information, records and documents at least until the expiration of any applicable statute of limitations or extensions thereof. The Parties shall also make available to each other as reasonably required, and at the reasonable cost of the requesting Party (for out-of-pocket costs and expenses only), personnel responsible for preparing or maintaining information, records and documents in connection with Tax matters.

(b) As soon as practicable after the Closing, Purchaser will provide Seller a schedule (the "Allocation Schedule") allocating the Purchase Consideration among the Purchased Assets. The Allocation Schedule will be subject to the reasonable approval of the Sellers if such Allocation Schedule would have a material adverse effect on the Sellers; provided, that the Sellers shall be deemed to have consented if they have not responded to a written request for approval within 15 days after receipt thereof. Subject to the preceding sentence, the parties (i) shall be bound by the Allocation Schedule for purposes of accounting for and reporting the purchase and sale of the Purchased Assets for federal and state tax purposes, (ii) shall prepare and file all Tax Returns and reports to be filed with any governmental authority, including Internal Revenue Service Form 8594, if necessary, in a manner consistent with the Allocation Schedule and (iii) shall take no position inconsistent with the Allocation Schedule on any Tax return, any discussion with or proceeding before any tax authority or otherwise.

Section 9.2 Cost Report Matters. (a) The Sellers shall prepare and timely file all Cost Reports relating to the periods ending on or immediately prior to the Closing Date or required as a result of the consummation of the transactions described in this Agreement, including those relating to Medicare, Medicaid and other third party payors that settle on a Cost Report basis (the "Seller Cost Reports"). Purchaser shall forward to the Sellers any and all correspondence relating to the Seller Cost Reports or rights to settlements and retroactive adjustments on Seller Cost Reports ("Agency Settlements") within five Business Days after receipt by Purchaser. Purchaser shall not reply to any such correspondence without the Sellers' written approval, except as required by applicable Law. Purchaser shall remit any receipts relating to the Seller Cost Reports or the Agency Settlements within five Business Days after receipt by Purchaser and will forward any demand for payments within five Business Days. Purchaser (and its successors-in-interest, assigns and Affiliates) shall have neither the right to offset amounts payable to the Sellers under this Section 9.2 against, nor the right to contest its obligation to transfer, assign and convey to the Sellers because of, outstanding claims, liabilities or obligations asserted by Purchaser against the Sellers. The Sellers shall retain all rights to the Seller Cost Reports including any payables resulting therefrom or receivables relating thereto

and the right to appeal any Medicare determinations relating to the Agency Settlements and the Seller Cost Reports.

(b) Upon reasonable notice and during normal business office hours, Purchaser will cooperate with the Sellers in regard to the preparation, filing, handling, and appeals of the Seller Cost Reports. Upon reasonable notice and during normal business office hours, Purchaser will cooperate with the Sellers in connection with any Seller Cost Report disputes and/or other claim adjudication matters relative to governmental program reimbursement. Such cooperation shall include the providing of statistics and obtaining files at the locations within the Health Care System and the coordination with the Sellers pursuant to adequate notice of Medicare and Medicaid exit conferences or meetings.

ARTICLE 10

NON-SURVIVAL OF REPRESENTATIONS, WARRANTIES AND CERTAIN COVENANTS

Section 10.1 Non-Survival of Representations, Warranties and Certain Covenants. The representations and warranties of the parties hereto contained in this Agreement and the covenants contained in Sections 4.4(b) and 4.12 shall terminate at the Closing, or upon termination of this Agreement pursuant to Section 7.1, and, following the Closing or the termination of this Agreement, as the case may be, no Party hereto shall make any claim whatsoever for any breach of any such representation, warranty or covenant. Except as otherwise provided herein, each covenant and agreement of the parties hereto contained in the Transaction Documents shall survive the execution and delivery of this Agreement and the Closing in accordance with its terms.

ARTICLE 11

MISCELLANEOUS PROVISIONS

Section 11.1 Entire Agreement. The Transaction Documents, the Disclosure Schedules, the exhibits and the documents referred to in this Agreement contain the entire understanding between the Parties with respect to the transactions contemplated hereby and supersede all prior agreements, understandings, representations and statements, oral or written, between the Parties on the subject matter hereof (the "Superseded Agreements"), which Superseded Agreements shall be of no further force or effect.

Section 11.2 Further Assurances and Cooperation. Each Party shall execute, acknowledge and deliver to the other Party any and all other assignments, consents, approvals, conveyances, assurances, documents and instruments reasonably requested by the other Party at any time and shall take any and all other actions reasonably requested by the other Party at any time for the purpose of more effectively assigning, transferring, granting, conveying and conferring to Purchaser the Purchased Assets. After consummation of the transactions contemplated in the Transaction Documents, the Parties agree to cooperate with each other and take such further actions as may be necessary or appropriate to effectuate, carry out and comply with all of the terms of the Transaction Documents, the documents referred to in this Agreement and the transactions contemplated hereby.

Section 11.3 Successors and Assigns. All of the terms and provisions of this Agreement shall be binding upon and shall inure to the benefit of and be enforceable by the respective successors and assigns of the Parties hereto; provided, however, that no Party hereto may assign any of its rights or delegate any of its duties under this Agreement without the prior written consent of the other Party and any attempted assignment without the required consents shall be void; provided, however, that in accordance with Section 1.8, Purchaser may assign any or all of its rights or delegate any or all of its duties under this Agreement without the consent of the Sellers to (a) any Affiliate of Purchaser and/or (b) any Person as security for any obligations arising in connection with the Refinancing. Subject to the preceding sentence of this Section 11.3, this Agreement and all the provisions hereof shall be binding upon and shall inure to the benefit of the Parties hereto and their respective successors and permitted assigns.

Section 11.4 Governing Law. (a) This Agreement shall be governed by and construed and enforced in accordance with the laws of the Commonwealth of Massachusetts. The Parties hereby waive their right to assert in any proceeding involving this Agreement that the law of any other jurisdiction shall apply to such dispute; and the Parties hereby covenant that they shall assert no such claim in any dispute arising under this Agreement.

(b) Each Party agrees that any suit, action or proceeding brought by such party against the other in connection with or arising from this Agreement (“Judicial Action”) shall be brought solely in the Superior Court of the Commonwealth of Massachusetts, Suffolk County or the United States District Court for the Commonwealth of Massachusetts, and each party consents to the jurisdiction and venue of each such court. Each of the Parties hereto agrees that a final judgment or order in any such suit, action or proceeding may be enforced (in addition to being enforced in the aforementioned courts) in any other jurisdiction by suit, action or proceeding on the judgment or order or in any other manner provided by law. Each Party hereto irrevocably consents to service of process in the manner provided for notices in Section 11.6. Nothing contained herein will affect the right of any party hereto to serve process in any other manner permitted by law.

(c) No Party or any assignee, successor, heir or personal representative of a Party shall seek a jury trial in any lawsuit, proceeding, counterclaim or any other litigation procedure based upon or arising out of this Agreement or any of the other agreements or the dealings or the relationship between the Parties. No Party will seek to consolidate any such action, in which a jury trial has been waived, with any other action in which a jury trial cannot or has not been waived. The provisions of this Section 11.4(c) have been fully discussed by the Parties hereto, and these provisions shall be subject to no exceptions. No Party hereto has in any way agreed with or represented to any other Party hereto that the provisions of this Section 11.4(c) will not be fully enforced in all instances.

Section 11.5 Amendments. This Agreement may not be amended other than by a written instrument signed by the Parties hereto.

Section 11.6 Notices. Any notice, demand or communication required, permitted, or desired to be given hereunder shall be deemed effectively given when (a) in writing and (b) personally delivered, received by facsimile or overnight courier, or five calendar days

after being deposited in the United States mail, with postage prepaid thereon, certified or registered mail, return receipt requested, addressed as follows:

If to Purchaser:

Steward Health Care System LLC
c/o Cerberus Capital Management, L.P.
299 Park Avenue
New York, New York 10171
Attention: W. Brett Ingersoll
Telecopier: (212) 891-1540

with copies to:

Steward Health Care System LLC
c/o Cerberus Capital Management, L.P.
299 Park Avenue
New York, New York 10171
Attention: Lisa Gray, Esq.
Christopher Holt, Esq.
Telecopier: (212) 891-1540

and

Schulte Roth & Zabel LLP
919 Third Avenue
New York, New York 10022
Attention: Marc Weingarten, Esq.
David Rosewater, Esq.
Telecopier: (212) 593-5955

If to the Sellers, prior to the Closing, to them at:

Caritas Christi
77 Warren Street
Boston, Massachusetts 02135
Attention: Ralph de la Torre, M.D.
Telecopier: (617) 779-6422;

with copies to:

Caritas Christi
77 Warren Street
Boston, Massachusetts 02135
Attention: Joseph C. Maher, Jr., Esq.
Telecopier: (617) 779-6422

with copies to:

McDermott Will & Emery LLP
28 State Street
Boston, Massachusetts 02109
Attention: Christopher Jedrey, Esq.
Telecopier: (617) 535-3800

and

McDermott Will & Emery LLP
2049 Century Park East, Suite 3800
Los Angeles, California 90067
Attention: Ira J. Rappeport, Esq.
Telecopier: (310) 277-4730

If to the Sellers, after the Closing, to them at:

c/o Board of Governors of the Caritas Christi
77 Warren Street
Boston, Massachusetts 02135
Attention: Chairman of the Board
Telecopier: (617) 779-6422

with copies to:

Nutter McClennen & Fish LLP
Seaport West
155 Seaport Boulevard
Boston, Massachusetts 02210
Attention: Paul Eklund, Esq.
Telecopier: (617) 310-9303

or at such other address for a Party as such Party may designate by notice hereunder to the other parties.

Section 11.7 Headings. The section and other headings contained in the Transaction Documents, the Disclosure Schedules and the exhibits to this Agreement are included for the purpose of convenient reference only and shall not restrict, amplify, modify or otherwise affect in any way the meaning or interpretation of the Transaction Documents, the Disclosure Schedules and exhibits hereto.

Section 11.8 Confidentiality and Publicity. The Parties hereto shall hold in confidence the information contained in this Agreement, and all information related to this Agreement, which is not otherwise known to the public, shall be held by each Party hereto as confidential and proprietary information and shall not be disclosed without the prior written consent of the other Parties: provided, however, each Party shall be permitted to provide a copy

of this Agreement to any applicable Governmental Authorities as reasonably required or necessary. Accordingly, Purchaser and the Sellers shall not discuss with, or provide nonpublic information to, any third party (except for such Party's attorneys, accountants, directors, governors, officers and employees, the directors, governors, officers and employees of any Affiliate of any Party hereto who agree to be bound by the confidentiality provisions of this Agreement, and other consultants and professional advisors) concerning this transaction prior to the Closing Date, except: (a) as required in governmental filings or judicial, administrative or arbitration proceedings; (b) pursuant to public announcements made with the prior written approval of the Sellers and Purchaser; or (c) as otherwise required by applicable Law.

Section 11.9 Third Party Beneficiary. Except as provided in Section 8.8(b), none of the provisions contained in this Agreement are intended by the Parties, nor shall they be deemed, to confer any benefit on any person not a Party to this Agreement.

Section 11.10 Expenses and Attorneys' Fees. (a) Except as otherwise provided in the Transaction Documents, each Party shall bear and pay its own costs and expenses relating to the preparation of the Transaction Documents and to the transactions contemplated by, or the performance of or compliance with any condition or covenant set forth in, the Transaction Documents, including the disbursements and fees of their respective attorneys, accountants, advisors, agents and other representatives, incidental to the preparation and carrying out of the Transaction Documents (the "Transaction Fees"), whether or not the transactions contemplated hereby are consummated. The Parties expressly agree that the following shall be borne by Purchaser and Purchaser shall indemnify Seller against and hold the Sellers harmless from: (a) all costs of the Title Commitment and the Title Policy and (b) all costs of the Survey. The Sellers and Purchaser shall each pay 50% of any sales or transfer Taxes and recording charges in connection with the conveyance of the Purchased Assets to Purchaser.

(b) Notwithstanding anything to the contrary in this Agreement, if this Agreement is terminated (i) by any Party pursuant to Section 7.1(b) and Purchaser is not then in breach of any of its representations, warranties, covenants or agreements contained in this Agreement to an extent which would give the Sellers the right not to close pursuant to Article 5; (ii) pursuant to Section 7.1(d) (other than as a result of (A) it being impossible to satisfy the conditions set forth in Article 6 solely as a result of a failure of the Sellers to deliver the opinion required by Section 1.10(h) or (B) the failure to satisfy the terms of Section 6.5(b) or Section 6.15); or (iii) pursuant to Section 7.1(c)(ii), then the Sellers shall, jointly and severally, reimburse Purchaser for its Purchaser-Related Expenses within five Business Days after the Sellers' receipt of supporting documentation for the Purchaser-Related Expenses.

Section 11.11 No Waiver. Any term, covenant or condition of this Agreement may be waived at any time by the Party which is entitled to the benefit thereof but only by a written notice signed by the Party expressly waiving such term, covenant or condition. The subsequent acceptance of performance hereunder by a Party shall not be deemed to be a waiver of any preceding breach by any other Party of any term, covenant or condition of this Agreement, other than the failure of such other Party to perform the particular duties so accepted, regardless of the accepting Party's knowledge of such preceding breach at the time of acceptance of such performance. The waiver of any term, covenant or condition shall not be construed as a waiver of any other term, covenant or condition of this Agreement.

Section 11.12 Specific Performance. The Sellers acknowledge and agree that irreparable injury to Purchaser may occur in the event that any provision of this Agreement was not performed by the Sellers in accordance with its specific terms or was otherwise breached by the Sellers and that such injury would not be adequately compensable in damages because of the difficulty of ascertaining the amount of damages that will be suffered by Purchaser in the event that this Agreement was breached by the Sellers. It is accordingly agreed that Purchaser shall each be entitled, in addition to any other remedy to which it is entitled at law or in equity, to specific enforcement of, and injunctive relief, without proof of actual damages, to prevent any violation of the terms hereof by the Sellers, and the Sellers will not take action directly or indirectly, in opposition to Purchaser seeking such relief on the grounds that any other remedy or relief is available at law or in equity. Any requirements for the securing or posting of any bond with such remedy are hereby waived. Notwithstanding anything to the contrary set forth in this Agreement (including the foregoing sentences of this Section 11.12), the Sellers acknowledge and agree that the Sellers may not seek specific performance for any reason to require Purchaser to consummate the transactions (or any portion thereof) contemplated hereby under any circumstance and the sole and exclusive remedy of the Sellers for failure of Purchaser to consummate such transactions shall be as set forth in Section 7.3.

Section 11.13 Severability. If any provision of this Agreement is prohibited by law or otherwise determined to be invalid or unenforceable by a court of competent jurisdiction, the provision that would otherwise be prohibited, invalid or unenforceable shall be deemed amended to apply to the broadest extent that it would be valid and enforceable, and the invalidity or unenforceability of such provision shall not affect the validity of the remaining provisions of this Agreement so long as this Agreement as so modified continues to express, without material change, the original intentions of the parties as to the subject matter hereof and the prohibited nature, invalidity or unenforceability of the provision(s) in question does not substantially impair the respective expectations or reciprocal obligations of the parties or the practical realization of the benefits that would otherwise be conferred upon the parties. The Parties will endeavor in good faith negotiations to replace the prohibited, invalid or unenforceable provision(s) with a valid provision(s), the effect of which comes as close as possible to that of the prohibited, invalid or unenforceable provision(s).

Section 11.14 Seller Representative

(a) Each Seller irrevocably appoints and authorizes Renewal Systems as the “Seller Representative” and as its agent and such Seller’s true and lawful attorney-in-fact and agent, with full powers of substitution and resubstitution, in such Seller’s name, place and stead, in any and all capacities, in connection with the transactions contemplated by this Agreement and/or the other Transaction Documents, granting unto said attorney-in-fact and agent, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection with the transfer of such Seller’s Purchased Assets and Assumed Liabilities as fully to all intents and purposes as such Seller might or could do in person. Each Seller hereby appoints the Seller Representative as its agent for the purpose of receiving service of process or other legal summons in connection with any proceeding brought by Purchaser in any court in connection with or relating to this Agreement and/or the other Transaction Documents. The power-of-attorney granted in this Section 11.14(a) is coupled with an interest and is irrevocable. The Seller Representative may perform its duties as such through

sub-agents and attorneys-in-fact and shall have no liability for any acts or omissions of any such sub-agent or attorney if selected by it with reasonable care. Purchaser shall be entitled to deal exclusively with the Seller Representative on behalf of any and all Sellers in connection with all matters relating to this Agreement and/or the other Transaction Documents, and shall be entitled to rely conclusively (without further evidence of any kind whatsoever) on any document executed or purported to be executed on behalf of any Seller by the Seller Representative, and on any other action taken or purported to be taken on behalf of any Seller by the Seller Representative, as fully binding upon such Seller. The Seller Representative shall notify the Sellers within a reasonable time of all material actions taken by it pursuant to this Section 11.14.

(b) Without limiting the generality of the foregoing Section 11.14(a), the Seller Representative, acting alone without the consent of any other Seller, is hereby authorized by each of the Sellers to (i) take any and all actions under this Agreement and/or the other Transaction Documents without any further consent or approval from any other Person, (ii) effect payments to Sellers hereunder or thereunder, (iii) receive or give notices hereunder or thereunder, (iv) receive or make payment hereunder or thereunder, (v) execute waivers or amendments hereof, and/or (vi) execute and deliver documents, releases and/or receipts hereunder or thereunder.

Section 11.15 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement, binding on all of the Parties hereto.

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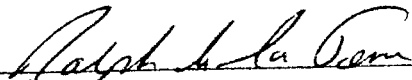
IN WITNESS WHEREOF, this Asset Purchase Agreement has been executed and delivered as of the day and year first above written.

STEWARD HEALTH CARE SYSTEM LLC

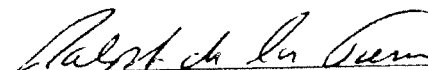
By: W. Brett Ingersoll
Name: W. Brett Ingersoll
Title: Authorized Signatory

Signature Page Continued

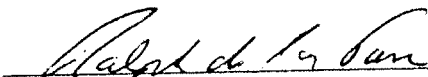
CARITAS CHRISTI

By: 
Name: Ralph de la Torre
Title: President

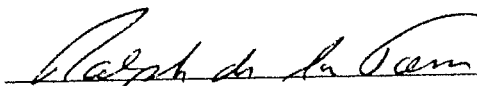
CARITAS HOLY FAMILY HOSPITAL, INC.

By: 
Name: Ralph de la Torre
Title: Secretary

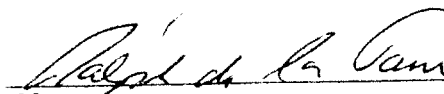
ST. ANNE'S HOSPITAL CORPORATION

By: 
Name: Ralph de la Torre
Title: Secretary

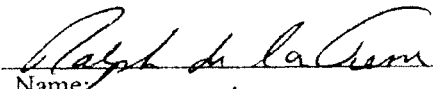
CARITAS NORWOOD HOSPITAL, INC.

By: 
Name: Ralph de la Torre
Title: Secretary

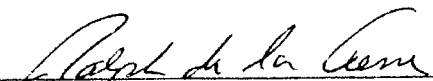
CARITAS ST. ELIZABETH'S MEDICAL
CENTER OF BOSTON, INC.

By: 
Name: Ralph de la Torre
Title: Secretary

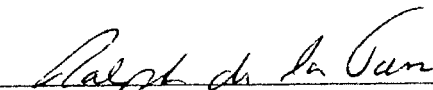
CARITAS CARNEY HOSPITAL, INC.

By: 
Name:
Title: *Secretary*

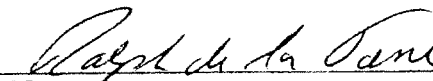
**CARITAS GOOD SAMARITAN MEDICAL
CENTER, INC.**

By: 
Name:
Title: *Secretary*

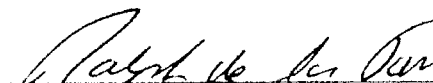
CARITAS HOME CARE, INC.

By: 
Name:
Title: *PRESIDENT*

**CARITAS CHRISTI NETWORK SERVICES,
INC.**

By: 
Name:
Title: *Authorized Signatory*

**CARITAS CHRISTI PHYSICIAN
NETWORK, INC.**

By: 
Name:
Title: *Secretary*

Annex A

Caritas St. Elizabeth's Medical Center of Boston, Inc.
Caritas Carney Hospital, Inc.
Caritas Norwood Hospital, Inc.
Caritas Good Samaritan Medical Center, Inc.
Caritas Holy Family Hospital, Inc.
St. Anne's Hospital Corporation
Caritas Christi Network Services, Inc.
Caritas Home Care, Inc.
Caritas Christi Physician Network, Inc.

and

Other affiliated entities of Caritas Christi to be added after the Execution Date, subject to
reasonable approval of Purchaser and Renewal Systems

AMENDMENT NO. 1 TO ASSET PURCHASE AGREEMENT

This Amendment No. 1 to Asset Purchase Agreement (the "Amendment") is made and entered into as of October 5, 2010 by and between CARITAS CHRISTI, a Massachusetts not-for-profit corporation ("Renewal Systems") and STEWARD HEALTH CARE SYSTEM LLC, a Delaware limited liability company ("Purchaser").

RECITALS

A. Renewal Systems and certain of Renewal Systems' affiliated entities (collectively, the "Sellers") and Purchaser have entered into that certain Asset Purchase Agreement dated as of March 19, 2010 (the "Agreement") pursuant to which Purchaser has agreed to acquire from the Sellers the Purchased Assets, and to assume from the Sellers the Assumed Liabilities.

B. The Sellers and Purchaser desire to amend the Agreement to address certain matters that have arisen since the Execution Date of the Agreement.

C. Section 11.14 of the Agreement authorizes Renewal Systems to amend the Agreement on behalf of the other Seller entities to the Agreement.

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

1. Defined Terms. Except to the extent it is specifically indicated to the contrary in this Amendment, defined terms used in this Amendment shall have the same meanings as in the Agreement.

2. Section 1.6. Subject to and contingent upon the full and complete satisfaction of the conditions precedent set forth in Section 8 hereof, and unless this Amendment is otherwise terminated in accordance with Section 9 hereof, Purchaser and Sellers agree that the Agreement shall be amended as follows:

(a) The phrase "within a total range between \$430 million and \$450 million" contained in Section 1.6(a) of the Agreement shall be deleted in its entirety and replaced with the phrase "within a total range between \$430 million and \$495 million".

(b) Schedule 1.6(a) of the Agreement shall be deleted in its entirety and replaced with the Schedule 1.6(a) attached to this Amendment.

3. Section 1.1(a). Purchaser and Sellers agree that the definition of “Fundamental Transaction” in Section 1.1(a) of the Agreement shall be amended as follows:

(a) The word “and” before subclause (e) of the definition shall be deleted and the following provisions shall be added after the end of such subclause (e): “(f) the sale, transfer, lease, or assignment of all or substantially all of the assets of any of the Acute Care Hospitals to any third party; (g) the sale of any interests representing more than 50% of the voting interest in any Steward affiliate operating any of the Acute Care Hospitals to any third party; and (h) any reorganization, merger, consolidation, business combination, share issuance, or other transaction involving any Steward affiliate operating any of the Acute Care Hospitals as a result of which Steward or its affiliates does not hold more than 50% of the voting securities of the resulting or surviving entity.”

4. Section 8.10. Purchaser and Sellers agree that Section 8.10 of the Agreement shall be amended to add the following sentence at the end of the section: “To the extent not already required by such policies, Purchaser shall comply with the Recommended Hospital Debt Collection Practices set forth in the Attorney General's Community Benefit Guidelines for Non Profit Hospitals.”

5. Section 8.12. Purchaser and Sellers agree as follows:

(a) Section 8.12 of the Agreement shall be deleted in its entirety and replaced with the following:

“From the Closing Date until the fifth anniversary of the Closing Date, Purchaser agrees not to close any of the Acute Care Hospitals, limit their general purpose, or close or decrease any Inpatient Behavioral Health Services at any of the Acute Care Hospitals, provided that, starting on the third anniversary of the Closing Date, the Purchaser may close, limit the general purpose of, or close or decrease any Inpatient Behavioral Health Services located at any of the Acute Care Hospitals if such Acute Care Hospital meets the criteria set forth on Schedule 8.12.”

(b) Schedule 8.12 shall be included in the Agreement, in the form attached to this Amendment.

6. Additional Provisions. Purchaser and Sellers agree that the Agreement shall be amended by adding the following new Sections 8.16, 8.17, and 8.18 after Section 8.15:

“Section 8.16 Regulatory Cooperation. Purchaser or any Affiliate of Purchaser, for and with respect to any Massachusetts hospital owned or operated by Purchaser or any Affiliate of Purchaser shall, notwithstanding its for-profit status, fully cooperate with any investigation, inquiry, study, report, or evaluation conducted by the Massachusetts Attorney General under her office's oversight authority of the non-profit charitable hospital industry to the same extent and subject to the same protections and privileges as if such Purchaser or Affiliate of Purchaser were a public charity.

Section 8.17 Obligations of Successors. In connection with any Fundamental Transaction described in sections (b) through (h) of the definition thereof, Purchaser or any Affiliate of Purchaser, as applicable, shall require, as a condition of such Fundamental Transaction, that any successor in interest to Purchaser or any Affiliate of Purchaser abide by the terms and conditions of Sections 8.9, 8.10, and 8.16 hereof, and consent to the right of the Massachusetts Attorney General to enforce such provisions.

Section 8.18 Other Acquired Hospitals. In addition to the obligations set forth in Section 8.9 and 8.10 hereof, any Massachusetts hospital acquired by Purchaser or any Affiliate of Purchaser from any for-profit entity shall, at a minimum, comply with the community benefit and indigent and low income care obligations that such hospital is committed to at the time of its acquisition by Purchaser or any Affiliate of Purchaser."

7. Section 11.4. Purchaser and Sellers agree that the first sentence of Section 11.4(b) of the Agreement shall be deleted in its entirety and replaced with the following:

"Each Party agrees that any suit, action or proceeding brought by such party against the other in connection with or arising from this Agreement ("Judicial Action") shall be brought solely in the courts of the Commonwealth of Massachusetts, and each party consents to the jurisdiction and venue of such courts."

8. Conditions Precedent. The effectiveness of Section 2 hereto and the respective obligations of each of Purchaser and the Sellers thereunder shall be subject to and contingent upon the full and complete satisfaction, as determined by Purchaser in its sole discretion, of each of the following conditions on or prior to the Closing Date unless specifically waived in writing by Purchaser in whole or in part at or prior to the Closing:

(a) The component of the Purchase Consideration described in Item 2 of Schedule 1.6(a) of the Agreement (described therein as "Total Liabilities – Pension") (the "Pension Liabilities") shall in no event be greater than \$276 million without the consent of the Purchaser in its sole discretion, and Purchase Consideration shall exceed \$450 million solely as a result of the Pension Liabilities exceeding \$231 million.

(b) The Closing shall have occurred on or before October 31, 2010.

9. Effectiveness of Amendment. Notwithstanding any provision to the contrary contained in this Amendment, in the event the Closing does not occur on or before October 31, 2010, the effectiveness of the amended provisions set forth in Section 2 of this Amendment shall automatically terminate and thereafter be of no further force or effect, in which case the terms of each of Section 1.6(a) of the Agreement and Schedule 1.6(a) of the Agreement which were in effect immediately prior to the execution of this Amendment shall then be in full force and effect.

10. Effect on Agreement; General Provisions. Except as set forth in this Amendment, the terms and provisions of the Agreement are hereby ratified and declared to be in full force and effect. This Amendment shall become effective upon its execution, which may occur in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Captions and paragraph headings are used herein for convenience only, are not a part of this Amendment or the Agreement as amended by this Amendment and shall not be used in construing either document. Other than the reference to the Agreement contained in the first recital of this Amendment, each reference to the Agreement and any agreement contemplated thereby or executed in connection therewith, whether or not accompanied by reference to this Amendment, shall be deemed a reference to the Agreement as amended by this Amendment.

[REMAINDER OF PAGE IS BLANK]

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

**STEWARD HEALTH CARE SYSTEM
LLC**

By: *Lisa Gray*
Name: *Lisa Gray*
Title: *Director*

CARITAS CHRISTI

By: _____
Name:
Title:

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

**STEWARD HEALTH CARE SYSTEM
LLC**

By: _____
Name: _____
Title: _____

CARITAS CHRISTI

By: *Ralph de la Torre*
Name: *Ralph de la Torre*
Title: *Pres / CEO*